

THE INSTITUTE OF LEADERSHIP

England & Wales · Charity number 248226

Details

Other names	THE INSTITUTE OF LEADERSHIP AND MANAGEMENT, ILM
Status	Registered
Legal form	Charitable company
Company number	00601049
Registered	1968-05-22
Register	View on the Charity Commission register

Contact

Address	JW Hinks 19 Highfield Road Edgbaston Birmingham B15 3BH
Phone	01827219752
Email	vincent.costello@leadership.global
Website	www.institutelm.com

Activities

Objects: (A) THE PROMOTION AND DEVELOPMENT OF THE SCIENCE OF LEADERSHIP AND MANAGEMENT (B) THE ADVANCEMENT OF EDUCATION INVOLVING THE STUDY OF THE SKILLS OF LEADERSHIP AND MANAGEMENT.

Activities: The Institute of Leadership & Management is a professional membership body that connects leaders, managers, coaches and mentors, with the shared purpose of inspiring great leadership everywhere.

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Other Defined Groups

Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£4,707,367	£6,067,365	£10,762,997	59
2024-08-31	£4,931,787	£5,975,036	£12,602,927	59
2023-08-31	£3,864,109	£3,959,674	£12,603,425	53
2022-08-31	£2,421,283	£2,252,806	£12,984,279	23
2021-08-31	£2,015,157	£2,592,873	£13,421,482	29

Trustees

Name	Role	Appointed
Emrys Robinson-Green	Chair	2020-07-09
Andrew Brian Kincaid		2021-03-25
Hannah Joan Mitchell		2026-03-26
Michael Adjei-Tabirade		2023-03-30
Oliver Thomas Rendell		2026-03-26
Sarah Fox		2023-03-30
Sarah Hawke		2024-03-28

THE INSTITUTE OF LEADERSHIP

England & Wales - Charity number 248226

Accounts

REGISTERED COMPANY NUMBER: 00601049 (England and Wales)
REGISTERED CHARITY NUMBER: 248226

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025
FOR
THE INSTITUTE OF LEADERSHIP**

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

**THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

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FOR THE YEAR ENDED 31 AUGUST 2025**

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THE INSTITUTE OF LEADERSHIP (REGISTERED NUMBER: 00601049)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives for which The Institute is established are "the promotion and development of the science of management, and the advancement of education involving the study of the skills of leadership and management".

The Institute is dedicated to advancing the capability of managers and leaders worldwide through the provision of tailored learning resources, and by developing and supporting a global leadership and management community through its membership services.

The core activities of the Institute are the provision of learning resources, the operation of its membership proposition and the curation of research focused on practicing leaders and managers.

The Institute offers a range of resources covering management, leadership, coaching and mentoring, business and enterprise, and specialist areas (for example, financial services, military, education and charity sector support), all of which are aimed at developing people skills, knowledge and understanding to improve performance at work or in society at large.

The Institute offers professional membership which recognises the talents of leaders and managers at different stages in their career. Membership provides professional recognition, access to a bespoke online learning environment (MyLeadership), additional learning materials, a globally accessible series of online events and webinars, access to a wide range of research and knowledge, Edge magazine, and access to The Hub, the Institute's online leadership community of practice.

The Institute is committed to advancing understanding of effective leadership and management, and its impact on individuals, organisations and wider society. Our knowledge curation is designed to identify current and emerging trends across the broad disciplines of leadership and management and highlight leading-edge thinking and practice in workplaces across the world.

Public benefit

As a registered charity, the Institute of Leadership takes its public benefit obligations seriously. Membership is open to all, and many of the Institute's learning resources are free to access, including webinars, research reports, podcasts, online courses and news updates. The Institute is committed to providing freely accessible resources as part of its objective to advance the learning and practice of leadership and management. In addition, the Institute supports other charities through partnering and procurement activities, selecting partners who themselves demonstrate a clear and compelling purpose for public benefit.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025**

STRATEGIC REPORT

Achievement and performance

FY25 was a disappointment yet not a surprise. Under-performance was telegraphed from soon after the beginning of the year, as the markets both for leadership development and for membership associations began to feel the pressure of wider socio-economic strains. It was plain that 'something needed to be done' that was neither superficial nor temporary. As a result, the Institute has embarked on a programme of structural and strategic change, expected to reverse the FY25 deficit within the next two years.

Systems always deliver what they are designed to deliver. When a system isn't delivering, it is the system which is at fault. I have mentioned before that the Institute was designed to deliver customer service to its community – in other words, member value designed for the existing membership. The shift to come in future years will be based more around growing the Institute's community at least much as serving the existing membership. Without dedicated attention to growth, entropy – the gradual and inevitable decline of a system – ensues.

As L.P. Hartley said, 'The past is a foreign country; they do things differently there'. In the 'foreign country' of the Institute's past, inefficient systems held us down. As a result, the momentum that might have been imparted by new initiatives was anchored to the ground by inertia. Inevitably, the pace of growth became negative. In FY25, the result was 4% lower total income than FY24, despite an 11% increase in costs. The Institute is now entering a phase of profound system change to begin consistent progress. This will include the advent of a new website and CRM (Customer Relationship Management) system, and a brand new LMS (Learning & Management System). The latter will form a platform for MyLeadership+, the next iteration of our award-winning in-house leadership development programme. It will also give the Institute the opportunity to offer leadership development programmes to corporate clients and to a public audience.

There were some highlights during the year. Social media tells a clear story of growing positive engagement – a strong leading indicator of future growth. At the same time, the Institute is looking at the spread of Members and Fellows, to ensure we target our engagement where it adds most value. From an Institute Approved and Corporate Client perspective, working with chambers of commerce and trade associations will offer a leveraged route for the Institute into business communities.

Outside the UK, relationships with ILA (International Leadership Association) in the USA, and with public sector bodies in South East Asia, continue to offer opportunity. Partnerships with the Commonwealth Secretariat, Association of Commonwealth Universities, and the Commonwealth Enterprise & Investment Council highlight the burgeoning relationship with the 56 nations that make up the bloc. The Institute has been asked by the Secretariat to collaborate on a Commonwealth Young Leaders Programme. We have also been asked by CWEIC to develop a series of Leadership Round Tables for their corporate Strategic Partners.

In Europe, the Institute is now an Affiliate member of EAPM (European Association for People Management) and CEC-European Managers, the federation of managers' associations across the EU. In both cases the Institute has been invited to contribute to working groups on major leadership development initiatives.

The Institute's regular high-profile events continued to present a positive and popular face to the leadership community. Record numbers of organisations participated in International Leadership Week (ILW25), the launch of which was – for the first time – streamed live from the offices of our partners in Portugal. Our flagship conference, Leadership Live '25, branded the Institute as a major contributor to the annual panoply of leadership-related events in the UK, and also saw record attendees. The Annual Membership Reception moved in FY25 from the House of Commons to Warwick Castle – a similarly prestige venue. The flagship of our anchor events during the year – the Annual Leadership Awards – was well received in late 2024. The 2025 edition, although falling outside the FY25 year, cemented the event as a go-to event in the Awards calendar. Social media coverage afterwards was strong and long-lasting, attracting interest from all over the world

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025**

Achievement and performance (continued)

to the Institute's offering.

Few events or periods deserve the designation 'watershed'. Most are not recognised as such, sometimes for years. Yet FY25 heralded a watershed moment for the Institute. The last five years has followed the classic 'growth and decline' pattern of a single product. In response, the Institute is moving away from dependence on a single product, and into the realms of broad-based Member and leadership community satisfaction. The change we have wrought in the Institute on the back of FY25's performance positions offers clarity of objectives, insightful analytics, growth-focused projects, and pace in implementation.

Financial review

Financial position

A summary of The Institute's finances is set out in the attached financial statements for the year ended 31 August 2025. The principal source of income for The Institute is from membership income. After making appropriate enquiries, the trustees have a reasonable expectation that The Institute has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Charitable income amounted to £4,351,541 (2024: £4,566,290), an increase on the previous year and investment income amounted to £355,826 (2024: £365,497). Expenditure for the year totalled £6,067,365 (2024: £5,975,036).

The movement in net resources for the year resulted in a deficit of £1,839,930 (2024: deficit of £499) after allowing for net losses on investments of £479,932 (2024: net gains on investments of £1,042,750).

Total unrestricted funds amounted to £10,762,997 (2024: £12,602,927) as at 31 August 2025 with net current liabilities of £699,852 (2024: net current liabilities of £107,391). The majority of intangible fixed assets of £937,835 (2024: £487,259) represent managership.

Principal funding sources

The principal funding sources for The Institute are currently by way membership income from its members, partnership and Institute approved income and investment income from its listed investment portfolio.

Reserves policy

The Institute's target is to hold sufficient free reserves to fund its activities in the event of a major fall in income or an unforeseen increase in expenditure, and that these reserves should equate to 12 months planned operating expenditure for the coming year, based on a range of months over the year.

When reviewing the reserves position, consideration is also given to whether funds should be designated to cover expenditure on specific capital and other projects. There are currently no designated funds.

The value of free reserves is calculated by taking total funds exclusive of tangible and intangible assets. On that basis the value of free reserves at 31 August 2025 was £9,820,385 (2024: £12,104,465) and equated to 19 months expenditure (2024: 24 months). The levels of reserves are a feature of the full separation of The Institute from the City & Guilds Group and not a result of long-term accumulation by design or neglect.

THE INSTITUTE OF LEADERSHIP (REGISTERED NUMBER: 00601049)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Charity constitution

The Institute was formed under a Memorandum of Association dated 3 March 1958 (and subsequently amended) and Articles of Association adopted on 28 June 2018. The Memorandum of Association and the Articles are together described in this report as "the constitution".

Under the constitution, the Board is required to issue Byelaws in relation to some matters, has the specific power to issue others, and may in addition issue any which it deems necessary, expedient or convenient for the proper conduct and management of The Institute. As at the year end, the Byelaws in force related to Membership, Studying Membership, Election of Directors, Faculties, Advisory Groups and Regular Members.

Recruitment and appointment of new trustees

As The Institute is both a charity and a company, members of the Board are both charity trustees and company Directors. The Board consists of Directors, who are elected by the Voting Members, (namely the members of The Institute). The number of Directors may be altered by a General Meeting of members.

Organisational structure and decision making

The Board is required by the constitution to ensure that The Institute's business is conducted in accordance with its charitable objectives. The Board is legally responsible for the governance and management of The Institute. It plays a strategic role and, in this context, considers and approves The Institute's annual business plan, and is actively involved in any proposal for change to the constitution or Byelaws. In their deliberations in relation to The Institute's aims, strategy, objectives and activities, the Board has due regard not only to The Institute's charitable purpose but also to the guidance on public benefit published by the Charity Commission.

The Board sets and reviews The Institute's reserves and investment policies and regularly monitors the performance of the investments. It approves and monitors compliance with other policies, in particular the health and safety policy.

Executive management is delegated to the Chief Executive, who presents regular reports to the Board to enable it to monitor the financial performance of The Institute and its progress towards meeting its strategic objectives. The Chief Executive is supported by a senior management team whose roles cover all aspects of The Institute's current operations, its research and policy activities, membership, finance and business administration, marketing communications and business development.

Induction and training of new trustees

Board-related policies are reviewed according to a schedule approved by the Board, and cover induction, development, evaluation, conflicts management, and matters reserved to the Board. The induction programme for new directors briefs them on The Institute's business and financial affairs and the duties of company directors and charity trustees through a combination of a dedicated induction session, induction pack and meetings with key personnel. The director's training needs are addressed through a self-assessment skills matrix, external seminars, briefing papers, courses and as part of the normal cycle of Board meetings, and a Board evaluation process is carried out annually. Board members do not receive any personal benefits unless there is legal authority for this. Any related party transactions are reported in the Annual Report and Financial Statements.

THE INSTITUTE OF LEADERSHIP (REGISTERED NUMBER: 00601049)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management remuneration

The Institute's Board determine the remuneration and contractual conditions for the Chief Executive and oversee the variable remuneration of other key members of the Institute's management team, taking into account market conditions and development needs for The Institute.

The Institute provides a remuneration package including a basic salary, performance-related bonus, company car, life assurance cover, private medical insurance and participation in The Institute's stakeholder pension scheme.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Directors keep under regular review, the risks to which The Institute is exposed and seek to limit their impact by adopting appropriate measures and monitoring their implementation.

The Institute's Risk Register records risks, their inherent and residual ratings and mitigation measures. The Registers are actively monitored by the Board, Risk and Finance Committee and Senior Leadership Team along with the Chief Executive. An updated Risk Register, which tracks the movement of risk, is available to The Institute's Board at every Board meeting.

The strategic risks facing The Institute are under constant review, with key risk areas having been identified as follows:

- Financial: raising the income of The Institute to ensure the long-term solvency of The Institute and the targeted achievement of charitable objects.
- Reserves: safeguarding the real-terms value of financial reserves through diligent asset management.
- Environmental: responding to socio-economic changes in respect of traditional membership participation to ensure ongoing engagement with our mission.
- Reputational: safeguarding the reputation of The Institute from unprofessional, unethical or criminal behaviours of staff or members.
- Wellbeing: ensuring the safety, health and mental health of staff and volunteers engaged in the work of The Institute.

Investment in new products, services, systems and processes continues to be made to support the ongoing delivery of The Institute's mission and enable the revenue growth needed to reach a more sustainable trading position. In addition to these principal risks, The Institute is subject to the same general financial and operational risks as other enterprises.

The only material financial instruments held by The Institute are investments and debtors. The market risk pertaining to the investment portfolio is managed by CCLA but the investment policy and budgeting process are such that The Institute's exposure to cash flow risk is minimised.

The credit risk relating to debtors is low given that the balance represents a few relatively low volume items and a debt from the City & Guilds Group.

The Institute has no long-term borrowings and therefore liquidity risk is minimal.

In relation to managing price risk, prices of materials purchased are subject to contracts with suppliers, based on current market prices. Risks pertaining to suppliers are considered low and managed by following a robust procurement and contracting process and monitoring of performance during the life of the contract. Salary costs are communicated to staff during the formal annual review of salaries. The Institute operates a third-party auto-enrolment pension scheme and does not share in any pension liability.

The Chief Executive has responsibility for ensuring that mitigation measures are taken and reporting the position to the Board. The Directors are satisfied that appropriate action is being, or will be, taken to manage the strategic and operational risks which face The Institute.

THE INSTITUTE OF LEADERSHIP (REGISTERED NUMBER: 00601049)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00601049 (England and Wales)

Registered Charity number

248226

Registered office

19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Trustees

A B Kincaid
E L Robinson-Green
N J Rylett-Jones (resigned 31 March 2025)
M Adjei-Tabirade
S F Fox
L Paxman
S T Hawke

Company Secretary

L A Taylor

Auditors

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Solicitors

Pennington Manches LLP
9400 Garsington Road
Oxford Business Park
Oxford
OX4 2HN

THE INSTITUTE OF LEADERSHIP (REGISTERED NUMBER: 00601049)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025**

REFERENCE AND ADMINISTRATIVE DETAILS

Investment advisors

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Institute of Leadership for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company'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.

AUDITORS

The auditors, J W Hinks LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 12 December 2025 and signed on the board's behalf by:

M Adjei-Tabirade - Trustee



10.01.26

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF LEADERSHIP**

Opinion

We have audited the financial statements of The Institute of Leadership (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Parent Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE INSTITUTE OF LEADERSHIP

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Group or charitable company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE INSTITUTE OF LEADERSHIP

Our 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 a Report of the Independent Auditors 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.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and discussed the policies and procedures regarding compliance.

Specific areas considered were as follows:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected variances in account balances or classes of transactions appear.
- Testing documentation supporting account balances or classes of transactions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected all irregularities including those leading to material misstatements in the financial statements or non-compliance with regulation, even though we have properly planned and performed our audit in accordance with auditing standards.

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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF LEADERSHIP**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Cruse FCA, FCCA, BSc (Econ) Hons (Senior Statutory Auditor)
for and on behalf of J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Date: 12 December 2025

THE INSTITUTE OF LEADERSHIP

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2025

		2025 Unrestricted funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2		-
Charitable activities	4		
Membership and examination		3,581,752	3,706,475
Other		769,789	859,815
Investment income	3	<u>355,826</u>	<u>365,497</u>
Total		4,707,367	4,931,787
EXPENDITURE ON			
Charitable activities	5		
Membership and examination		5,328,136	5,470,090
Other		739,229	504,946
Total		6,067,365	5,975,036
Net (losses) /gains on investments		<u>(479,932)</u>	<u>1,042,750</u>
NET EXPENDITURE		(1,839,930)	(499)
RECONCILIATION OF FUNDS			
Total funds brought forward		12,602,927	12,603,425
TOTAL FUNDS CARRIED FORWARD		<u>10,762,997</u>	<u>12,602,927</u>

The income of the parent charity was £2,480,273 (2024: £2,589,249) and the operating deficit for the year was £2,978,846 (2024: operating surplus of £1,031,511).

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes form part of these financial statements

THE INSTITUTE OF LEADERSHIP (REGISTERED NUMBER: 00601049)

CONSOLIDATED BALANCE SHEET
31 AUGUST 2025

	Notes	2025 Unrestricted funds £	2024 Total funds £
FIXED ASSETS			
Intangible assets	11	937,835	487,259
Tangible assets	12	4,777	11,203
Investments	13	<u>10,520,237</u>	<u>12,220,169</u>
		11,462,849	12,718,631
CURRENT ASSETS			
Debtors: amounts falling due within one year	14	566,351	1,217,609
Cash at bank		<u>570,802</u>	<u>916,379</u>
		1,137,153	2,133,988
CREDITORS			
Amounts falling due within one year	15	<u>(1,837,005)</u>	<u>(2,241,379)</u>
NET CURRENT (LIABILITIES)		<u>(699,852)</u>	<u>(107,391)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		10,762,997	12,611,240
CREDITORS			
Amounts falling due in more than one year	16	-	(8,313)
NET ASSETS		<u>10,762,997</u>	<u>12,602,927</u>
FUNDS	18		
Unrestricted funds:			
General fund		8,629,363	10,379,918
Designated fund		<u>2,133,634</u>	<u>2,223,009</u>
TOTAL FUNDS		<u>10,762,997</u>	<u>12,602,927</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 12 December 2025 and were signed on its behalf by:



.....
E L Robinson-Green - Trustee



.....
M Adjei Tabirade - Trustee

The notes form part of these financial statements

THE INSTITUTE OF LEADERSHIP (REGISTERED NUMBER: 00601049)

PARENT CHARITY BALANCE SHEET
31 AUGUST 2025

	Notes	2025 Unrestricted funds £	2024 Total funds £
FIXED ASSETS			
Intangible assets	11	563,454	84,153
Tangible assets	12	2,038	6,092
Investments	13	<u>10,520,337</u>	<u>12,220,269</u>
		11,085,829	12,310,514
CURRENT ASSETS			
Debtors: amounts falling due within one year	14	192,538	2,206,686
Cash at bank		<u>415,142</u>	<u>150,041</u>
		607,680	2,356,727
CREDITORS			
Amounts falling due within one year	15	<u>(1,005,290)</u>	<u>(1,000,176)</u>
		(397,610)	1,356,551
NET CURRENT (LIABILITIES)/ASSETS			
		<u>10,688,219</u>	<u>13,667,065</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>10,688,219</u>	<u>13,667,065</u>
NET ASSETS			
FUNDS			
Unrestricted funds:	18		
General fund		8,554,585	11,444,056
Designated fund		<u>2,133,634</u>	<u>2,223,009</u>
TOTAL FUNDS		<u>10,688,219</u>	<u>13,667,065</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 12 December 2025 and were signed on its behalf by:

As permitted by s408 of the Companies Act 2006, the parent company has not presented its own profit and loss account and related notes. The company's deficit for the year was £2,978,846 (2024: surplus of £1,031,511).



