

Chartered Banker

CHARTERED BANKER INSTITUTE

Annual Report 2021

Charitable Body No SC013927.

Foreword by President of the Chartered Banker Institute, Bill McCall, FCBI

When you installed me as President nearly two years ago it was truly an honour. On that day I talked about serving to lead, a military concept.

I also cautioned us all on the concerns in the global economy and warned of trouble ahead, "What we should be ready for is another setback, a recession, a shock – from an area we haven't really thought of – and that it will surprise us".

Almost two years later, we could not have imagined then what the world has faced in the last 12 months or so. The sad toll of lost souls, the depth of heartache and impact on health, wellbeing and on many around us.

The underlying economic impact has created some of the most damaging impacts on national economies in decades, if not centuries. We and subsequent generations will live with the collateral damage way into the future.

Yet, in spite of these significant challenges, as I come towards the end of my two-year tenure as President, I could not have enjoyed serving you more.

You see, leaders are there to serve, from the moment they are elected, and there is no luxury of choosing what might unfold in front of you during the time you are elected. You can only play the game that is in front of you and there is no point bemoaning the one that isn't.

For example, I was disappointed that I didn't travel to meet you at some of the excellent events and the celebrations of examination successes. I particularly missed hearing your views in local settings and accepting the kind invitations to speak in Singapore, Taiwan, Australia, the United States. Yet, with the benefit of technology I have probably spoken with and met more members around the world than any past President of our Institute.

In my time as President, I have learnt a great deal from you; of resilience, of kindness, of selflessness, of humility, and professionalism. The resilience of those working from home; the kindness I hear of between members in all parts of the world; the selflessness of doing great things in your communities, way beyond the call of duty and such demonstrable humanity. These are the stories that unite us and show the essence of true serving to lead in your organisations, your families, your communities, and social groups. Even in the face of a world-altering event, the strength of human spirit shines through, and our members are in the thick of it, serving to lead.

To our Institute leadership team and professional staff, we all owe a particular debt of thanks. We were faced with a global pandemic, yet the strategy towards a digital Institute was already well in train. I cannot stress enough just how dedicated and committed the Institute team is – they recognised the challenge early, defined how it could be tackled and went about their business. No fanfare, no fuss, just doing what was best for our Institute and in essence – for us. That is serving to lead.

To my fellow Board members past and present, thank you for all you have done to get behind the objectives of our Institute. You lead by example by giving your time and expertise freely to our collective membership. Our Institute is richer for that, and each of you should know that you are aiding our mission of driving standards and

values within our profession. You are part of a long line who have served faithfully and that will continue long into our Institute's future.

Somewhat remarkably, given the situation, the Institute's leadership team and staff also did not lose sight of their objectives.

Firstly, advancing our *Royal Charter* mission, ensuring the direction of travel continues to be to educate and promote professionalism in our profession. The achievements of the Institute in the past year, in this new online, remote learning environment speak for themselves, with highlights including: over 7,000 online examinations delivered; over 93 online events provided for members; and more than 500 hours of CPD content available to members.

Secondly, the international influence and collaboration we have been building in important areas like Australia, Malaysia, Taiwan, India, Pakistan and Singapore has continued to grow. We are extremely proud to have been able to assist our partner Institutes through such difficult and challenging circumstances over the past 12 months, whilst supporting our members in over 100 countries, across six continents.

And finally, our standing full square behind the development of green finance initiatives, given the importance of sustainable finance, underscored by the United Nations, the commitment shown by central bankers, and COP26 being hosted in Glasgow later this year. Stewardship is the word our founders would have used almost 150 years ago. Today we might say 'responsible and sustainable'. Through the increased popularity of our Green and Sustainable Finance Certificate and our CEO Simon Thompson leading the Green Finance Education Charter, on behalf of 12 of the UK's largest financial services professional bodies, we are clearly playing our part to mainstream green and sustainable finance across the world.

But be warned, there is no room for complacency as our true moment of truth is arriving now, and our profession will rightly be judged on its approach to, and treatment of clients and customers as we assist the build back after this global pandemic calamity and how we further react to climate impacts.

This is our generational chance to demonstrate that we learned from the mistakes of last time and our redemption as a profession can be secured by simply doing the right things for the longer term good. Doing the right things, on a bad day, even when no-one is looking.

For me, relationship has always trumped transactional. We must aspire to be good stewards of our client relationships and the trust they grant us. Without trust the relationship is broken.

It has been a pleasure and great honour to serve to lead the Chartered Banker Institute, your Institute, my Institute, our Institute. Long may it prosper through all our efforts.

Bill McCall, FCBI

More Info: If you have any further questions about this *Annual Report* or anything relating to the Institute, please don't hesitate to get in touch with us at:

info@charteredbanker.com

THE INSTITUTE IN NUMBERS

2020-2021

29,296

29,296 members
47.3% male and
52.7% female



130%

Over 93 online
events for
members with
130% increase
in bookings



100%

100% increase in
new Chartered
Bankers becoming
qualified through our
experiential route



7,110 online
examinations
delivered



2,613 qualification
completions



Young Banker
of the Year
delivered
online for the
first time



Event
engagement
has increased
by 51%



Three new
qualifications
developed
and launched



Thought
Leadership
Reach
increased
by 82%



More than
500 hours of
CPD content
available to
members



We work in over
100 countries
over 6 continents



NPS score
increased
to +40



97% of
users would
recommend our
CPD content

Chief Executive's Review

For most, if not all, of our Institute's members, students, trustees, volunteers, partners and staff, the past year has been the most personally and professionally challenging of our lives. Many have suffered loss, illness, mental health issues, significant disruption to life and work, economic uncertainty, and much more. Collectively and individually, we owe a great debt of thanks to the health professionals and many other key workers who have helped us through the worst of the Covid-19 pandemic. As the immediate health challenges recede, the economic challenges come to the fore as individuals, businesses, and communities seek to not just to recover from the pandemic, but to "build back better". Banks and bankers – especially Chartered Bankers – will play a key role in restoring prosperity.

Whether 2020 was the most challenging year in the Institute's long history is debatable, as a century ago I suspect the psychological, health and economic impacts of the Great War, combined with the influenza pandemic and less advanced scientific and technological prowess, made life very difficult indeed for our predecessors. The past 12 months have certainly seen the Institute's resilience and responsiveness greatly tested, and it is with pride I can reflect on a year in which we have faced, and overcome, a series of economic, educational and practical challenges.

Most notably we supported our members, and professional bankers more widely, with the rapid development and launch of our Lockdown Learning resources.

Topics included:

- Maintaining wellbeing and building resilience
- Leading through change and challenge
- Online learning.

In addition, two new e-learning modules were launched to help customer-facing and other staff support customers facing difficulties because of the impacts of the pandemic:

- Vulnerable Customers
- Supporting Customers in Crisis.

Feedback from members, employers and others was excellent, and I know our Lockdown Learning resources played a significant role in helping thousands of members and others personally and professionally.

As a result of decisions taken and investments made in building our digital capabilities in previous years, our Institute was in a strong position, relative to many of our peers, to transition rapidly to the online delivery of learning and assessment, and to working from home. We were one of the first UK professional bodies to introduce remote invigilation of exams, for example, and were able to offer this option to the majority of our students when our network of exam centres was closed.

Whilst the first quarter of the year saw a substantial drop in enrolments, as students and employers responded to the immediate challenges of working from home and supporting their customers and clients, by the end of the year we had delivered almost twice the number of exams compared with the previous year, including substantial numbers overseas supporting our international partners. Similarly, moving to online events meant many more members from more countries than ever before were able to participate, and despite not being able to physically meet members during the year, the President and I met many of our members and students virtually. The closer sense of community across our global membership and increased engagement with, and between, members is something we very much want to preserve as we emerge from the pandemic.

