



Annual Report

2021

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Introduction

from the Group Chief Executive Officer

This was another abnormal year. The COVID pandemic has continued to impact both organisations and individuals. Whilst FY21 was a significantly better year for CIPS than FY20, we continued to be impacted by the many last-minute changes, and the on-going uncertainty, which the pandemic has created. The year progressively became less unpredictable, with significant progress made in engaging with our employees, communicating with our members and customers, establishing better internal processes, preparing to upgrade our IT systems all of which will put CIPS in a stronger place for the future as we support the Procurement and Supply profession during what is probably the most exciting period that the profession has ever experienced.

No organisation can be successful without having committed, capable and engaged employees. I am very proud of our people at CIPS, along with our volunteer members and the significant number of independent associates, who continued to demonstrate passion, resolve and resilience in the face of the challenges thrown at us by COVID. In recent months CIPS has experienced the increased churn of staff which many organisations are reporting. There are several reasons for this including the rebound from an unusually low rate of attrition in the first year of the pandemic, the fact that the pandemic has made people reconsider their work-life balance and career choices, greater short-term employment opportunities and the fact that changes at CIPS will not suit everyone. We hired 39 new employees during FY21; we have increased the response rate in our engagement survey to nearly 80%, with a satisfaction rating of 8.2/10 at year-end.

The CIPS HR team have driven a much greater focus on employee well-being and support; we have continued with our global mingles where we communicate with all employees on a monthly basis; and we have embraced "hybrid" working as we blend the flexibility of working from home with the importance of face-to-face interactions for certain activities.

Members are at the heart of CIPS. We exist to support our members through the different stages of their professional careers from unqualified students through to leaders in procurement and supply. We have continued to not only recover lapsed members but also to recruit new members and especially to build our pipeline of students – our future members. During FY21 we reversed the declines of FY20 and achieved a new record total number of members – exceeding 62,500 worldwide. We completed the clean-up of our membership data in preparation for the go-live of the new systems in 2022. The membership numbers have been corrected and are used as the base against which we are now reporting the future evolution of our membership. It has been a strong year for membership, and activities to support members, in FY21 with over 250 branch events being held. The vast majority of these were remote webinars and in future we plan a mix of remote and face-to-face events.

CIPS strives to support students through their learning journeys, including the sitting of exams. We went into FY21 knowing that there was a back-log of exams from FY20 when COVID resulted in the cancellation of many exam sittings. Some - not all - of this back-log was addressed in FY21. In addition our students suffered fresh cancellations of exams due to outbreaks of COVID in some countries. In aggregate we did not see the anticipated level of exams for FY21, though it was a 15% increase on FY20. We made great progress with the implementation of remote invigilation, which allows students to sit exams from the safety and convenience of their own homes with the necessary invigilation provided remotely. In the course of the year over 19% of exams were invigilated remotely, which contributed to making CIPS exams more accessible to students from a record 168 countries during FY21. We continued to support the UK apprenticeship programme, and we saw a 55% increase in the number of procurement apprentices who were assessed in FY21 compared with the previous year.

The provision of training to organisations through our “CIPS for Business” activities, is a key part of how CIPS builds capability in the profession. We have a large pipeline of programmes and activities across the breadth of the public sector, donor-funded initiatives and large corporate organisations. During FY21 we delivered to many organisations, both existing and new, especially in the public sector. However, we also suffered from a high level of re-scheduling and delays as organisations re-prioritised resources and budgets. Overall we fell well short of anticipated revenues, but we also reduced costs significantly as a consequence, especially in regions like the USA where it is clearly taking organisations longer to prioritise training in a world after COVID. The investment in remote training, allowed us to launch the Digital Academy in FY21 with key organisations already committing to this new product and new way of learning. The initiatives funded by the Bill & Melinda Gates Foundation and the World Bank have progressed well – these are likely to grow

significantly in 2022. CIPS is well placed to support the future need for increased capability in the profession, with high quality training programmes which can now be delivered remotely when desired.

This is a time of opportunities for the profession. The pandemic has greatly increased the recognition of the importance of establishing resilient supply chains; the spotlight on the climate crisis is driving organisations to focus on reducing the impact they have on the planet – much of which is from within their supply chains rather than just their own operations. This is creating both greater credibility and more demand for skilled procurement and supply professionals. As the “Voice of the Profession”, CIPS grew our representation activities through key partnerships with Raconteur and Business Reporter, and we saw vastly increased uptake of YouTube and podcasts to access CIPS content. We saw growth in virtual events such as Supply Management Forums and Breakfast Briefings, fantastic participation in Award Events both face-to-face in London and remotely in Australia & New Zealand but also the cancellation or postponement of conferences. It is not yet clear what the new model for events will be in the hybrid world of work. We will further review and adapt CIPS events as we seek to amplify the voice of the profession, increase our impact and promote the profession.



No organisation can be successful without having committed, capable and engaged employees. I am very proud of our people at CIPS, along with our volunteer members and the significant number of independent associates, who continued to demonstrate passion, resolve and resilience in the face of the challenges thrown at us by COVID.

Creating the future CIPS to best support the profession

The priority for FY20 was managing through the impact of the pandemic. During FY21 we did not have to undertake the same level of contingency planning or crisis management, instead we could focus on areas we identified back in 2019 that we need to address so as to ensure CIPS is well positioned to support the profession in the future.

The Audit of FY20 progressed smoothly, to schedule, and resulted in our Annual Report & Accounts being signed-off in April, which was several months ahead of the last two years. Our finance team were consequently able to focus on addressing the improvements that were needed in our financial processes and controls. All identified issues have been addressed apart from those which are dependent on the upgrade of our Finance Systems which will take place in 2022. Further we have completed a review of all inter-company transactions and cross-charging; we will implement new procedures for this in FY22.

We undertook a comprehensive Volunteer Review and based on what our volunteers told us, we made recommendations to improve both the voice of our members at the level of GBT as well as to better engage with our volunteers. We have started to make some changes to achieve these goals and as a consequence we have further identified the need to modernise some aspects of CIPS governance. To confirm changes in CIPS governance, including the CIPS byelaws, we must consult members and ultimately any new procedures will have to be approved by members. This work will continue in 2022. Our volunteers were very clear about ways in which we could better engage with them and better represent the voice of members to GBT, so some changes are already being implemented here.

The Programme of work to improve business processes and upgrade to our IT systems has progressed well, though not without challenges. Phase one of this work - the CRM database and the Digital Experience Platform which we use to interact with members and customers - has taken longer to finalise than planned. Most of the components were ready on time for the planned go-live in November 2021, but two very critical ones – the new website, and some aspects of the functionality to support the booking of exams – were delayed, causing us to postpone the launch until the Spring of 2022. We believe it is critical to provide the right experience to members when we go-live. The people involved in testing the new systems have been very impressed with the new functionality – a significant improvement on what CIPS currently has – and we remain very positive about the future benefits for our members and customers. Due to the impact of COVID, during FY20 our Trustees had already approved an increased budget for the full programme.

A review of our customer services performance showed a very low level of first-time resolution of queries from members. This was in a large part due to our customer services team being partly in-house and partly outsourced. We have created a single in-house team which was in place by the end of FY21, ready for the planned go-live of the new systems. The new team will be trained to operate our new systems, and their focus will be on providing a significantly faster, first-time, response to members.

Strategic direction

We agreed the strategic direction for CIPS in 2019. Whilst the impact of COVID will delay the achievement of our numeric goals, the strategic direction is unchanged.

CIPS exists for the benefit of the Procurement and Supply profession, to enhance the capability of both the profession and the professionals who work in it. Our strategy is to provide the right learning and education experiences and to support our members to deliver greater value for their organisations across a broad procurement and supply agenda. CIPS will be the global voice of the profession and represent the profession at the highest levels.

The CIPS strategy is grounded in the views of our stakeholders, our members, partners, users and employer organisations who were all consulted extensively before confirming this strategic direction. CIPS will continue to evolve to be relevant to the profession both now and in the future.

There were always two phases to the implementation of the strategic plan. An initial phase of fixing and consolidation, with the focus on existing geographies, followed by a phase of much greater growth and some expansion into selected new geographies. We foresaw strategic investments in the three areas of systems, products and marketing with the investment in systems being the priority. The impact of COVID on CIPS' finances means that it will take longer to deliver the initial phase.

The right systems, and digital capabilities, are critical to allow CIPS to operate efficiently now and to have the platform with which to grow in future. We knew this before the COVID pandemic and we took the decision to use a proportion of our reserves in both FY20 and in FY21 to fund this investment. This is fully aligned with our strategic direction and the delivery of the CIPS strategic plan.



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Financial performance

CIPS Group turnover in FY21 was £27.3 million with net income of £2.4 million before investments and actuarial movements on the closed defined benefit pension scheme. The turnover was 11% above FY20 however fell short of FY21 budget by 13%. This shortfall in revenue, although partially offset by very good overall cost control and a reduction in specific costs linked to the revenue shortfall, resulted in net income being £0.5 million below FY21 budget.

At the end of 2019 we agreed a revised schedule for contributions to the defined benefit pension scheme with the pension trustee. Following increased contributions in earlier years and a much-reduced pensions deficit at the tri-annual actuarial valuation, the Trustees agreed to a reduced and fixed level of funding from CIPS for four years from 2020 through to 2023.

CIPS Group cash position, after deducting the UK government backed CBILS loan, was £3.3 million at the end of FY21. This is a reduction of £0.9 million compared to the end of FY20 as we used cash to pay for the investment in systems. However the delay in the systems program resulted in lower expenditure than planned, and with a better than budget operating profit and good control of cash across CIPS, we ended FY21 with higher cash reserves than budgeted. We plan that cash reserves will start to rebuild during FY22. CIPS continues to have adequate reserves as a going concern and we still have the fallback of the CBIL loan over the next four years if required, though we have now commenced the repayment of this loan as originally scheduled.



Future

The Procurement and Supply profession continues to gain recognition of its importance driven by the impact of the pandemic and the focus on the important Environmental, Social and Governance (ESG) agenda. The declarations and statements which were the outcomes of COP26 have truly laid-out for the world the magnitude and imperative of what needs to be done. Immediately, there must be a greater focus on addressing climate change and sustainability through establishing and managing “fit for the future” supply chains. This is a great opportunity for the profession which we simply must grasp.

In this context, CIPS will support the profession with the provision of knowledge, skills and training on how to tackle sustainability and climate change issues in supply chains. There is a demand like there has never been before for the profession. CIPS has big responsibilities and ambitious goals to fulfil. We will dedicate resources, take time to do this properly, and we are increasingly doing this from a very solid foundation.

CIPS has a clear strategy with four themes – Supporting our Members, delivering Education & Learning, building capability through CIPS for Business and being the Voice of the Profession. We made progress in all of these during FY21 and have now begun to address some of the long-standing operational issues.


I have always been passionate about the profession and I am truly excited about the challenges which are increasingly being presented to procurement and supply professionals. Our role at CIPS is to equip the profession with the skills to meet these challenges and to support our members throughout their careers. I am committed to ensuring that CIPS evolves, remains relevant and I am enjoying the responsibility of leading CIPS.