.....
E L Robinson-Green - Trustee



.....
M Adjei-Tabirade - Trustee

The notes form part of these financial statements

THE INSTITUTE OF LEADERSHIP

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025**

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(882,494)</u>	<u>78,427</u>
Net cash provided by operating activities		<u>(882,494)</u>	<u>78,427</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(672,839)	(372,735)
Purchase of tangible fixed assets		-	(5,750)
Sale of fixed asset investments		1,220,000	-
Capital repayments		<u>(10,244)</u>	<u>(9,995)</u>
Net cash provided by/(used in) investing activities		<u>536,917</u>	<u>(388,480)</u>
Change in cash and cash equivalents in the reporting period			
		(345,577)	(310,052)
Cash and cash equivalents at the beginning of the reporting period		<u>916,379</u>	<u>1,226,431</u>
Cash and cash equivalents at the end of the reporting period		<u>570,802</u>	<u>916,379</u>

The notes form part of these financial statements

THE INSTITUTE OF LEADERSHIP

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net expenditure for the reporting period (as per the Consolidated Statement of Financial Activities)	(1,839,930)	(499)
Adjustments for:		
Depreciation charges	228,689	183,288
(Gains)/losses on investments	479,932	(1,042,750)
Decrease/(increase) in debtors	651,258	565,367
(Decrease)/increase in creditors	<u>(402,443)</u>	<u>373,021</u>
Net cash provided by operations	<u>(882,494)</u>	<u>78,427</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.24 £	Cash flow £	At 31.8.25 £
Net cash			
Cash at bank	<u>916,379</u>	<u>(345,577)</u>	<u>570,802</u>
	<u>916,379</u>	<u>(345,577)</u>	<u>570,802</u>
Total	<u>916,379</u>	<u>(345,577)</u>	<u>570,802</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidated the financial statements of the Group and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line-by-line basis.

The presentational currency of these financial statements is Great British Pounds (GBP). All amounts have been rounded to the nearest £1.

The company is a company limited by guarantee. The members of the company are the Trustees named within the Trustees Report. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the financial statements, the directors are required to make estimates and assumptions which affect income, expenditure, assets, liabilities and disclose contingent assets and liabilities. Use of available information and application of judgements are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Income from subscriptions is included in the period to which the subscription relates. Subscriptions paid in advance at the balance sheet date are deferred and shown in creditors. Examination and centre registration fees are recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT has been charged to the Statement of Financial Activities.

ALLOCATION AND APPORTIONMENT OF COSTS

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

However, the cost of support of the overall operation are allocated to each activity based on the proportion of income generated.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025**

1. ACCOUNTING POLICIES - continued

INTANGIBLE FIXED ASSETS

Intangible fixed assets are stated at cost less accumulated amortisation and impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. All assets are considered to have a finite useful life and are amortised on the following bases:

Website	- 33% on cost
Trademarks	- 20% on cost
Computer software	- 20% and 33% on cost

TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historic cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is provided on the following bases:

Fixtures and fittings	- 20% and 25% on cost
Computer equipment	- 33% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charity operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

INVESTMENTS

Quoted investments have been included in the Balance Sheet at bid price. The relevant unrealised gain/loss on investment values, calculated as movement in the market value of an asset during the year is reported through the Statement of Financial Activities.

Investment income includes interest receivable on deposit and income from listed investments. Investments in subsidiary undertakings have been included in the Balance Sheet at historic cost less any potential impairment.

CURRENT ASSET INVESTMENTS

Current asset investments comprise fixed term deposit accounts and are stated at fair value.

FINANCIAL INSTRUMENTS

All financial instruments are recognised at historical cost other than investments which are recognised at bid or fair value.

THE INSTITUTE OF LEADERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025**

1. ACCOUNTING POLICIES - continued

FOREIGN EXCHANGE

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in the Statement of Financial Activities.

OPERATING LEASE COMMITMENTS

Rentals payable under operating leases, including any lease incentives received, are charged to the Statement of Financial Activities on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease assets are consumed.

GOING CONCERN

There are no significant doubts about The Institute's ability to continue as a going concern as there are currently significant cash and investment fund balances, positive net current assets and stable income streams. There are no material uncertainties to be disclosed.

2. DONATIONS AND LEGACIES

	2025	2024
	£	£
Donations	<u>-</u>	<u>-</u>

3. INVESTMENT INCOME

	2025	2024
	£	£
Interest on deposits	4,466	10,021
Dividends received	351,360	355,476
	<u>355,826</u>	<u>365,497</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Membership & Examination £	Other £	2025 Total activities £	2024 Total activities £
Individual membership	1,161,866	-	1,161,866	1,224,678
Commercial membership	801,831	-	801,831	823,830
Other commercial income	-	698,414	698,414	790,191
Examination and associated fees	1,618,055	-	1,618,055	1,657,967
Other income	-	71,375	71,375	69,624
	<u>3,581,752</u>	<u>769,789</u>	<u>4,351,541</u>	<u>4,566,290</u>

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Membership and examination	3,683,499	50,000	1,594,637	5,328,136
Other	-	-	739,229	739,229
	<u>3,683,499</u>	<u>50,000</u>	<u>2,333,866</u>	<u>6,067,365</u>

6. GRANTS PAYABLE

	2025 £	2024 £
Membership	<u>50,000</u>	<u>31,102</u>

The total grants paid to institutions during the year was as follows:

	2025 £	2024 £
Grant fund awards	<u>50,000</u>	<u>31,102</u>

During the year the charity provided grants to various organisations providing management and leadership support.

7. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Membership and examination	1,594,637	-	1,594,637
Other	<u>656,074</u>	<u>83,155</u>	<u>739,229</u>
	<u>2,250,711</u>	<u>83,155</u>	<u>2,333,866</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2025 £	2024 £
Auditors' remuneration	36,857	22,725
Computer equipment depreciation	6,426	5,579
Trademark amortisation	1,457	1,740
Website amortisation	8,209	10,262
Computer software amortisation	<u>212,597</u>	<u>167,965</u>

THE INSTITUTE OF LEADERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025**

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2025 nor for the year ended 31 August 2024.

TRUSTEES' EXPENSES

During the year ended 31 August 2024 expenses of £5,300 (2024: £9,617) were reimbursed to trustees.

10. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	2,515,917	2,430,395
Social security costs	271,552	258,854
Other pension costs	129,836	120,781
	<u>2,917,305</u>	<u>2,810,030</u>

Included above are also redundancy costs of £32,024 (2024: £37,050).

The average monthly number of employees during the year was as follows:

	2025	2024
Membership and examination	<u>59</u>	<u>59</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025	2024
£60,001 - £70,000	-	1
£70,001 - £80,000	-	-
£80,001 - £90,000	1	-
£90,001 - £100,000	-	2
£100,000 - £110,000	1	-
£110,001 - £120,000	-	1
£120,001 - £130,000	-	-
£130,001 - £140,000	-	-
£140,001 - £150,000	2	-
£150,001 - £160,000	<u>-</u>	<u>1</u>
	<u>4</u>	<u>5</u>

During the year ended 31 August 2025 an amount of £520,796 (2024: £581,138) was paid to key management personnel which included redundancy costs of £nil (2024: £37,050).

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

11. INTANGIBLE FIXED ASSETS – GROUP

	Website £	Trademark £	Computer software £	Totals £
COST				
At 1 September 2024	132,987	9,185	2,964,666	3,106,838
Additions	-	-	672,839	672,839
Disposals	-	-	-	-
At 31 August 2025	132,987	9,185	3,637,505	3,779,677
AMORTISATION				
At 1 September 2024	124,530	5,217	2,489,832	2,619,579
Charge for year	8,209	1,457	212,597	222,263
Disposals	-	-	-	-
At 31 August 2025	132,739	6,674	2,702,429	2,841,842
NET BOOK VALUE				
At 31 August 2025	248	2,511	935,076	937,835
At 31 August 2024	8,457	3,968	474,834	487,259

INTANGIBLE FIXED ASSETS – COMPANY

	Website £	Trademark £	Computer software £	Totals £
COST				
At 1 September 2024	-	9,185	1,268,537	1,277,722
Additions	-	-	498,148	498,148
At 31 August 2025	-	9,185	1,766,685	1,755,870
AMORTISATION				
At 1 September 2024	-	5,217	1,188,352	1,193,569
Charge for year	-	1,457	17,390	18,847
At 31 August 2025	-	6,674	1,205,742	1,212,416
NET BOOK VALUE				
At 31 August 2025	-	2,511	560,943	563,454
At 31 August 2024	-	3,968	80,185	84,153

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

12. TANGIBLE FIXED ASSETS – GROUP

	Fixtures & fittings £	Computer equipment £	Totals £
COST			
At 1 September 2024	8,726	129,044	137,770
Additions	-	-	-
Disposals	-	-	-
At 31 August 2025	<u>8,726</u>	<u>129,044</u>	<u>137,770</u>
DEPRECIATION			
At 1 September 2024	8,726	117,841	126,567
Charge for year	-	6,426	6,426
Disposals	-	-	-
At 31 August 2025	<u>8,726</u>	<u>124,267</u>	<u>132,993</u>
NET BOOK VALUE			
At 31 August 2025	<u>-</u>	<u>4,777</u>	<u>4,777</u>
At 31 August 2024	<u>-</u>	<u>11,203</u>	<u>11,203</u>

TANGIBLE FIXED ASSETS – COMPANY

	Fixtures & fittings £	Computer equipment £	Totals £
COST			
At 1 September 2024	6,791	18,734	25,525
Additions	-	-	-
Disposals	-	-	-
At 31 August 2025	<u>6,791</u>	<u>18,734</u>	<u>25,525</u>
DEPRECIATION			
At 1 September 2024	6,791	12,642	19,433
Charge for year	-	4,054	4,054
Disposals	-	-	-
At 31 August 2025	<u>6,791</u>	<u>16,696</u>	<u>23,487</u>
NET BOOK VALUE			
At 31 August 2025	<u>-</u>	<u>2,038</u>	<u>2,038</u>
At 31 August 2024	<u>-</u>	<u>6,092</u>	<u>6,092</u>

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

13. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Listed investments £	Totals £
MARKET VALUE			
At 1 September 2024	100	12,220,169	12,220,269
Disposals	-	(1,220,000)	(1,220,000)
Revaluations	-	(479,932)	(479,932)
	<u>100</u>	<u>10,520,237</u>	<u>10,520,337</u>
At 31 August 2025			
	<u>100</u>	<u>10,520,237</u>	<u>10,520,337</u>
NET BOOK VALUE			
At 31 August 2025	<u>100</u>	<u>10,520,237</u>	<u>10,520,337</u>
At 31 August 2024	<u>100</u>	<u>12,220,169</u>	<u>12,220,269</u>

Listed investments at 31 August 2025 were made up as follows:

Category	2025 (%)	2024 (%)
UK and Overseas Equities	71.17	70.86
Private Equity and Other	3.99	3.69
Infrastructure and Operating Assets	5.46	9.30
Property	4.79	4.41
Contractual and Other Income	1.51	0.90
Fixed Interest	9.74	8.34
Cash and Near Cash	3.34	2.50
Total	<u>100.00</u>	<u>100.00</u>

Cost or valuation at 31 August 2025 is represented by:

	Shares in group undertakings £	Listed investments £	Totals £
Valuation in 2025	-	10,520,237	10,520,237
Cost	100	-	100
	<u>100</u>	<u>10,520,237</u>	<u>10,520,337</u>

The company's investments at the balance sheet date in the share capital of companies include the following:

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

13. FIXED ASSET INVESTMENTS - continued

Leaderskills Limited

Registered office: 19 Highfield Road, Edgbaston, Birmingham, England, B15 3BH

Class of share: holding %
Ordinary shares 100

	2025	2024
	£	£
Aggregate capital and reserves	100	100
Profit/(loss) for the year	<u>-</u>	<u>-</u>

ABE Global Limited

Registered office: 6 Sutton Plaza, Sutton Court Road, Sutton, SM1 4FS

Class of share: holding %
Voting rights (company limited by guarantee) 100

	2025	2024
	£	£
Aggregate capital and reserves	(1,938,023)	(1,000,649)
(Loss) for the year	<u>(873,885)</u>	<u>(862,192)</u>

The Association of Business Executives Limited

Registered office: 6 Sutton Plaza, Sutton Court Road, Sutton, SM1 4FS

Class of share: holding %
Voting rights (company limited by guarantee) 100

	2025	2024
	£	£
Aggregate capital and reserves	-	-
Profit/(Loss) for the year	<u>-</u>	<u>-</u>

14. DEBTORS

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Amounts falling due within 1 year:				
Trade debtors	215,882	351,029	81,996	93,970
Amounts owed by group undertakings	-	-	-	1,464,481
Other debtors	142,114	621,461	-	500,000
Prepayments	208,355	245,119	110,542	148,235
	<u>566,351</u>	<u>1,217,609</u>	<u>192,538</u>	<u>2,206,686</u>
Amounts falling due after more than 1 year:				
Other debtors	-	-	-	-
Aggregate amounts	<u>566,351</u>	<u>1,217,609</u>	<u>192,538</u>	<u>2,206,686</u>

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2025 £	2024 £	2025 £	2024 £
Bank loans	8,717	10,648	-	-
Trade creditors	435,584	773,379	29,976	98,484
Amounts owed to group undertakings	-	-	130,776	-
Other creditors	130,853	197,140	92,132	117,909
Deferred income	865,621	943,589	488,096	530,876
Accrued expenses	396,230	316,623	264,310	252,907
	<u>1,837,005</u>	<u>2,241,379</u>	<u>1,005,290</u>	<u>1,000,176</u>

Membership subscriptions are payable in respect of a rolling 12-month period and are credited to income over the period to which they relate. The remaining balance on this income that falls into the following year is shown as deferred income. No obligation exists to repay this or any part of it to members.

Deferred income is shown as follows:

	Group		Company	
	2025 £	2024 £	2025 £	2024 £
Balance at 1 September	943,589	1,031,751	530,876	571,431
Amount released to incoming resources	(943,589)	(1,031,751)	(530,876)	(571,431)
Amount deferred in the year	<u>865,621</u>	<u>943,589</u>	<u>488,096</u>	<u>530,876</u>
Balance at 31 August	<u>865,621</u>	<u>943,589</u>	<u>488,096</u>	<u>530,876</u>

16. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	Group		Company	
	2025 £	2024 £	2025 £	2024 £
Bank loans 1-2 years	-	8,313	-	-
Bank loans 2-5 years	-	-	-	-
	<u>-</u>	<u>8,313</u>	<u>-</u>	<u>-</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2025 £	2024 £
Within one year	60,132	44,412
Between one and five years	-	17,816
	<u>60,132</u>	<u>62,228</u>

Operating lease payments recognised as an expense during the year amounted to £91,959 (2024: £106,200).

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

18. MOVEMENT IN FUNDS - GROUP

	At 1.9.24 £	Net funds movement £	Fund Transfers £	At 31.8.25 £
Unrestricted funds				
General fund	10,379,918	(1,763,115)	12,560	8,629,363
Leadership grant fund	2,223,009	(76,815)	(12,560)	2,133,634
TOTAL FUNDS	12,602,927	(1,839,930)	-	10,762,997

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	4,644,447	(6,017,365)	(390,197)	(1,763,115)
Leadership grant fund	62,920	(50,000)	(89,735)	(76,815)
TOTAL FUNDS	4,707,367	(6,067,365)	(479,932)	(1,839,930)

Comparatives for movement in funds

	At 1.9.23 £	Net movement in funds £	At 31.8.24 £
Unrestricted funds			
General fund	10,570,106	(221,649)	10,379,918
Leadership grant fund	2,033,319	221,150	2,223,009
TOTAL FUNDS	12,603,425	(499)	12,602,927

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	4,869,225	(5,943,934)	853,060	(221,649)
Leadership grant fund	62,562	(31,102)	189,690	221,150
TOTAL FUNDS	4,931,787	(5,975,036)	1,042,750	(499)

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

18. MOVEMENT IN FUNDS - COMPANY

	At 1.9.24 £	Net funds movement £	Fund Transfers £	At 31.8.25 £
Unrestricted funds				
General fund	11,444,056	(2,902,031)	12,560	8,554,585
Leadership grant fund	2,223,009	(76,815)	(12,560)	2,133,634
TOTAL FUNDS	13,667,065	(2,978,846)	-	10,688,219

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,417,353	(4,929,187)	(390,197)	(2,902,031)
Leadership grant fund	62,920	(50,000)	(89,735)	(76,815)
TOTAL FUNDS	2,480,273	(4,979,187)	(479,932)	(2,978,846)

Comparatives for movement in funds

	At 1.9.23 £	Net funds movement £	Fund Transfers £	At 31.8.24 £
Unrestricted funds				
General fund	10,602,235	810,361	31,460	11,444,056
Leadership grant fund	2,033,319	221,150	(31,460)	2,223,009
TOTAL FUNDS	12,635,554	1,031,511	-	13,667,065

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,526,687	(2,569,386)	853,060	810,361
Leadership grant fund	62,562	(31,102)	189,690	221,150
TOTAL FUNDS	2,589,249	(2,600,488)	1,042,750	1,031,511

THE INSTITUTE OF LEADERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025**

18. MOVEMENT IN FUNDS

General fund

This fund represents the free funds of the charity and group that are not designated for particular purpose.

Leadership grant fund

This fund is designed to fund projects that support The Institute's mission of 'inspiring great leadership everywhere'.

19. EMPLOYEE BENEFIT OBLIGATIONS

The Group made contributions on behalf of its employees to a defined contribution pension scheme. The number of staff who have accrued retirement benefits under the defined contribution scheme was 59 (2024: 59). During the year contributions amounted to £129,836 (2024: £120,781) which are included in the Statement of Financial Activities as they become payable. The number of staff being paid more than £60,000 who are accruing benefits under defined contribution arrangements was 4 (2024: 5).

20. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

There were no related party transactions for the year ended 31 August 2025.

21. CAPITAL COMMITMENTS

As at 31 August 2025 the Group had capital commitments of £nil (2024: £108,959).

22. ULTIMATE CONTROLLING PARTY

The Institute is controlled by its Director Trustees.

THE INSTITUTE OF LEADERSHIP

England & Wales - Charity number 248226

Accounts

REGISTERED COMPANY NUMBER: 00601049 (England and Wales)
REGISTERED CHARITY NUMBER: 248226

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024
FOR
THE INSTITUTE OF LEADERSHIP
(FORMERLY THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT)**

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

**THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

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FOR THE YEAR ENDED 31 AUGUST 2024**

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THE INSTITUTE OF LEADERSHIP (REGISTERED NUMBER: 00601049)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives for which The Institute is established are "the promotion and development of the science of management, and the advancement of education involving the study of the skills of leadership and management".

The Institute is dedicated to advancing the capability of managers and leaders worldwide through the provision of tailored learning resources, and by developing and supporting a global leadership and management community through its membership services.

The core activities of the Institute are the provision of learning resources, the operation of its membership proposition and the curation of research focused on practicing leaders and managers.

The Institute offers a range of resources covering management, leadership, coaching and mentoring, business and enterprise, and specialist areas (for example, financial services, military, education and charity sector support), all of which are aimed at developing people skills, knowledge and understanding to improve performance at work or in society at large.

The Institute offers professional membership which recognises the talents of leaders and managers at different stages in their career. Membership provides professional recognition, access to a bespoke online learning environment (MyLeadership), additional learning materials, a globally accessible series of online events and webinars, access to a wide range of research and knowledge, Edge magazine, and access to The Hub, the Institute's online leadership community of practice.

The Institute is committed to advancing understanding of effective leadership and management, and its impact on individuals, organisations and wider society. Our knowledge curation is designed to identify current and emerging trends across the broad disciplines of leadership and management and highlight leading-edge thinking and practice in workplaces across the world.

Public benefit

As a registered charity, the Institute of Leadership takes its public benefit obligations seriously. Membership is open to all, and many of the Institute's learning resources are free to access, including webinars, research reports, podcasts, online courses and news updates. The Institute is committed to providing freely accessible resources as part of its objective to advance the learning and practice of leadership and management. In addition, the Institute supports other charities through partnering and procurement activities, selecting partners who themselves demonstrate a clear and compelling purpose for public benefit.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024**

STRATEGIC REPORT

Achievement and performance

Twelve months ago, I described the financial year ended August 2023 (FY23) as 'a watershed'. It wasn't that I spoke too soon, or 'mis-spoke', as our cousins across the Atlantic would have it. It was simply that I spoke as if that watershed moment was somehow unique. Instead, in FY24 we have seen a series of watershed moments continuing to appear in almost every sphere of life. Francis Aguliar's 1967 model of the 'PEST analysis' (Political, Economic, Social, Technological) has given us a useful framework for categorising (even if not solving) the many challenges that have arisen. Even the allegedly useful addition of Legal and Environmental, to give us PESTLE, has served only to highlight the range of anxieties that face leadership at all levels in the world today. Well, such is life. To achieve progress and growth despite the vagaries of providence is the reason leadership was invented.