As we set out elsewhere in this Annual Report, being able to continue to support students, members and employers with their learning and professional development during the pandemic and increasing our global footprint during the year meant the Institute had a successful year commercially. Enrolments and revenue were higher than the previous year, and we recorded an unexpected surplus, a substantial proportion of which will be used to support disadvantaged young people through our 2025 Foundation. As a not-for-profit Chartered body, though, we measure our success through the growth of our impact and influence, and as our Annual Report sets out, this has continued to grow in the UK and globally during the year – most notably through our work on green and sustainable finance, and responsible banking – in promoting and helping to embed the UN Principles for Responsible Banking.

It is, in my view, sustainable finance and responsible banking, supported by professional bankers, that will help us all “build back better” our personal and professional lives, our health and wellbeing, our businesses and our communities. The challenges of recovery are now beginning, and our Institute and our members will play key roles in building a more sustainable world, and sustainable prosperity for all.

Simon Thompson, FCBI

TRUSTEES' REPORT

The Role of the Chartered Banker Institute

Our Institute – the first Institute of bankers in the world – was founded in 1875. In December 2019, we received a new, supplementary *Royal Charter* from HM The Queen, establishing ourselves as the Chartered Banker Institute, the premier, UK-based professional body for bankers with global impact and influence. Becoming the Chartered Banker Institute gave our members and partners a stronger global identity linked by a common commitment to purpose and high standards of professionalism in banking.

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

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

- Launch of our first enterprise membership
- Membership numbers 29,296 members
- Increase in positive sentiment score// NPS score has increased by 21 points to +40 in the last 18 months.
- 20% increase in International members

Learning and Assessment

With constant advances in technology and customer expectations, we continually review our framework of digital qualifications to ensure that they meet the ever-changing needs of the modern professional banker. Despite the challenges caused by the global pandemic, we have continued to serve our members, corporate clients, and international learning partners. Highlights of our 2020 activities include:

Learning

In April, we launched our Lockdown Learning programme with the aim of sharing resources on the knowledge and skills that were identified as being a priority for bank colleagues in responding to the pandemic. Topics included:

- Maintaining wellbeing and building resilience

- Leading through change and challenge: how to lead a team in a crisis, build team resilience and learn to cope with change
- Online learning: how to leverage technology to help members make the most of their learning.

Two new e-learning modules were developed to help customer-facing staff support customers whose circumstances were exacerbated by the impact of the pandemic:

- Vulnerable Customers
- Supporting Customers in Crisis.

As well as raising awareness of the practical support that could be provided because of bank and government schemes, the modules were designed to support the development of skills required to understand the impact that change can have on us, feel and demonstrate empathy, and communicate with customers accordingly.

Updated for 2020, our *Certificate in Green and Sustainable Finance* was launched in June. The revised qualification has attracted much interest, with almost 300 enrolments since launch. By combining this Certificate with our *Professional Banker Certificate – Professional and Responsible Banking in a Digital Age* – we have created a new *Diploma in Green and Sustainable Finance* for students who want to gain increased recognition for their green and sustainable studies.

For members who would like to learn more about green and sustainable finance and professional and responsible banking in a digital age as part of their continuing professional development (CPD), as opposed to sitting an exam to attain the qualifications, we created stand-alone e-learning modules on these topics, available to all members in our *Responsible Banking* toolkit.

A new standard, accredited route to *Professional Banker Certificate* was developed and launched in September. Consisting of an accredited component for banks' internal programmes and the standard e-learning, the new route has replaced the previous, varying, routes offered to several corporate clients, thereby increasing efficiencies and introducing a consistent approach and standard assessment for all.

Three new qualifications are currently in development:

- *Foundation Certificate in Responsible Banking* (April 2021)
- *Certificate in Credit and Risk Analysis* (May 2021)
- *Certificate in Climate Risk* (June 2021).

We are also updating *Green and Sustainable Finance* for the release of our 2021 version.

Key statistics:

- Four new e-learning modules developed for our *Responsible Banking* toolkit
- Three new qualifications developed and launched
- Three new qualifications currently in development
- 298 *Green and Sustainable Finance* enrolments since launch in June
- 85 *Working Capital* enrolments since launch in July
- 299 enrolments from three different banks for the new accredited route to *Professional Banker Certificate* since launch in September

- 68 new Chartered Bankers from our experiential route – 100% increase from last year.

Assessment

The key highlights for assessment this year are:

- Our move to a new online exam platform – PearsonVUE, which includes a remote proctoring feature
- Hosting exams for the Asian Institute of Chartered Bankers (AICB).

Both initiatives involved significant initial exam development work, including creating exam specifications, building exams and conducting quality reviews to ensure the exams were working as they should. Both initiatives have had a significant impact on our exam delivery this year.

Key statistics:

- 7,110 online exams delivered on the new Pearson platform
- 5,482 (77%) of online exams delivered were the Asian Institute of Chartered Bankers' (AICB) own exams that we have been hosting for them since September 2020
- 34% of online exams delivered were remotely proctored
- 2,613 qualifications completed.

Online exam delivery

In January, we conducted a comparison of the number of online exams delivered between 07 February 2020 (following our move to Pearson VUE) and end December 2020. We found that 6,377 exams were delivered during that period in 2020, compared with 3,324 in 2019.

Of the 6,377 exams delivered in 2020:

- 30% were remotely proctored and 70% were taken at an exam centre
- 5,056 (79%) were AICB (Asian Institute of Chartered Bankers) exams that we have been hosting for them since September 2020.

The drop in delivery of our own online exams in 2020 is due to:

- Our continued phasing out of the 'old' *Chartered Banker Diploma* modules, with the move to assignment-based only assessments for the Advanced Diploma
- A reduction in the number of AICB-specific *Chartered Banker Diploma* exams
- A reduction in exams taken by those who complete accredited routes to our *Professional Banker Certificate*, although this trend will now reverse as the standardisation of routes to the Certificate means that, in future, candidate exams will be fulfilled through our Pearson VUE platform
- A reduction in exams taken for modules leading to the *Professional Banker Diploma* (apart from Green/Green and Sustainable Finance which has seen four times as many exams taken in 2020 compared to 2019)
- A reduction in exams taken for bespoke qualifications.

Clearly, the impact of the pandemic has influenced the number of our own online exams taken during 2020, with client banks focusing on the wellbeing of their staff and serving customers and, for bespoke qualifications, coming to terms with alternative delivery methods for training/workshops that prepare students for taking their final exams.

Despite this, 2,613 qualifications were completed this financial year, The combination of remote proctoring option and our move to assignment-only based assessments for the Advanced Diploma meant that students were still able to study with us, take their exams, and become professionally qualified. Our strategic decision to host AICB's own exams has meant that, as at end December, we were able to deliver almost five times as many online exams as we would otherwise have done.

End-point assessment

As well as continuing to support the end-point assessment for the Level 2 Financial Services Customer Adviser Apprenticeship Standard, this year also saw the development, implementation and management of processes, and the training of assessors to deliver end-point assessment for the Level 7 Apprenticeship Standard – Senior Investment and Commercial Banking Professional. This involved supporting and providing guidance to the apprenticeship team at Cranfield University to ensure that their apprentices were clear about what was required of them and sufficiently prepared for their end-point assessment. In total, 47 end-point assessments were delivered for Level 2 and Level 7 apprenticeship standards.

- Total number of online exams: 7,110
- 34% of online exams delivered were remotely proctored
- 2,613 qualifications completed.
- Three new qualifications developed and launched
- 100% increase in new Chartered Bankers from our experiential route

Accreditation and Certification

Our accredited routes and bespoke pathways developed for individual banks are core to the work we do with UK banking groups and are used towards gaining professional qualifications. Our work includes a number of successful programmes which support attainment of the *Professional Banker Certificate*. This is a clear demonstration from banks and individual learners of the value they place on our external validation of the quality of internal learning programmes.

Our International Work

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

Chartered Banker by Experience qualification is proving popular with Australian bankers.

A key focus this year has been supporting FINSIA's work with a large Australian bank. This is a major project to deliver the full qualification range across all business areas, involving significant numbers of individual bankers, and will require close ongoing collaboration during 2021.

We also continued our highly successful and valued partnership with the Asian Institute of Chartered Bankers (AICB) in Malaysia, through education development consultancy, collaborative qualification delivery and examination delivery. AICB offers a varied range of qualifications, associated membership services (including Certified Professional Banker), and networking and industry-wide conferences.