Malcolm Harrison
Group Chief Executive Officer

Objectives & Activities

CIPS exists for the public good, for the benefit of, and to enhance the capability of, the procurement and supply profession and those who work in it. This is achieved by establishing standards and qualifications, creating and delivering education and training, as well as promoting the role of the profession and the value that it brings to society, the public sector, business. CIPS offers essential procurement and supply resources directly to individuals and for the enhancement of teams, through knowledge and content creation; the Global Standard is also freely available to everyone offering a comprehensive competency framework. CIPS is a professional membership body and as such supports the professional needs of our members as they progress from students, to fully qualified professionals and then to leaders in procurement and supply.

The Royal Charter and Bye-laws of CIPS state that CIPS' purpose is to:



Promote and develop for the public benefit the art and science of procurement and supply and likewise to encourage the promotion and development of improved methods of procurement and supply in all organisations

Educate persons engaged in the practice of procurement and supply and by means of examination and other methods of assessment to test the skill and knowledge of persons desiring to enter the Institute

Promote and maintain for the benefit of the public, high standards of professional skill, ability and integrity among persons engaged in procurement and supply

CIPS' Vision

To be "The Voice and Standard" of the Profession.

CIPS' Mission

To be the authority that leads global excellence in procurement and supply.

To enhance an individual's and organisation's professional capability and by doing so, protect the public from poor procurement and supply processes.

Measurement of success

CIPS primary aims are to meet its Charter objects and deliver public good. These are achieved through the organisational strategy and success is measured with a range of targets and metrics, agreed by the Global Board of Trustees and monitored throughout the year.

At the start of the year the Group CEO sets objectives and Key Performance Indicators (KPIs) against the strategy for the period; these are assigned to the directorates as part of the annual planning process. The Board is updated on progress against targets and they receive detailed reports from the directors periodically with particular focus on any challenges that could impact on CIPS' performance.

At the end of the year, the Board reviews the year-end position of CIPS against the annual targets and ensures that lessons learnt, and insights gained throughout the period are incorporated into the planning process for the year ahead.

Public Benefit

CIPS delivers public benefit through a range of activities; these are agreed by the Board having had regard to the guidance issued by the Charity Commission on public benefit:

- CIPS promotes ethical behaviour and offers its annual ethics e-learning and test to its members free of charge
- CIPS' guidance on responsible and ethical procurement is freely available to members and non-members alike and its guides on modern slavery are seen as key resources on how to approach best practice for an ethical and responsible procurement strategy
- CIPS' members sign up to the Code of Conduct annually. This promotes positive behaviours that, in turn, lead to increased public confidence in the profession
- CIPS provides its Global Standard, a comprehensive framework for individuals at all levels, free of charge to members and non-members alike
- CIPS provides access to knowledge that promotes high standards of skills and ability among those engaged in procurement and supply.

Achievements & Performance



Membership

Membership key metrics:	Target 2021	Achieved 2021
Member population	61,675	62,752
Member retention	79%	81%
Net Promotor Score (NPS)	35	38
Volunteer run engagements events (global, virtual and physical)	180	253

Membership category:	2019	2020	2021	Variance (2020-2022)	
Affiliate	4,971	4,209	5,702	1,493	35%
Student	37,341	36,563	39,182	2,619	7%
MCIPS	17,811	17,749	17,868	119	1%
Total	60,123	58,521	62,752	4,231	7%

Record breaking Membership numbers were achieved in 2020/21, with a global population of over 62,752 at the end of the financial year. This is year on year net growth of over 7%, with retention increasing by 1% to 81%. This is a major improvement from 2020 where we saw a net 2.7% decrease, mainly within our Student population, resulting from Covid-19 disruption to exams.

Whilst recovery from the impact of Covid-19 continues to vary across the globe and Covid related disruption to exams continues in some areas, there are strong indications through our membership population performance that the profession is continuing to prioritise self-development and engagement with the CIPS global community.

Membership campaigns and initiatives throughout the year, combined with a continued focus on recovering Members who have lapsed, resulted in the 2019 global population record being exceeded in 2021.

Initiatives such as such as International Students' week, Volunteers' Week, International Women's Day, Anti-Slavery Day, Global Ethics Day have all contributed to the awareness, acquisition, and retention of Members.

Preparation for the implementation of the new IT systems has involved a review, and thorough cleansing, of all Membership data. As a consequence, Membership numbers have been restated to a lower base from the end of 2021 and comparisons are against this base.

CIPS Volunteers

682 global Volunteers provide invaluable support in enabling CIPS to achieve its strategic aims and fulfil its Charter objects.

During the reporting period, and throughout the global pandemic, our Volunteers continue to demonstrate their ability to be agile and adaptable. Since March 2020, Volunteer in person networking and events have moved to a virtual world. This has provided new opportunities for our global Volunteers. Working virtually has enabled networking opportunities, without geographic boundaries, to increase. Learning opportunities have broadened, and engagement has become more diverse. The Branch network has coordinated and delivered more than 250 webinars and attracted audiences from around the globe, demonstrating the value, reach and diversity of the CIPS community.

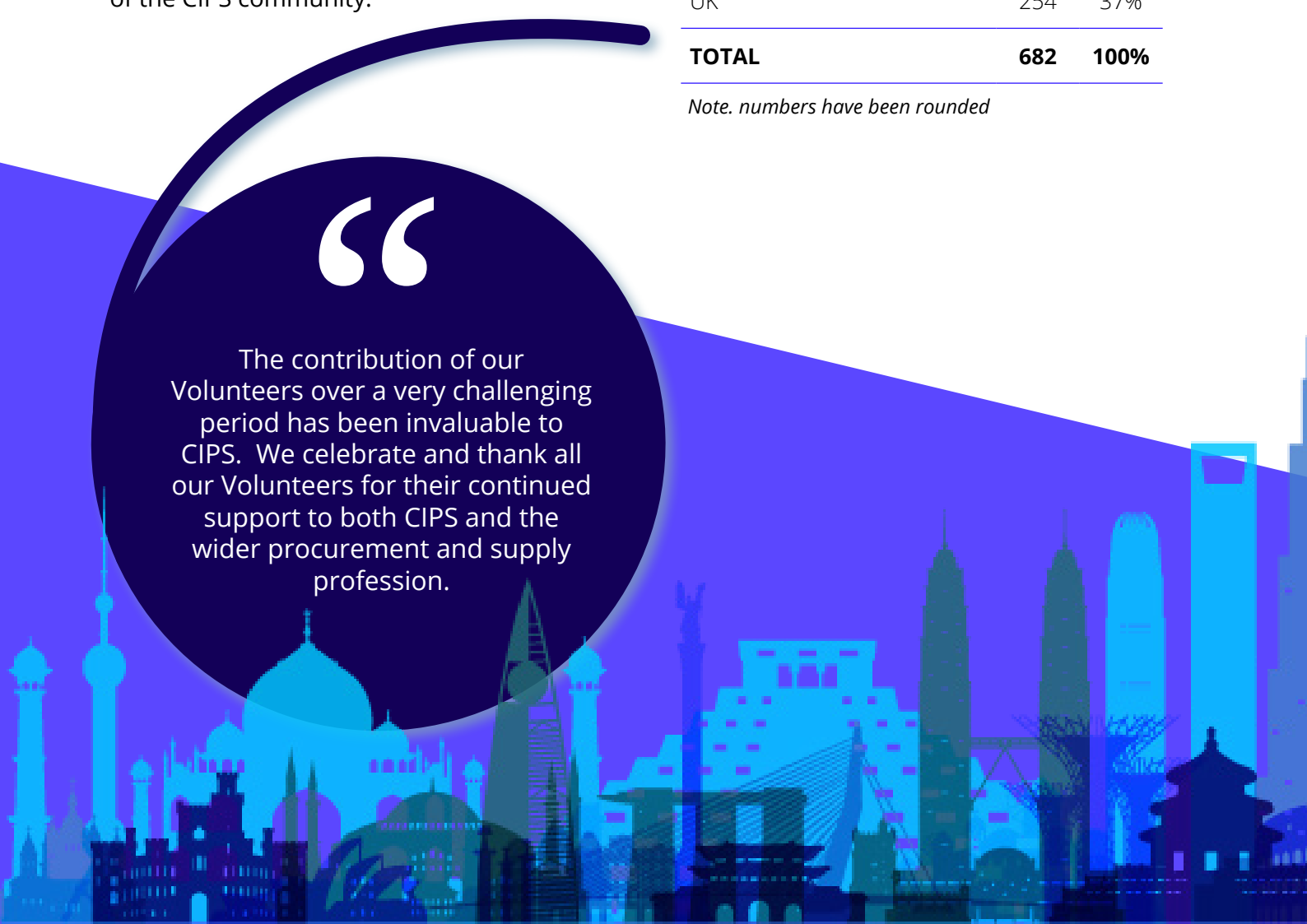
Volunteers across the world

Africa	67	10%
Asia	40	6%
Australia and New Zealand	87	13%
Congress	43	6%
Europe	32	5%
Fellows International	6	1%
Fellows UK	11	2%
MENA	74	11%
South Africa	68	10%
UK	254	37%
TOTAL	682	100%

Note. numbers have been rounded

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The contribution of our Volunteers over a very challenging period has been invaluable to CIPS. We celebrate and thank all our Volunteers for their continued support to both CIPS and the wider procurement and supply profession.



Volunteers networks across the world

Africa	10	12%
Americas	2	2%
Asia	5	6%
Australia and New Zealand	10	12%
Europe	3	3%
MENA	13	15%
South Africa	9	10%
UK	34	40%
TOTAL	86	100%

Volunteer review

In early 2021 CIPS conducted a Volunteer review and Volunteer consultation to establish how to:

- To ensure optimum alignment between the volunteer community and the delivery of the CIPS strategy
- To ensure the voice of members is represented more strongly on our Global Board of Trustees and is actioned, as appropriate, by the CIPS Executive.

This review was conducted over several months and used qualitative and quantitative methods to build insights and evidence to support the final recommendations. At the time of reporting, we are consulting further with the wider membership, beyond Volunteers, and will provide regular progress reports to members during 2022. Our ultimate goals are to ensure Volunteering at CIPS is aligned with CIPS strategy and that the voice of the entire membership is heard by the Global Board of Trustees and acted upon by the Executive.

The Branch network has delivered over 250 webinars with over 18,000 attendees in the past 12 months





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I studied for 3 years attending tutor-led classes it gave me valuable insight into how other organisations operate. It was great to interact with other students who face the same challenges as I do in my role. By putting the theory learned with #CIPS into practice I improved my performance, competency and capability which has allowed me to advance my career

Professional Development

Professional Development Examinations:

	2020	2021 Target	2021 Achieved
Examinations	78,333	97,465	89,847

Covid-19 has impacted on the number of examinations taken this year. The target was 97,465 however the recovery was slower than expected particularly with self-study students taking fewer exams across many key territories. The total number of examinations sat during 2021 was 89,847, 8% below budget but encouragingly this was an increase on 2020. Exams were sat in 168 countries, which is the highest ever number of countries in CIPS' history.

One of the successes of 2021 was the development and expansion of remotely invigilated examinations. In total, 17,240 exams were sat in students' homes or offices across 28 time zones. This represented 19% of all exams during 2021.

A major benefit of remote invigilation is the ability to be more flexible when circumstances mean that examinations cannot be taken at exam centres. For example, if a country announces a lockdown or there is political upheaval.

FY22 exam target
98,372

Education and learning

CIPS is an End Point Assessment Organisation (EPAO) for UK apprenticeships, and despite the impact of Covid-19 on exams, there was a 55% increase in the number of procurement and supply apprentices moving through the End Point Assessment (EPA) process.