With that in mind, the Institute approached FY24 with a purposeful demeanour and has maintained that determination throughout. As a result, the year has been a moderately successful one, characterised by largely maintained performance, steady progress in some areas, and some notable strategic improvements.

Membership is the lifeblood of our Institute, and I am pleased to report that we have maintained membership numbers, reflecting the value we continue to provide to our members. Increasingly, we have also focused on enhancing member engagement, with a number of initiatives aimed at fostering a sense of community and increasing involvement. Our monthly series of webinars, podcasts, and Book Club, as well as online networking events and workshops saw increased attendance, with particularly strong participation in our 'Masterclass' professional development series. The feedback from these events has been overwhelmingly positive, and we will continue to refine and expand our offering in the coming year.

Our live events programme, re-launched after the Covid pandemic, remains central to our mission of providing networking, professional development, and advocacy opportunities for our members. Over the last twelve months we have hosted International Leadership Week and a regular series of in-person, anchor events that has generated a tremendously positive response, and raised broad support for their lively, friendly, and welcoming atmosphere. The resulting coverage on LinkedIn and other social media platforms has allowed us to reach a broader audience while reinforcing the personal connections that our members value.

Our Leadership Live Conference attracted Members, Fellows, leadership authorities, and keynote speakers from across the country. The Conference featured a series of high-quality workshops, panel discussions, and networking sessions, all of which were well received by attendees. Our annual House of Commons Members Reception was bigger than ever, and our second Leadership Awards Dinner confirmed itself as a foundation in the leadership community's calendar.

Our acquisition in FY23 of ABE Global is beginning to bear fruit, and we have just launched our first joint L5 Leadership Development Programme. We have streamlined the application process for Fellowship, whilst retaining the stringent criteria for conferment, and we have launched a new Corporate Membership offer, to broaden the Institute's market presence - and increase our Professional Membership.

We also increased our visibility in the broader business community and public sector through partnerships with like-minded organisations and participation in public events, both in the UK and internationally. These outreach efforts have helped raise awareness of the Institute and our mission, and we are already seeing the benefits in terms of increased interest in membership and collaboration opportunities. In the coming years we shall lean more heavily on partnerships to leverage access to a wider leadership community of practice, and to raise the Institute's brand presence across the world.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024**

Achievement and performance

Financially, the past year has been stable, yet the broader economic environment remains uncertain. Whilst we met our net income targets, there were some shortfalls, and we shall continue to focus our efforts on membership fees, event registration fees, and sponsorships, whilst emphasising the opportunity for new Corporate Membership income. We continue to manage our resources prudently, successfully keeping costs under control. In future, we shall be streamlining operations through the implementation of new ITC systems, which will improve automation, and provide enhanced data and analytics. This strategic investment in our CRM software and our digital marketing will yield long-term benefits. We will need to continue managing our resources carefully while also exploring new revenue streams to ensure our long-term sustainability.

Looking ahead, there are significant opportunities for growth. The popularity of our virtual events has opened up new possibilities for reaching a wider audience, and we continue to explore how we can leverage technology to enhance our proposition. We ended the year with a modest surplus, and overall our financial position remains healthy. We are well-positioned to navigate the uncertainties of the 'PESTLE' landscape while continuing to deliver value to our Members.

Financial review

Financial position

A summary of The Institute's finances is set out in the attached financial statements for the year ended 31 August 2024. The principal source of income for The Institute is from membership income. After making appropriate enquiries, the trustees have a reasonable expectation that The Institute has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Charitable income amounted to £4,566,290 (2023: £3,515,866), an increase on the previous year and investment income amounted to £365,497 (2023: £348,243). Expenditure for the year totalled £5,975,036 (2023: £3,959,674).

The movement in net resources for the year resulted in a deficit of £499 (2023: deficit of £380,854) after allowing for net gains on investments of £1,042,750 (2023: net losses on investments of £285,680).

Total unrestricted funds amounted to £12,602,927 (2023: £12,603,425) as at 31 August 2024 with liquid reserves (net current liabilities) of (£107,391) (2023: net current assets of £1,141,049). The majority of intangible fixed assets of £487,259 (2023: £292,439) represent managementship.

Principal funding sources

The principal funding sources for The Institute are currently by way membership income from its members, partnership and Institute approved income and investment income from its listed investment portfolio.

Reserves policy

The Institute's target is to hold sufficient free reserves to fund its activities in the event of a major fall in income or an unforeseen increase in expenditure, and that these reserves should equate to 12 months planned operating expenditure for the coming year, based on a range of months over the year.

When reviewing the reserves position, consideration is also given to whether funds should be designated to cover expenditure on specific capital and other projects. There are currently no designated funds.

The value of free reserves is calculated by taking total funds exclusive of tangible and intangible assets. On that basis the value of free reserves at 31 August 2024 was £12,104,465 (2023: £12,300,160) and equated to 24 months expenditure (2023: 37 months). The levels of reserves are a feature of the full separation of The Institute from the City & Guilds Group and not a result of long-term accumulation by design or neglect.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Charity constitution

The Institute was formed under a Memorandum of Association dated 3 March 1958 (and subsequently amended) and Articles of Association adopted on 28 June 2018. The Memorandum of Association and the Articles are together described in this report as "the constitution".

Under the constitution, the Board is required to issue Byelaws in relation to some matters, has the specific power to issue others, and may in addition issue any which it deems necessary, expedient or convenient for the proper conduct and management of The Institute. As at the year end, the Byelaws in force related to Membership, Studying Membership, Election of Directors, Faculties, Advisory Groups and Regular Members.

Recruitment and appointment of new trustees

As The Institute is both a charity and a company, members of the Board are both charity trustees and company Directors. The Board consists of Directors, who are elected by the Voting Members, (namely the members of The Institute). The number of Directors may be altered by a General Meeting of members.

Organisational structure and decision making

The Board is required by the constitution to ensure that The Institute's business is conducted in accordance with its charitable objectives. The Board is legally responsible for the governance and management of The Institute. It plays a strategic role and, in this context, considers and approves The Institute's annual business plan, and is actively involved in any proposal for change to the constitution or Byelaws. In their deliberations in relation to The Institute's aims, strategy, objectives and activities, the Board has due regard not only to The Institute's charitable purpose but also to the guidance on public benefit published by the Charity Commission.

The Board sets and reviews The Institute's reserves and investment policies, and regularly monitors the performance of the investments. It approves and monitors compliance with other policies, in particular the health and safety policy.

Executive management is delegated to the Chief Executive, who presents regular reports to the Board to enable it to monitor the financial performance of The Institute and its progress towards meeting its strategic objectives. The Chief Executive is supported by a senior management team whose roles cover all aspects of The Institute's current operations, its research and policy activities, membership, finance and business administration, marketing communications and business development.

Induction and training of new trustees

Board-related policies are reviewed according to a schedule approved by the Board, and cover induction, development, evaluation, conflicts management, and matters reserved to the Board. The induction programme for new directors briefs them on The Institute's business and financial affairs and the duties of company directors and charity trustees through a combination of a dedicated induction session, induction pack and meetings with key personnel. The director's training needs are addressed through a self-assessment skills matrix, external seminars, briefing papers, courses and as part of the normal cycle of Board meetings, and a Board evaluation process is carried out annually. Board members do not receive any personal benefits unless there is legal authority for this. Any related party transactions are reported in the Annual Report and Financial Statements.

THE INSTITUTE OF LEADERSHIP (REGISTERED NUMBER: 00601049)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management remuneration

The Institute's Board determine the remuneration and contractual conditions for the Chief Executive and oversee the variable remuneration of other key members of the Institute's management team, taking into account market conditions and development needs for The Institute.

The Institute provides a remuneration package including a basic salary, performance-related bonus, company car, life assurance cover, private medical insurance and participation in The Institute's stakeholder pension scheme.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Directors keep under regular review, the risks to which The Institute is exposed and seek to limit their impact by adopting appropriate measures and monitoring their implementation.

The Institute's Risk Register records risks, their inherent and residual ratings and mitigation measures. The Registers are actively monitored by the Board, Risk and Finance Committee and Senior Leadership Team along with the Chief Executive. An updated Risk Register, which tracks the movement of risk, is available to The Institute's Board at every Board meeting.

The strategic risks facing The Institute are under constant review, with key risk areas having been identified as follows:

- Financial: raising the income of The Institute to ensure the long-term solvency of The Institute and the targeted achievement of charitable objects.
- Reserves: safeguarding the real-terms value of financial reserves through diligent asset management.
- Environmental: responding to socio-economic changes in respect of traditional membership participation to ensure ongoing engagement with our mission.
- Reputational: safeguarding the reputation of The Institute from unprofessional, unethical or criminal behaviours of staff or members.
- Wellbeing: ensuring the safety, health and mental health of staff and volunteers engaged in the work of The Institute.

Investment in new products, services, systems and processes continues to be made to support the ongoing delivery of The Institute's mission and enable the revenue growth needed to reach a more sustainable trading position. In addition to these principal risks, The Institute is subject to the same general financial and operational risks as other enterprises.

The only material financial instruments held by The Institute are investments and debtors. The market risk pertaining to the investment portfolio is managed by CCLA but the investment policy and budgeting process are such that The Institute's exposure to cash flow risk is minimised.

The credit risk relating to debtors is low given that the balance represents a few relatively low volume items and a debt from the City & Guilds Group.

The Institute has no long-term borrowings and therefore liquidity risk is minimal.

In relation to managing price risk, prices of materials purchased are subject to contracts with suppliers, based on current market prices. Risks pertaining to suppliers are considered low and managed by following a robust procurement and contracting process and monitoring of performance during the life of the contract. Salary costs are communicated to staff during the formal annual review of salaries. The Institute operates a third-party auto-enrolment pension scheme and does not share in any pension liability.

The Chief Executive has responsibility for ensuring that mitigation measures are taken and reporting the position to the Board. The Directors are satisfied that appropriate action is being, or will be, taken to manage the strategic and operational risks which face The Institute.

THE INSTITUTE OF LEADERSHIP (REGISTERED NUMBER: 00601049)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
00601049 (England and Wales)

Registered Charity number
248226

Registered office
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Trustees

A B Kincaid
J Malawana (resigned on 28.03.2024)
C H McNair (resigned on 28.03.2024)
E L Robinson-Green
N J Rylett-Jones
S Playford (resigned on 28.03.2024)
M Adjei-Tabirade
S F Fox
L Paxman (appointed 28.03.2024)
S T Hawke (appointed 28.03.2024)

Company Secretary

M C Robinson

Auditors

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Solicitors

Pennington Manches LLP
9400 Garsington Road
Oxford Business Park
Oxford
OX4 2HN

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Investment advisors

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Institute of Leadership for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

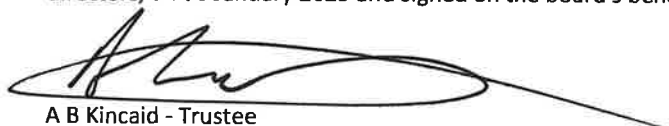
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company'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.

AUDITORS

The auditors, J W Hinks LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 30 January 2025 and signed on the board's behalf by:


A B Kincaid - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE INSTITUTE OF LEADERSHIP

Opinion

We have audited the financial statements of The Institute of Leadership (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Parent Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF LEADERSHIP**

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Group or charitable company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE INSTITUTE OF LEADERSHIP

Our 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 a Report of the Independent Auditors 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.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and discussed the policies and procedures regarding compliance.

Specific areas considered were as follows:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected variances in account balances or classes of transactions appear.
- Testing documentation supporting account balances or classes of transactions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected all irregularities including those leading to material misstatements in the financial statements or non-compliance with regulation, even though we have properly planned and performed our audit in accordance with auditing standards.

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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF LEADERSHIP**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Cruse ACA, FCCA, Bsc (Econ) Hons (Senior Statutory Auditor)
for and on behalf of J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Date: 30 January 2025

THE INSTITUTE OF LEADERSHIP

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 Unrestricted funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	-	-
Charitable activities			
Membership and examination	4	3,782,870	3,040,842
Other		783,420	475,024
Investment income	3	365,497	348,243
Total		4,931,787	3,864,109
EXPENDITURE ON			
Charitable activities			
Membership and examination	5	5,470,090	3,560,128
Other		504,946	399,546
Total		5,975,036	3,959,674
Net gains / (losses) on investments		1,042,750	(285,289)
NET EXPENDITURE		(499)	(380,854)
RECONCILIATION OF FUNDS			
Total funds brought forward		12,603,425	12,984,279
TOTAL FUNDS CARRIED FORWARD		12,602,927	12,603,425

The income of the parent charity was £2,589,249 (2023: £2,567,998) and the operating surplus for the year was £1,031,511 (2023: operating deficit of £348,725).

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes form part of these financial statements

THE INSTITUTE OF LEADERSHIP (REGISTERED NUMBER: 00601049)

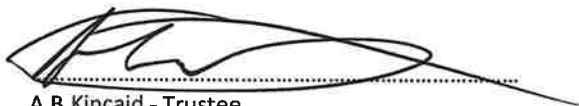
CONSOLIDATED BALANCE SHEET
31 AUGUST 2024

	Notes	2024 Unrestricted funds £	2023 Total funds £
FIXED ASSETS			
Intangible assets	11	487,259	292,439
Tangible assets	12	11,203	10,826
Investments	13	<u>12,220,169</u>	<u>11,177,419</u>
		12,718,631	11,480,684
CURRENT ASSETS			
Debtors: amounts falling due within one year	14	1,217,609	1,278,400
Debtors: amounts falling due after more than one year	14	-	500,000
Current asset investments		-	4,576
Cash at bank		<u>916,379</u>	<u>1,226,431</u>
		2,133,988	3,009,407
CREDITORS			
Amounts falling due within one year	15	<u>(2,241,379)</u>	(1,868,358)
NET CURRENT (LIABILITIES) / ASSETS			
		<u>(107,391)</u>	<u>1,141,049</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		12,611,240	12,621,733
CREDITORS			
Amounts falling due in more than one year	16	<u>(8,313)</u>	(18,308)
NET ASSETS			
		<u>12,602,927</u>	<u>12,603,425</u>
FUNDS			
Unrestricted funds:	18		
General fund		10,379,918	10,570,106
Designated fund		<u>2,223,009</u>	<u>2,033,319</u>
TOTAL FUNDS			
		<u>12,602,927</u>	<u>12,603,425</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30 January 2025 and were signed on its behalf by:



E L Robinson-Green - Trustee



A B Kincaid - Trustee

The notes form part of these financial statements

THE INSTITUTE OF LEADERSHIP (REGISTERED NUMBER: 00601049)

PARENT CHARITY BALANCE SHEET
31 AUGUST 2024

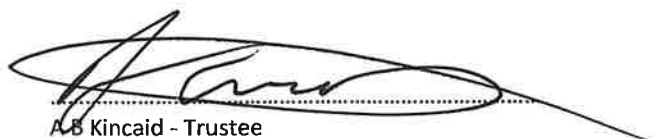
	Notes	2024 Unrestricted funds £	2023 Total funds £
FIXED ASSETS			
Intangible assets	11	84,153	72,746
Tangible assets	12	6,092	10,593
Investments	13	<u>12,220,269</u>	<u>11,177,519</u>
		12,310,514	11,260,858
CURRENT ASSETS			
Debtors: amounts falling due within one year	14	2,206,686	1,603,233
Debtors: amounts falling due after more than one year	14	-	500,000
Cash at bank		<u>150,041</u>	<u>178,173</u>
		2,356,727	2,281,406
CREDITORS			
Amounts falling due within one year	15	<u>(1,000,176)</u>	<u>(906,710)</u>
		1,356,551	1,374,696
NET CURRENT ASSETS			
		<u>13,667,065</u>	12,635,554
NET ASSETS			
		<u><u>13,667,065</u></u>	<u><u>12,635,554</u></u>
FUNDS			
Unrestricted funds:	18		
General fund		11,444,056	10,602,235
Designated fund		<u>2,223,009</u>	<u>2,033,319</u>
TOTAL FUNDS		<u><u>13,667,065</u></u>	<u><u>12,635,554</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30 January 2025 and were signed on its behalf by:

As permitted by s408 of the Companies Act 2006, the parent company has not presented its own profit and loss account and related notes. The company's surplus for the year was £1,031,511 (2023: deficit of £348,725).



E L Robinson-Green - Trustee



A B Kincaid - Trustee

The notes form part of these financial statements

THE INSTITUTE OF LEADERSHIP

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2024**

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	<u>78,427</u>	<u>337,924</u>
Net cash provided by operating activities		<u>78,427</u>	<u>337,924</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(372,735)	(80,321)
Purchase of tangible fixed assets		(5,750)	(9,560)
Purchase of fixed asset investments		-	(500,000)
Purchase of subsidiary		-	(36,184)
Cash acquired with subsidiary		-	246,697
Capital repayments		<u>(9,995)</u>	<u>(4,235)</u>
Net cash (used in)/provided by investing activities		<u>(388,480)</u>	<u>(383,603)</u>
Change in cash and cash equivalents in the reporting period			
		(310,052)	(45,679)
Cash and cash equivalents at the beginning of the reporting period		<u>1,226,431</u>	<u>1,272,110</u>
Cash and cash equivalents at the end of the reporting period		<u>916,379</u>	<u>1,226,431</u>

The notes form part of these financial statements

THE INSTITUTE OF LEADERSHIP

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2024

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2024	2023
	£	£
Net expenditure for the reporting period (as per the Consolidated Statement of Financial Activities)	(499)	(380,854)
Adjustments for:		
Depreciation charges	183,288	188,412
Gains/(losses) on investments	(1,042,750)	285,289
Decrease/(increase) in debtors	565,367	(139,040)
Increase in creditors	<u>373,021</u>	<u>384,117</u>
Net cash provided by operations	<u><u>78,427</u></u>	<u><u>337,924</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS	At 1.9.23	Cash flow	At 31.8.24
	£	£	£
Net cash			
Cash at bank	<u>1,226,431</u>	<u>(310,052)</u>	<u>916,379</u>
	<u>1,226,431</u>	<u>(310,052)</u>	<u>916,379</u>
Total	<u><u>1,226,431</u></u>	<u><u>(310,052)</u></u>	<u><u>916,379</u></u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidated the financial statements of the Group and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line-by-line basis.

The presentational currency of these financial statements is Great British Pounds (GBP). All amounts have been rounded to the nearest £1.

The company is a company limited by guarantee. The members of the company are the Trustees named within the Trustees Report. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the financial statements, the directors are required to make estimates and assumptions which affect income, expenditure, assets, liabilities and disclose contingent assets and liabilities. Use of available information and application of judgements are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Income from subscriptions is included in the period to which the subscription relates. Subscriptions paid in advance at the balance sheet date are deferred and shown in creditors. Examination and centre registration fees are recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT has been charged to the Statement of Financial Activities.

ALLOCATION AND APPORTIONMENT OF COSTS

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

However, the cost of support of the overall operation are allocated to each activity based on the proportion of income generated.

1. ACCOUNTING POLICIES - continued

INTANGIBLE FIXED ASSETS

Intangible fixed assets are stated at cost less accumulated amortisation and impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. All assets are considered to have a finite useful life and are amortised on the following bases:

Website	- 33% on cost
Trademarks	- 20% on cost
Computer software	- 20% and 33% on cost

TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historic cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is provided on the following bases:

Fixtures and fittings	- 20% and 25% on cost
Computer equipment	- 33% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charity operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

INVESTMENTS

Quoted investments have been included in the Balance Sheet at bid price. The relevant unrealised gain/loss on investment values, calculated as movement in the market value of an asset during the year is reported through the Statement of Financial Activities.

Investment income includes interest receivable on deposit and income from listed investments. Investments in subsidiary undertakings have been included in the Balance Sheet at historic cost less any potential impairment.

CURRENT ASSET INVESTMENTS

Current asset investments comprise fixed term deposit accounts and are stated at fair value.

FINANCIAL INSTRUMENTS

All financial instruments are recognised at historical cost other than investments which are recognised at bid or fair value.

THE INSTITUTE OF LEADERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024**

1. ACCOUNTING POLICIES - continued

FOREIGN EXCHANGE

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in the Statement of Financial Activities.