A particular highlight has been an assessment conversion project, with the Institute supporting AICB to ensure their full range of examinations would be available in online remote invigilation or approved test centre format. The success of this intense project ensured Malaysian bankers could continue their career development and, critically, resulted in over 5,500 individual exams being delivered over a six-month period.

The Institute continues to support AICB in a wider qualification management and review project, which is working to introduce a new qualification framework, which will support learning and assessment.

Our partnership arrangement with the Indian Institute of Banking and Finance (IIBF) has been strengthened with the launch of a Professional Conversion Route to Associate Chartered Banker status, aimed at IIBF's significant numbers of Junior Associate holders.

We developed and delivered an online senior executive training programme for the Taiwan Academy of Banking and Finance (TABF) focussing on global banking trends. This was a great success and will lead to further collaborations with TABF.

2020 saw the introduction of a new global section on our website, detailing all active international partnerships and highlighting our global reach with current members in over 107 countries. Overall, 45% of visits to the Chartered Banker website were international, an increase from 29% last year.

Chartered Banker by Experience is proving popular overseas, attracting international students from more than 14 countries. 30% of *Green and Sustainable Finance Certificate* registrations are international, from more than 19 countries, including Singapore, because of our strong relationship with the Institute of Banking and Finance (IBF) there.

The *Chartered Banker MBA*, delivered in partnership with Bangor University, remains popular, with students from more than 80 countries. Likewise, our relationship with our colleagues in the Institute of Banking in Ireland is strong, with more than 595 Chartered Bankers registered as international members.

UK Academic Partnerships

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

In the UK, ten universities are now recognised as Centres of Excellence.

Bangor University Business School, University of Cambridge Judge Business School, the Business School (formerly Cass and to be renamed the Bayes Business School in September 2021), The University of Edinburgh Business School, University of Exeter Business School, Leeds University Business School, University of Liverpool in London, Newcastle University Business School, Nottingham University Business School, University of St Andrews

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

A further seven universities are recognised as Accredited Universities by having accredited programmes, with Glasgow Caledonian University and University of Westminster added in 2020.

More than 600 students are currently undertaking programmes with our university learning partners and progressing through their studies.

Coventry University, Cranfield School of Management, University of East London, Glasgow Caledonian University, Queen Mary University of London, University of Stirling Management School, University of Westminster//

Engaging with our Members

Helping our members and the wider banking community with the personal and professional challenges they faced as a result of Covid-19 has been a significant focus of attention during the year. Following consultation with the Institute's Membership Forum and Learning and Development Board we identified six key areas where we could best support our members:

1. Dealing with vulnerable customers
2. Colleague wellbeing
3. Dealing with challenge and change
4. Building resilience
5. Online learning
6. Guidance on how to continue learning while working from home.

These became the core of our rapidly developed, innovative Lockdown Learning programme which included micro-learning and thought leadership resources covering these topics and supporting members' immediate skills and knowledge gaps. We also developed free e-learning resources for members and other bank staff on supporting customers in crisis.

With our events programme moving fully online, this meant that we could also share our resources beyond our network, providing bankers and organisations globally with access to the resources they needed regardless of their location or circumstances, allowing them to rapidly upskill and support their customers during the pandemic. In addition, we shared the resources with regulators and our own colleagues. We have continued to harness feedback and have produced resources which have been welcomed throughout the industry. As a result, we have seen significant improvements in our engagement metrics, including our NPS score which has increased by 21 points to +40 in the last 18 months.

Continuing Professional Development

Over the last year we have retained our member-centric focus in relation to development, delivery methods and accessibility for continuing professional development (CPD) content. This was reflected in the Lockdown Learning programme launched in April 2020, designed to meet the skill and knowledge gaps identified by members while dealing with the Covid-19 pandemic. The initial six-week programme was extremely well received and we have continued to deliver focussed CPD content to members throughout the year.

The Institute's e-CC toolkit was revised and relaunched as the Responsible Banking Toolkit to better reflect its breadth of content, the Institute's thought leadership focus and its alignment with the UN Principles of Responsible Banking. The content was also expanded with new e-Learning, including *Green and Sustainable Finance*, and *Professional and Responsible Banking in a Digital Age*.

The *e-CPD toolkit* (our leadership, management and personal development resources toolkit) has also been updated with topical content. In total, more than 17,000 resources have been accessed across the *Responsible Banking* and *e-CPD toolkits* in the past year: an increase of 58% on 2019.

We continued the delivery of a tailored CPD programme, focused on professionalism and ethics, to a population of over 9,000 members. This was well received, with 97% of users indicating they would recommend the content. Now in its third year, the latest version of the programme was launched in January 2021

During the course of the year, the Institute moved its webcast platform from BrightTALK to Zoom, resulting in an enhanced user experience for both viewers and contributors. Our BrightTALK archive has now been transferred to our YouTube channel giving us over 65 hours of on-demand webcast content covering a wide range of topics. New content added this year covers topics including closing the skills gap in financial services, vulnerable customers, cyber risk, and green and sustainable finance.

2025 Foundation

During 2020 we continued to promote and develop the work of the 2025 Foundation, which provides young people and individuals historically under-represented in the banking profession with opportunities to pursue a career in banking. These include individuals from minority groups and specific socio-economic backgrounds who would not normally consider a career in the banking profession. Given the impact of Covid-19 on the job prospects and opportunities for such young people in particular, and the heightened emphasis on the importance of social mobility, the work of the Foundation is vital. Put simply, the Foundation's aim is to change lives.

The Foundation's work is overseen by the 2025 Foundation Committee, chaired by former Institute President David Thorburn. The Committee has recently been expanded with the appointments of Bernard Adjei (former Young Banker of the Year winner), Ellie Hutchinson and Sue Primmer. The Foundation is currently supported by Institute staff members on a voluntary basis, but a dedicated member of staff will be recruited in 2021 to manage the increased workload of the Foundation.

To date, the Foundation has raised almost £235,000, and a further donation of approximately £70,000 has been agreed by Trustees and will be made in May 2021. The Institute's Trustees also approved the inclusion of an "opt-in" donation to the 2025 Foundation for members at the time of subscription renewal, beginning in June 2021.

The Foundation began supporting its first small group of scholars through their university education in partnership with the Robertson Trust during the 2019-2020 academic year, and this support has continued during 2020-21. Given the challenges of Covid-19 and the many practical difficulties faced by students, the financial and mentoring support provided by the 2025 Foundation has been a considerable help. We will work with the Robertson Trust to try and identify a further group to support from the start of the 2021-22 academic year.

Also in 2020, the Foundation launched a pilot programme with the EY Foundation and three banks (Sainsbury's, TSB and United Trust Bank) to offer internships and support to young people eligible for free school meals who are interested in careers in financial services. The Smart Futures programme is accredited by the Institute of Leadership and Management and participants will also complete an Institute learning course developed for this programme, adapted from our *Professional Banker Certificate*. Due to the impact of Covid-19 the pilot programme will be delivered virtually in March and April 2021. Subject to positive feedback from participants and employers, the Smart Futures programme will be expanded during 2021 and 2022 with the aim of supporting as many young people as possible.

- [Hear](https://www.charteredbanker.com/resource_listing/knowledge-hub-listing/2025-foundation-scholar-blog-emma-dullaghan.html) first-hand from 2025 scholar Emma Dullaghan about her experience of the programme. https://www.charteredbanker.com/resource_listing/knowledge-hub-listing/2025-foundation-scholar-blog-emma-dullaghan.html
- Or [watch](#) our mentoring webcast to hear Irene Grant, an Executive Coach and Mentor, discuss her role within the 2025 Foundation.
- We also [hear](#) from Vincent Cordenio, another of our 2025 Foundation scholars, who gives insight into his experience of mentoring. https://www.charteredbanker.com/resource_listing/knowledge-hub-listing/mentoring-maximise-your-career-potential.html

Member Communications and Research

Towards the end of the year the Institute launched a member satisfaction survey. This attracted a very high response rate and indicated a significant increase in positive sentiment score. Members expressed a high degree of satisfaction with the Institute as their professional body, which correlated with a strong likelihood to renew membership and a willingness to recommend the Institute to others.