The number of university and learning partnerships remained static in comparison to 2020. While there was a decline in some regions this was counterbalanced by increases in new geographies.

There was an increase of Management Entry Route (MER) and Fellowship applications by 19% and 29.5% respectively.

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I passed my last three exams remotely, test reach app was fine, invigilator friendly and it saved so much time and cost when comparing to the days I had to take leave at work, travel 1000 km, take care of accommodation, meals etc. Only regretting this became an option recently and not in 2017.



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One of the strengths
of CIPS is the number
and depth of
relationships with
Government procurement
organisations.

Public & Private Sector Customers

Business Customers

This year, CIPS responded to the new environment created by the Covid-19 pandemic. A major adaptation of the products and services we offer made them capable of delivery in the virtual environment. The Corporate Award Practitioner programme and Skills Training Portfolio have been updated and augmented, along with a newly launched product: the Digital Academy - a product that CIPS for Business rapidly developed and offered to the market in response to a real need for virtual, flexible learning solutions across the world.

Despite the disruptions we have maintained strong relationships with all our 60 major long term customer accounts in both the public and private sectors globally.

During the year, we did deliver education and development programmes to over 1,001 customers in over 80 countries - a 20% increase on FY20.

CIPS for business has continued to work with new, global private sector clients throughout the last year across a large variety of industries and sectors. The dramatic change in ways of working has removed geographical barriers to learning and many of the organisations we work with are feeling the benefit of learning remotely.

One of the strengths of CIPS is the number and depth of relationships with Government procurement organisations. The close relationship with the UK Government Commercial team has continued to be successful as they continue to invest in the commercial capability of their procurement

professionals. CIPS is also working with the Government procurement teams in France, UAE, South Africa and Australia where the South Australian Government is rolling out CIPS' new Digital Academy.

Increasing numbers of NGOs continue to invest and build their procurement capacity through a variety of CIPS programmes designed to increase not only individual skills via accredited educational programmes, but also operational procurement performance and governance.

CIPS Americas

CIPS continues to grow its customer base in the Americas. Despite a year challenged by the pandemic, and by the socio-economic and supply chain issues that have followed, CIPS Americas has increased the number of corporate customers it's serving and has grown revenue. The move to digital products and services and the resulting capability to deliver instructor-led training via virtual classrooms has enabled the support of geographically spread teams. This has led to increased business from companies that may not have been able to economically gather wide-spread teams in a single location. The creation of regional member chapters continues with new groups in the mid-Atlantic region and Caribbean poised for launch early 2022. Continued investment in the Americas business has strengthened local marketing and communications and grown the team supporting the delivery of education and functional transformation programs.

The African Healthcare Public Procurement Network is part of the programme funded by the Bill and Melinda Gates Foundation (BMGF), helping to build sustainable healthcare public procurement communities working together to globally recognised standards for efficient and ethical procurement practices.

Following the completion of the diagnostic assessments, areas of improvement have been identified and prioritised for each procurement organisation. Technical assistance and support have been provided through local CIPS associates, who have developed tools, strategies, policies and procedures, as well as defined operating models specific to each individual organisation.

The key outcomes are outlined below:

- Improved maturity in approach to procurement
- Effective procurement strategies
- Awareness of impact of professional procurement
- Improved transparency
- Reduced prevalence of fraud and corruption
- Increase knowledge, capability and skills in workforce
- Operational processes and systems embedded
- Improved visibility of demands
- Improved corporate governance framework
- Improved approach to compliance

The Programme Team are in advanced discussions with BMGF about deepening the Phase 1 work and broadening the scope to National and Sub-National level in Kenya and Nigeria. This next grant will be over a period of 5 years and would include workforce development and strengthening healthcare procurement systems. It will focus on sustainability and the value of enhanced procurement systems in contributing to improved healthcare services.

CIPS continues to be committed to improving Procurement competence in the construction sector, with the specific focus on high-risk residential buildings remaining a priority as per our recommendations in the Setting the Bar report. We have updated the competence framework and self-assessment tool, and established a separate working group to focus on the development of the Procurement Lead accreditation process. This new working group includes those responsible for the professional qualifications from several institutes; work began in October 2021 and will continue throughout 2022.

CIPS has also been actively involved in the development of the South East Consortium (SEC) Building Safety Guidance document, which provides advice on best procurement practice for people involved in procurement in social housing associations.

This has been a challenging year. The economic and social impact of the pandemic delayed decision making in organisations on longer term procurement capability building programmes, some existing programmes were postponed or scaled back and the lack of face to face meetings and events made it more difficult to build new relationships with procurement leaders.

The CIPS for Business pipeline is stronger than it has ever been, not only in terms of scale but significantly its geographic coverage and diverse mix of private, public and donor-funded programmes. We have successfully delivered some important “capacity building” programmes in recent years and these are at the very core of what CIPS stands for in terms of doing public good and our charitable status. We foresee a greater focus on this aspect of CIPS for Business activities.

FY22 target

CIPS for Business revenues is £14.92m, which is a 20% increase on actual FY21 revenues

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Malcolm, just a quick note to congratulate you on an excellent night and your speech which was both thoughtful and inspiring.

Also just wished to say thank you for the award last night it was a big surprise and very, very humbling especially given the other awards to those heroes in our public service without whose dedication and support we would not be seeing some daylight of the post COVID nightmare we have all endured over the last 18 months.

Thank you again and congrats on the event.



Communication & Events

Public Relations

Some key media topics have kept the press team busy this year, especially around the impacts of supply chain shortages. Stories surrounding the impact of Brexit and the Pandemic alongside the stuck cargo ship in the Suez canal led to a steady stream of requests for interviews to understand the supply chain impact in greater detail.

To ensure we gained the Profession's view on the shortages narrative we undertook member surveys to hear how the global procurement and supply community were dealing with these issues, providing rich content for the media.

We also saw a distinct increase in requests for content collaborations. Publishers such as Raconteur and Business Reporter increased their activity with us producing more supplements, web content and video content such as roundtables. At the end of the year, we formed a partnership with Business Reporter to produce a weekly supply chain related live 'talk show' called Supply Chain Talk hosted by a CIPS Director.

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It was an incredible night and our team is delighted to have won and even all the more amazing when up against such high calibre nominations. Our team turned themselves inside out during those early months of the pandemic working 18 hour days and to receive recognition for their efforts means a lot to us.

Thank you for putting on such a wonderful event.

Events

The event's world continued to be disrupted by the continuing Covid turbulence with further events being postponed, in particular, the Middle East Conference, The Australia Conference and Awards and the CIPS UK Graduation – all of which have been moved to 2022 in the bid to return to in person events. Capitalising on the success of the virtual conference held in October 2020, we planned a new 2-day Global conference, utilising content and speakers from across CIPS key regions and time zones. Taking place in June, the event was a great success connecting CIPS members from around the world.

As we moved through the summer the two largest UK based events were in full planning mode, the Excellence in Procurement Awards, taking place on 22 September and the UK Conference on 29/30 September at the QEII. The Awards went ahead in person with 850 attendees attending the dinner at the Grosvenor House Hotel on Park Lane, outselling 2019. Despite the UK Conference being offered as a hybrid and commercial sponsorship being very strong, the decision was taken to cancel this event due a lack in demand from delegates. This seems to have happened to many other similar events in the marketplace as we learn what a new event 'normal' may look like. Other events such as the Breakfast Briefing series and Supply Management Forum have continued successfully in a virtual format.

Return to live events has been challenging with conferences as we know them not appealing right now to our normal loyal audience. This is not a reaction to COVID as we know networking and dinners were a huge success and welcomed back.

We need to remain agile through 2022 as the landscape is still shifting and we must shift with it.

Supply Management

The paper copy of the magazine was re-instated in January 2021 and has continued to run quarterly throughout the year. This has been supplemented with the ongoing Special Reports and a new podcast.

How can procurement protect supply chains from cyber attacks?

Supply chain cyber attacks are on the rise and research has shown that more than half of breaches occur through vulnerabilities in third-party systems. It should work alongside internal stakeholders and suppliers to tackle



Malena Harrison
CIPS Group CEO

The pandemic has forced many organisations to fast-track digital transformation and encourage home working, which has created a new opportunity for cyber criminals. Despite tight budgets, organisations are investing in this business-critical area. Gartner reported that in the first half of 2020, 67% of corporate board owners planned to increase their cybersecurity budgets by around 7%. And according to a recent PwC survey, 50% of security leaders planned to increase their budgets and invest in cloud security and online collaboration. Mimecast reported a 64% rise in email cyber threats in 2020, and phishing attacks on employees struggling to work from home. Avetta reported that 56% of attacks are caused by human error. Procurement professionals are becoming more aware of where risks may lie and how to mitigate them. Procurement professionals do it first. It's wise to understand where risks may lie and how to mitigate them. Procurement professionals should work with their suppliers to understand where risks may lie and how to mitigate them. Procurement professionals should work with their suppliers to understand where risks may lie and how to mitigate them.

Make resilience part of your business

SUPPLY MANAGEMENT SPECIAL REPORT

Procurement's role in cybersecurity

The responsibilities, legal risks and strategies CPOs can implement to protect supply chains

SUPPLY MANAGEMENT

The professional's pocket guide to smarter procurement

Top tips by a selection of business experts and leaders from around the world

The Procurement Power List 2021

CIPS SUPPLY MANAGEMENT

EXCLUSIVE TO YOU IN PARTNERSHIP WITH Ivalua

Procurement and supply chain leaders have been fundamental to business and economic stability, especially in the past year. The Power List recognises excellence and fortitude that is driving progress in global business and the profession

SUPPLY MANAGEMENT

The Brexit handbook

How you can prepare your business to navigate through the new regulations

SUPPLY MANAGEMENT

Everything you wanted to know about procurement in the 21st Century (but were afraid to ask)

Goods opportunities in a post-Brexit world

SUPPLY MANAGEMENT

How many global crises does it take to wreck a supply chain?

Just one. So you'd better make sure you can navigate the next one

HOW YOU FOR YOU PE

CIPS.org

The main CIPS site continued to grow in traffic this year with 1.9m users (up 67%) and 13m page views (up 20%). Our highest traffic came from users in the UK, US, India, South Africa, Australia. Despite Covid affecting both face-to-face exams and events, our online revenue equalled last year's, and membership purchases were up substantially (+17%).

Content has been the biggest driver for that increase in traffic, and users engaged with our fortnightly focus on topics affecting the procurement profession. Through whitepapers, research and tools on our Intelligence Hub, and live and on-demand webinars and podcasts, we continued to support members as they grappled the challenges of their jobs this year. Our most popular downloads this year were the Global Standard (4k); the CIPS procurement cycle (3k), our contract management guide (2k) and the CIPS/Hays Salary Survey, which gained over 57k page views.

Other channels

YouTube is now a substantial channel for CIPS to reach members, the wider profession and the general public – with half a million views in the last year, we increased subscribers by 43% to reach over 9k at the end of the year. Our video content was engaging audiences too – with watch times up over 400%, and our video thumbnails being shown to more and more users. Our CIPS Procurement and Supply Podcast, which is available on iTunes, Spotify and PodBean, saw an 87% uplift to reach 15k downloads.