OPERATING LEASE COMMITMENTS

Rentals payable under operating leases, including any lease incentives received, are charged to the Statement of Financial Activities on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease assets are consumed.

GOING CONCERN

There are no significant doubts about The Institute's ability to continue as a going concern as there are currently significant cash and investment fund balances, positive net current assets and stable income streams. The Institute continues to receive income from City & Guilds following its separation. There are no material uncertainties to be disclosed.

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	<u>-</u>	<u>-</u>

3. INVESTMENT INCOME

	2024	2023
	£	£
Interest on deposits	10,021	10,619
Dividends received	<u>355,476</u>	<u>337,624</u>
	<u>365,497</u>	<u>348,243</u>

4. INCOME FROM CHARITABLE ACTIVITIES

			2024	2023
	Membership & Examination	Other	Total activities	Total activities
	£	£	£	£
Individual membership	1,224,678	-	1,224,678	1,220,806
Commercial membership	823,830	-	823,830	785,647
Other commercial income	-	790,191	790,191	623,134
Examination and associated fees	1,657,967	-	1,657,967	843,228
Other income	<u>-</u>	<u>69,624</u>	<u>69,624</u>	<u>43,051</u>
	<u>3,706,475</u>	<u>859,815</u>	<u>4,566,290</u>	<u>3,515,866</u>

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Membership and examination	3,800,807	31,102	1,638,181	5,470,090
Other	-	-	504,946	504,946
	<u>3,800,807</u>	<u>31,102</u>	<u>2,143,127</u>	<u>5,975,036</u>

6. GRANTS PAYABLE

	2024 £	2023 £
Membership	<u>31,102</u>	-

The total grants paid to institutions during the year was as follows:

	2024 £	2023 £
Grant fund awards	<u>31,102</u>	-

During the year the charity provided grants to various organisations providing management and leadership support.

7. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Membership and examination	1,638,181	-	1,638,181
Other	<u>466,937</u>	<u>38,009</u>	<u>504,946</u>
	<u>2,105,118</u>	<u>38,009</u>	<u>2,143,127</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024 £	2023 £
Auditors' remuneration	22,725	34,450
Computer equipment depreciation	5,579	3,574
Trademark amortisation	11,740	1,168
Website amortisation	10,262	3,420
Computer software amortisation	<u>167,965</u>	<u>180,249</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2024 nor for the year ended 31 August 2023.

During the year ended 31 August 2024, E L Robinson-Green received remuneration of £nil (2023: £1,500) from the subsidiary company ABE Global Limited in his capacity as a director of that company.

TRUSTEES' EXPENSES

During the year ended 31 August 2024 expenses of £9,617 (2023: £2,247) were reimbursed to trustees.

10. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	2,430,395	1,519,114
Social security costs	258,854	160,379
Other pension costs	120,781	82,470
	<u>2,810,030</u>	<u>1,761,963</u>

Included above are also redundancy costs of £37,050 (2023: £23,336).

The average monthly number of employees during the year was as follows:

	2024	2023
Membership and examination	<u>59</u>	<u>53</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	-	2
£90,001 - £100,000	2	-
£100,000 - £110,000	-	1
£110,001 - £120,000	1	-
£150,001 - £160,000	1	-
	<u>5</u>	<u>4</u>

During the year ended 31 August 2024 an amount of £577,138 (2023: £432,081) was paid to key management personnel which included redundancy costs of £37,050 (2023: £23,336).

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024

11. INTANGIBLE FIXED ASSETS – GROUP

	Website £	Trademark £	Computer software £	Totals £
COST				
At 1 September 2023	132,987	8,195	2,592,921	2,734,103
Additions	-	990	371,745	372,735
Disposals	-	-	-	-
At 31 August 2024	<u>132,987</u>	<u>9,185</u>	<u>2,964,666</u>	<u>3,106,838</u>
AMORTISATION				
At 1 September 2023	116,320	3,477	2,321,867	2,441,664
Charge for year	8,210	1,740	167,965	177,915
Disposals	-	-	-	-
At 31 August 2024	<u>124,530</u>	<u>5,217</u>	<u>2,489,832</u>	<u>2,619,579</u>
NET BOOK VALUE				
At 31 August 2024	<u>8,457</u>	<u>3,968</u>	<u>474,834</u>	<u>487,259</u>
At 31 August 2023	<u>16,667</u>	<u>4,718</u>	<u>271,054</u>	<u>292,439</u>
INTANGIBLE FIXED ASSETS – COMPANY				
	Website £	Trademark £	Computer software £	Totals £
COST				
At 1 September 2023	-	8,195	1,216,972	1,225,167
Additions	-	990	51,565	52,555
At 31 August 2024	-	<u>9,185</u>	<u>1,268,537</u>	<u>1,277,722</u>
AMORTISATION				
At 1 September 2023	-	3,477	1,148,944	1,152,421
Charge for year	-	1,740	39,408	41,148
At 31 August 2024	-	<u>5,217</u>	<u>1,188,352</u>	<u>1,193,569</u>
NET BOOK VALUE				
At 31 August 2024	-	<u>3,968</u>	<u>80,185</u>	<u>84,153</u>
At 31 August 2023	-	<u>4,718</u>	<u>68,028</u>	<u>72,746</u>

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024

12. TANGIBLE FIXED ASSETS – GROUP

	Fixtures & fittings £	Computer equipment £	Totals £
COST			
At 1 September 2023	8,726	166,030	174,756
Additions	-	5,750	5,750
Disposals	-	(42,736)	(42,736)
At 31 August 2024	<u>8,726</u>	<u>129,044</u>	<u>137,770</u>
DEPRECIATION			
At 1 September 2023	8,726	155,204	163,930
Charge for year	-	5,373	5,373
Disposals	-	(42,736)	(42,736)
At 31 August 2024	<u>8,726</u>	<u>117,841</u>	<u>126,567</u>
NET BOOK VALUE			
At 31 August 2024	<u>-</u>	<u>11,203</u>	<u>11,203</u>
At 31 August 2023	<u>-</u>	<u>10,826</u>	<u>10,826</u>
TANGIBLE FIXED ASSETS – COMPANY			
	Fixtures & fittings £	Computer equipment £	Totals £
COST			
At 1 September 2023	6,791	61,470	68,261
Additions	-	-	-
Disposals	-	(42,736)	(42,736)
At 31 August 2024	<u>6,791</u>	<u>18,734</u>	<u>25,525</u>
DEPRECIATION			
At 1 September 2023	6,791	50,878	57,668
Charge for year	-	4,501	4,501
Disposals	-	(42,736)	(42,736)
At 31 August 2024	<u>6,791</u>	<u>12,642</u>	<u>19,433</u>
NET BOOK VALUE			
At 31 August 2024	<u>-</u>	<u>6,092</u>	<u>6,092</u>
At 31 August 2023	<u>-</u>	<u>10,593</u>	<u>10,593</u>

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024

13. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Listed investments £	Totals £
MARKET VALUE			
At 1 September 2023	100	11,177,419	11,177,519
Additions	-	-	-
Revaluations	-	1,042,750	1,042,750
At 31 August 2024	100	12,220,169	12,220,269
NET BOOK VALUE			
At 31 August 2024	100	12,220,169	12,220,269
At 31 August 2023	100	11,177,419	11,177,519

Listed investments at 31 August 2024 were made up as follows:

Category	2024 (%)	2023 (%)
UK and Overseas Equities	70.86	72.07
Private Equity and Other	3.69	3.25
Infrastructure and Operating Assets	9.30	6.86
Property	4.41	3.07
Contractual and Other Income	0.90	2.04
Fixed Interest	8.34	8.73
Cash and Near Cash	2.50	3.98
Total	100.00	100.00

Cost or valuation at 31 August 2024 is represented by:

	Shares in group undertakings £	Listed investments £	Totals £
Valuation in 2024	-	12,220,169	12,220,169
Cost	100	-	100
	100	12,220,169	12,220,269

The company's investments at the balance sheet date in the share capital of companies include the following:

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024

13. FIXED ASSET INVESTMENTS - continued

Leaderskills Limited

Registered office: 19 Highfield Road, Edgbaston, Birmingham, England, B15 3BH

	%	2024	2023
Class of share:	holding	£	£
Ordinary shares	100	100	100
Aggregate capital and reserves		<u>100</u>	<u>100</u>
Profit for the year		<u>-</u>	<u>-</u>

ABE Global Limited

Registered office: New Malden Business Centre, 46/50 Coombe Road, New Malden, England, KT3 4QF

	%	31.08.2024	31.12.2023
Class of share:	holding	£	£
Voting rights (company limited by guarantee)	100	(1,064,138)	(138,457)
Aggregate capital and reserves		<u>(925,681)</u>	<u>(490,781)</u>
(Loss) for the year		<u>(925,681)</u>	<u>(490,781)</u>

The Association of Business Executives Limited

Registered office: New Malden Business Centre, 46/50 Coombe Road, New Malden, England, KT3 4QF

	%	31.08.2024	31.12.2023
Class of share:	holding	£	£
Voting rights (company limited by guarantee)	100	-	-
Aggregate capital and reserves		<u>-</u>	<u>-</u>
(Loss) for the year		<u>-</u>	<u>-</u>

14. DEBTORS

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Amounts falling due within 1 year:				
Trade debtors	351,029	483,943	93,970	154,263
Amounts owed by group undertakings	-	-	1,464,481	835,517
Other debtors	621,461	578,088	500,000	500,000
Prepayments	<u>245,119</u>	<u>216,369</u>	<u>148,235</u>	<u>113,453</u>
	<u>1,217,609</u>	<u>1,278,400</u>	<u>2,206,686</u>	<u>1,603,233</u>
Amounts falling due after more than 1 year:				
Other debtors	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Aggregate amounts	<u>1,217,609</u>	<u>1,778,400</u>	<u>2,206,686</u>	<u>2,103,233</u>

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2024 £	2023 £	2024 £	2023 £
Bank loans	10,648	10,648	-	-
Trade creditors	773,379	375,308	98,484	32,130
Other creditors	197,140	104,732	117,909	56,215
Deferred income	943,589	1,031,751	530,876	571,431
Accrued expenses	316,623	345,919	252,907	246,934
	<u>2,241,379</u>	<u>1,868,358</u>	<u>1,000,176</u>	<u>906,710</u>

Membership subscriptions are payable in respect of a rolling 12-month period and are credited to income over the period to which they relate. The remaining balance on this income that falls into the following year is shown as deferred income. No obligation exists to repay this or any part of it to members.

Deferred income is shown as follows:

	Group		Company	
	2024 £	2023 £	2024 £	2023 £
Balance at 1 September	1,031,751	900,955	571,431	719,709
Amount released to incoming resources	(1,031,751)	(900,955)	(571,431)	(719,703)
Amount deferred in the year	<u>943,589</u>	<u>1,031,751</u>	<u>530,876</u>	<u>571,431</u>
Balance at 31 August	<u>943,589</u>	<u>1,031,751</u>	<u>530,876</u>	<u>571,431</u>

16. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	Group		Company	
	2024 £	2023 £	2024 £	2023 £
Bank loans 1-2 years	8,313	10,648	-	-
Bank loans 2-5 years	-	7,660	-	-
	<u>8,313</u>	<u>18,308</u>	<u>-</u>	<u>-</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024 £	2023 £
Within one year	44,412	127,288
Between one and five years	<u>17,816</u>	<u>44,540</u>
	<u>62,228</u>	<u>171,828</u>

Operating lease payments recognised as an expense during the year amounted to £106,200 (2023: £75,690).

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024

18. MOVEMENT IN FUNDS - GROUP

	At 1.9.23 £	Net funds movement £	Fund Transfers £	At 31.8.24 £
Unrestricted funds				
General fund	10,570,106	(221,649)	31,460	10,379,918
Leadership grant fund	2,033,319	221,150	(31,460)	2,223,009
TOTAL FUNDS	12,603,425	(499)	-	12,602,927

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	4,869,225	(5,943,934)	853,060	(221,649)
Leadership grant fund	62,562	(31,102)	189,690	221,150
TOTAL FUNDS	4,931,787	(5,975,036)	1,042,750	(499)

Comparatives for movement in funds

	At 1.9.22 £	Net movement in funds £	At 31.8.23 £
Unrestricted funds			
General fund	12,984,279	(380,854)	12,603,425
TOTAL FUNDS	12,984,279	(380,854)	12,603,425

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	3,848,951	(3,959,674)	(303,450)	(414,173)
Leadership grant fund	15,198	-	18,161	33,319
TOTAL FUNDS	3,864,109	(3,959,674)	(285,289)	(380,854)

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

18. MOVEMENT IN FUNDS - COMPANY

	At 1.9.23 £	Net funds movement £	Fund Transfers £	At 31.8.24 £
Unrestricted funds				
General fund	10,602,235	810,361	31,460	11,444,056
Leadership grant fund	2,033,319	221,150	(31,460)	2,223,009
TOTAL FUNDS	12,635,554	1,031,511	-	13,667,065

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,526,687	(2,569,386)	853,060	810,361
Leadership grant fund	62,562	(31,102)	189,690	221,150
TOTAL FUNDS	2,589,249	(2,600,488)	1,042,750	1,031,511

Comparatives for movement in funds

	At 1.9.22 £	Net funds movement £	Fund Transfers £	At 31.8.23 £
Unrestricted funds				
General fund	12,984,279	(382,044)	(2,000,000)	10,602,235
Leadership grant fund	-	33,319	2,000,000	2,033,319
TOTAL FUNDS	12,984,279	(348,725)	-	12,635,554

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,552,840	(2,631,434)	(303,450)	(382,044)
Leadership grant fund	15,158	-	18,161	33,319
TOTAL FUNDS	2,567,998	(2,631,434)	(285,289)	(348,725)

18. MOVEMENT IN FUNDS

General fund

This fund represents the free funds of the charity and group that are not designated for particular purpose.

Leadership grant fund

This fund is designed to fund projects that support The Institute's mission of 'inspiring great leadership everywhere'.

19. EMPLOYEE BENEFIT OBLIGATIONS

The Group made contributions on behalf of its employees to a defined contribution pension scheme. The number of staff who have accrued retirement benefits under the defined contribution scheme was 59 (2023: 53). During the year contributions amounted to £120,781 (2023: £82,470) which are included in the Statement of Financial Activities as they become payable. The number of staff being paid more than £60,000 who are accruing benefits under defined contribution arrangements was 5 (2023: 4).

20. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

There were no related party transactions for the year ended 31 August 2024.

21. CAPITAL COMMITMENTS

As at 31 August 2024 the Group had capital commitments of £63,299 (2023: £94,687), all of which related to subsidiary undertakings.

22. ULTIMATE CONTROLLING PARTY

The Institute is controlled by its Director Trustees.

THE INSTITUTE OF LEADERSHIP

England & Wales - Charity number 248226

Accounts

REGISTERED COMPANY NUMBER: 00601049 (England and Wales)
REGISTERED CHARITY NUMBER: 248226

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023
FOR
THE INSTITUTE OF LEADERSHIP
(FORMERLY THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT)**

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

**THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

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FOR THE YEAR ENDED 31 AUGUST 2023**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

STRATEGIC REPORT

Achievement and performance

With the tail-end of the Covid-19 pandemic fading (albeit reluctantly, apparently) into memory for most people, varying expectations of ‘a return to Business As Usual’ emerged. None were realised.

Domestically, a roller-coaster ride for the already-embattled UK economy; burgeoning inflation; a parade of political scandals involving three Prime Ministers in as many months; the death – and succession – of a Monarch; all against a background of the ongoing cost-of-living pressures.

Internationally, we saw the continuation of a major European war; the rise of social and political unrest across the world; increasingly polarised politics; tensions arising between USA and China; economic crises and armed conflict in several countries; a stuttering global economy; and a general malaise that seemed to grip media and pundits almost everywhere.

It would be unsurprising to see depressed performance amidst such a context, yet despite innumerable examples of parlous leadership in political and economic spheres, life – as well as leadership – goes on, and during FY23, The Institute both kept progressing and made some profound strategic changes.

The first of these was the acquisition of the similarly-sized ABE Global in early 2023, a not-for-profit skills development specialist and Ofqual-regulated awarding organisation. ABE provides internationally recognised qualifications in business, entrepreneurship and employability. With an emphasis on international markets, and with a customer base clustered around young people and early-stage leaders, ABE is the perfect fit for The Institute. This mutually-advantageous acquisition enables The Institute to benefit from ABE’s talent for qualifications development, and for ABE learners to access the IoL community that will support their future leadership journey. With more than one million alumni worldwide, ABE will also enable The Institute to grow our community of leadership practice further, by bringing additional value to ABE alumni.

The second strategic move was implementing our change of name, confirmed at our last AGM in March 2023. Against all expectation, the name change went relatively smoothly, coming as it did with a change in our internet domain name and email addresses, all adopting the ‘leadership.global’ label. Members were generally happy with the change, not least because it was relatively light-touch, and the short-form ‘IoL’ for Institute of Leadership has been adopted by most (if not all..!) of our Members and partners.

The third and equally visible strategic innovation has been the establishment of a series of ‘anchor’ events, to support The Institute’s brand presence. Launching the year with our 75th Anniversary House of Commons event and accompanying Anniversary Edition of EDGE gave us momentum right at the start of FY23. We then turned International Leadership Week 2023 into a truly global initiative, with our brand promoted by organisations on six continents (we didn’t make Antarctica yet), and the intention is to continue with that ILW model, amassing advocates worldwide. Reinforcing that success was our first sizeable conference, ‘Leadership Live 2023’, held in June, and attracting exhibitors, sponsors and speakers from around Europe and beyond. Most important about ILW and leadership Live is their contribution to a year-long series of events, with our second House of Commons event maintaining the momentum into the autumn, culminating in our first ever Leadership Awards in November 2023.

That series exemplifies the shift in The Institute during the last three years, and in particular since the start of FY23. The scale of our ambition on behalf of our Members has grown beyond compare, and we now see the opportunity to brand our Institute as the premier leadership community of practice as we head towards the second quarter of this millennium. The acquisition of ABE, the streamlining of our name and brand, the momentum gained from an annual series of increasingly high-profile events, all serve to attract attention, engagement and recognition from individuals and organisations around the world.

Throughout FY23, the Team at The Institute have been stalwart in their resilience, and ever more energetic and innovative in the development of ideas and initiatives. The whole Team has pulled together to continue momentum and produce a new and refreshing energy that has carried over into the current financial year.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

Achievement and performance

FY23 has been a watershed for The Institute, and we have begun laying the foundations for confident growth over the next 75 years, bringing to our Members even more relevant content, even more beneficial opportunities, and even more valuable connections, from an Institute which our Members own, and of which they can feel truly proud.

Financial review

Financial position

A summary of The Institute's finances is set out in the attached financial statements for the year ended 31 August 2023. The principal source of income for The Institute is from membership income. After making appropriate enquiries, the trustees have a reasonable expectation that The Institute has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Charitable income amounted to £3,515,866 (2022: £2,091,243), an increase on the previous year and investment income amounted to £348,243 (2022: £330,040). Expenditure for the year totalled £3,959,674 (2022: £2,252,806), representing a significant reduction.

The movement in net resources for the year resulted in a deficit of £380,854 (2022: deficit of £437,203) after allowing for net losses on investments of £285,289 (2022: net losses on investments of £605,680).

Total unrestricted funds amounted to £12,603,425 (2022: £12,984,279) as at 31 August 2023 with liquid reserves (net current assets) of £1,141,049 (2022: £1,829,043). The majority of intangible fixed assets of £292,439 (2022: £188,264) represent managership.

Principal funding sources

The principal funding sources for The Institute are currently by way membership income from its members, partnership and Institute approved income and investment income from its listed investment portfolio.

Reserves policy

The Institute's target is to hold sufficient free reserves to fund its activities in the event of a major fall in income or an unforeseen increase in expenditure, and that these reserves should equate to 12 months planned operating expenditure for the coming year, based on a range of months over the year.

When reviewing the reserves position, consideration is also given to whether funds should be designated to cover expenditure on specific capital and other projects. There are currently no designated funds.

The value of free reserves is calculated by taking total funds exclusive of tangible and intangible assets. On that basis the value of free reserves at 31 August 2023 was £12,635,554 (2022: £12,984,279) and equated to 57 months expenditure (2022: 69 months). The levels of reserves are a feature of the full separation of The Institute from the City & Guilds Group and not a result of long-term accumulation by design or neglect.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

On 30 March 2023 a special resolution was passed changing the name of the organisation from The Institute of Leadership and Management to The Institute of Leadership.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

The Institute was formed under a Memorandum of Association dated 3 March 1958 (and subsequently amended) and Articles of Association adopted on 28 June 2018. The Memorandum of Association and the Articles are together described in this report as "the constitution".