Research was also undertaken with participants in a large-scale bespoke continuing professional development (CPD) programme. This indicated that members recognised significant benefits to customers and their own development from participating in CPD. The results also showed that 97% would recommend the Institute's CPD content.

The Institute's *Chartered Banker* magazine remains central to member communications with four issues produced over the year. The impact of the pandemic was felt here too, both in pausing physical distribution for two issues and in the focus of our articles which considered the impact on the fraud landscape, the future of commercial and corporate banking, economic recovery and the opportunities to build back better.

The magazine is complemented by the Institute's new blog with 84 articles posted across our social media channels in the year. The blog features articles that investigate key issues, both in the UK and globally, providing insight into current and topical sector news. These often offer the opportunity to delve more deeply into topics than we have space for in the magazine. Both our magazine and blog are fully

aligned with the Institute's thought leadership plan, which also informs the content of our annual event and webcast programmes.

Regular member communications are undertaken through a series of e-newsletters. Following the standalone Lockdown Learning series these were reviewed and streamlined to improve the member experience and incorporate regular recommended CPD content.

Digital Transformation

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

Our digital transformation programme has been active for several years now, As part of this, we launched a new global examination platform with a new assessment partner, Pearson VUE, in 2019. This provides access to more than 5,000 examination centres worldwide, plus a class-leading remote invigilation service, enabling candidates to be assessed without needing to travel to a centre. This meant that when the UK and other parts of the world entered lockdown, unlike many of our peers, the Institute was well positioned to continue to deliver our learning programmes and exam provision with very little disruption.

During Covid-19 restrictions the Institute has been able to adapt well to working remotely. Although most employees are normally office-based we had already adopted digital working practices and had the systems in place to facilitate these. This meant we could focus on ensuring that colleagues had the support they needed for remote working to enable us to continue delivering member services without interruption.

Recognising and Rewarding Emerging Talent

The UK-wide Chartered Banker Young Banker of the Year competition, which sees the banking sector put forward its highest calibre of candidates, is always a highlight in the Institute's annual events calendar. Once again, we were extremely impressed by the calibre of entries received.

As a consequence of the Covid-19 restrictions, we were unable to return to London's Mansion House as planned for our Grand Final. However, this gave us the opportunity to invite our full membership to join us online and hear from our four finalists: Charles Collis from HSBC, Matt Jennings from AIB, Ana Xhemalaj from Barclays and Tippiie Malgwi, from Arbuthnot Latham & Co, who was our Young Banker of the Year 2020.

- Four new e-Learning modules developed to meet member needs
- Use of our *Responsible Banking* and *e-CPD* toolkits increased by 58%
- Events – 93 live and digital events delivered for members
- Increased webcast programme saw a 130% increase in bookings
- Live streamed our Young Banker of the Year final to members all over the world
- Fellowships and Prize Winners – we conferred three Fellowships and awarded eight academic prizes
- We answered more than 35,000 enquiries from our members.

Building Influence

Thought Leadership

Thought leadership plays an important role in helping to build the Institute’s reputation with key stakeholders and influencers as the voice of responsible and sustainable professionalism.

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

Our four key themes, supporting the overall aims and objectives of the Institute, are:

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

Our thought leadership reach and engagement both increased markedly this year. A key highlight of our thought leadership work in 2020 was the publication of our second [Sustainable Finance Essay Series](#) with the Social Market Foundation (SMF) think-tank, which was entitled the *Pathway to COP26*. [The series](#) included a collection of essays from senior political figures and Green Finance leaders. We published a total of 11 press releases in 2020 and a high point of the press coverage was our SMF Essay Series featuring in the Times, Telegraph and the Express.

We also ran a very successful virtual Annual Banking Conference in November 2020. On balance, moving to a fully digital world has been positive, and has helped us grow impact, influence, and profile –especially in terms of reaching a more international audience.

Regular engagement with our Chartered Body Alliance partners also helps to expand the influence of the Institute. Working with other professional bodies enhances the profile and value of ‘Chartered’ status and of professional bodies within the banking

sector. The Alliance has representation on the Board of the Financial Services Skills Commission (FSSC) and the Institute is also represented on FSSC workstreams. We remain in regular contact with our Chartered Body Alliance partners, regarding joint consultation responses (four in 2020) and potential webcasts.

Throughout the year, the Institute's leadership team were involved in 34 virtual speaking engagements across the UK and internationally, helping to maintain the profile of the Institute and its importance in the banking sector. In 2020, we have continued to hold high-level meetings with the Financial Conduct Authority (FCA), and we have engaged with BEIS and HM Treasury officials through our work on the Green Finance Education Charter (GFEC), which our CEO, Simon Thompson leads on behalf of the UK Government and the Green Finance Institute. The GFEC currently has 12 of the UK's largest financial services professional bodies as signatories to it, representing around one million individual financial services professionals around the world and demonstrating our continued commitment to green and sustainable finance.

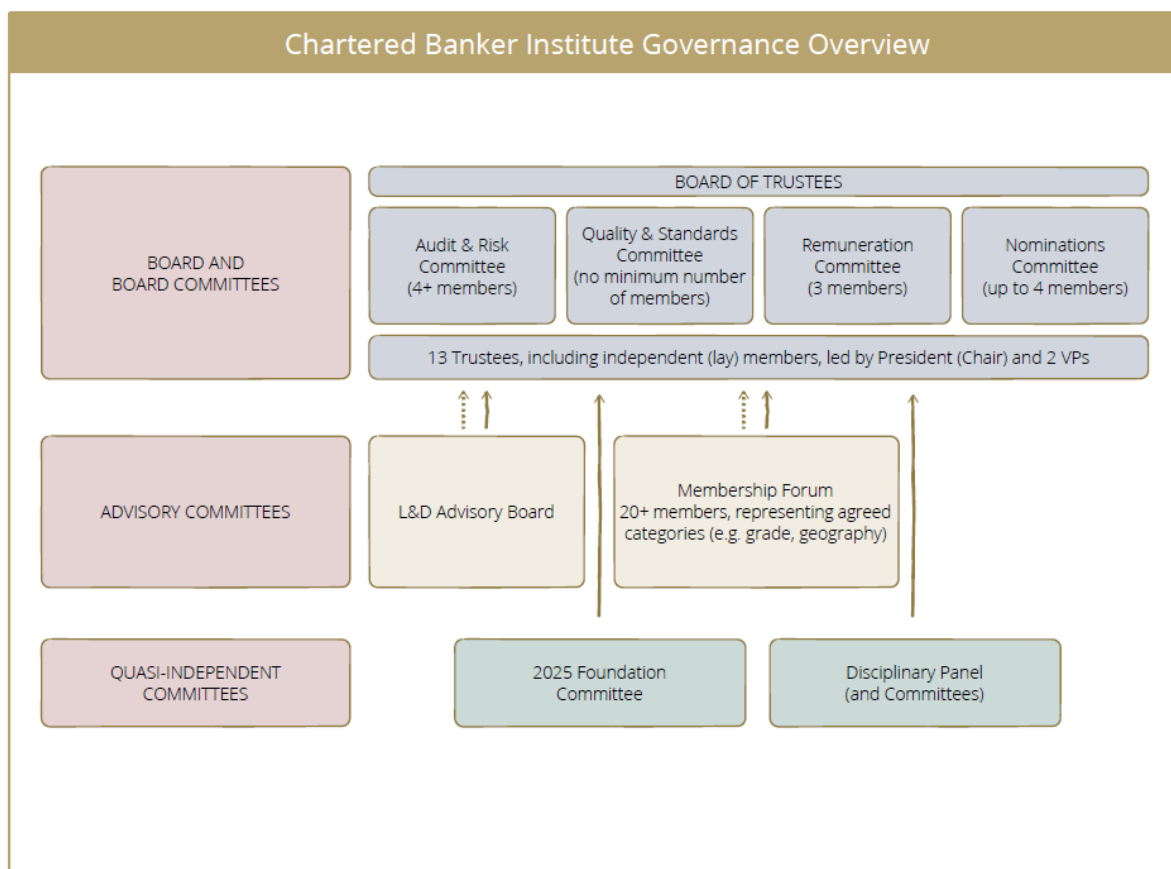
Member Conduct

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

To ensure that these standards are upheld, the Institute initiated disciplinary action against 39 members during the year. These members admitted minor breaches of the *Code of Professional Conduct*, were admonished and accepted sanctions imposed by the Institute.