Throughout this year and last, we have been upgrading pages and making technical changes to the website to improve our visibility on Google. That work has paid off handsomely, with a 72% uplift in users finding us through search engines, and an additional £800k revenue from those users. The biggest increase in users came from India, Kenya, Ghana and the US.

Key Statistics

12.6m
emails
delivered

3m
emails
opened

1.9m
website
users

13m
pageviews



The future

Our main focus this year was preparing for the new website for launch in 2022. We undertook a major audit of nearly 4,000 items of knowledge content, designed and built new components, conducted user research and completely replanned and restructured over 1,000 pages. The new site will have a new navigation and structure, making it simpler and easier for users to find what they need and understand how CIPS can help them. There will be new features in MyCIPS, a fully mobile-friendly Intelligence Hub, easier ways to buy multiple products, and a new area for Study Centres.

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Our mental health first aiders and increased management awareness made supporting employees through challenging times easier than it would have otherwise been.

Our people

CIPS' global headcount across the year grew from 195 to 213 employees with a steady entry of new talent into the organisation despite the restrictions faced due to the pandemic. The new employees have been recruited to increase digital capability across CIPS and support growth in the regional offices, the Customer Service team has also increased after being insourced from the third party provider. Remote interviewing and onboarding presented challenges, but we overcame these; 39 new employees started working for CIPS during the last year. Annual attrition fell from 14% at the start of our year to a low of 7.5% in June. This has subsequently increased as lockdowns have lessened in most geographies and stands at 12%.

Our internal engagement survey returned improving results throughout the year with an average rating of 8.2/10 at year-end. A target was set of improving response rates to the survey to an average of 71%; we achieved 79.5%. There was an increased focus on communication with employees working remotely for long periods of the year. A communications framework was developed to maintain the core messaging and ensure that employees felt valued during the pandemic. It was clear from the survey that communications delivered during lockdown helped employees continue to feel connected with the organisation and colleagues. For 2022 we have set a target

of maintain an average score above 8 and average response rate above 80%.

Sickness absence in the UK remained low at 3.5 days average per employee, well below the benchmark of 6.3 days for not-for-profit organisations provided by the CIPD 'Health and Wellbeing @work' report published in March 2020.

Ways of working

During the pandemic CIPS has followed relevant government advice and guidance in all the countries where we operate. We have adopted hybrid ways of working to benefit both the employee and organisation.

Wellbeing

During 2019 and 2020, we had a key focus on employee wellbeing which helped as we entered the pandemic. Our mental health first aiders and increased management awareness made supporting employees through challenging times easier than it would have otherwise been. We continued our partnership with MIND (mental health charity) to support managers, ensured our Employee Assistance Programme was visible and easy to use and provided training in remote management. This culminated in recognition of our approach to mental health at the MemCom Awards in September where we received a Highly Commended for the category of Best Mental Health and Well Being Support.

	2019	2020	2021	Target for 2021
Employee engagement survey - satisfaction	7.8	8.1	8.2	8
Average response rate	63%	64%	79.5%	71%
Sickness absence (per employee)	6 days	3.1 days	3.5 days	

**FY22
target**

**Employee engagement survey satisfaction
- 8 Average response rate 80%**

Future Plans

Long Term Plans

CIPS' strategic direction is set and over the next five years this includes:

Continued development of the education offering and CIPS' qualifications ensuring they remain relevant, and are recognised, both at international and local levels

Development of member value propositions, focusing on acquisition, retention and lapsed members to remain relevant to all categories of membership

Development of the employer value propositions such that we focus on relevance to the employers of our members, and potential future members, as well as the members themselves

Re-evaluation of the depth and breadth of CIPS' offering particularly in terms of the content of the knowledge and thought leadership that we provide; review of knowledge content ensuring it is always of highest integrity, quality and impartiality

Promoting Global recognition and acceptance of CIPS' Global Standard

Building the profile of the profession and getting procurement recognised on a par with other professions; actively promoting the profession as a good career path

Promote Chartered Status as the level which all fully qualified – MCIPS / FCIPS – professionals should aspire to; continued focus on ethics throughout the profession

Supporting and facilitating the profession as it evolves and focuses more on ethical sourcing, sustainability and managing supply chains which are effective, efficient and transparent

Thoughts on longer-term opportunities for increased presence in other countries and regions which will be considered in the second half of the strategic plan horizon; the first half will focus on consolidating and growing in those geographies where CIPS already has a presence

Strategy for our evolving geographical presence with a focus on implementing appropriate “in country” operating models

Governance

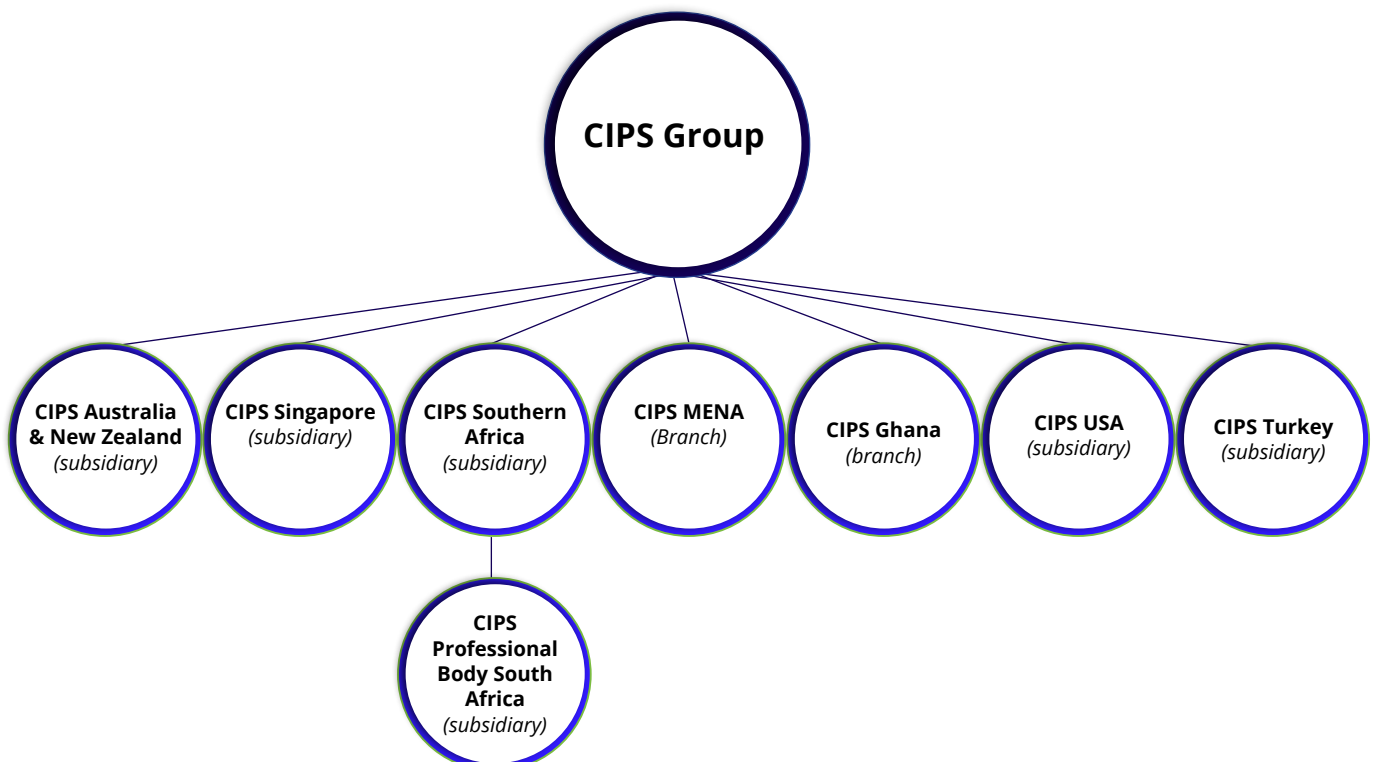
During 2021, a review of CIPS governance was launched, this will continue into 2022. The aim is to modernise the governance structure and associated practices to ensure that they are fit for purpose to support CIPS now and into the future. We are unashamedly seeking to lead the way here amongst professional membership bodies by establishing a modern and effective governance model which can support a truly global profession. Surveys and focus groups involving volunteers have been completed and in early 2022, members will be consulted so as to obtain their views on different options for the future governance of CIPS. We seek to better engage with our members globally and appeal to future members, whilst ensuring that good practices in governance are enshrined in our operating model.

Group Structure

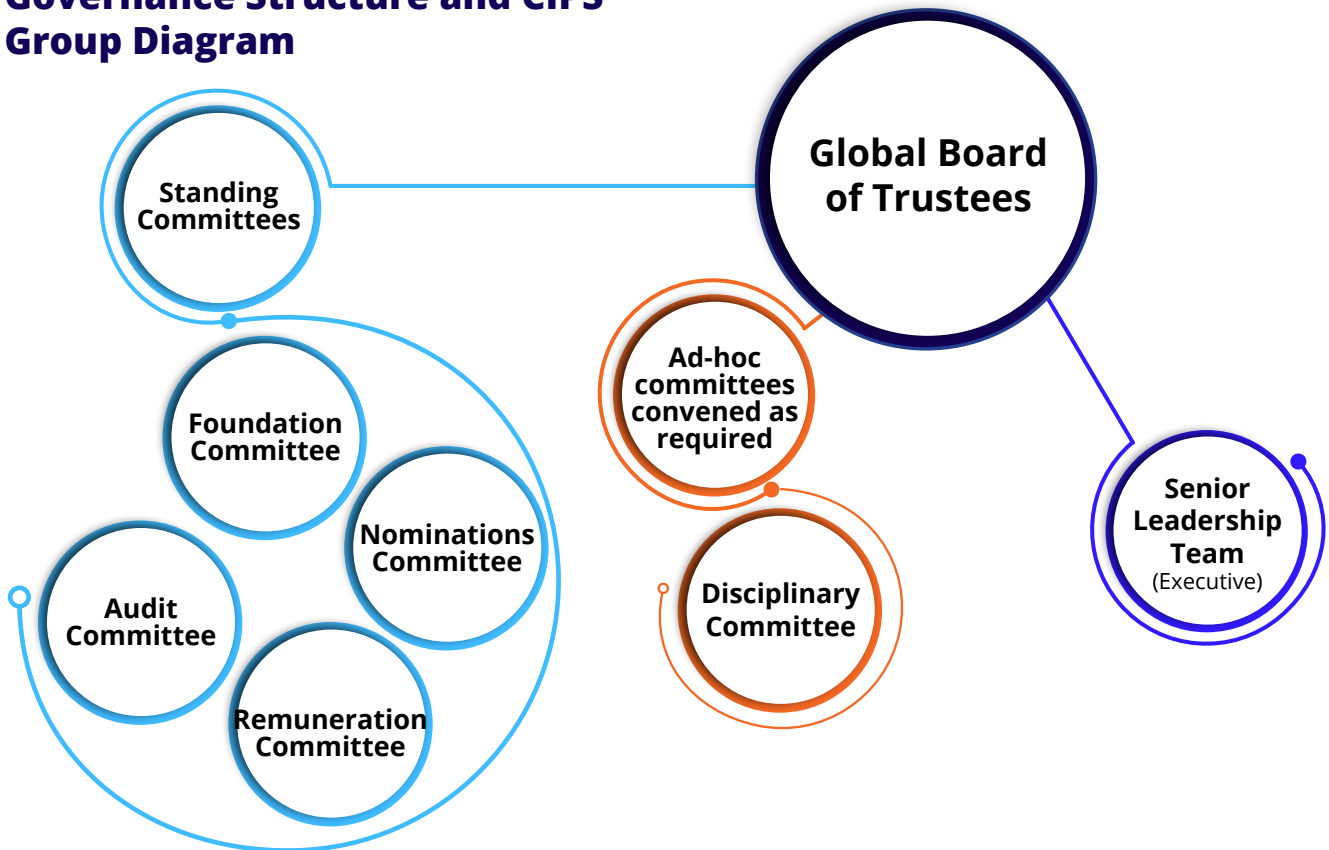
CIPS was established in 1932. In 1992, CIPS was awarded a Royal Charter in recognition of its status as the leading body for the profession. CIPS is a registered charity (Charity No. 1017938) dedicated to the promotion of education in procurement and supply. As a professional body incorporated under Royal Charter, CIPS operates in accordance with its Charter and Bye-laws and within the provisions of the Charities Act 2011. CIPS is a not for profit organisation.