Under the constitution, the Board is required to issue Byelaws in relation to some matters, has the specific power to issue others, and may in addition issue any which it deems necessary, expedient or convenient for the proper conduct and management of The Institute. As at the year end, the Byelaws in force related to Membership, Studying Membership, Election of Directors, Faculties, Advisory Groups and Regular Members.

Recruitment and appointment of new trustees

As The Institute is both a charity and a company, members of the Board are both charity trustees and company Directors. The Board consists of Directors, who are elected by the Voting Members, (namely the members of The Institute). The number of Directors may be altered by a General Meeting of members.

Organisational structure and decision making

The Board is required by the constitution to ensure that The Institute's business is conducted in accordance with its charitable objectives. The Board is legally responsible for the governance and management of The Institute. It plays a strategic role and, in this context, considers and approves The Institute's annual business plan, and is actively involved in any proposal for change to the constitution or Byelaws. In their deliberations in relation to The Institute's aims, strategy, objectives and activities, the Board has due regard not only to The Institute's charitable purpose but also to the guidance on public benefit published by the Charity Commission.

The Board sets and reviews The Institute's reserves and investment policies, and regularly monitors the performance of the investments. It approves and monitors compliance with other policies, in particular the health and safety policy.

Executive management is delegated to the Chief Executive, who presents regular reports to the Board to enable it to monitor the financial performance of The Institute and its progress towards meeting its strategic objectives. The Chief Executive is supported by a senior management team whose roles cover all aspects of The Institute's current operations, its research and policy activities, membership, finance and business administration, marketing communications and business development.

Induction and training of new trustees

Board-related policies are reviewed according to a schedule approved by the Board, and cover induction, development, evaluation, conflicts management, and matters reserved to the Board. The induction programme for new directors briefs them on The Institute's business and financial affairs and the duties of company directors and charity trustees through a combination of a dedicated induction session, induction pack and meetings with key personnel. The director's training needs are addressed through a self-assessment skills matrix, external seminars, briefing papers, courses and as part of the normal cycle of Board meetings, and a Board evaluation process is carried out annually. Board members do not receive any personal benefits unless there is legal authority for this. Any related party transactions are reported in the Annual Report and Financial Statements.

THE INSTITUTE OF LEADERSHIP (REGISTERED NUMBER: 00601049)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management remuneration

The Institute's Board determine the remuneration and contractual conditions for the Chief Executive and oversee the variable remuneration of other key members of the Institute's management team, taking into account market conditions and development needs for The Institute.

The Institute provides a remuneration package including a basic salary, performance-related bonus, company car, life assurance cover, private medical insurance and participation in The Institute's stakeholder pension scheme.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Directors keep under regular review, the risks to which The Institute is exposed and seek to limit their impact by adopting appropriate measures and monitoring their implementation.

The Institute's Risk Register records risks, their inherent and residual ratings and mitigation measures. The Registers are actively monitored by the Board, Risk and Finance Committee and Senior Leadership Team along with the Chief Executive. An updated Risk Register, which tracks the movement of risk, is available to The Institute's Board at every Board meeting.

The strategic risks facing The Institute are under constant review, with key risk areas having been identified as follows:

- Financial: raising the income of The Institute to ensure the long-term solvency of The Institute and the targeted achievement of charitable objects.
- Reserves: safeguarding the real-terms value of financial reserves through diligent asset management.
- Environmental: responding to socio-economic changes in respect of traditional membership participation to ensure ongoing engagement with our mission.
- Reputational: safeguarding the reputation of The Institute from unprofessional, unethical or criminal behaviours of staff or members.
- Wellbeing: ensuring the safety, health and mental health of staff and volunteers engaged in the work of The Institute.

Investment in new products, services, systems and processes continues to be made to support the ongoing delivery of The Institute's mission and enable the revenue growth needed to reach a more sustainable trading position. In addition to these principal risks, The Institute is subject to the same general financial and operational risks as other enterprises.

The only material financial instruments held by The Institute are investments and debtors. The market risk pertaining to the investment portfolio is managed by CCLA but the investment policy and budgeting process are such that The Institute's exposure to cash flow risk is minimised.

The credit risk relating to debtors is low given that the balance represents a few relatively low volume items and a debt from the City & Guilds Group.

The Institute has no long-term borrowings and therefore liquidity risk is minimal.

In relation to managing price risk, prices of materials purchased are subject to contracts with suppliers, based on current market prices. Risks pertaining to suppliers are considered low and managed by following a robust procurement and contracting process and monitoring of performance during the life of the contract. Salary costs are communicated to staff during the formal annual review of salaries. The Institute operates a third-party auto-enrolment pension scheme and does not share in any pension liability.

The Chief Executive has responsibility for ensuring that mitigation measures are taken and reporting the position to the Board. The Directors are satisfied that appropriate action is being, or will be, taken to manage the strategic and operational risks which face The Institute.

THE INSTITUTE OF LEADERSHIP (REGISTERED NUMBER: 00601049)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
00601049 (England and Wales)

Registered Charity number
248226

Registered office
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Trustees

A B Kincaid
J Malawana
C H Mcnair
R Richardson (resigned 30.03.23)
E L Robinson-Green
N J Rylett-Jones
S Playford (appointed 24.8.22)
M Adjei-Tabirade (appointed 30.03.23)
S F Fox (appointed 30.03.23)

Company Secretary
M C Robinson

Auditors

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Solicitors

Pennington Manches LLP
9400 Garsington Road
Oxford Business Park
Oxford
OX4 2HN

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Investment advisors

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Institute of Leadership for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company'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.

AUDITORS

The auditors, J W Hinks LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 15 December 2023 and signed on the board's behalf by:



E L Robinson-Green - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE INSTITUTE OF LEADERSHIP

Opinion

We have audited the financial statements of The Institute of Leadership (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Parent Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF LEADERSHIP**

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

in the light of the knowledge and understanding of the Group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Group or charitable company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE INSTITUTE OF LEADERSHIP

Our 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 a Report of the Independent Auditors 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.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and discussed the policies and procedures regarding compliance.

Specific areas considered were as follows:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected variances in account balances or classes of transactions appear.
- Testing documentation supporting account balances or classes of transactions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected all irregularities including those leading to material misstatements in the financial statements or non-compliance with regulation, even though we have properly planned and performed our audit in accordance with auditing standards.

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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF LEADERSHIP**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Cruse ACA, FCCA, Bsc (Econ) Hons (Senior Statutory Auditor)
for and on behalf of J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

15 December 2023

THE INSTITUTE OF LEADERSHIP

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 Unrestricted funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	-	-
Charitable activities			
Membership and examination	4	3,040,842	1,703,664
Other		475,024	387,579
Investment income	3	348,243	330,040
Total		3,864,109	2,421,283
EXPENDITURE ON			
Charitable activities			
Membership and examination	5	3,063,172	1,830,578
Other		896,502	422,228
Total		3,959,674	2,252,806
Net (losses) / gains on investments		(285,289)	(605,680)
NET (EXPENDITURE) / INCOME		(380,854)	(437,203)
RECONCILIATION OF FUNDS			
Total funds brought forward		12,984,279	13,421,482
TOTAL FUNDS CARRIED FORWARD		12,603,425	12,984,279

The income of the parent charity was £2,567,997 (2022: £2,390,235) and the operating deficit for the year was £348,725 (2022: operating deficit of £437,203).

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes form part of these financial statements

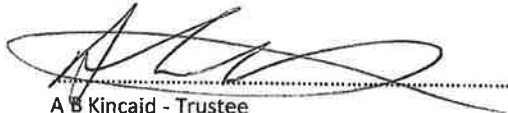
CONSOLIDATED BALANCE SHEET
31 AUGUST 2023

	Notes	2023 Unrestricted funds £	2022 Total funds £
FIXED ASSETS			
Intangible assets	10	292,439	188,264
Tangible assets	11	10,826	4,264
Investments	12	<u>11,177,419</u>	<u>10,962,708</u>
		11,480,684	11,155,236
CURRENT ASSETS			
Debtors: amounts falling due within one year	13	1,278,400	801,607
Debtors: amounts falling due after more than one year	13	500,000	1,000,000
Current asset investments		4,576	-
Cash at bank		<u>1,226,431</u>	<u>1,272,110</u>
		3,009,407	3,073,717
CREDITORS			
Amounts falling due within one year	14	<u>(1,868,358)</u>	<u>(1,244,674)</u>
		1,141,049	1,829,043
NET CURRENT ASSETS			
		<u>1,141,049</u>	<u>1,829,043</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		12,621,733	12,984,279
CREDITORS			
Amounts falling due in more than one year	15	<u>(18,308)</u>	-
		12,603,425	12,984,279
NET ASSETS			
		<u>12,603,425</u>	<u>12,984,279</u>
FUNDS			
Unrestricted funds:	17		
General fund		10,570,106	12,984,279
Designated fund		<u>2,033,319</u>	-
TOTAL FUNDS		<u>12,603,425</u>	<u>12,984,279</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 15 December 2023 and were signed on its behalf by:



E L Robinson-Green - Trustee



A B Kincaid - Trustee

The notes form part of these financial statements

THE INSTITUTE OF LEADERSHIP (REGISTERED NUMBER: 00601049)

PARENT CHARITY BALANCE SHEET
31 AUGUST 2023

	Notes	2023 Unrestricted funds £	2022 Total funds £
FIXED ASSETS			
Intangible assets	10		
Tangible assets	11	72,746	188,264
Investments	12	10,593	4,264
		<u>11,177,519</u>	<u>10,962,808</u>
CURRENT ASSETS		11,260,858	11,155,336
Debtors: amounts falling due within one year	13	1,603,233	932,128
Debtors: amounts falling due after more than one year	13	500,000	1,000,000
Cash at bank		<u>178,173</u>	<u>939,315</u>
CREDITORS		2,281,406	2,871,443
Amounts falling due within one year	14	(906,710)	(1,042,500)
NET CURRENT ASSETS		<u>874,696</u>	<u>1,828,943</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>12,635,554</u>	<u>12,984,279</u>
NET ASSETS		<u>12,635,554</u>	<u>12,984,279</u>
FUNDS	17		
Unrestricted funds:			
General fund		10,602,235	12,984,279
Designated fund		<u>2,033,319</u>	-
TOTAL FUNDS		<u>12,635,554</u>	<u>12,984,279</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 15 December 2023 and were signed on its behalf by:

As permitted by s408 of the Companies Act 2006, the parent company has not presented its own profit and loss account and related notes. The company's deficit for the year was £348,725 (2022: deficit of £437,203).


.....
E L Robinson-Green - Trustee


.....
A B Kincaid - Trustee

The notes form part of these financial statements

THE INSTITUTE OF LEADERSHIP

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>337,924</u>	<u>800,144</u>
Net cash provided by operating activities		<u>337,924</u>	<u>800,144</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(80,321)	(14,100)
Purchase of tangible fixed assets		(9,560)	(3,471)
Purchase of fixed asset investments		(500,000)	-
Sale of fixed asset investments		-	-
Purchase of subsidiary		(36,184)	-
Cash acquired with subsidiary		246,697	-
Capital repayments		<u>(4,235)</u>	<u>-</u>
Net cash (used in)/provided by investing activities		<u>(383,603)</u>	<u>(17,571)</u>
Change in cash and cash equivalents in the reporting period			
		(45,679)	782,573
Cash and cash equivalents at the beginning of the reporting period		<u>1,272,110</u>	<u>489,537</u>
Cash and cash equivalents at the end of the reporting period		<u>1,226,431</u>	<u>1,272,110</u>

The notes form part of these financial statements

THE INSTITUTE OF LEADERSHIP

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Consolidated Statement of Financial Activities)	(380,854)	(437,203)
Adjustments for:		
Depreciation charges	188,412	252,541
Losses/(gain) on investments	285,289	605,680
(Increase)/decrease in debtors	(139,040)	403,471
Increase/(decrease) in creditors	<u>384,117</u>	<u>(24,345)</u>
Net cash provided by operations	<u><u>337,924</u></u>	<u><u>800,144</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.22 £	Cash flow £	At 31.8.23 £
Net cash			
Cash at bank	<u>1,272,110</u>	<u>(45,679)</u>	<u>1,226,431</u>
	<u>1,272,110</u>	<u>(45,679)</u>	<u>1,226,431</u>
Total	<u><u>1,272,110</u></u>	<u><u>(45,679)</u></u>	<u><u>1,226,431</u></u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidated the financial statements of the Group and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line-by-line basis.

The presentational currency of these financial statements is Great British Pounds (GBP). All amounts have been rounded to the nearest £1.

The company is a company limited by guarantee. The members of the company are the Trustees named within the Trustees Report. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the financial statements, the directors are required to make estimates and assumptions which affect income, expenditure, assets, liabilities and disclose contingent assets and liabilities. Use of available information and application of judgements are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Income from subscriptions is included in the period to which the subscription relates. Subscriptions paid in advance at the balance sheet date are deferred and shown in creditors. Examination and centre registration fees are recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT has been charged to the Statement of Financial Activities.

ALLOCATION AND APPORTIONMENT OF COSTS

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

However, the cost of support of the overall operation are allocated to each activity based on the proportion of income generated.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023**

1. ACCOUNTING POLICIES - continued

INTANGIBLE FIXED ASSETS

Intangible fixed assets are stated at cost less accumulated amortisation and impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. All assets are considered to have a finite useful life and are amortised on the following bases:

Website	- 33% on cost
Trademarks	- 20% on cost
Computer software	- 20% and 33% on cost

TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historic cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is provided on the following bases:

Fixtures and fittings	- 20% and 25% on cost
Computer equipment	- 33% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charity operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

INVESTMENTS

Quoted investments have been included in the Balance Sheet at bid price. The relevant unrealised gain/loss on investment values, calculated as movement in the market value of an asset during the year is reported through the Statement of Financial Activities.

Investment income includes interest receivable on deposit and income from listed investments. Investments in subsidiary undertakings have been included in the Balance Sheet at historic cost less any potential impairment.

CURRENT ASSET INVESTMENTS

Current asset investments comprise fixed term deposit accounts and are stated at fair value.

FINANCIAL INSTRUMENTS

All financial instruments are recognised at historical cost other than investments which are recognised at bid or fair value.

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES - continued

FOREIGN EXCHANGE

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in the Statement of Financial Activities.

OPERATING LEASE COMMITMENTS

Rentals payable under operating leases, including any lease incentives received, are charged to the Statement of Financial Activities on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease assets are consumed.

GOING CONCERN

There are no significant doubts about The Institute's ability to continue as a going concern as there are currently significant cash and investment fund balances, positive net current assets and stable income streams. The Institute continues to receive income from City & Guilds following its separation. There are no material uncertainties to be disclosed.

2. DONATIONS AND LEGACIES

	2023 £	2022 £
Donations	<u>-</u>	<u>-</u>

3. INVESTMENT INCOME

	2023 £	2022 £
Interest on deposits	10,619	404
Dividends received	<u>337,624</u>	<u>329,636</u>
	<u>348,243</u>	<u>330,040</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Membership & Examination £	Other £	2023 Total activities £	2022 Total activities £
Individual membership	1,220,806	-	1,220,806	1,117,045
Commercial membership	785,647	-	785,647	586,619
Commercial income	-	431,973	431,973	369,930
Diploma income	843,228	-	843,228	-
College fees	191,161	-	191,161	-
Other income	<u>-</u>	<u>43,051</u>	<u>43,051</u>	<u>17,649</u>
	<u>3,040,842</u>	<u>475,024</u>	<u>3,515,866</u>	<u>2,091,243</u>

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Membership and examination	2,288,257	774,915	3,063,172
Other	-	896,502	896,502
	<u>2,288,257</u>	<u>1,671,417</u>	<u>3,959,674</u>

6. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Membership and examination	774,915	40,154	815,069
Other	856,348	-	856,348
	<u>1,631,263</u>	<u>40,154</u>	<u>1,671,417</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Auditors' remuneration	34,450	11,200
Computer equipment depreciation	3,574	3,015
Trademark amortisation	1,168	1,078
Website amortisation	3,420	-
Computer software amortisation	<u>180,249</u>	<u>248,448</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2023 nor for the year ended 31 August 2022.

During the year ended 31 August 2023, E L Robinson-Green received remuneration of £1,500 (2022: £Nil) from the subsidiary company ABE Global Limited in his capacity as a director of that company.

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

8. TRUSTEES' REMUNERATION AND BENEFITS - continued

TRUSTEES' EXPENSES

During the year ended 31 August 2023 expenses of £2,247 (2022: £528) were reimbursed to trustees.

9. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,519,114	993,799
Social security costs	160,379	107,337
Other pension costs	82,470	60,470
	<u>1,761,963</u>	<u>1,161,606</u>

Included above are also redundancy costs of £23,336 (2022: £40,221).

The average monthly number of employees during the year was as follows:

	2023	2022
Membership and examination	<u>53</u>	<u>23</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£60,001 - £70,000	-	1
£70,001 - £80,000	1	2
£80,001 - £90,000	2	-
£90,001 - £100,000	-	1
£100,000 - £110,000	1	-
	<u>4</u>	<u>4</u>

During the year ended 31 August 2023 an amount of £432,081 (2022: £325,562) was paid to key management personnel which included redundancy costs of £Nil (2022: £Nil).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

10. INTANGIBLE FIXED ASSETS – GROUP

	Website £	Trademark £	Computer software £	Totals £
COST				
At 1 September 2022	-	5,390	1,182,440	1,187,830
Additions	-	2,805	77,516	80,321
Acquired	<u>132,987</u>	<u>-</u>	<u>1,332,965</u>	<u>1,465,952</u>
At 31 August 2023	<u>132,987</u>	<u>8,195</u>	<u>2,592,921</u>	<u>2,734,103</u>
AMORTISATION				
At 1 September 2022	-	2,309	997,257	999,566
Charge for year	3,420	1,168	180,250	184,838
Acquired	<u>112,900</u>	<u>-</u>	<u>1,144,360</u>	<u>1,257,260</u>
At 31 August 2023	<u>116,320</u>	<u>3,477</u>	<u>2,321,867</u>	<u>2,441,664</u>
NET BOOK VALUE				
At 31 August 2023	<u>16,667</u>	<u>4,718</u>	<u>271,054</u>	<u>292,439</u>
At 31 August 2022	<u>-</u>	<u>3,081</u>	<u>185,183</u>	<u>188,264</u>
INTANGIBLE FIXED ASSETS – COMPANY				
	Website £	Trademark £	Computer software £	Totals £
COST				
At 1 September 2022	-	5,390	1,182,440	1,187,830
Additions	-	2,805	34,532	37,337
At 31 August 2023	<u>-</u>	<u>8,195</u>	<u>1,216,972</u>	<u>1,225,167</u>
AMORTISATION				
At 1 September 2022	-	2,309	997,257	999,566
Charge for year	-	1,168	151,687	152,855
At 31 August 2023	<u>-</u>	<u>3,477</u>	<u>1,148,944</u>	<u>1,152,421</u>
NET BOOK VALUE				
At 31 August 2023	<u>-</u>	<u>4,718</u>	<u>68,028</u>	<u>72,746</u>
At 31 August 2022	<u>-</u>	<u>3,081</u>	<u>185,183</u>	<u>188,264</u>

THE INSTITUTE OF LEADERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

11. TANGIBLE FIXED ASSETS – GROUP

	Fixtures & fittings £	Computer equipment £	Totals £
COST			
At 1 September 2022	18,048	61,084	79,132
Additions	-	9,560	9,560
Acquired	1,935	104,560	106,495
Disposals	(11,257)	(9,173)	(20,430)
At 31 August 2023	<u>8,726</u>	<u>166,031</u>	<u>174,757</u>
DEPRECIATION			
At 1 September 2022	18,048	56,820	74,868
Charge for year	-	3,574	3,574
Acquired	1,935	103,984	105,919
Disposals	(11,257)	(9,173)	(20,430)
At 31 August 2023	<u>8,726</u>	<u>155,205</u>	<u>163,931</u>
NET BOOK VALUE			
At 31 August 2023	<u>-</u>	<u>10,826</u>	<u>10,826</u>
At 31 August 2022	<u>-</u>	<u>4,264</u>	<u>4,264</u>
TANGIBLE FIXED ASSETS – COMPANY			
	Fixtures & fittings £	Computer equipment £	Totals £
COST			
At 1 September 2022	18,048	61,084	79,132
Additions	-	9,560	9,560
Disposals	(11,257)	(9,173)	(20,430)
At 31 August 2023	<u>6,791</u>	<u>61,471</u>	<u>68,262</u>
DEPRECIATION			
At 1 September 2022	18,048	56,820	74,868
Charge for year	-	3,231	3,231
Disposals	(11,257)	(9,173)	(20,430)
At 31 August 2023	<u>6,791</u>	<u>50,878</u>	<u>57,669</u>
NET BOOK VALUE			
At 31 August 2023	<u>-</u>	<u>10,593</u>	<u>10,593</u>
At 31 August 2022	<u>-</u>	<u>4,264</u>	<u>4,264</u>

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Listed investments £	Totals £
MARKET VALUE			
At 1 September 2022	100	10,962,708	10,962,808
Additions	-	500,000	500,000
Revaluations	-	(285,289)	(285,289)
	<u>100</u>	<u>11,177,419</u>	<u>11,177,519</u>
At 31 August 2023	100	11,177,419	11,177,519
NET BOOK VALUE			
At 31 August 2023	<u>100</u>	<u>11,177,419</u>	<u>11,177,519</u>
At 31 August 2022	<u>100</u>	<u>10,962,708</u>	<u>10,962,808</u>

Listed investments at 31 August 2023 were made up as follows:

Category	2023 (%)	2022 (%)
UK and Overseas Equities	72.07	70.56
Private Equity and Other	3.25	1.44
Infrastructure and Operating Assets	6.86	9.19
Property	3.07	4.54
Contractual and Other Income	2.04	2.94
Fixed Interest	8.73	0.00
Cash and Near Cash	3.98	11.33
Total	<u>100.00</u>	<u>100.00</u>

Cost or valuation at 31 August 2023 is represented by:

	Shares in group undertakings £	Listed investments £	Totals £
Valuation in 2023	-	11,177,419	11,177,419
Cost	100	-	100
	<u>100</u>	<u>11,177,419</u>	<u>11,177,519</u>

The company's investments at the balance sheet date in the share capital of companies include the following:

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

12. FIXED ASSET INVESTMENTS - continued

Leaderskills Limited

Registered office: 19 Highfield Road, Edgbaston, Birmingham, England, B15 3BH

Class of share: holding %
Ordinary shares 100

	2023	2022
	£	£
Aggregate capital and reserves	100	100
Profit for the year	-	-

ABE Global Limited

Registered office: New Malden Business Centre, 46/50 Coombe Road, New Malden, England, KT3 4QF

Class of share: holding %
Voting rights (company limited by guarantee) 100

	2023	2022
	£	£
Aggregate capital and reserves	(32,129)	-
Profit/(loss) for the year	(64,674)	-

On 31 March 2023, The Institute of Leadership acquired the subsidiary company, ABE Global Limited.