Building Capability at the Institute

- Our permanent team of staff increased from 50 to 53
- Gender profile of our people: female 34, male 19
- Five new recruits in 2020/21
- 461 learning hours completed
- Six colleagues studying Institute qualifications
- One apprenticeship achieved
- Charities supported: Salvation Army, Macmillan Cancer Support
- Three promotions
- 83% response rate on employee engagement survey.



Financial Review and Results

During the year ended 28 February 2021, the Institute recorded a turnover of £4.74m (2020: £4.57m).

During the year ended 28 February 2021, the Institute had net incoming resources of £119,292 (2020: net outgoing resources of £93,339).

The Institute has net assets at 28 February 2021 of £3,392,941 (2020 £3,273,649).

Investment Policy

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

Reserves Policy

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

The balance held as unrestricted funds at 28 February 2021 was £3,349,485 of which £2,084,950 is regarded as free reserves, after allowing for funds retained in tangible fixed assets and investments. The Trustees consider the level of free reserves to be sufficient to comply with the Reserves Policy.

The Trustees consider the reserve requirements of the restricted funds separately. Restricted funds retained at 28 February amounted to £43,456 against an annual spend of £900.

Risk Management

As a Chartered, professional body with an objective of raising standards of professionalism in banking, the Institute has a cautious and prudent approach to its activities, seeking to manage for the long term with a low appetite for risk. Whilst, as is the case for many educational bodies, the challenges of Covid-19 led to heightened financial risks during the year, which the Institute successfully overcame, the major risks to the Institute's long-term future are reputational. Our most important asset is our brand and reputation and should these be damaged or lost then the Institute's sustainability would be at severe risk.

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

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

During 2020, the Audit and Risk Committee undertook a full review of the Institute's approach to risk governance and management, resulting in the adoption of a new Risk Framework by the Audit and Risk Committee. It is anticipated this will be adopted in the coming year following consideration by the Board of Trustees. Enhancements to the Institute's approach to risk management include:

- The introduction of preventative, detective and mitigation control areas to the Risk Register;
- Clarification of the Institute's 'three lines of defence', incorporating a wider group of first line risk owners;
- Introducing a new, annual business-as-usual-risk-assessment to help the Institute better identify, validate and assess risks and controls;
- Introducing a new material risk assessment" process; and

- Training for Institute staff.

The Institute's Leadership Team Trustees have identified the following key risks and uncertainties facing the Institute over the next 12 months.

i) Return to work: risk to staff health and wellbeing

At the time of writing, the UK vaccination programme is proceeding well, and infection and hospitalisation rates in the UK have fallen substantially. As the UK economy opens up, life returns to normal, and colleagues return to the office, we may see infection rates increase again. We have put in place appropriate hygiene and social distancing measures in the office, but believe risks of infection to staff are probably higher outside of the office. Given the relatively small Institute team, the absence of one or more colleagues for an extended period can have a significant effect on operations, and the workloads of other colleagues.

Our investments in recent years in remote working technology meant that we were able to transition very rapidly, and successfully, to working from home during 2020. From consultation with staff, we anticipate the majority will continue to work primarily from home until the end of 2021, with colleagues who wish able to use the Institute's office welcome to do so from June 2021.

ii) Covid-19: continued economic uncertainty and volatility

Many economies to which the Institute is exposed suffered severe economic downturns during 2020 as a result of Covid-19, and many countries are experiencing continued economic uncertainty and volatility. The digital transformation of the Institute's learning and assessment methodologies, completed during 2019, meant we were well-placed, compared with peers, to cope with the challenging economic conditions in 2020. We recorded enrolments and revenues in line with pre-Covid expectations as a result.

However, significant financial risks to the Institute remain, particularly if a third or fourth wave of infection in one or more key markets causes a significant (if temporary) fall in enrolments. In addition, we expect fewer international students to enrol on accredited UK university programmes, given travel restrictions and other challenges, which may impact revenue adversely.

Trustees believe our prudent approach to diversification means we are not overly dependent on one market or sector, and challenges in one area may be balanced out by significant growth in another. However, the economic uncertainty and volatility makes this very difficult to plan for.

iii) Technology risks

Whilst providing a platform for global growth, and to support members and students working remotely, the Institute's digital transformation exposes us to increased risks of cyberattack that could lead to financial, reputational or other losses for the Institute. Recognising these risks, the Institute has made significant investments in IT security during 2020, including moving servers and the Institute's website to the cloud, introducing new security software and enhancing penetration testing. Cybersecurity insurance has been put in place to cover losses and provide expert recovery support if needed.

Trustees believe the security testing arrangements and insurance are appropriate for an organisation of our size.

Future Plans

Each year, the Board of Trustees reviews the strategic purpose and aims of the Institute to ensure they remain relevant and fit for purpose. In autumn 2020, Trustees reviewed the Institute's five-year Strategic Plan, and began the development of the Institute's Annual Business Plan for 2021-22 to ensure they remained well-aligned to the Institute's *Royal Charter* and strategic purpose, and that the Institute remained relevant and fit for purpose.

Following this review, the Institute's strategic purpose was revised, to reflect our growing global role in developing, embedding, and enhancing socially purposeful, responsible and professional banking by developing and supporting professional bankers throughout their careers. In our view, responsible banking must be delivered by professional bankers. Through this, we will help demonstrate the positive, social purpose of banking, aligned with the UN Principles for Responsible Banking and Sustainable Development Goals and contribute to rebuilding confidence and trust in banks and bankers and restoring pride in the global banking profession.

In support of our revised strategic purpose, the Institute's key aims were also updated. These are to:

- Provide world-class initial and continuing professional development, professional membership, and affiliation to help individuals globally develop and demonstrate responsible, professional banking
- Be recognised as the leading, global awarding, accrediting, assessment, and certification body for responsible and professional banking education programmes
- Increase the number of Institute learning partners globally offering high quality learning and development programmes aligned with ours

- Develop and promote the Institute’s thought-leadership to enhance our global impact and influence and raise the profile of the Chartered Banker brand and our members.

Whilst maintaining our focus on the development of core banking knowledge and skills, and professional ethics (albeit reflecting the digital and data-driven evolution of banking) the Institute will also play a leading role in developing bankers’ knowledge, skills, values, attitudes and behaviours in relation to responsible banking aligned with the Principles for Responsible Banking and UN Sustainable Development Goals. This is a priority for policymakers, regulators, and banks themselves in the coming decade, and therefore a major priority for the Institute too. With the COP26 global climate summit being held in Glasgow in November 2021, this provides an opportunity for the Institute to showcase our work to build the capacity and capability needed to support the global transition to net zero.

Legal and Administrative Information

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

The Institute's principal office is at Drumsheugh House, 38b Drumsheugh Gardens, Edinburgh EH3 7SW. It also has an office at 2nd Floor, Bengal Wing, 9A Devonshire Square, London, EC2M 4YN.