CIPS' headquarters are based in the UK with regional subsidiaries globally (see diagram). CIPS also operates a linked charity, the CIPS Foundation (Charity No. 1017938-1), whose mission is to improve lives through better supply chains.

CIPS has a physical presence at the following subsidiaries and branches:



Governance Structure and CIPS Group Diagram



Global Board of Trustees Composition and Selection

The Trustees serve in a non-executive capacity. They commit their time and expertise to CIPS without remuneration, providing leadership in fulfilment of CIPS' Charter and charitable objectives, and ensuring the delivery of the organisational strategy.

Although unpaid, Trustees nevertheless assume fiduciary responsibilities on taking office and are expected to exercise responsible stewardship of both CIPS' resources and its reputation throughout their term of office.

The Global Board of Trustees has up to 15 seats.

All the current Trustees are MCIPS or FCIPS with the exception of one person who was selected for their accounting and finance experience. Each year the Nominations

Committee works with the Board of Trustees to agree the selection criteria. This year, this was shared with members, and they were invited to apply for the vacant seats. Candidates who best match the selection criteria are interviewed by the Nominations Committee with input from the Chair of the Global Board of Trustees. Successful candidates are offered a seat on the Board.

Key topics discussed by the Global Board of Trustees include:

- Strategy
- Risk management
- Budget control and financial performance
- Improvements to CIPS' governance
- Membership

Trustee Induction and Training

All Trustees are required to attend an induction and are given supporting materials to help them in their role. The induction includes details of CIPS and its activities, the governance structure and the Trustees' legal duties and responsibilities under Charity Law.

Trustees are encouraged to undertake continuing professional development to ensure that they maintain and enhance their skills and knowledge. They sign an annual agreement which sets out their obligations including a commitment to take responsibility for understanding their role and acquiring sufficient knowledge about CIPS and its operations to be able to make informed decisions.

CIPS supports Trustees by updating an online portal with information as applicable; the Trustees also have access to the Company Secretary, who provides support as required. The Global Board of Trustees meets at least four times each year, meetings are held physically, virtually and hybrid.

Remuneration

The Trustees do not receive remuneration for their services on the Board. The salaries across the Group including the Group CEO's remuneration are the responsibility of the Remuneration Committee. The Remuneration Committee consists of three members (the Chair of the Global Board of Trustees and two Trustees). Each year the Committee reviews and approves CIPS' pay and bonus policy for the forthcoming year for its relevance and appropriateness. The Committee considers external expert advice including benchmarking data.

Related Parties Transactions

The Global Board of Trustees and the Senior Leadership Team are required to declare all parties connected with them that may be classified as related parties. All transactions with related parties must be disclosed; forms are completed annually. During 2021, no related party transactions were declared.

Risk Management

Risk Management Framework

In 2021, an independent review was undertaken of the risk management framework. The review focused on ensuring that there was effective alignment between the Senior Leadership Team and the Global Board of Trustees, and that the mechanisms for risk identification and assessment were robust.

Workshops were held with stakeholders. In these workshops, participants discussed their views on CIPS' key risks, which informed the updates made to the risk register. These workshops also provided insights into the high-level risk identification and assessment process, including the role of the SLT and involvement from the GBT.

The concept of risk acceptance has now been introduced. This means that CIPS may 'risk accept' some risks from time to time and therefore will not undertake actions to reduce the risk exposure further (e.g. due to financial limitations). However the Trustees will monitor and re-assess this periodically.

How we manage risk

Risks are defined as any potential event which could prevent the achievement of the Charter objects, strategic or other departmental objectives.

CIPS policy is to identify, assess and respond appropriately to all risks. The effectiveness of risk management and the resultant controls are reported to the SLT and Audit Committee quarterly via the Risk Group for appropriate review and challenge. The risk register is shared with the Global Board of Trustees at each of the quarterly Board meetings and Trustees offer their external perspective on the risks.

Responsibilities

The Risk Group is chaired by the Company Secretary and implements all elements of the Risk Management Framework across CIPS Group. The Risk Group monitors and reviews the Organisational Risk Register and provides upward reporting to Senior Leadership Team (SLT) on these risks. The Risk Group is supported by various third party assurance providers in terms of stated controls and mitigations to enable the links between the relevant inputs, outputs and interactions. SLT is ultimately accountable to the Audit Committee and the Global Board of Trustees for the delivery of the risk framework.

Key Principles

- It is good business practice to ensure that risks are considered and managed across CIPS Group;
- Risk management is integral to the strategic planning process, business decision making and day-to-day operations;
- Risk mitigations must be appropriately devised to address the specific circumstances;
- The Risk Group must regularly assess the status of risks, mitigations and controls;
- Compliance with this framework must be monitored and reported where necessary.

Risk Statement

Overall, the Global Board of Trustees is satisfied that the major risks have been reviewed and mitigation plans are in place. Major risks are defined as high impact and a highly probable likelihood of occurring.

Description of the Principal Risks and Uncertainties

RISK	PRINCIPAL MITIGATION
Failure to prevent Cyber-attacks and confidential data breaches	<ul style="list-style-type: none"> • Cyber risks are being addressed as part of the IT risk mitigation plans; cyber insurance is also in place. • Processes are in place to safeguard against data breaches. • CIPS has good up to date technical security systems in place protecting the network and our client computers and servers.
Failure to keep pace with the speed of external technological change impacting CIPS' ability to achieve strategic objectives	<ul style="list-style-type: none"> • GBT approved a major systems upgrade (with CRM, DEP, LMS and finance all in scope). This will be an Oracle cloud hosted, integrated solution, that will be subject to regular version updates to ensure up to date and fully supported software is in place.
With the ongoing fast paced global technological developments there is a risk that CIPS' technological capabilities will hinder the ability to effectively achieve its growth strategy	<ul style="list-style-type: none"> • Ongoing annual investment in CIPS' platform after the end of the programme. The investments will ensure that CIPS 'systems continue to give us the right capability to operate in a digitally enabled world. • Recruit and develop appropriate IT and digital resources.
Failure to deliver the new IT systems and operational changes within timescales and these do not provide the expected benefits	<ul style="list-style-type: none"> • Robust governance and reporting structure is in place for these initiatives. • Project methodology and an experienced Programme Manager are in place to support the delivery.
The risk of loss in CIPS' perceived value and credibility among the Profession, members and businesses globally. This could result in CIPS failing to grow or retain the number of members as the accreditation is not sought after by individuals or businesses	<ul style="list-style-type: none"> • Membership Value Proposition project to review and enhance the MVP for each grade of membership, prioritising the fully qualified member value proposition as this is the category that those successfully completing their exams should enter • Review of MVPs and development of employer value proposition included in strategic plan • Tier pricing model • Ensure continued market relevance by regularly updating content and delivery methods to meet customer needs in target markets • Annual review of CIPS Global Standard by international professional stakeholder community • Geographic priorities included in strategic plan • 5-year cycles to review and refresh qualifications, globally

Other areas of risk

During 2020/21, the risks associated with the Covid-19 pandemic were the focus of the SLT and the Global Board of Trustees. The risk was categorised as extremely high impact with a potentially catastrophic effect on CIPS business model, including decrease in revenue due to lack of demand for CIPS' services, cancellation of exams, employees unable to work due to illness and closure of offices globally. Global Board of Trustees and the SLT managed and monitored the situation. Costs were controlled and non-essential spends and projects were paused. Government schemes for financial support were utilised where appropriate. Remote working was proven to be effective, and levels of resources were managed across the organisation. This risk has now reduced particularly given the success of remote invigilation and the increase in virtual delivery of products.

The implications of the UK leaving the European Union was considered by the Senior Leadership Team and the Global Board of Trustees as part of the risk review process. CIPS Groups had relatively few members and customers in the EU, not including the UK, and Brexit has not had a significant impact on CIPS' business model.

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This is a time of opportunities for the profession. The pandemic has greatly increased the recognition of the importance of establishing resilient supply chains; the spotlight on the climate crisis is driving organisations to focus on reducing the impact they have on the planet – much of which is from within their supply chains rather than just their own operations.

“

This was a very tough year, but it was great hearing about the amazing work of our charitable partners. There were new challenges to be faced but the work of ActionAid endured and show just how much these projects change lives.

Paul Thorogood

*Chair of the Foundation Committee and
CIPS Global Board of Trustees*



CIPS Foundation

(charity number 1017938 – 1)

The Foundation is a linked charity to CIPS and focuses on charitable grants and partnerships.

CIPS Foundation – Our Mission: To improve people’s lives through better supply chains.

Foundation Committee

Foundation Committee is a sub-committee of the Global Board of Trustees and supports the Global Board of Trustees by:

developing and recommending the Foundation Strategy

monitoring and delivering the strategy

ensuring compliance with relevant legislation

ensuring financial stability for the charitable activities

CIPS Foundation Committee Report

Throughout the year the Foundation continued to support ActionAid in Zimbabwe. This project focused on developing new supply chains and improving existing ones; to benefit those that rely upon these chains for food, employment and sustainable development programmes.

ActionAid – Zimbabwe. The team in Zimbabwe have provided the Committee with updates and stories about how small hold farmers can improve local networks and penetrate the meat supply chains. There is a shortage of food in Zimbabwe and despite a high demand for meat the farmers often struggle with feed prices, vet fees and access to markets. The team headed up by Newton Chari in Zimbabwe has been training farmers and creating a hub of knowledge sharing so that farmer networks can benefit from collaboration on animal medicines and info sharing for alternative feeds and breeding stocks.

The team in Zimbabwe continued to make excellent progress this year despite the challenges created by the pandemic and the unstable economic environment in Zimbabwe. New supply chains were developed to overcome issues across borders and new processes were developed to accommodate the changing procurement world. Whilst maintaining safety protocols and social distancing practices the team worked on through the pandemic and achieved amazing results.

CIPS Foundation is proud of the great progress towards the goal of transforming Zimbabwe’s livestock and meat industry value chains.

Impact and reporting

CIPS Foundation has seen a year of reflection and review. As part of our ongoing assessment of impact we will continue to review all activities with a view of reaching more people and improving more supply chains for our surrounding communities. Work will continue into 2022 with our bursary students and engagement opportunities for our members, staff and CIPS community.