13. DEBTORS

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Amounts falling due within 1 year:				
Trade debtors	483,943	184,614	154,263	113,453
Amounts owed by group undertakings	-	-	835,517	220,949
Other debtors	578,088	515,767	500,000	500,000
Prepayments	216,369	101,226	113,453	97,726
	<u>1,278,400</u>	<u>801,607</u>	<u>1,603,233</u>	<u>932,128</u>
Amounts falling due after more than 1 year:				
Other debtors	500,000	1,000,000	500,000	1,000,000
Aggregate amounts	<u>1,778,400</u>	<u>1,801,607</u>	<u>2,103,233</u>	<u>1,932,128</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Bank loans	10,648	-	-	-
Trade creditors	375,308	59,445	32,130	59,033
Other creditors	104,732	74,934	56,215	57,324
Deferred income	1,031,751	900,955	571,431	719,703
Accrued expenses	<u>345,919</u>	<u>209,340</u>	<u>246,934</u>	<u>206,440</u>
	<u>1,868,358</u>	<u>1,244,674</u>	<u>906,710</u>	<u>1,042,500</u>

Membership subscriptions are payable in respect of a rolling 12-month period and are credited to income over the period to which they relate. The remaining balance on this income that falls into the following year is shown as deferred income. No obligation exists to repay this or any part of it to members.

Deferred income is shown as follows:

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Balance at 1 September	900,955	823,456	719,703	823,456
Amount released to incoming resources	(900,955)	(823,456)	(719,703)	(823,456)
Amount deferred in the year	<u>1,031,751</u>	<u>900,955</u>	<u>571,431</u>	<u>719,703</u>
Balance at 31 August	<u>1,031,751</u>	<u>900,955</u>	<u>571,431</u>	<u>719,703</u>

15. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Bank loans 1-2 years	10,648	-	-	-
Bank loans 2-5 years	<u>7,660</u>	-	-	-
	<u>18,308</u>	-	-	-

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023 £	2022 £
Within one year	127,288	4,193
Between one and five years	<u>44,540</u>	-
	<u>171,828</u>	<u>4,193</u>

Operating lease payments recognised as an expense during the year amounted to £75,690 (2022: £25,629).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

17. MOVEMENT IN FUNDS - GROUP

	At 1.9.22 £	Net funds movement £	Fund Transfers £	At 31.8.23 £
Unrestricted funds				
General fund	12,984,279	(414,173)	(2,000,000)	10,570,106
Leadership grant fund	-	33,319	2,000,000	2,033,319
TOTAL FUNDS	12,984,279	(380,854)	-	12,603,425

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	3,848,951	(3,959,674)	(303,450)	(414,173)
Leadership grant fund	15,158	-	18,161	33,319
TOTAL FUNDS	3,864,109	(3,959,674)	(285,289)	(380,854)

Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	13,421,482	(437,203)	12,984,279
TOTAL FUNDS	13,421,482	(437,203)	12,984,279

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,421,283	(2,252,806)	(608,680)	(437,203)
TOTAL FUNDS	2,421,283	(2,252,806)	(608,680)	(437,203)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

17. MOVEMENT IN FUNDS - COMPANY

	At 1.9.22 £	Net funds movement £	Fund Transfers £	At 31.8.23 £
Unrestricted funds				
General fund	12,984,279	(382,044)	(2,000,000)	10,602,235
Leadership grant fund	-	33,319	2,000,000	2,033,319
TOTAL FUNDS	12,984,279	(348,725)	-	12,635,554

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,552,839	(2,631,433)	(303,450)	(382,044)
Leadership grant fund	15,158	-	18,161	33,319
TOTAL FUNDS	2,567,997	(2,631,433)	(285,289)	(348,725)

Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	13,421,482	(437,203)	12,984,279
TOTAL FUNDS	13,421,482	(437,203)	12,984,279

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,390,235	(2,221,758)	(605,680)	(437,203)
TOTAL FUNDS	2,390,235	(2,221,758)	(605,680)	(437,203)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023**

17. MOVEMENT IN FUNDS

General fund

This fund represents the free funds of the charity and group that are not designated for particular purpose.

Leadership grant fund

This fund is designed to fund projects that support The Institute's mission of 'inspiring great leadership everywhere'.

18. EMPLOYEE BENEFIT OBLIGATIONS

The Group made contributions on behalf of its employees to a defined contribution pension scheme. The number of staff who have accrued retirement benefits under the defined contribution scheme was 53 (2022: 23). During the year contributions amounted to £82,470 (2022: £60,470) which are included in the Statement of Financial Activities as they become payable. The number of staff being paid more than £60,000 who are accruing benefits under defined contribution arrangements was 4 (2022: 4).

19. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

There were no related party transactions for the year ended 31 August 2023.

20. ULTIMATE CONTROLLING PARTY

The Institute is controlled by its Director Trustees.

THE INSTITUTE OF LEADERSHIP

England & Wales - Charity number 248226

Accounts

REGISTERED COMPANY NUMBER: 00601049 (England and Wales)
REGISTERED CHARITY NUMBER: 248226

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022
FOR
THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

**J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH**

**THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

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FOR THE YEAR ENDED 31 AUGUST 2022**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives for which The Institute is established are "the promotion and development of the science of management, and the advancement of education involving the study of the skills of leadership and management".

The Institute is dedicated to advancing the capability of managers and leaders worldwide through the provision of tailored learning resources, and by developing and supporting a global leadership and management community through its membership services.

The core activities of the Institute are the provision of learning resources, the operation of its membership proposition and the curation of research focused on practicing leaders and managers.

The Institute offers a range of resources covering management, leadership, coaching and mentoring, business and enterprise, and specialist areas (for example, financial services, military, education and charity sector support), all of which are aimed at developing people skills, knowledge and understanding to improve performance at work or in society at large.

The Institute offers professional membership which recognises the talents of leaders and managers at different stages in their career. Membership provides professional recognition, access to a bespoke online learning environment (MyLeadership), additional learning materials, a globally accessible series of online events and webinars, access to a wide range of research and knowledge, Edge magazine, and access to The Hub, the Institute's online leadership community of practice.

The Institute is committed to advancing understanding of effective leadership and management, and its impact on individuals, organisations and wider society. Our knowledge curation is designed to identify current and emerging trends across the broad disciplines of leadership and management, and highlight leading-edge thinking and practice in workplaces across the world.

Public benefit

As a registered charity, the Institute of Leadership & Management takes its public benefit obligations seriously. Membership is open to all, and many of the Institute's learning resources are free to access, including webinars, research reports, podcasts, online courses and news updates. The Institute is committed to providing freely accessible resources as part of its objective to advance the learning and practice of leadership and management. In addition, the Institute supports other charities through partnering and procurement activities, selecting partners who themselves demonstrate a clear and compelling purpose for public benefit.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

STRATEGIC REPORT

Achievement and performance

Charitable activities

It is useful sometimes to stand back from day-to-day challenges and look at progress over the longer term. The Institute's financial year 2021-22 (FY22) arrived on the heels of a global pandemic, and whilst that cannot be used as reason or excuse for performance, it is a useful piece of context. During FY22, the Institute has managed a major shift of organisational culture, built on a fundamental restructuring. The 'anchor' of a central office base has closed permanently. New systems, new policies, new ways of working - all of these have impacted the Institute over the past year.

Difficult times build resilience. With that comes the confidence to face uncertainty. It should never be underestimated how much impact 'global' events have on domestic levels of activity. Markets function on sentiment, and when sentiment is confused, driven by complex currents, or simply fearful, markets suffer.

Traditionally, issues such as skills training, L&D and self-development are discretionary items for individuals and organisations.

Against a background of Pandemic Year 2, a war in Europe and a gathering cost of living crisis, the Institute has been able to maintain momentum. Our Member retention has remained high, above 87%. Our social media presence has grown beyond expectation and continues to do so. We have introduced new forms of online events, with LinkedIn Live forming a major platform for us, and we have begun once again to deliver and attend live, face-to-face events, culminating in our unique 75th Anniversary celebration at the end of the year, held in the Houses of Parliament, and attended by more than 130 Members, Fellows and Partners.

Our business development and client support teams performed admirably, and clearly illustrated the potential for diversified revenue to sit alongside our core Membership income. The outcome is a robust performance for FY22, well ahead of expectation financially, and with evidence of solid foundations for FY23 and beyond. Needless to say, that growth will not be automatic. It will need prompting, nurturing and garnering so that we maintain momentum and motivation, without getting ahead of ourselves in our expectations.

Financial review

Financial position

A summary of The Institute's finances is set out in the attached financial statements for the year ended 31 August 2022. The principal source of income for The Institute is from membership income. After making appropriate enquiries, the trustees have a reasonable expectation that The Institute has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Charitable income amounted to £2,091,249 (2021: £1,708,820), an increase on the previous year and investment income amounted to £330,040 (2021: £306,337). Expenditure for the year totalled £2,252,806 (2021: £2,592,873), representing a significant reduction.

The movement in net resources for the year resulted in a deficit of £437,203 (2021: surplus of £1,204,027) after allowing for net losses on investments of £605,680 (2021: net gains on investments of £1,781,743).

Total unrestricted funds amounted to £12,984,279 (2021: £13,421,482) as at 31 August 2022 with liquid reserves (net current assets) of £1,829,043 (2021: £1,425,596). The majority of intangible fixed assets of £188,264 (2021: £423,690) represent managership.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

STRATEGIC REPORT

Financial review

Principal funding sources

The principal funding sources for The Institute are currently by way membership income from its members, partnership and Institute approved income and investment income from its listed investment portfolio.

Reserves policy

The Institute's target is to hold sufficient free reserves to fund its activities in the event of a major fall in income or an unforeseen increase in expenditure, and that these reserves should equate to 12 months planned operating expenditure for the coming year, based on a range of months over the year.

When reviewing the reserves position, consideration is also given to whether funds should be designated to cover expenditure on specific capital and other projects. There are currently no designated funds.

The value of free reserves is calculated by taking total funds exclusive of tangible and intangible assets. On that basis the value of free reserves at 31 August 2022 was £12,984,279 (2021: £12,993,984) and equated to 69 months expenditure (2021: 60 months). The levels of reserves are a feature of the full separation of The Institute from the City & Guilds Group and not a result of long-term accumulation by design or neglect.

Future plans

Many organisations say that 'our people are our most important asset'. For the Institute, we never forget that 'our people' includes our Members, Fellows and Companions. The Community of Practice we serve is growing all the time, and our investment in supporting that community will grow with it. The coming years will see deeper engagement, increased interaction, and more targeted content for our whole community. We are launching a Mentoring scheme, for our Fellows to support coming generations, as they have wanted to for many years. We are investing in programmes for Young Leaders and Women in Leadership and we are embarking on initiatives to take further our international footprint, working with a network of partners across the globe.

Our vision is of 'An engaged global community of leaders'. Our Mission is 'To inspire great leadership everywhere'. In FY22 we managed to go further toward achieving both, by increasing participation amongst our community; serving that community with products and services which enhance their prospects and performance; and becoming an increasingly authoritative voice for leadership professionals.

Equally importantly, we have laid the foundations for the long-term financial sustainability of the Institute. We look forward now to a future where we maintain that momentum and deliver ever-increasing value for our Members.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

The Institute was formed under a Memorandum of Association dated 3 March 1958 (and subsequently amended) and Articles of Association adopted on 28 June 2018. The Memorandum of Association and the Articles are together described in this report as "the constitution".

Under the constitution, the Board is required to issue Bye-Laws in relation to some matters, has the specific power to issue others, and may in addition issue any which it deems necessary, expedient or convenient for the proper conduct and management of The Institute. As at the year end, the Bye-Laws in force related to Membership, Studying Membership, Election of Directors, Faculties, Advisory Groups and Regular Members.

Recruitment and appointment of new trustees

As The Institute is both a charity and a company, members of the Board are both charity trustees and company Directors. The Board consists of Directors, who are elected by the Voting Members, (namely the members of The Institute). The number of Directors may be altered by a General Meeting of members.

Organisational structure and decision making

The Board is required by the constitution to ensure that The Institute's business is conducted in accordance with its charitable objectives. The Board is legally responsible for the governance and management of The Institute. It plays a strategic role and in this context considers and approves The Institute's annual business plan, and is actively involved in any proposal for change to the constitution or Bye-Laws. In their deliberations in relation to The Institute's aims, strategy, objectives and activities, the Board has due regard not only to The Institute's charitable purpose but also to the guidance on public benefit published by the Charity Commission.

The Board sets and reviews The Institute's reserves and investment policies, and regularly monitors the performance of the investments. It approves and monitors compliance with other policies, in particular the health and safety policy.

Executive management is delegated to the Chief Executive, who presents regular reports to the Board to enable it to monitor the financial performance of The Institute and its progress towards meeting its strategic objectives. The Chief Executive is supported by a senior management team whose roles cover all aspects of The Institute's current operations, its research and policy activities, membership, finance and business administration, marketing communications and business development.

Induction and training of new trustees

Board-related policies are reviewed according to a schedule approved by the Board, and cover induction, development, evaluation, conflicts management, and matters reserved to the Board. The induction programme for new directors briefs them on The Institute's business and financial affairs and the duties of company directors and charity trustees through a combination of a dedicated induction session, induction pack and meetings with key personnel. The director's training needs are addressed through a self-assessment skills matrix, external seminars, briefing papers, courses and as part of the normal cycle of Board meetings, and a Board evaluation process is carried out annually. Board members do not receive any personal benefits unless there is legal authority for this. Any related party transactions are reported in the Annual Report and Financial Statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management remuneration

The Institute's Board determine the remuneration and contractual conditions for the Chief Executive and oversee the variable remuneration of other key members of the Institute's management team, taking into account market conditions and development needs for The Institute.

The Institute provides a remuneration package including a basic salary, performance-related bonus, company car, life assurance cover, private medical insurance and participation in The Institute's stakeholder pension scheme.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Directors keep under regular review, the risks to which The Institute is exposed and seek to limit their impact by adopting appropriate measures and monitoring their implementation.

The Institute's Risk Register records risks, their inherent and residual ratings and mitigation measures. The Registers are actively monitored by the Board, Risk and Finance Committee and Senior Leadership Team along with the Chief Executive. An updated Risk Register, which tracks the movement of risk, is available to The Institute's Board at every Board meeting.

The strategic risks facing The Institute are under constant review, with key risk areas having been identified as follows:

- Financial: raising the income of The Institute to ensure the long-term solvency of The Institute and the targeted achievement of charitable objects.
- Reserves: safeguarding the real-terms value of financial reserves through diligent asset management.
- Environmental: responding to socio-economic changes in respect of traditional membership participation to ensure ongoing engagement with our mission.
- Reputational: safeguarding the reputation of The Institute from unprofessional, unethical or criminal behaviours of staff or members.
- Wellbeing: ensuring the safety, health and mental health of staff and volunteers engaged in the work of The Institute.

Investment in new products, services, systems and processes continues to be made to support the ongoing delivery of The Institute's mission and enable the revenue growth needed to reach a more sustainable trading position. In addition to these principal risks, The Institute is subject to the same general financial and operational risks as other enterprises.

The only material financial instruments held by The Institute are investments and debtors. The market risk pertaining to the investment portfolio is managed by CCLA but the investment policy and budgeting process are such that The Institute's exposure to cash flow risk is minimised.

The credit risk relating to debtors is low given that the balance represents a few relatively low volume items and a debt from the City & Guilds Group.

The Institute has no long-term borrowings and therefore liquidity risk is minimal.

In relation to managing price risk, prices of materials purchased are subject to contracts with suppliers, based on current market prices. Risks pertaining to suppliers are considered low and managed by following a robust procurement and contracting process and monitoring of performance during the life of the contract. Salary costs are communicated to staff during the formal annual review of salaries. The Institute operates a third-party auto-enrolment pension scheme and does not share in any pension liability.

The Chief Executive has responsibility for ensuring that mitigation measures are taken and reporting the position to the Board. The Directors are satisfied that appropriate action is being, or will be, taken to manage the strategic and operational risks which face The Institute.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
00601049 (England and Wales)

Registered Charity number
248226

Registered office

Pacific House
Relay Point
Wilnecote
Tamworth
B77 5PA

Trustees

J E Green (resigned 25.3.22)
A B Kincaid
J Malawana
C H Mcnair
R Richardson
E L Robinson-Green
N J Rylett-Jones
S Playford (appointed 24.8.22)

Company Secretary

M C Robinson

Auditors

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Solicitors

Pennington Manches LLP
9400 Garsington Road
Oxford Business Park
Oxford
OX4 2HN

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Investment advisors

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Institute Of Leadership And Management for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company'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.

AUDITORS

The auditors, J W Hinks LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 16 December 2022 and signed on the board's behalf by:



E L Robinson-Green - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

Opinion

We have audited the financial statements of The Institute Of Leadership And Management (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Parent Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Group or charitable company or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

Our 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 a Report of the Independent Auditors 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.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and discussed the policies and procedures regarding compliance.

Specific areas considered were as follows:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected variances in account balances or classes of transactions appear.
- Testing documentation supporting account balances or classes of transactions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected all irregularities including those leading to material misstatements in the financial statements or non-compliance with regulation, even though we have properly planned and performed our audit in accordance with auditing standards.