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

President

W McCall FCBI, Chairman, McCall & Partners (elected as President 20 June 2019)

Vice Presidents

S Pateman FCBI, Non-Executive Director, Bank of Ireland and Chair, Advisory Board, Arora Group (re-elected Vice President 20 June 2019 M) **ARC**

L Burns FCBI, Head of HR, HSBC UK Bank plc (elected 20 June 2019 M) (retired November 2020) **RC, LDB**

Board of Trustees Elected and Appointed

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

R Bulloch FCBI, Managing Director, Lloyds Bank and Bank of Scotland, Retail (elected 20 June 2019 M) **NC, LDB**

S Gunn, Vice Chair, Wheatley Group (elected 20 June 2019 IT) **RC, ARC**

I Hardcastle FCBI (elected 20 June 2019 M) **LDB, RC**

I Henderson MCBI, Non-Executive Director, Metro Bank (elected 19 November 2020 M) **ARC**

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

B McCrindle FCBI, (elected 20 June 2019 M) (retired November 2020) **ARC**

H McKay FCBI, (elected 20 June 2019 M) (retired November 2020) **RC, NC**

W MacLeod MCBI, Director, Scotland, Allied Irish Bank (elected 19 November 2020 M) **NC, QSC**

D May FCBI, Executive Coach and Consultant, Aesara Partners (elected 20 June 2019 M) **NC, MF**

S Pearson FCBI Senior Business Advisor, Virgin StartUp (elected 20 June 2019 M) **QSC**

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

P Riseborough FCBI Chief Commercial Officer, Metro Bank (elected 20 June 2019 M) (retired December 2020) **NC, LDB**

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

S Younger, Chairwoman, Cairn Mhor (elected 20 June 2019 IT) (retired November 2020) **NC QSC**

Key

M Member of the Chartered Banker Institute

IT Independent Trustee

ARC Member of Audit and Risk Committee

LDB Member of Learning and Development Board

NC Member of Nominations Committee

QSC Member of Quality and Standards Committee

RC Member of Remuneration Committee

MF Member of Membership Forum

Executive Team

Simon Thompson, FCBI (Chief Executive)

Giles Cuthbert (Managing Director)

Joanne Murphy, MBA MCBI (Chief Operating Officer)

Agents and Advisors

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

Bankers: Bank of Scotland, The Mound, Edinburgh EH1 1YZ

Structure, Governance and Management

Board and Committees

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

The powers of the Board of Trustees include the ability to appoint from its number such committees as are required for the conduct of business, and to delegate to these committees such powers as it considers appropriate. The main committees and their responsibilities as of 28 February 2021 are:

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

- **Membership Forum:** Responsible for representing the membership and ensuring that members' views are appropriately reflected in the direction and activities of the Institute. The Membership Forum also plays an important role in promoting the Institute and the benefits of membership within the banking industry. The Forum usually meets at least twice per year.

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

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

- **Chartered Banker 2025 Foundation:** Established in anticipation of the Chartered Banker Institute's 150th anniversary in 2025 and aligned with the original aims of the Institute: the promotion of education and development of young bankers entering the profession. Chaired by David Thorburn FCBI, a former Institute President, and overseen by a committee of Board members and Fellows, the Foundation aims to raise a million pounds by 2025 to identify and support talented young people who would benefit from financial and other help to pursue a career in banking
- **Committee of Scottish Bankers (CSCB):** Formerly the Committee of Scottish Clearing Bankers, the CSCB is an independent association of its member banks governed by an Executive Management Committee, comprising senior representatives of full member banks, and the Institute's Chief Executive. The Institute provides a small secretariat to support the activities of the CSCB under a management contract.

Trustee Selection, Appointment and Competence

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

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

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

In March 2020, the Board of Trustees agreed that, in the light of the exceptional circumstances caused by the ongoing Covid-19 pandemic, recruitment of new Trustees to join the Board in June 2020 would be paused and reviewed later in the year. Existing Trustees due to retire from the Board in June 2020 would have their terms of appointment extended until such time as new Trustees could be recruited and inducted. New appointments were subsequently made at a Special General meeting in November 2020.

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

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

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

Board of Trustees Attendance: March 2020 – February 2021

			<u>Due for re-election</u>	<u>Attendance in 2020/21</u>
President	Bill McCall		2021	3
Vice Presidents	Steve Pateman		2021	3
	Lynne Burns		Retired	0
Trustees (elected)	Anders Bouvin		2024	1
	Robin Bulloch		2021	3
	Sheila Gunn		2021	2
	Ian Hardcastle		2021	2
	I Henderson		2024	1
	Peter McCormack		2022	3
	Brian McCrindle		Retired	2
	Hugh McKay		Retired	2
	W MacLeod		2024	1
	David May		2021	3
	Steve Pearson		2022	3
	Sue Primmer		2024	1
	Paul Riseborough		Retired	2
Susan Younger		Retired	1	
Ex-Officio members	Simon Thompson		n/a	2

Key Management and Remuneration Policy

The Institute considers its key management personnel to be its Chief Executive Simon Thompson and the following Directors: Giles Cuthbert, Managing Director and Joanne Murphy, Chief Operating Officer. The total employment benefits of key management personnel for the year 2020/21 were £450,031.

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

Trustees' Responsibilities Statements

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

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

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

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

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

On behalf of the Board of Trustees of the Institute

William McCall FCBI, President

Simon Thompson FCBI, Chief Executive

28 May 2021

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

Opinion

We have audited the accounts of the Chartered Banker Institute for the year ended 28 February 2021, which comprise the *Statement of Financial Activities*, the *Balance Sheet*, the *Statement of Cash Flows* and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and *United Kingdom Accounting Standards*, including *Financial Reporting Standard 102*, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- Give a true and fair view of the state of the charity's affairs as at 28 February 2021, and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with *United Kingdom Generally Accepted Accounting Practice*
- Have been prepared in accordance with the requirements of the *Charities and Trustee Investment (Scotland) Act 2005* and regulation eight of the *Charities Accounts (Scotland) Regulations 2006*.

Basis for opinion

We conducted our audit in accordance with *International Standards on Auditing (UK)* (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Accounts' section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's *Ethical Standard*, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees' annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

- As explained more fully in the *Trustees' Responsibilities Statement* set out on page 31, the Trustees are responsible for the preparation of accounts which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error
- In preparing the accounts, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

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

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

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

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

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

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

Use of our report

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

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

28 May 2021

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

The Chartered Bankers Institute

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 28 February 2021

	Notes	General Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income and endowments from :					
Charitable activities:					
		1,014,241	-	1,014,241	1,077,069
		3,532,125	-	3,532,125	3,214,776
		3,274	-	3,274	85,525
Other Trading Activities					
		-	-	-	30,000
		155,892	-	155,892	156,931
		25,874	-	25,874	-
Investment		4,263	-	4,263	5,753
Total income	5	4,735,669	-	4,735,669	4,570,054
Expenditure on :					
Raising funds					
	6	174,869	-	174,869	191,848
Charitable activities:					
	6	893,550	-	893,550	919,114
	6	3,408,875	-	3,408,875	3,060,529
	6	137,509	900	138,409	494,100
		4,439,934	900	4,440,834	4,473,743
Total Expenditure	6	4,614,802	900	4,615,702	4,665,591
Net (expenditure)/income and net movement in funds for year before gains and losses on investments		120,867	-900	119,967	(95,537)
Unrealised losses on investment assets		-	-675	(675)	(802)
Net expenditure and movement in funds	7	120,867	-1575	119,292	(96,339)
Funds Reconciliation					
Total funds at 1 March 2020		3,228,618	45,031	3,273,649	3,369,988
Total funds at 28 February 2021		3,349,485	43,456	3,392,941	3,273,649

All of the charity's activities are continuing.