Financial Review

Review of CIPS' financial performance and position for the year ended 31 October 2021

CIPS group

The year to 31 October 2021 was a strong year in terms of financial performance with the CIPS Group reporting net income of £3.2 million (2020: £0.4 million loss). Net surplus before investments was £2.4 million (2020: £0.2 million loss) which was a significant increase on previous years but due to revenue falling short of expectation, this was £0.5 million below budget.

Group income increased by 11% to £27.3 million (2020: £24.6 million) and was assisted by the development of solutions to allow for greater flexibility through remote and virtual delivery of products and services.

Membership and Professional Development revenue accounted for 45.5% of total income and increased by 15% to £12.4 million (2020: £10.8 million). Net growth in membership numbers of 7% saw CIPS achieve its highest number of members to date, and whilst the number of exams sat fell short of plan, this was an increase of 15% compared to prior year. Remote invigilation helped facilitate over 19% of exam sittings in the year, a key success factor during a period of continued uncertainty due to the pandemic.

Corporate business income increased by 9% to £11.8 million (2020: £10.8 million) and accounts for 43.1% of total income. Revenue growth was lower than budgeted, with the uncertainties of Covid-19 continuing to drive some hesitation for customers in committing to new contracts or delivery of programmes. Adaptations to enable virtual delivery contributed to the recovery of corporate income during the year and the continued strengthening of customer relationships, across all sectors, brings a positive outlook for future years.

The increased income has been achieved with only a marginal increase in expenditure on charitable activities to £24.9 million (2020: £24.7 million), as a result of reductions in marginal costs associated with the delivery of group activities, and robust control of overheads, travel, and expense costs.

At 31 October 2021 the group cash position was £5.2 million (2020: £6.2 million), comprising of cash at bank and short term deposits. The cash position has fared well during the year and cash held at bank has been sufficient to fund all activities, including significant investment during the period into the IT system upgrades. Repayment of the CBILS loan has also commenced as planned.

The group's total net assets at 31 October 2021 were £10.5 million (2020: £5.8 million). Actuarial movements on the defined benefit pension scheme liability significantly increased net assets alongside the operating surplus for the year.

CIPS charity

CIPS charity performance in the year is the primary contributor to the positive performance of the Group, as described above. The charity's total income of £22.0 million (2020: £20.0 million) and net income for the year of £2.6 million (2020: £0.8 million loss) represented 80% and 81% respectively, of CIPS group results.

Revenue from Membership and Professional Development increased by 15% to £10.3 million (2020: £9.0 million) and Corporate business income increased by 4% to £8.8 million (2020: £8.5 million), whilst expenditure on charitable activities for the year decreased by 1% to £20.2 million (2020: £20.5 million), as a result of robust cost control.

The charity's total net assets at 31 October 2021 were £9.1 million (2020: £4.9 million). Actuarial movements on the defined benefit pension scheme liability significantly increased net assets alongside the operating surplus for the year.

CIPS Corporate Services Limited

CIPS Corporate Services sells and distributes books, e-books and e-learning related to the training and examinations set and administered by the CIPS group.

The company's turnover decreased by 14% to £1.2 million (2020: £1.4 million) due to the continued impact of the Covid-19 pandemic. Lower sales of e-learning to both corporates and consumers reflects the continued hesitance in discretionary spend, and the postponement of exam sittings and associated training has impacted on book sales during the year.

Profit for the year was £0.9 million (2020: £1.0 million) which was distributed to the parent charity as a transfer of taxable profit under Gift Aid.

International offices

The companies forming the CIPS Group are in varying stages of development, and some are currently loss making.

CIPS Australia and New Zealand generated a net profit of £60k in the year (2020: £69k). Profit has reduced slightly, despite a £44k increase in revenue due to increased administrative expenses. Conference revenue and corporate business continued to be impacted by Covid-19, restricting planned growth in these areas. The subsidiary's net reserves show a deficit of £559k (2020: £619k deficit) due to accumulated trading losses. The company's management plan to increase revenues and profitability, through development of its domestic market and continuing to build on corporate business relationships, to continue reversing the historic deficit.

CIPS Southern Africa generated a net profit of £213k (2020: £360k). Its own subsidiary, CIPS Professional Body South Africa, generated a net profit of £104k (2020: £32k loss). Taken together, the region generated a profit of £317k (2020: £328k). Their combined net reserves are £1,436k (2020: £1,119k).

CIPS Singapore generated a net profit of £166k (2020: £143k). The subsidiary's net reserves show a deficit of £198k (2020: £381k deficit) due to accumulated trading losses.

CIPS Turkey generated a net profit for the year of £125k (2020: £8k). The subsidiary's net reserves are £124k (2020: £8k).

CIPS USA recorded a net loss of £23k (2020: £251k loss). The subsidiary's net reserves show a deficit of £762k due to accumulated trading losses and start-up costs. CIPS USA is in a state of development and has continued to grow its customer base. Further growth in revenue and profitability is expected for the forthcoming year.

Reserves policy statement

As at 31 October 2021 the total of group investments, short-term deposits and cash at bank amounted to £10.1 million (2020: £10.4 million). The total funds of the group, including the pension reserve surplus, are £10.5 million (2020: £5.8 million) of which £0.4 million is restricted, £5.3 million is unrestricted and £4.8 million is the pension reserve.

CIPS maintains reserves to fund major new initiatives and as a shield against future downturns. The Global Board of Trustees has established a policy, reviewed annually, of maintaining reserves at a discretionary minimum level.

Free reserves are those funds freely available to be used for the purposes of the charity. To this end, CIPS excludes certain elements of its funds from free reserves where they are not considered freely available. This includes tangible and intangible fixed assets, restricted funds, and the asset or liability related to the defined benefit pension scheme.

At 31 October 2020, the Trustees reviewed the CIPS reserves policy and noted that CIPS holds significant deferred revenue balances until services are delivered and receipts are recognised as revenue. This deferred revenue is effectively offsetting cash reserves which are available for CIPS to use as long as it operates as a going concern.

CIPS therefore calculates an adjusted operating reserves figure in addition to calculating free reserves. Those elements of deferred revenue which represent a surplus over the anticipated costs of delivery amount to approximately £2.4 million (2020: £3.2 million) and are presented below as an adjustment to provide a better representation of the funds the organisation has on hand to use in its operations.

The Trustees have set a targeted level of adjusted operating reserves equal to 3 months of operating expenses, based on the actual expenditure in the previous financial year.

	2021	2020
	£000	£000
Total funds as per group balance sheet	10,510	5,755
Less restricted funds	(383)	(382)
Less tangible fixed assets	(1,282)	(1,324)
Less intangible fixed assets	(4,948)	(1,574)
Less pension scheme asset	(4,816)	(2,840)
Free reserves	(919)	(365)
Anticipated surplus on deferred revenue funds held	2,388	3,178
Adjusted operating reserves	1,469	2,813

At the end of the year the target adjusted operating reserves level was £3.3 million. A shortfall against the targeted levels was anticipated due to the strategic investment in IT system upgrades, a significant three year program funded from reserves. This investment is giving rise to an intangible fixed asset which is excluded from the reserves calculation.

The continuation of the investment was agreed, despite the pressures created by Covid-19, due to its importance for the future of CIPS in enabling growth and delivery of strategic goals. The Trustees accept that this will deplete reserves during the period of investment, which spans the financial years ending 31 October 2020 to 31 October 2022. The expectation after this date is that the future levels of investment will be less significant. CIPS therefore expects to see a recovery in the reserves position during the financial year ending 31 October 2023.

Investment performance

Investments are held in a managed portfolio. During the year, the portfolio generated dividend income from listed investments of £103k and generated an investment gain of £745k.

Investment performance is measured against a representative and independent benchmark, which collates data from charity investment managers in the UK and creates an average return for the peer group. Compared to this industry average the investment portfolio outperformed its benchmark by 0.3%.

Reference and administration

Global board of Trustees

Alison Barto

Hannah Bodilly (resigned October 2021)

Julia Brown

Marc Hutchinson

Michael Kennedy (appointed November 2020)

David Loseby (resigned October 2021)

Garry Mansell

Sara Omer

Alan Raleigh

Beverley Tew

Paul Thorogood

Nick Welby

Richard Wilding (appointed November 2020)

Senior leadership team

Responsible for the day to day management of CIPS

Ana Barco, Group Director, Membership and Marketing (to March 2021)

Kate Barratt, Group Finance Director (from February 2022)

Amanda Boustred, Group Professional Development Director

Duncan Brock, Group Customer Relations Director

Doug Green, Group HR Director

Louise Gulliver, Group Director, Membership and Marketing (from March 2021)

Malcolm Harrison, Group CEO

Liz Lees, Group Head of PR and Representation

Kate Tomlinson, Group Company Secretary

Simon Vinter, Group Finance Director (to February 2022)

Secretary and registered office

Kate Tomlinson ACIS CIPS

Easton House Easton on the Hill Stamford Lincolnshire PE9 3NZ

Name of organisation

Chartered Institute of Procurement and Supply (CIPS)

Company registration number

RC000876

Charity registration number

1017938

Auditors

Grant Thornton UK LLP, 30 Finsbury Square, London EC2A 1AG, UK

Bankers

- Australia & New Zealand Bank, 388 Collins Street, Melbourne, Australia
- Barclays Bank PLC, 46/49 Broad Street, Stamford, Lincolnshire PE9 1PZ, UK
- First National, 5th Floor FNB Building, 87 Frikkie de Beer Street, Menlyn, Gauteng, South Africa
- JP Morgan Chase, 919 N Market Street STE 950, Wilmington, DE 19801-3036, USA
- OCBC, 65 Chulia Street, OCBC Centre, Singapore 49513
- AKBank, Ust Bostani Subesi, Kobi Musterilliskileri Yon Yard, Sehit M Faith Ongul Sok Hasan, Bagdatli Is Merkezi Kozyatagi, Istanbul, Turkey

Actuaries

- Capita Employee Solutions, 65 Gresham Street, London EC2V 7NQ, UK
- Hymans Robertson LLP, One London Wall, London EC2Y 5EA, UK

Solicitors

- Buckles Solicitors LLP, Grant House, 101 Bourges Boulevard, Peterborough PE1 1NG, UK
- Gowling WLG (UK) LLP, 4 More, London Riverside, London SE1 2AU, UK
- Hewitsons LLP, Elgin House, Billing Road, Northampton NN1 5AU, UK
- Keystone Law Ltd, 48 Chancery Lane, London WC2A 1JF, UK

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 requires the Trustees to prepare financial statements for each financial year. The Trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the charity and the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's and group's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and the group 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 corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The report was approved and authorised by the Global board of Trustees and was signed on its behalf by the Chair of the Global board of Trustees:

Paul Thorogood

Paul Thorogood
Chairman, Global Board of Trustees

28/3/2022

Independent auditor's report to the Trustees of the Chartered Institute of Procurement and Supply

Opinion

We have audited the financial statements of The Chartered Institute of Procurement and Supply (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 October 2021, which comprise the consolidated statement of financial activities, the parent charity statement of financial activities, the consolidated and parent charity balance sheet, the group cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 October 2021 and of the group's and the parent charity's incoming resources and application of resources, including the group's and the parent income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed auditor under sections 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of the Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures

in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or parent charity to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the group's and parent charity's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the group's and parent charity's financial resources or ability to continue operations over the going concern period.