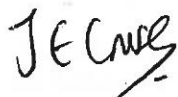
This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather 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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Cruse ACA, FCCA, Bsc (Econ) Hons (Senior Statutory Auditor)
for and on behalf of J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

16 December 2022

**THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	2022 Unrestricted funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	-	-
Charitable activities			
Membership	4	1,703,664	1,356,714
Other		387,579	352,106
Investment income	3	330,040	306,337
Total		2,421,283	2,015,157
EXPENDITURE ON			
Charitable activities			
Membership	5	1,830,578	2,100,008
Other		422,228	492,865
Total		2,252,806	2,592,873
Net (losses) / gains on investments		(605,680)	1,781,743
NET (EXPENDITURE) / INCOME		(437,203)	1,204,027
RECONCILIATION OF FUNDS			
Total funds brought forward		13,421,482	12,217,455
TOTAL FUNDS CARRIED FORWARD		12,984,279	13,421,482

The income of the parent charity was £2,390,235 (2021: £2,015,157) and the operating deficit for the year was £437,203 (2021: operating surplus of £1,204,027).

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes form part of these financial statements

**THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT (REGISTERED NUMBER: 00601049)**

**CONSOLIDATED BALANCE SHEET
31 AUGUST 2022**

	Notes	2022 Unrestricted funds £	2021 Total funds £
FIXED ASSETS			
Intangible assets	10	188,264	423,690
Tangible assets	11	4,264	3,808
Investments	12	10,962,708	11,568,388
		11,155,236	11,995,886
CURRENT ASSETS			
Debtors: amounts falling due within one year	13	801,607	705,078
Debtors: amounts falling due after more than one year	13	1,000,000	1,500,000
Cash at bank		1,272,110	489,537
		3,073,717	2,694,615
CREDITORS			
Amounts falling due within one year	14	(1,244,674)	(1,269,019)
NET CURRENT ASSETS		1,829,043	1,425,596
TOTAL ASSETS LESS CURRENT LIABILITIES		12,984,279	13,421,482
NET ASSETS		12,984,279	13,421,482

The notes form part of these financial statements

**THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT (REGISTERED NUMBER: 00601049)**

**CONSOLIDATED BALANCE SHEET - continued
31 AUGUST 2022**

FUNDS	16		
Unrestricted funds:			
General fund		<u>12,984,279</u>	<u>13,421,482</u>
TOTAL FUNDS		<u><u>12,984,279</u></u>	<u><u>13,421,482</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 16 December 2022 and were signed on its behalf by:



E L Robinson-Green - Trustee



R Richardson - Trustee

The notes form part of these financial statements

**THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT (REGISTERED NUMBER: 00601049)**

**PARENT CHARITY BALANCE SHEET
31 AUGUST 2022**

	Notes	2022 Unrestricted funds £	2021 Total funds £
FIXED ASSETS			
Intangible assets	10	188,264	423,690
Tangible assets	11	4,264	3,808
Investments	12	10,962,808	11,568,488
		11,155,336	11,995,986
CURRENT ASSETS			
Debtors: amounts falling due within one year	13	932,128	705,078
Debtors: amounts falling due after more than one year	13	1,000,000	1,500,000
Cash at bank		939,315	489,537
		2,871,443	2,694,615
CREDITORS			
Amounts falling due within one year	14	(1,042,500)	(1,269,119)
		1,828,943	1,425,496
NET CURRENT ASSETS			
		12,984,279	13,421,482
TOTAL ASSETS LESS CURRENT LIABILITIES			
		12,984,279	13,421,482
NET ASSETS			

The notes form part of these financial statements

THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT (REGISTERED NUMBER: 00601049)

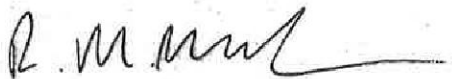
PARENT CHARITY BALANCE SHEET - continued
31 AUGUST 2022

FUNDS	16		
Unrestricted funds:			
General fund		<u>12,984,279</u>	<u>13,421,482</u>
TOTAL FUNDS		<u><u>12,984,279</u></u>	<u><u>13,421,482</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 16 December 2022 and were signed on its behalf by:



E L Robinson-Green - Trustee



R Richardson - Trustee

The notes form part of these financial statements

**THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>800,144</u>	<u>279,571</u>
Net cash provided by operating activities		<u>800,144</u>	<u>279,571</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(14,100)	(33,215)
Purchase of tangible fixed assets		(3,471)	(1,137)
Purchase of fixed asset investments		-	(100)
Sale of fixed asset investments		-	100,000
Net cash (used in)/provided by investing activities		<u>(17,571)</u>	<u>65,548</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		<u>489,537</u>	<u>144,418</u>
Cash and cash equivalents at the end of the reporting period		<u>1,272,110</u>	<u>489,537</u>

The notes form part of these financial statements

**THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Consolidated Statement of Financial Activities)	(437,203)	1,204,027
Adjustments for:		
Depreciation charges	252,541	248,074
Losses/(gain) on investments	605,680	(1,781,743)
Decrease in debtors	403,471	439,131
(Decrease)/increase in creditors	<u>(24,345)</u>	<u>170,082</u>
Net cash provided by operations	<u>800,144</u>	<u>279,571</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.21 £	Cash flow £	At 31.8.22 £
Net cash			
Cash at bank	<u>489,537</u>	<u>782,573</u>	<u>1,272,110</u>
	<u>489,537</u>	<u>782,573</u>	<u>1,272,110</u>
Total	<u>489,537</u>	<u>782,573</u>	<u>1,272,110</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidated the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line-by-line basis.

The presentational currency of these financial statements is Great British Pounds (GBP). All amounts have been rounded to the nearest £1.

The company is a company limited by guarantee. The members of the company are the Trustees named within the Trustees Report. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the financial statements, the directors are required to make estimates and assumptions which affect income, expenditure, assets, liabilities and disclose contingent assets and liabilities. Use of available information and application of judgements are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT has been charged to the Statement of Financial Activities.

ALLOCATION AND APPORTIONMENT OF COSTS

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

However, the cost of support of the overall operation are allocated to each activity based on the proportion of income generated.

1. ACCOUNTING POLICIES - continued

INTANGIBLE FIXED ASSETS

Intangible fixed assets are stated at cost less accumulated amortisation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Trademarks

Trademarks are amortised over their useful economic life of 5 years.

Computer Software

Computer software is amortised over its useful economic life of 5 years.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

INVESTMENTS

Quoted investments have been included in the Balance Sheet at bid price. The relevant unrealised gain/loss on investment values, calculated as movement in the market value of an asset during the year is reported through the Statement of Financial Activities.

Investment income includes interest receivable on deposit, income from listed investments and dividends.

Investments in subsidiary undertakings have been included in the Balance Sheet at historic cost less any potential impairment.

FINANCIAL INSTRUMENTS

All financial instruments are recognised at historical cost other than investments which are recognised at bid value.

1. ACCOUNTING POLICIES - continued

FOREIGN EXCHANGE

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in the Statement of Financial Activities.

OPERATING LEASE COMMITMENTS

Rentals payable under operating leases, including any lease incentives received, are charged to the Statement of Financial Activities on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease assets are consumed.

GOING CONCERN

There are no significant doubts about The Institute's ability to continue as a going concern as there are currently significant cash and investment fund balances, positive net current assets and stable income streams. The Institute continues to receive income from City & Guilds following its separation. There are no material uncertainties to be disclosed.

2. DONATIONS AND LEGACIES

	2022 £	2021 £
Donations	<u>-</u>	<u>-</u>

3. INVESTMENT INCOME

	2022 £	2021 £
Interest on deposits	404	36
Dividends received	<u>329,636</u>	<u>306,301</u>
	<u>330,040</u>	<u>306,337</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Membership £	Other £	2022 Total activities £	2021 Total activities £
Individual membership	1,117,045	-	1,117,045	1,094,954
Commercial membership	586,619	-	586,619	261,760
Commercial income	-	369,930	369,930	345,045
Other income	-	17,649	17,649	7,061
	<u>1,703,664</u>	<u>387,579</u>	<u>2,091,243</u>	<u>1,708,820</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Membership	1,204,454	626,124	1,830,578
Other	-	422,228	422,228
	<u>1,204,454</u>	<u>1,048,352</u>	<u>2,252,806</u>

6. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Membership	614,898	11,226	626,124
Other	422,228	-	422,228
	<u>1,037,126</u>	<u>11,226</u>	<u>1,048,352</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Auditors' remuneration	11,200	6,900
Depreciation - owned assets	3,015	8,031
Trademark amortisation	1,078	788
Computer software amortisation	<u>248,448</u>	<u>239,255</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2022 nor for the year ended 31 August 2021.

8. TRUSTEES' REMUNERATION AND BENEFITS - continued

TRUSTEES' EXPENSES

During the year ended 31 August 2022 expenses of £528 (2021: £Nil) were reimbursed to trustees.

9. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	993,799	1,292,818
Social security costs	107,337	126,347
Other pension costs	60,470	102,295
	<u>1,161,606</u>	<u>1,521,460</u>

Included above are also redundancy costs of £40,221 (2021: £91,941).

The average monthly number of employees during the year was as follows:

	2022	2021
Membership	<u>23</u>	<u>29</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
£60,001 - £70,000	1	4
£70,001 - £80,000	2	-
£80,001 - £90,000	-	1
£90,001 - £100,000	1	1
	<u>4</u>	<u>6</u>

During the year ended 31 August 2022 an amount of £325,562 (2021: £438,856) was paid to key management personnel which included redundancy costs of £Nil (2021: £53,777).

10. INTANGIBLE FIXED ASSETS – GROUP AND COMPANY

	Trademark £	Computer software £	Totals £
COST			
At 1 September 2021	5,390	1,168,340	1,173,730
Additions	-	14,100	14,100
At 31 August 2022	5,390	1,182,440	1,187,830
AMORTISATION			
At 1 September 2021	1,231	748,809	750,040
Charge for year	1,078	248,448	249,526
At 31 August 2022	2,309	997,257	999,566
NET BOOK VALUE			
At 31 August 2022	3,081	185,183	188,264
At 31 August 2021	4,159	419,531	423,690

11. TANGIBLE FIXED ASSETS – GROUP AND COMPANY

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 September 2021	18,048	57,613	75,661
Additions	-	3,471	3,471
At 31 August 2022	18,048	61,084	79,132
DEPRECIATION			
At 1 September 2021	18,048	53,805	71,853
Charge for year	-	3,015	3,015
At 31 August 2022	18,048	56,820	74,868
NET BOOK VALUE			
At 31 August 2022	-	4,264	4,264
At 31 August 2021	-	3,808	3,808

12. FIXED ASSET INVESTMENTS – GROUP AND COMPANY

	Shares in group undertakings £	Listed investments £	Totals £
MARKET VALUE			
At 1 September 2021	100	11,568,388	11,568,488
Revaluations	-	(605,680)	(605,680)
At 31 August 2022	100	10,962,708	10,962,808
NET BOOK VALUE			
At 31 August 2022	100	10,962,708	10,962,808
At 31 August 2021	100	11,568,388	11,568,488

Listed investments at 31 August 2022 were made up as follows:

Category	2022 (%)	2021 (%)
UK and Overseas Equities	70.56	77.69
Private Equity and Other	1.44	2.32
Infrastructure and Operating Assets	9.19	8.24
Property	4.54	3.80
Contractual and Other Income	2.94	2.48
Fixed Interest	0.00	0.00
Cash and Near Cash	11.33	5.47
Total	100.00	100.00

Cost or valuation at 31 August 2022 is represented by:

	Shares in group undertakings £	Listed investments £	Totals £
Valuation in 2022	-	10,962,708	10,962,708
Cost	100	-	100
	100	10,962,708	10,962,808

The company's investments at the balance sheet date in the share capital of companies include the following:

12. FIXED ASSET INVESTMENTS - continued

Leaderskills Limited

Registered office: 19 Highfield Road, Edgbaston, Birmingham, England, B15 3BH

Class of share:	%
Ordinary	holding 100

	2022	31.8.21
	£	£
Aggregate capital and reserves	100	100

13. DEBTORS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amounts falling due within 1 year:				
Trade debtors	184,614	152,043	113,453	152,043
Amounts owed by group undertakings	-	-	220,949	-
Other debtors	515,767	500,000	500,000	500,000
Prepayments	101,226	53,035	97,726	53,035
	<u>801,607</u>	<u>705,078</u>	<u>932,128</u>	<u>705,078</u>
Amounts falling due after more than 1 year:				
Other debtors	<u>1,000,000</u>	<u>1,500,000</u>	<u>1,000,000</u>	<u>1,500,000</u>
Aggregate amounts	<u>1,801,607</u>	<u>2,205,078</u>	<u>1,932,128</u>	<u>2,205,078</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	59,445	67,627	59,033	67,627
Other creditors	74,934	159,488	57,324	159,488
Deferred income	900,955	823,456	719,703	823,456
Accrued expenses	209,340	218,548	206,440	218,548
	<u>1,244,674</u>	<u>1,269,119</u>	<u>1,042,500</u>	<u>1,269,119</u>

Membership subscriptions are payable in respect of a rolling 12-month period and are credited to income over the period to which they relate. The remaining balance on this income that falls into the following year is shown as deferred income. No obligation exists to repay this or any part of it to members.

Deferred income is shown as follows:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Balance at 1 September	823,456	641,694	823,456	641,694
Amount released to incoming resources	(823,456)	(641,694)	(823,456)	(641,694)
Amount deferred in the year	<u>900,955</u>	<u>823,456</u>	<u>719,703</u>	<u>823,456</u>
Balance at 31 August	<u>900,955</u>	<u>823,456</u>	<u>719,703</u>	<u>823,456</u>

15. LEASING AGREEMENTS – GROUP AND COMPANY

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	4,193	24,925
Between one and five years	-	4,115
	<u>4,193</u>	<u>29,040</u>

Operating lease payments recognised as an expense during the year amounted to £25,629 (2021: £25,630).

16. MOVEMENT IN FUNDS - GROUP

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	13,421,482	(437,203)	12,984,279
TOTAL FUNDS	<u>13,421,482</u>	<u>(437,203)</u>	<u>12,984,279</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,421,283	(2,252,806)	(605,680)	(437,203)
TOTAL FUNDS	<u>2,421,283</u>	<u>(2,252,806)</u>	<u>(605,680)</u>	<u>(437,203)</u>

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	12,217,455	1,204,027	13,421,482
TOTAL FUNDS	<u>12,217,455</u>	<u>1,204,027</u>	<u>13,421,482</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,015,157	(2,592,873)	1,781,743	1,204,027
TOTAL FUNDS	<u>2,015,157</u>	<u>(2,592,873)</u>	<u>1,781,743</u>	<u>1,204,027</u>

16. MOVEMENT IN FUNDS - COMPANY

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	13,421,482	(437,203)	12,984,279
TOTAL FUNDS	<u>13,421,482</u>	<u>(437,203)</u>	<u>12,984,279</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,390,235	(2,221,758)	(605,680)	(437,203)
TOTAL FUNDS	<u>2,390,235</u>	<u>(2,221,758)</u>	<u>(605,680)</u>	<u>(437,203)</u>

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	12,217,455	1,204,027	13,421,482
TOTAL FUNDS	<u>12,217,455</u>	<u>1,204,027</u>	<u>13,421,482</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,015,157	(2,592,873)	1,781,743	1,204,027
TOTAL FUNDS	<u>2,015,157</u>	<u>(2,592,873)</u>	<u>1,781,743</u>	<u>1,204,027</u>

17. EMPLOYEE BENEFIT OBLIGATIONS

The Institute made contributions on behalf of its employees to a Scottish Widows defined contribution pension scheme. The number of staff who have accrued retirement benefits under the defined contribution scheme was 23 (2021: 29). During the year contributions amounted to £60,470 (2021: £102,295) which are included in the Statement of Financial Activities as they become payable. The number of staff being paid more than £60,000 who are accruing benefits under defined contribution arrangements was 4 (2021: 6).

18. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

There were no related party transactions for the year ended 31 August 2022.

19. ULTIMATE CONTROLLING PARTY

The Institute is controlled by its Director Trustees.

THE INSTITUTE OF LEADERSHIP

England & Wales - Charity number 248226

Accounts

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021
FOR
THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

**THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives for which The Institute is established are "the promotion and development of the science of management, and the advancement of education involving the study of the skills of leadership and management".

The Institute is dedicated to advancing the capability of managers and leaders worldwide through the provision of tailored learning resources, and by developing and supporting a global leadership and management community through its membership services.

The core activities of the Institute are the provision of learning resources, the operation of its membership proposition and the curation of research focused on practicing leaders and managers.

The Institute offers a range of resources covering management, leadership, coaching and mentoring, business and enterprise, and specialist areas (for example, financial services, military, education and charity sector support), all of which are aimed at developing people skills, knowledge and understanding to improve performance at work or in society at large.

The Institute offers professional membership which recognises the talents of leaders and managers at different stages in their career. Membership provides professional recognition, access to a bespoke online learning environment (MyLeadership), additional learning materials, a globally accessible series of online events and webinars, access to a wide range of research and knowledge, Edge magazine, and access to The Hub, the Institute's online leadership community of practice.

The Institute is committed to advancing understanding of effective leadership and management, and its impact on individuals, organisations and wider society. Our knowledge curation is designed to identify current and emerging trends across the broad disciplines of leadership and management, and highlight leading-edge thinking and practice in workplaces across the world.

Public benefit

As a registered charity, the Institute of Leadership & Management takes its public benefit obligations seriously. Membership is open to all, and many of the Institute's learning resources are free to access, including webinars, research reports, podcasts, online courses and news updates. The Institute is committed to providing freely accessible resources as part of its objective to advance the learning and practice of leadership and management. In addition, the Institute supports other charities through partnering and procurement activities, selecting partners who themselves demonstrate a clear and compelling purpose for public benefit.

STRATEGIC REPORT

Achievement and performance

Charitable activities

It has been an eventful twelve months. The Institute began September 2020 with momentum, and maintained the busy programme of webinars, podcasts and blog posts, and there is little doubt that such activity made more visible our brand. As the year wore on, we began to look more closely at what we were achieving and the benefit being delivered for our Members, and focused increasingly on value-adding activities. Our primary strategic objective is clear - to move from deficit to financially sustainable surplus whilst fulfilling our charitable Objects. The fundamental strategy for this remains sound, condensed to four output areas: Insights, Solutions, Community and Longevity.

A focus on productivity over the year delivered a more effective - and cost-effective - modus operandi, enabling us to increase cost savings, whilst beginning to improve revenue generation. A determined shift toward a more outwardly focused, customer-driven style, produced positive results from promoting our community's voices. Momentum in business development continued to pay off, supplemented by increasing innovation in marketing. Social media became the main platform for Institute promotion, transforming both our image and our levels of engagement. The result has been a marked increase in our brand presence across social media, increasing LinkedIn followers by 55% and achieving #1 status in Apple's management podcast charts.

Sustained effort from the Customer Relations teams has seen admirable member acquisition and retention, and increasing engagement with corporate clients, generating consistently improving performance. In all, the operational changes over the past year have been positive in financial and non-financial terms - the full year operational deficit came in significantly lower than predicted, and brand presence has improved markedly.

Financial review

Financial position

A summary of The Institute's finances is set out in the attached financial statements for the year ended 31 August 2021. The principal source of income for The Institute is from membership income. After making appropriate enquiries, the trustees have a reasonable expectation that The Institute has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Charitable income amounted to £1,708,820 (2020: £1,283,948), an increase on the previous year and investment income amounted to £306,337 (2020: £302,068). Expenditure for the year totalled £2,592,816 (2020: £2,953,555), representing a significant reduction.

The movement in net resources for the year resulted in a surplus of £1,204,027 (2020: deficit of £1,156,468) after allowing for net gains on investments of £1,781,743 (2020: net gains on investments of £210,982).

Total unrestricted funds amounted to £13,421,482 (2020: £12,217,455) as at 31 August 2021 with liquid reserves (net current assets) of £1,425,496 (2020: £1,689,590). The majority of intangible fixed assets of £423,690 (2020: £630,518) represent managementship.

Principal funding sources

The principal funding sources for The Institute are currently by way membership income from its members, partnership and Institute approved income and investment income from its listed investment portfolio.

Reserves policy

The Institute's target is to hold sufficient free reserves to fund its activities in the event of a major fall in income or an unforeseen increase in expenditure, and that these reserves should equate to 12 months planned operating expenditure for the coming year, based on a range of months over the year.