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

The Chartered Bankers Institute

BALANCE SHEET as at 28 February 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible Fixed Assets	9	1,262,016	1,392,215
Investments	10	2,519	3,193
		<u>1,264,535</u>	<u>1,395,408</u>
CURRENT ASSETS			
Stocks	11	26,579	48,625
Debtors	12	1,105,343	1,191,888
Cash and Bank Balances		<u>1,838,413</u>	<u>1,219,973</u>
		2,970,335	2,460,486
CURRENT LIABILITIES			
CREDITORS amounts falling due within one year	13	(841,929)	(582,245)
NET CURRENT ASSETS			
		<u>2,128,406</u>	<u>1,878,241</u>
NET ASSETS			
		<u>3,392,941</u>	<u>3,273,649</u>
THE FUNDS OF THE CHARITY			
<i>Restricted Funds</i>			
Prize Funds	17	20,628	22,202
Other Restricted Funds	18	22,828	22,828
<i>Unrestricted Funds</i>			
Accumulated Fund	18	2,519,429	2,388,268
2025 Foundation	18	196,174	206,469
Revaluation Reserve	18	<u>633,882</u>	<u>633,882</u>
TOTAL CHARITY FUNDS		<u>3,392,941</u>	<u>3,273,649</u>

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

Bill McCall FCBI

President

S Thompson FCBI

Chief Executive

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

The Chartered Bankers Institute
Statement of Cash Flows
for the year ended 28 February 2021

	<u>2021</u>	<u>2020</u>
Cash used in operating activities		
Net movement in funds	119,292	(96,339)
Add depreciation	200,395	209,706
(Gain)/loss on sale of asset	-	17,292
(Gain)/loss on sale of heritage asset	-	-
Deduct investment income	(4,263)	(5,753)
Add revaluation losses/(gains)	675	802
Decrease/ (increase) in debtors	86,545	91,592
(Decrease)/ Increase in creditors	259,684	(273,784)
Decrease in stock	<u>22,046</u>	<u>(4,573)</u>
Net cash used in operating activities	<u>684,374</u>	<u>(61,056)</u>
Cash flows from investing activities		
Purchase of fixed assets	(70,196)	(106,631)
Proceeds from disposal of fixed asset	-	20,070
Interest and dividends received	<u>4,263</u>	<u>5,753</u>
Net cash flow used in investing activities	<u>(65,933)</u>	<u>(80,808)</u>
Decrease in cash and cash equivalents in the year	<u>618,441</u>	<u>(141,865)</u>
Net change in cash and cash equivalents		
Cash and cash equivalents at start of year	1,219,973	1,361,838
Change in cash and cash equivalents in the year	<u>618,441</u>	<u>(141,865)</u>
Cash and cash equivalents at the end of the year	<u>1,838,413</u>	<u>1,219,973</u>

Analysis of Changes in Net Debt

	2020	Cash Flows	Finance Leases	Other Changes	2021
	£	£	£	£	£
Long term borrowings	-	-	-	-	-
Short term borrowings	-	-	-	-	-
Total Liabilities	-	-	-	-	-
Cash and cash equivalents	1,219,973	618,441			1,838,414
Total Net Debt	1,219,973	618,441	-	-	1,838,414

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

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

Chartered Banker Institute
Notes to the accounts
For the year ended 28 February 2021

1. Accounting Policies

Basis of preparation

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

Going Concern

The financial statements have been prepared on a going concern basis. The Trustees have assessed the Institute's ability to continue as a going concern and are aware of the significant impact that the current Covid-19 pandemic may have on operations. The Trustees are planning for a wide range of scenarios to make sure that the Institute can continue to support its members, students, staff and partners during the current challenging time. The Trustees have reasonable expectation that the Institute has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Taxation

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

Funds structure

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

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

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

Further details of each fund are disclosed in note 18.

Incoming resources

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

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

Chartered Banker Institute
Notes to the accounts
For the year ended 28 February 2021

1. Accounting Policies – continued

Resources expended

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

Raising funds

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

Charitable activities

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

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

Allocation of expenditure

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

Investments

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

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

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

Realised and unrealised gains and losses

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

Stocks

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

Chartered Banker Institute
Notes to the accounts
For the year ended 28 February 2021

1. Accounting Policies – continued

Fixed Assets

Individual assets costing £500 or more are capitalised at cost.

The cost or valuation of fixed assets is written off by annual instalments over the expected useful lives as follows:

Computer equipment	4 years
Motor vehicles	4 years (reducing balance)
Fixtures and fittings	10 years
Course development costs	4 years

Property

Heritable property is stated at market value. Depreciation is provided at a rate calculated to write off the cost less the estimated residual value evenly over the expected useful life of 50 years. The estimated residual value is in excess of the cost and consequently there is no charge for depreciation in the current year (2020 - Nil).

Debtors

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

Cash at bank and in hand

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

Creditors

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

Financial instruments

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

Operating leases

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

Pensions

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

The Chartered Bankers Institute

NOTES TO THE ACCOUNTS
for the year ended 28 February 2021

	2021	2020
	£	£
2 Education		
Enrolment fees - Advanced Diploma and Bespoke	3,273,544	2,950,370
Certificate course fees	258,581	264,406
	<u>3,532,125</u>	<u>3,214,776</u>
Income from Education was £3,532,125 (2020:£3,214,776) all of which was unrestricted.		
3 Events, meetings and special projects		
<i>Unrestricted</i>		
2025 Donations	3,274	2,193
	<u>3,274</u>	<u>2,193</u>
<i>Restricted</i>		
CB:PSB	-	83,332
	<u>0</u>	<u>83,332</u>
Total	<u>3,274</u>	<u>85,525</u>
4 Other		
Coronavirus Job Retention Scheme	19,558	-
Other	6,316	-
	<u>25,874</u>	<u>-</u>
5 Total Income		
<i>Unrestricted</i>	4,735,669	4,486,722
<i>Restricted</i>	0	83,332
Total	<u>4,735,669</u>	<u>4,570,054</u>

6 Allocation of governance and support cost

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

	2021		2020
	£		£
	Total Allocated	Governance related	Other Support costs
			Total
Staff Costs	2,468,282	172,779	2,295,503
Printing, stationery and office expenses	72,450	1,451	70,999
Postage and telephone	20,385	408	19,977
Legal fees	12,524	250	12,274
Bank interest and charges	9,584	192	9,392
Staff training	17,367	347	17,020
Motor expenses	844	17	827
Irrecoverable VAT	170,923	3,418	167,505
Computer costs	288,768	5,775	282,993
Rent paid, rates and insurance	126,588	2,532	124,056
Light, heating, repairs, cleaning and professional fees	21,495	430	21,065
Entertainment	2,936	59	2,877
Travel expenses	16,943	339	16,604
Marketing	92,891	1,858	91,033
Loss on disposal of fixed assets	-	-	-
PSB Support	-	-	-
	<u>3,321,980</u>	<u>189,855</u>	<u>3,132,125</u>
Governance Costs:			
Auditors' remuneration			7,150
Support and staff costs			189,855
			<u>197,005</u>
			<u>194,132</u>

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

Allocation of governance and other support costs

	2021	2020
Cost of Raising Funds		
Bank contributions	-	25,818
Management fee	145,451	154,643
Investment Income	2,468	2,389
Other Income	19,077	-
Charitable activities:		
Membership subscriptions	708,312	677,066
Education programmes	2,354,022	2,438,435
Events, meetings and special projects	99,800	395,445
	<u>3,329,130</u>	<u>3,693,796</u>

The Chartered Institute of Bankers in Scotland

NOTES TO THE ACCOUNTS
for the year ended 28 February 2021

Total expenditure

	Other direct £	Staff, support and governance costs £	Dep'n £	Total 2021 £	Total 2020 £
Charitable activities:					
Membership subscriptions	142,319	708,312	42,919	893,550	919,114
Education programmes	905,387	2,354,022	149,466	3,408,875	3,061,429
Events, meetings and special projects	38,471	99,800	139	138,409	493,200
	<u>1,086,177</u>	<u>3,162,134</u>	<u>192,523</u>	<u>4,440,834</u>	<u>4,473,743</u>
Cost of Raising Funds					
Bank contributions	-	-	-	-	27,220
Management fee	-	145,451	6,597	152,048	161,979
Other Income	-	19,077	1,095	20,172	-
Investment Income	-	2,468	180	2,648	2,648
	<u>-</u>	<u>166,996</u>	<u>7,872</u>	<u>174,868</u>	<u>191,847</u>
Investment management costs	-	-	-	-	-
Total Expenditure	<u>1,086,177</u>	<u>3,329,130</u>	<u>200,395</u>	<u>4,615,702</u>	<u>4,665,590</u>

In 2021 the expenditure on charitable activities was £4,440,834 (2020:£4,473,743) of which £ 900 (2020:£306,750) was expenditure from restricted funds and £4,439,934 (2020:£4,164,512) was expenditure from unrestricted funds. In 2021 the expenditure on raising funds was £174,868 (2020 £191,847) of which £nil (2020:nil) was from restricted funds and £174,868 (2020: £191,847) from unrestricted funds .