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

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

The responsibilities of the trustees with respect to going concern are described in the 'Responsibilities of trustees for the financial statements' section of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of the trustees for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the parent charity and the sector in which it operates. We determined that the following laws and regulations were most significant: the Charities SORP (FRS 102), The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), Charities Act 2011, Charities (Accounts and Reports) Regulations 2008.
- We understood how the parent charity is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board minutes, and through our legal and professional expenses review.

- We assessed the susceptibility of the parent charity's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
 - Identifying and assessing the certain controls management has in place to prevent and detect fraud;
 - Challenging assumptions and judgments made by management in its significant accounting policies;
 - Identifying and testing journal entries;
 - Identifying and testing related party transactions;
 - Inspecting the board minutes; and
 - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - Understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
 - Understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
 - Understanding of the legal and regulatory requirements specific to the entity including the provisions of the applicable legislation.
- The team communications in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in revenue recognition through manipulation of income.
- We did not identify any matters relating to non-compliance with laws and regulation and fraud.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - The parent charity's operations, including the nature of its revenue sources, to understand the classes of transactions, accounts balances, expected financial statement disclosures and business risks that may result in risks of material misstatement, and
 - The parent charity's control environment, including:
 - Management's knowledge of relevant laws and regulations and how the parent charity is complying with those laws and regulations
 - The adequacy of procedures for authorisation of transactions and review of management accounts, and
 - Procedures to ensure that possible breaches of laws and regulations are appropriately resolved.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the parent 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 parent charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Stephen Dean BA (Hons) FCA DChA
Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

Date 28/3/2022

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

Consolidated statement of financial activities for the year ended 31 October 2021

	Notes	Unrestricted funds	Restricted funds	Pension reserve	Total funds	Total funds
		£000	£000	£000	2021	2020
		£000	£000	£000	£000	£000
Income from:						
Charitable activities						
Membership and professional development, subscriptions and fees		12,398	-	-	12,398	10,811
Corporate business		10,778	982	-	11,760	10,832
Magazine, conferences and sponsorship		2,907	-	-	2,907	2,442
Coronavirus job retention scheme		-	16	-	16	246
Other		37	1	-	38	70
Investments	3	155	-	-	155	177
Total income		26,275	999	-	27,274	24,578
Expenditure on:						
Charitable activities	4	23,871	998	-	24,869	24,732
Total expenditure		23,871	998	-	24,869	24,732
Net income/(expenditure) before investment gains		2,404	1	-	2,405	(154)
Net gains/(losses) on investments	12	745	-	-	745	(288)
Transfers between funds	17	(334)	-	334	-	-
Net income/(expenditure)		2,815	1	334	3,150	(442)
Other recognised gains and losses						
Pension scheme actuarial gain	10	-	-	1,642	1,642	129
Foreign currency translation (loss)/gain		(37)	-	-	(37)	32
Net movement in funds		2,778	1	1,976	4,755	(281)
Reconciliation of funds						
Funds brought forward		2,533	382	2,840	5,755	6,036
Balance carried forward		5,311	383	4,816	10,510	5,755

All items above derive from continuing operations.
There are no recognised gains or losses other than those stated above.
The notes on pages 52 to 79 form part of these accounts.

Parent charity statement of financial activities for the year ended 31 October 2021

	Notes	Unrestricted funds	Restricted funds	Pension reserve	Total funds	Total funds
		£000	£000	£000	2021	2020
		£000	£000	£000	£000	£000
Income from:						
Charitable activities						
Membership and professional development, subscriptions and fees		10,329	-	-	10,329	8,950
Corporate business		7,839	982	-	8,821	8,466
Magazine, conferences and sponsorship		1,741	-	-	1,741	1,175
Coronavirus job retention scheme		-	16	-	16	246
Income from subsidiaries		934	-	-	934	994
Other		9	1	-	10	22
Investments	3	117	-	-	117	132
Total income		20,969	999	-	21,968	19,985
Expenditure on:						
Charitable activities	4	19,154	998	-	20,152	20,535
Total expenditure		19,154	998	-	20,152	20,535
Net income/(expenditure) before investment gains		1,815	1	-	1,816	(550)
Net gains/(losses) on investments	12	745	-	-	745	(288)
Transfers between funds	17	(334)	-	334	-	-
Net income/(expenditure)		2,226	1	334	2,561	(838)
Other recognised gains and losses						
Pension scheme actuarial gain	10	-	-	1,642	1,642	129
Foreign currency translation gain/(loss)		1	-	-	1	(1)
Net movement in funds		2,227	1	1,976	4,204	(710)
Reconciliation of funds						
Funds brought forward as previously stated		1,674	382	2,840	4,896	5,606
Balance carried forward		3,901	383	4,816	9,100	4,896

All items above derive from continuing operations.
There are no recognised gains or losses other than those stated above.
The notes on pages 52 to 79 form part of these accounts.

Consolidated and parent company balance sheet as at 31 October 2021

		Notes	Group 2021 £000	2020 £000	Charity 2021 £000	2020 £000
Fixed assets	Tangible assets	11	1,282	1,324	1,241	1,268
	Intangible assets	11	4,948	1,574	4,948	1,574
	Listed investments	12	4,928	4,138	4,928	4,138
	Investments in subsidiary companies	13	-	-	-	-
Total fixed assets			11,158	7,036	11,117	6,980
Current assets	Stock		42	50	-	-
	Debtors	14	4,216	4,323	4,110	5,010
	Short term deposits		427	462	-	-
	Cash at bank		4,760	5,782	2,302	3,792
Total current assets			9,445	10,617	6,412	8,802
Current liabilities	Creditors: Amounts falling due within 1 year	15	(13,529)	(13,113)	(11,865)	(12,101)
Total current liabilities			(13,529)	(13,113)	(11,865)	(12,101)
Net current liabilities			(4,084)	(2,496)	(5,453)	(3,299)
Total assets less current liabilities			7,074	4,540	5,664	3,681
	Creditors: Amounts falling due after more than 1 year	15	(1,380)	(1,625)	(1,380)	(1,625)
	Defined benefit pension scheme asset	10	4,816	2,840	4,816	2,840
Total net assets			10,510	5,755	9,100	4,896
Represented by	Restricted funds	17	383	382	383	382
	Unrestricted funds	17				
	- Charitable		5,129	2,351	3,901	1,674
	- Trading		182	182	-	-
	Pension Reserve	17	4,816	2,840	4,816	2,840
Total net reserves			10,510	5,755	9,100	4,896

The financial statements were approved and authorised for issue by CIPS Global Board of Trustees and were signed on its behalf on 28/3/2022

Paul Thorogood

Paul Thorogood
Chairman, Global Board of Trustees

Beverley Tew

Beverley Tew
Global Board of Trustees

The notes on pages 52 to 79 form part of these accounts.

Group cash flow statement for the year ended 31 October 2021

	2021	2020
	£000	£000
Net cash flow provided by operating activities	2,376	509
Cash flows from investing activities		
Dividends, interest and rents from investments	155	177
Purchase of tangible fixed assets	(44)	(8)
Purchase of intangible fixed assets	(3,374)	(1,574)
Purchase of investments	(95)	(164)
Proceeds from sale of investments	50	-
Net cash provided by investing activities	(3,308)	(1,569)
Cash flows from financing activities		
Cash inflows from new borrowing	-	2,000
Repayment of borrowing	(125)	-
Net cash provided by financing activities	(125)	2,000
Change in cash and cash equivalents in the reporting period	(1,057)	940

	2021	2020
	£000	£000
Cash and cash equivalents at the beginning of the reporting period	6,244	5,304
Change in cash and cash equivalents in the reporting period	(1,057)	940
Cash and cash equivalents at the end of the reporting period	5,187	6,244

Net cash flow from operating activities

	Group	Group
	2021	2020
	£000	£000
Net income/(expenditure) for the reporting period	3,150	(442)
Losses/(gains) on Investments	(745)	288
Dividends, interest and rents from investments	(155)	(177)
Depreciation charges	62	59
Losses on disposal of fixed assets	22	-
Impact of foreign exchange	(35)	32
Decrease in Stock	8	42
Decrease in Debtors	107	1,649
Increase/(Decrease) in Creditors	296	(490)
Net pension expense	(334)	(452)
	2,376	509

Analysis of changes in net debt

	1 November 2020	Cashflows	31 October 2021
	£000	£000	£000
Cash	5,782	(1,022)	4,767
Cash equivalents	462	(35)	427
	6,244	(1,057)	5,187
Loans falling due within one year	(375)	(125)	(500)
Loans falling due after more than one year	(1,625)	245	(1,380)
Total	4,244	(937)	3,307

Notes to the financial statements for the year ended 31 October 2021

1. Constitution

The Chartered Institute of Procurement and Supply ("CIPS") was incorporated on 28th September 1992 by Royal Charter. It is also a registered charity, number 1017938.

2. Accounting Policies

(a) Basis of preparation

The annual report and accounts are prepared in accordance with the rules of CIPS, in compliance with the Charities Act 2011, the Statement of Recommended Practice – Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with FRS 102 (the Charities SORP (FRS 102)) and with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The accounts are consolidated on a line by line basis and cover the consolidated financial position and transactions of companies controlled by CIPS, which are detailed in note 7.

All of the group's subsidiary companies are wholly owned, with the exception of CIPS Southern Africa Pty Limited. The group directly owns 49% of the issued share capital of CIPS Southern Africa Pty Limited, the remaining 51% being owned by CIPS SA BBBEE Trust. Due to the Founder relationship between CIPS Southern Africa and the Trust, and the fact that control of the Trust rests with CIPS Southern Africa, the Group considers CIPS Southern Africa to be part of the CIPS Group and consolidates its results in these financial statements.

All of the group's branches and subsidiary companies have an accounting year-end of 31 October, except CIPS Satinalma Tedarik Egit. Hizm. Ltd in Turkey, which makes up its accounts to 31 December.

The financial statements have been prepared under the historical cost convention. The presentation and functional currency is sterling (£).

Going concern

During the period to 31 October 2021 covered by these financial statements the global economy has been severely impacted by the Covid-19 pandemic and CIPS, like many organisations, has been impacted in the period from March 2020 onwards. The Trustees have taken various steps to both assess and strengthen the Group's working capital reserves and ability to continue to function as a going concern for the foreseeable future in light of the impact of the Covid-19 outbreak. CIPS quickly put in place a series of internal cost and cash saving measures, including a reduction in all but essential third party discretionary spend. In addition, the Group took maximum support available from government schemes in the UK, Australia and South Africa. In the UK this involved furloughing a significant number of people when reduced workload permitted this and securing additional headroom on cash reserves by agreeing a government backed CBIL loan of £2m over 5 years from its bank.

Aware that its future income streams would inevitably be disrupted, management modelled a range of cash-flow scenarios – best, expected, worst – for April 2020 onwards. The anticipated worst case still left sufficient cash for continued operation, but actual results in both the prior year and current year have tracked in between expected and best case scenarios, which gives confidence in management's knowledge of the business operations and ability to forecast accurately in difficult and uncertain circumstances. CIPS has also completed a cash-flow forecast out to April 2023. As well as a continued focus on controlling costs, the Group has taken steps to protect income streams through delivering CIPS for Business training in virtual formats and taken steps to roll out remote invigilation in case students cannot access exam centres. Stress testing of the assumptions and levels of cash reserves indicate that CIPS can continue to function even if future income deteriorates significantly from the forecast assumptions. Furthermore, CIPS has budgeted to continue with investment in new systems on the basis that these are a strategic priority and can be afforded.