When reviewing the reserves position, consideration is also given to whether funds should be designated to cover expenditure on specific capital and other projects. There are currently no designated funds.

The value of free reserves is calculated by taking total funds exclusive of tangible and intangible assets. On that basis the value of free reserves at 31 August 2021 was £12,993,984 (2020: £11,576,235) and equated to 60 months expenditure (2020: 47 months). The levels of reserves are a feature of the full separation of The Institute from the City & Guilds Group and not a result of long-term accumulation by design or neglect.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

STRATEGIC REPORT

Future plans

The mission of the Institute, derived from its charitable objects, remains "To inspire great leadership. Everywhere", and progress in line with our strategy has been satisfactory to date. That improved performance has been motivational for the Team, and the next year will see a robust response to the challenge of generating advocacy whilst managing uncertainty.

At the same time, we are conscious that performance is rarely achieved without risk. As a charity, the Institute has a duty to balance the quest for growth with the need for prudently managed financial sustainability. We have therefore set up an arms-length company - Leaderskills Limited - through which non-membership, trading operations can be managed, in order to ring-fence the risk of commercial business from the membership charity.

The coming year also sees the 75th Anniversary of the Institute, and plans are afoot for a wide range of celebratory events and engagements. Despite the continuing pressures of the pandemic, in the last year the Institute has shown how imagination, will and focus can shape confident performance. As we celebrate our 75th Anniversary, we shall be laying the foundations for the next 75 years of the Institute of Leadership & Management.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Charity constitution

The Institute was formed under a Memorandum of Association dated 3 March 1958 (and subsequently amended) and Articles of Association adopted on 28 June 2018. The Memorandum of Association and the Articles are together described in this report as "the constitution".

Under the constitution, the Board is required to issue Bye-Laws in relation to some matters, has the specific power to issue others, and may in addition issue any which it deems necessary, expedient or convenient for the proper conduct and management of The Institute. As at the year end, the Bye-Laws in force related to Membership, Studying Membership, Election of Directors, Faculties, Advisory Groups and Regular Members.

Recruitment and appointment of new trustees

As The Institute is both a charity and a company, members of the Board are both charity trustees and company Directors. The Board consists of Directors, who are elected by the Voting Members, (namely the members of The Institute). The number of Directors may be altered by a General Meeting of members.

Organisational structure and decision making

The Board is required by the constitution to ensure that The Institute's business is conducted in accordance with its charitable objectives. The Board is legally responsible for the governance and management of The Institute. It plays a strategic role and in this context considers and approves The Institute's annual business plan, and is actively involved in any proposal for change to the constitution or Bye-Laws. In their deliberations in relation to The Institute's aims, strategy, objectives and activities, the Board has due regard not only to The Institute's charitable purpose but also to the guidance on public benefit published by the Charity Commission.

The Board sets and reviews The Institute's reserves and investment policies, and regularly monitors the performance of the investments. It approves and monitors compliance with other policies, in particular the health and safety policy.

Executive management is delegated to the Chief Executive, who presents regular reports to the Board to enable it to monitor the financial performance of The Institute and its progress towards meeting its strategic objectives. The Chief Executive is supported by a senior management team whose roles cover all aspects of The Institute's current operations, its research and policy activities, membership, finance and business administration, marketing communications and business development.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

Board-related policies are reviewed according to a schedule approved by the Board, and cover induction, development, evaluation, conflicts management, and matters reserved to the Board. The induction programme for new directors briefs them on The Institute's business and financial affairs and the duties of company directors and charity trustees through a combination of a dedicated induction session, induction pack and meetings with key personnel. The director's training needs are addressed through a self-assessment skills matrix, external seminars, briefing papers, courses and as part of the normal cycle of Board meetings, and a Board evaluation process is carried out annually. Board members do not receive any personal benefits unless there is legal authority for this. Any related party transactions are reported in the Annual Report and Financial Statements.

Key management remuneration

The Institute's Board determine the remuneration and contractual conditions for the Chief Executive and oversee the variable remuneration of other key members of the Institute's management team, taking into account market conditions and development needs for The Institute.

The Institute provides a remuneration package including a basic salary, performance-related bonus, company car, life assurance cover, private medical insurance and participation in The Institute's stakeholder pension scheme.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Directors keep under regular review, the risks to which The Institute is exposed and seek to limit their impact by adopting appropriate measures and monitoring their implementation.

The Institute's Risk Register records risks, their inherent and residual ratings and mitigation measures. The Registers are actively monitored by the Board, Risk and Finance Committee and Senior Leadership Team along with the Chief Executive. An updated Risk Register, which tracks the movement of risk, is available to The Institute's Board at every Board meeting.

The strategic risks facing The Institute are under constant review, with key risk areas having been identified as follows:

- Financial: raising the income of The Institute to ensure the long-term solvency of The Institute and the targeted achievement of charitable objects.
- Reserves: safeguarding the real-terms value of financial reserves through diligent asset management.
- Environmental: responding to socio-economic changes in respect of traditional membership participation to ensure ongoing engagement with our mission.
- Reputational: safeguarding the reputation of The Institute from unprofessional, unethical or criminal behaviours of staff or members.
- Wellbeing: ensuring the safety, health and mental health of staff and volunteers engaged in the work of The Institute.

Investment in new products, services, systems and processes continues to be made to support the ongoing delivery of The Institute's mission and enable the revenue growth needed to reach a more sustainable trading position. In addition to these principal risks, The Institute is subject to the same general financial and operational risks as other enterprises.

The only material financial instruments held by The Institute are investments and debtors. The market risk pertaining to the investment portfolio is managed by CCLA but the investment policy and budgeting process are such that The Institute's exposure to cash flow risk is minimised.

The credit risk relating to debtors is low given that the balance represents a few relatively low volume items and a debt from the City & Guilds Group.

The Institute has no long-term borrowings and therefore liquidity risk is minimal.

In relation to managing price risk, prices of materials purchased are subject to contracts with suppliers, based on current market prices. Risks pertaining to suppliers are considered low and managed by following a robust procurement and contracting process and monitoring of performance during the life of the contract. Salary costs are communicated to staff during the formal annual review of salaries. The Institute operates a third-party auto-enrolment pension scheme and does not share in any pension liability.

The Chief Executive has responsibility for ensuring that mitigation measures are taken and reporting the position to the Board. The Directors are satisfied that appropriate action is being, or will be, taken to manage the strategic and operational risks which face The Institute.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
00601049 (England and Wales)

Registered Charity number
248226

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

Registered office

Pacific House
Relay Point
Wilnecote
Tamworth
B77 5PA

Trustees

A Sharman (resigned 9.12.20)
S M Granger (resigned 25.3.21)
J E Green
A B Kincaid (appointed 25.3.21)
J Malawana (appointed 25.3.21)
C H McNair (appointed 25.3.21)
R Richardson
E L Robinson-Green
N J Rylett-Jones

Company Secretary

M C Robinson

Auditors

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Solicitors

Pennington Manches LLP
9400 Garsington Road
Oxford Business Park
Oxford
OX4 2HN

Investment advisors

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Institute Of Leadership And Management for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company'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.

AUDITORS

The auditors, J W Hinks LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 10 December 2021 and signed on the board's behalf by:



J E Green - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

Opinion

We have audited the financial statements of The Institute Of Leadership And Management (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and discussed the policies and procedures regarding compliance.

Specific areas considered were as follows:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected or unexpected variances in account balances or classes of transactions appear.
- Testing documentation supporting account balances or classes of transactions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected all irregularities including those leading to material misstatements in the financial statements or non-compliance with regulation, even though we have properly planned and performed our audit in accordance with auditing standards.

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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Cruse ACA, FCCA, Bsc (Econ) Hons (Senior Statutory Auditor)
for and on behalf of J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

10 December 2021

**THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

		2021 Unrestricted funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Charitable activities	3		
Membership		1,356,714	1,077,693
Other		352,106	206,255
Investment income	2	306,337	302,068
Total		2,015,157	1,586,016
EXPENDITURE ON			
Charitable activities	4		
Membership		2,100,008	2,457,435
Other		492,865	496,031
Total		2,592,873	2,953,466
Net gains on investments		1,781,743	210,982
NET INCOME/(EXPENDITURE)		1,204,027	(1,156,468)
RECONCILIATION OF FUNDS			
Total funds brought forward		12,217,455	13,373,923
TOTAL FUNDS CARRIED FORWARD		13,421,482	12,217,455

The notes form part of these financial statements

THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT (REGISTERED NUMBER: 00601049)

BALANCE SHEET
31 AUGUST 2021

	Notes	2021 Unrestricted funds £	2020 Total funds £
FIXED ASSETS			
Intangible assets	10	423,690	630,518
Tangible assets	11	3,808	10,702
Investments	12	11,568,488	9,886,645
		11,995,986	10,527,865
CURRENT ASSETS			
Debtors: amounts falling due within one year	13	705,078	644,209
Debtors: amounts falling due after more than one year	13	1,500,000	2,000,000
Cash at bank		489,537	144,418
		2,694,615	2,788,627
CREDITORS			
Amounts falling due within one year	14	(1,269,119)	(1,099,037)
NET CURRENT ASSETS			
		1,425,496	1,689,590
TOTAL ASSETS LESS CURRENT LIABILITIES			
		13,421,482	12,217,455
NET ASSETS			
		13,421,482	12,217,455
FUNDS			
Unrestricted funds:	16		
General fund		13,421,482	12,217,455
TOTAL FUNDS			
		13,421,482	12,217,455

The financial statements were approved by the Board of Trustees and authorised for issue on 10 December 2021 and were signed on its behalf by:


J E Green - Trustee


R Richardson - Trustee

The notes form part of these financial statements

**THE INSTITUTE OF LEADERSHIP AND
MANAGEMENT**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>279,571</u>	<u>(394,690)</u>
Net cash provided by/(used in) operating activities		<u>279,571</u>	<u>(394,690)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(33,215)	(39,615)
Purchase of tangible fixed assets		(1,137)	(1,780)
Purchase of fixed asset investments		(100)	-
Sale of fixed asset investments		100,000	350,000
Net cash provided by investing activities		<u>65,548</u>	<u>308,605</u>
Change in cash and cash equivalents in the reporting period			
		<u>345,119</u>	<u>(86,085)</u>
Cash and cash equivalents at the beginning of the reporting period			
		<u>144,418</u>	<u>230,503</u>
Cash and cash equivalents at the end of the reporting period			
		<u>489,537</u>	<u>144,418</u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

1.	RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES		
		2021	2020
		£	£
	Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	1,204,027	(1,156,468)
	Adjustments for:		
	Depreciation charges	248,074	236,238
	Gain on investments	(1,781,743)	(210,982)
	Decrease in debtors	439,131	511,637
	Increase in creditors	170,082	224,885
	Net cash provided by/(used in) operations	279,571	(394,690)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.20	Cash flow	At 31.8.21
	£	£	£
Net cash			
Cash at bank	144,418	345,119	489,537
	<u>144,418</u>	<u>345,119</u>	<u>489,537</u>
Total	<u>144,418</u>	<u>345,119</u>	<u>489,537</u>

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the financial statements, the directors are required to make estimates and assumptions which affect income, expenditure, assets, liabilities and disclose contingent assets and liabilities. Use of available information and application of judgements are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT has been charged to the Statement of Financial Activities.

ALLOCATION AND APPORTIONMENT OF COSTS

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

However, the cost of support of the overall operation are allocated to each activity based on the proportion of income generated.

INTANGIBLE FIXED ASSETS

Intangible fixed assets are stated at cost less accumulated amortisation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Trademarks

Trademarks are amortised over their useful economic life of 5 years.

Computer Software

Computer software is amortised over its useful economic life of 5 years.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost

TAXATION

The charity is exempt from corporation tax on its charitable activities.

1. ACCOUNTING POLICIES - continued

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

INVESTMENTS

Quoted investments have been included in the Balance Sheet at bid price. The relevant unrealised gain/loss on investment values, calculated as movement in the market value of an asset during the year is reported through the Statement of Financial Activities.

Investment income includes interest receivable on deposit, income from listed investments and dividends.

Investments in subsidiary undertakings have been included in the Balance Sheet at historic cost less any potential impairment.

FINANCIAL INSTRUMENTS

All financial instruments are recognised at historical cost other than investments which are recognised at bid value.

FOREIGN EXCHANGE

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in the Statement of Financial Activities.

OPERATING LEASE COMMITMENTS

Rentals payable under operating leases, including any lease incentives received, are charged to the Statement of Financial Activities on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease assets are consumed.

GOING CONCERN

There are no significant doubts about The Institute's ability to continue as a going concern as there are currently significant cash and investment fund balances, positive net current assets and stable income streams. The Institute continues to receive income from City & Guilds following its separation. There are no material uncertainties to be disclosed.

2. INVESTMENT INCOME

	2021 £	2020 £
Interest on deposits	36	681
Dividends received	306,301	301,387
	<u>306,337</u>	<u>302,068</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Membership £	Other £	2021 Total activities £	2020 Total activities £
Individual membership	1,094,954	-	1,094,954	993,980
Commercial membership	261,760	-	261,760	83,713
Commercial income	-	345,045	345,045	189,739
Other income	-	7,061	7,061	16,516
	<u>1,356,714</u>	<u>352,106</u>	<u>1,708,820</u>	<u>1,283,948</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Membership	1,585,326	514,682	2,100,008
Other	14,188	478,677	492,865
	<u>1,599,514</u>	<u>993,359</u>	<u>2,592,873</u>

5. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Membership	505,982	8,700	514,682
Other	478,677	-	478,677
	<u>984,659</u>	<u>8,700</u>	<u>993,359</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditors' remuneration	6,900	6,600
Depreciation - owned assets	8,031	12,275
Trademark amortisation	788	380
Computer software amortisation	<u>239,255</u>	<u>223,582</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2021 nor for the year ended 31 August 2020.

TRUSTEES' EXPENSES

During the year ended 31 August 2021 expenses of £nil (2020: £3,298) were reimbursed to trustees.

8. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	1,292,818	1,175,631
Social security costs	126,347	117,934
Other pension costs	<u>102,295</u>	<u>76,288</u>
	<u>1,521,460</u>	<u>1,369,853</u>

Included above are also redundancy costs of £91,941 (2020: £nil).

The average monthly number of employees during the year was as follows:

	2021	2020
Membership	<u>29</u>	<u>28</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£60,001 - £70,000	4	4
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
£90,001 - £100,000	1	-
£100,001 - £110,000	-	1
	<u>6</u>	<u>6</u>

During the year ended 31 August 2021 an amount of £438,856 (2020: £407,412) was paid to key management personnel which included redundancy costs of £53,777 (2020: £nil).

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Charitable activities	
Membership	1,077,693
Other	206,255
Investment income	302,068
Total	<u>1,586,016</u>
 EXPENDITURE ON	
Charitable activities	
Membership	2,457,435
Other	496,031
Total	<u>2,953,466</u>
Net gains on investments	210,982
NET INCOME/(EXPENDITURE)	<u>(1,156,468)</u>
 RECONCILIATION OF FUNDS	
Total funds brought forward	13,373,923
TOTAL FUNDS CARRIED FORWARD	<u><u>12,217,455</u></u>

10. INTANGIBLE FIXED ASSETS

	Trademark £	Computer software £	Totals £
COST			
At 1 September 2020	1,900	1,138,615	1,140,515
Additions	3,490	29,725	33,215
At 31 August 2021	5,390	1,168,340	1,173,730
AMORTISATION			
At 1 September 2020	443	509,554	509,997
Charge for year	788	239,255	240,043
At 31 August 2021	1,231	748,809	750,040
NET BOOK VALUE			
At 31 August 2021	4,159	419,531	423,690
At 31 August 2020	1,457	629,061	630,518

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 September 2020	18,048	56,476	74,524
Additions	-	1,137	1,137
At 31 August 2021	18,048	57,613	75,661
DEPRECIATION			
At 1 September 2020	16,138	47,684	63,822
Charge for year	1,910	6,121	8,031
At 31 August 2021	18,048	53,805	71,853
NET BOOK VALUE			
At 31 August 2021	-	3,808	3,808
At 31 August 2020	1,910	8,792	10,702

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Listed investments £	Totals £
MARKET VALUE			
At 1 September 2020	-	9,886,645	9,886,645
Additions	100	-	100
Disposals	-	(100,000)	(100,000)
Revaluations	-	1,781,743	1,781,743
At 31 August 2021	100	11,568,388	11,568,488
NET BOOK VALUE			
At 31 August 2021	100	11,568,388	11,568,488
At 31 August 2020	-	9,886,645	9,886,645

Listed investments at 31 August 2021 were made up as follows:

Category	2021 (%)	2020 (%)
UK and Overseas Equities	77.69	71.59
Private Equity and Other	2.32	1.94
Infrastructure and Operating Assets	8.24	8.50
Property	3.80	4.34
Contractual and Other Income	2.48	3.32
Fixed Interest	0.00	0.47
Cash and Near Cash	5.47	9.84
Total	100.00	100.00

The company's investments at the balance sheet date in the share capital of companies include the following:

Leaderskills Limited

Registered office: Pacific House, Relay Point, Wilnecote, Tamworth, B77 5PA

Class of share:	%
Ordinary	holding 100

Aggregate capital and reserves	2021 £	2020 £
	100	-

On 10 March 2021 The Institute of Leadership and Management acquired the entire share capital of Leaderskills Limited, a company registered in England.

13. DEBTORS

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	152,043	84,657
Other debtors	500,000	500,000
Prepayments	53,035	59,552
	<u>705,078</u>	<u>644,209</u>
Amounts falling due after more than one year:		
Other debtors	<u>1,500,000</u>	<u>2,000,000</u>
Aggregate amounts	<u>2,205,078</u>	<u>2,644,209</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	67,627	65,810
Amounts owed to group undertakings	100	-
Other creditors	159,388	39,423
Deferred income	823,456	641,694
Accrued expenses	218,548	352,110
	<u>1,269,119</u>	<u>1,099,037</u>

Membership subscriptions are payable in respect of a rolling 12 month period and are credited to income over the period to which they relate. The remaining balance on this income that falls into the following year is shown as deferred income. No obligation exists to repay this or any part of it to members.

Deferred income is shown as follows:

	2021 £	2020 £
Balance at 1 September	641,694	521,835
Amount released to incoming resources	(641,694)	(521,835)
Amount deferred in the year	<u>823,456</u>	<u>641,694</u>
Balance at 31 August	<u>823,456</u>	<u>641,694</u>

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021 £	2020 £
Within one year	24,925	25,630
Between one and five years	4,115	28,962
	<u>29,040</u>	<u>54,592</u>

Operating lease payments recognised as an expense during the year amounted to £25,630 (2020: £48,849).

16. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	12,217,455	1,204,027	13,421,482
TOTAL FUNDS	<u>12,217,455</u>	<u>1,204,027</u>	<u>13,421,482</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,015,157	(2,592,873)	1,781,743	1,204,027
TOTAL FUNDS	<u>2,015,157</u>	<u>(2,592,873)</u>	<u>1,781,743</u>	<u>1,204,027</u>

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
General fund	13,373,923	(1,156,468)	12,217,455
TOTAL FUNDS	<u>13,373,923</u>	<u>(1,156,468)</u>	<u>12,217,455</u>

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,586,016	(2,953,466)	210,982	(1,156,468)
TOTAL FUNDS	<u>1,586,016</u>	<u>(2,953,466)</u>	<u>210,982</u>	<u>(1,156,468)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.19 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	13,373,923	47,559	13,421,482
TOTAL FUNDS	<u>13,373,923</u>	<u>47,559</u>	<u>13,421,482</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	3,601,173	(5,546,339)	1,992,725	47,559
TOTAL FUNDS	<u>3,601,173</u>	<u>(5,546,339)</u>	<u>1,992,725</u>	<u>47,559</u>

17. EMPLOYEE BENEFIT OBLIGATIONS

The Institute made contributions on behalf of its employees to a Scottish Widows defined contribution pension scheme. The number of staff who have accrued retirement benefits under the defined contribution scheme was 29 (2020: 28). During the year contributions amounted to £102,295 (2020: £76,288) which are included in the Statement of Financial Activities as they become payable. The number of staff being paid more than £60,000 who are accruing benefits under defined contribution arrangements was 6 (2020: 6).

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2021.

19. ULTIMATE CONTROLLING PARTY

The Institute is controlled by its Director Trustees.