7 Net Income

	2021 £	2020 £
Net Income is stated after charging / (crediting)		
Auditors' Remuneration	7,150	6,550
Depreciation	200,395	209,706
Loss on disposal of assets	-	17,292

8 Analysis of Staff Costs and Remuneration of Key Personnel

The average number of employees employed by the Institute during the year was 50 (2020 : 58)
The aggregate payroll costs of these persons were as follows:-

	2021 £	2020 £
Salaries	2,201,335	2,417,177
Social security costs	237,129	235,590
Other pension costs	29,818	30,079
	<u>2,468,282</u>	<u>2,682,846</u>

In accordance with FRS 102 and the SORP , the key management personnel of the Institute are the Trustees and the senior management; the latter being the Chief Executive and the Directors . The total employment benefits of the Institute's key management personnel was £ 450,031 (2020:£559,282)
Trustees expenses reimbursed during the year were £nil (2020: £4,084)

Employees

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

	2021	2020
100,000 -110,001	0	0
110,001-120,000	0	1
120,001-130,000	2	2
150,001- 160,000	0	0
190,001-200,000	1	1

The Chartered Institute of Bankers in Scotland

NOTES TO THE ACCOUNTS
for the year ended 28 February 2021

9 Fixed Assets

	Property	Course Development	Motor Vehicles	Fixtures & Fittings	Computer Equipment	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 March 2020	1,050,000	524,120	82,795	217,435	491,396	2,365,747
Additions	-	39,133	-	-	31,063	70,196
Disposals	-	-	-	-	-	-
At 28 February 2021	1,050,000	563,253	82,795	217,435	522,459	2,435,943
Depreciation						
At 1 March 2020	-	327,393	50,374	213,397	382,368	973,532
Disposals	-	-	-	-	-	-
Charge for the year	-	113,260	8,104	822	78,209	200,395
At 28 February 2021	-	440,653	58,478	214,219	460,577	1,173,927
Net Book Value						
At 28 February 2021	1,050,000	122,600	24,317	3,216	61,882	1,262,016
At 28 February 2020	1,050,000	196,727	32,421	4,038	109,028	1,392,215

The property at Drumsheugh Gardens, Edinburgh was valued at 28th February 2018, on an open market basis, by DM Hall, property surveyors. The historic cost of property was £368,765. Tangible assets held in unrestricted funds were 2021: £ 1,262,016 (2020: £1,392,215).

10 Investments

	2021	2020
	£	£
Held in investment pool at the cost of original investment	79,156	79,156
Total cost of investments	79,156	79,156
Unrealised loss on investments	(76,637)	(75,963)
Total market value of investments	2,519	3,193
Invested as follows :		
6,362 Lloyds Banking Grp ordinary stock	2,519	3,193
Attribution :	2,519	3,193
Restricted prize funds	2,519	3,193

The Institute's investment policy is risk adverse and as such the level of investments assets held are such that there is negligible risk to the Institute from financial investments whether with uncertain investment markets or volatility in yield. The Institute is not reliant on dividend yield to finance its work. The investments held are quoted UK shares. Investments held in restricted funds were 2021: £2,519 (2020: £3,193).

The Chartered Institute of Bankers in Scotland

NOTES TO THE ACCOUNTS
for the year ended 28 February 2021

11 Stocks	2021	2020
	£	£
Bespoke Course Material	12,165	41,418
Certificate Course Material	12,414	5,207
Stationery stock	2,000	2,000
	<u>26,579</u>	<u>48,625</u>

12 Debtors	2021	2020
	£	£
Other Debtors	892,290	978,835
The Committee of Scottish Clearing Bankers	213,053	213,053
	<u>1,105,343</u>	<u>1,191,888</u>

Debtor balances of £1,105,343 (2020: £1,191,888) of which £1,105,343 was unrestricted (2020: £1,191,888) and £nil was restricted (2020: £nil).

13 Creditors: amounts falling due within one year	2021	2020
	£	£
Other Creditors	164,362	43,604
Taxation & Social Security	6,500	6,790
VAT	15,346	3,845
Accruals	132,104	199,560
Enrolment and Development Income deferred	523,617	328,446
	<u>841,929</u>	<u>582,245</u>

Deferred Income comprises:-

Brought forward	328,446
Released to incoming resources in year	(317,850)
Income arising in year	513,021
Carried forward	<u>523,617</u>

Creditor balances of £841,929 (2020:£582,245) of which £841,929 (2020:£582,245) was unrestricted and £nil was restricted (2020: £nil).

Prize funds held in trust

- 14 a) The following prize funds are held in trust as at 29 February 2020 (cost).

T McGuffie Memorial Fund	3,656
Sir Bruce Patullo Prize	75,500
	<u>79,156</u>

at 28 February 2021

	2021	2020
	£	£
Held in investment pool at market value	2,519	3,193
Short term cash deposits	17,902	18,802
	<u>20,421</u>	<u>21,995</u>

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

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

The Chartered Institute of Bankers in Scotland

NOTES TO THE ACCOUNTS
for the year ended 28 February 2021

Pension commitments

- 15 Contributions amounting to £29,818 (2020:£30,079) have been paid to a defined contribution scheme .

Lease Commitments

- 16 The institute has committed to expend £55,066 at the balance sheet date (2020: £123,960), under a non cancellable office premises lease which expires on 10th October 2021 .

Analysis of net assets by fund

17

	Fixed Assets	Heritage Assets	Investments	Net current assets	Total
	£	£	£	£	£
Restricted Funds					
Prize Fund	-	-	2,519	17,902	20,421
First European Project	-	-	-	22,828	22,828
FEP -European	-	-	-	-	-
Professional Standard Board	-	-	-	-	-
Unrestricted Fund					
Accumulated Fund	628,134	-	-	1,891,502	2,519,636
Revaluation Reserve	633,882	-	-	-	633,882
2025 Foundation	-	-	-	196,174	196,174
	<u>1,262,016</u>	<u>-</u>	<u>2,519</u>	<u>2,128,406</u>	<u>3,392,941</u>

The Chartered Institute of Bankers in Scotland

NOTES TO THE ACCOUNTS for the year ended 28 February 2021

Analysis of movements on funds

18

	<u>Opening Balance</u>	<u>Incoming</u>	<u>Expended</u>	<u>Gains/(Losses)</u>	<u>Closing Balance</u>
Restricted Funds					
Torrance McGuffie Prize	2,864	-	(300)	-	2,564
Sir Bruce Pattullo Prize	19,338	-	(600)	(675)	18,063
First European Project	22,828	-	-	-	22,828
Chartered Banker Professional Standards Board	-	-	-	-	-
Unrestricted Funds					
Accumulated Fund	2,388,268	4,732,394	(4,601,232)	-	2,519,430
Revaluation Reserve	633,882	-	-	-	633,882
2025 Foundation	206,469	3,274	(13,569)	-	196,174
	<u>3,273,649</u>	<u>4,735,668</u>	<u>(4,615,702)</u>	<u>(675)</u>	<u>3,392,941</u>

The Sir Bruce Pattullo Prize is awarded to the candidate scoring the highest total mark in the Chartered Banker Course examinations. This prize has been established through a generous donation given by Sir Bruce Pattullo CBE. The individual who obtains the second highest total mark in the Chartered Banker Course examinations is awarded the Torrance McGuffie Memorial Prize.

First European project is a European Lifelong learning initiative.

Related Party Transactions

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In the normal course of business the Institute undertakes transactions with organisations where one or more Trustees may be employed, or have been recently employed. Included in these transactions were the payment of corporate chartered of £nil (2020 : £30,000) and funding received in respect of CB:PSB of £nil (2020:£83,833). Payments totalling £ 8,750 (2020: £23,611) were made to Charles Sydney Ltd , a company owned by a trustee.