Based on the evidence of current operational activity, the robustness of forecasting and the level of financial reserves available, the Trustees have a reasonable expectation that the parent and Group have adequate resources to continue in business for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

(b) Income

Income represents amounts receivable in the ordinary course of business, and represents goods and services supplied in the period excluding VAT.

Corporate business income is recognised when the delivery of the relevant services is provided.

Membership and subscription income is spread over the period during which services are provided to members.

Professional development training activity revenue is released during the month in which the training is delivered.

Magazine and book sales revenue is recognised during the month in which the publication is shipped.

Revenues from issuing licenses for access to e-Learning facilities are spread over the period during which the facilities are expected to be accessed by the licensees.

Amounts received under the UK coronavirus job retention scheme (furlough) are recognised in the month to which they relate, and restricted to the payroll expenditure they are offsetting.

Income from subsidiaries consists of amounts paid to the charity from its UK subsidiary by means of corporate Gift Aid.

Management revisited the classification of income streams during the year. As a result, certain comparative amounts in the consolidated and parent statement of financial activities have been reclassified to confirm with current year's presentation to better align with the nature of the income stream.

(c) Resources expended

Resources expended are included in the statement of financial activities on an accruals basis. Where they relate to activities for which VAT is not recoverable, gross amounts are stated. Where VAT is recoverable, amounts are stated net of VAT.

(i) Charitable activity costs

Charitable activity costs are those directly related to the objects of the charity and are reflected in these accounts under the following headings: Membership and professional development, subscriptions and fees; Corporate business; Magazine, conferences and sponsorship; and Other.

(ii) Staff costs

Short-term employee benefits are those expected to be settled wholly within 12 months of the end of the annual reporting period during which the employees services are provided. They include wages, salaries and any other benefits paid to current employees, and are recognised in the period in which they are incurred. Post-employment benefits, representing employer contributions to defined contribution plans, are recognised as expenses in the period in which the services resulting in the contribution are provided. The assets of the scheme are held separately from the charity. Termination benefits are recognised when the charity can no longer withdraw the offer of those benefits.

(iii) Basis of cost allocation

All directly attributable overheads are charged to the appropriate expense category in the SOFA. Indirect support costs are allocated by activity in proportion to direct costs. Governance costs are made up of those costs incurred purely for the governance of the charity, such as the Global Board of Trustees and audit costs.

(d) Taxation**(i) The charity and UK subsidiary**

The UK parent is a charity within the meaning of Paragraph 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. As a result, no tax charge is applied in the financial statements. The UK subsidiary company makes qualifying donations of all taxable profit to the charity. No corporation tax liability on this subsidiary arises in the accounts.

(ii) CIPS Australasia Pty Limited

CIPS Australasia Pty Limited is registered as a not-for-profit organisation in Australia. No tax liability is provided in the accounts.

(iii) Other foreign subsidiaries

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

(e) Liquid resources

Liquid resources including short term deposits are those items that are readily convertible into cash at or close to their carrying values.

(f) Fixed assets

The freehold land and buildings at Easton on the Hill were valued at 31 October 2014 on an existing use basis by Savills (UK) Ltd and the valuation report was signed by Nick Heath MA FRICS. This valuation was frozen on transition to FRS102 and has been applied as the deemed cost of the freehold land and buildings in these financial statements.

A review for impairment of fixed assets is carried out whenever events or changes in circumstances indicate that the carrying amount of individual fixed assets may not be recoverable. All tangible assets are held by the group for charitable purposes.

Tangible fixed assets are capitalised when they are brought into use if they have a fair value in excess of £5,000.

Development costs in respect of an internally generated fixed asset currently in development have been recognised. As the asset has not yet been brought into use, no amortisation has been charged in the current year.

(g) Depreciation and amortisation

Tangible fixed assets are depreciated so as to write off their cost over their estimated useful lives:

- Fixtures and fittings - 4 to 7 years straight line
- Freehold buildings - 50 years straight line
- Computer equipment - 4 years straight line
- Motor vehicles - 25% reducing balance
- e-Learning development - 3 years straight line

Intangible fixed assets are amortised over their estimated useful lives. At present, there are no intangible fixed assets that have been brought into use. The estimated useful life of the internally generated fixed asset currently in development is expected to be 7 years after it is brought into use.

(h) Stocks

Stocks comprise goods for resale and are valued at the lower of cost and net realisable value. They primarily comprise books and other education materials. The value of stock is reviewed regularly for impairment.

(i) Operating Lease Rentals

Rentals payable in respect of operating leases are charged to the Statement of Financial Activities as incurred.

(j) Foreign currency transactions

The results of the overseas subsidiaries denominated in a foreign currency are translated into sterling at rates prevailing during the year (average rate); assets and liabilities are translated at the rates ruling at the end of the year. Translation differences are dealt with through Other Comprehensive Income within the Statement of Financial Activities.

(k) Pensions

The Group operates a defined benefit pension scheme which is closed to new entrants. Any increase in the present value of the liabilities of the scheme expected to arise from the current service of employees in the year is charged to the pension reserve from the current year surplus or deficit attributable to unrestricted funds within the Statement of Financial Activities. The expected return on the scheme's assets and the expected increase during the year in the present value of the scheme's liabilities are included in pension scheme finance costs. Actuarial gains and losses are recognised in the pension reserve within the Statement of Financial Activities after the surplus or deficit for the year. Pension scheme assets, to the extent they are considered recoverable, and pension scheme liabilities, are recognised in the Balance Sheet and represent the difference between the market value of scheme assets and the present value of scheme liabilities. Pension scheme liabilities are determined on an actuarial basis using the projected unit method and are discounted at a rate using the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

At 31 October 2021 the net assets of the scheme were £4,816k (2020 - £2,840k). This surplus has been recognised in the parent charity and group balance sheets on the grounds that it is recoverable under the rules of the scheme.

In addition to the defined benefit scheme CIPS also make contributions to a stakeholder pension plan. Contributions are charged to the Statement of Financial Activities in the period in which they fall due.

(l) Investments

Realised gains and losses on investments are calculated as the difference between sales proceeds and their cost, and are charged or credited to the Statement of Financial Activities in the year of disposal. Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year-end.

In the charity balance sheet, investments are measured at market value at the balance sheet date, based on the quoted price at which they can be traded.

(m) Restricted funds

Where funds are received for purposes specified by a donor, the income is shown as restricted in the Statement of Financial Activities. Expenditure of the funds for the purposes specified is applied against such income or any balance brought forward. Any unexpended amount at the Balance Sheet date is carried forward as part of restricted funds.

(n) Designated funds

The group's Board of Trustees, at their discretion, may set aside funds to cover specific future costs. Such funds are shown as designated funds within unrestricted funds. Where the Board of Trustees decides that such funds are no longer required for the purposes intended, they may be released by transfer to general unrestricted funds.

(o) Liabilities

Liabilities are recognised when there is a present obligation arising from a past event that will require the transfer of economic benefit to settle the obligation.

(p) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and underlying assumptions are continually reviewed.

The following are critical judgements that the Trustees have made in the process of applying the accounting policies:

- Determining the degree of control that the group is entitled to exercise over its entities in South Africa. The Charity directly owns 49% of the share capital of CIPS Southern Africa Proprietary Limited. This decision therefore depends on an assessment of the ownership and controlling relationships of the entities and the CIPS SA BBBEE Trust, which owns the other 51%. Due to the Founder relationship between CIPS Southern Africa and the trust, and the fact that CIPS Southern Africa manages and administers the trust, the Charity considers that it effectively has 100% control.
- Determining whether the net assets of the defined benefit pension scheme should be recognised in the balance sheet of the charity as a recoverable surplus. This decision depends upon an assessment of the rules of the pension scheme. The charity considers that any surplus on the scheme is repayable to the charity on winding up, and it therefore has an unconditional right to the refund of the surplus.

Other key sources of estimation uncertainty:

- Tangible fixed assets (£1,282k - see note 11). Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of these assets are assessed annually and may vary depending on a number of factors. In assessing asset lives, factors such as life cycle and maintenance programmes are taken into account. Residual value assessments consider issues such as the remaining life of the asset and project disposal values.
- Trade debtors (£3,114k - see note 14). At each reporting date, trade debtors are assessed for recoverability. If there is any evidence of impairment, the carrying amount of the debtor is reduced to its recoverable amount. The impairment loss is recognised immediately in the Statement of Financial Activities. In particular, significant outstanding aged debts relating to the MENA region have been fully reviewed to assess their recoverability in light of their age.
- Amounts due from subsidiary undertakings (£1,640k in charity only - see note 14). The charity assesses intercompany balances for recoverability at the end of each financial year. As noted in the financial review, provisions have been made against certain intercompany balances as a result of estimations of recoverability.
- Pension liability and gains or losses (£20,365k - see note 10). The defined benefit pension scheme obligations are based on actuarial assumptions such as discount rate, the expected rate of return on scheme assets, and mortality rates, which are extensively detailed in note 10.

3. Investment income

	Group	Charity	Group	Charity
	2021	2021	2020	2020
	£000	£000	£000	£000
Dividends receivable from listed investments	103	103	101	101
Interest receivable	52	14	76	31
	155	117	177	132

4. Charitable activity costs

(a) Group

	Staff costs	Direct charitable costs	Support costs	Total unrestricted funds	Restricted funds	2021	2020
	£000	£000	£000	£000	£000	Total	Total
	£000	£000	£000	£000	£000	£000	£000
Membership and professional development, subscriptions and fees	4,211	2,941	1,006	8,158	6	8,164	7,445
Corporate business	6,895	3,580	1,562	12,037	992	13,029	13,581
Magazine, conferences and sponsorship	146	2,619	896	3,661	-	3,661	3,279
Other	-	11	4	15	-	15	427
Total	11,252	9,151	3,468	23,871	998	24,869	24,732

(b) Charity

	Staff costs	Direct charitable costs	Support costs	Total unrestricted funds	Restricted funds	2021	2020
	£000	£000	£000	£000	£000	Total	Total
	£000	£000	£000	£000	£000	£000	£000
Membership and professional development, subscriptions and fees	3,827	2,163	774	6,764	6	6,770	6,112
Corporate business	5,440	2,435	1,223	9,098	992	10,090	10,979
Magazine, conferences and sponsorship	150	2,303	824	3,277	-	3,277	3,037
Other	-	11	4	15	-	15	407
Total	9,417	6,912	2,825	19,154	998	20,152	20,535

5. Support costs

(a) Group

					2021	2020
	Membership and professional development, subscriptions and fees	Corporate business	Magazine, conferences and sponsorship	Other	Total	Total
	£000	£000	£000	£000	£000	£000
Finance	300	466	266	1	1,033	864
Marketing	188	293	168	1	650	619
Facilities	182	283	163	1	629	718
IT	184	285	164	1	634	685
HR	94	146	84	-	324	293
Governance	58	89	51	-	198	166
Total	1,006	1,562	896	4	3,468	3,345

(b) Charity

					2021	2020
	Membership and professional development, subscriptions and fees	Corporate business	Magazine, conferences and sponsorship	Other	Total	Total
	£000	£000	£000	£000	£000	£000
Finance	190	299	202	1	692	460
Marketing	169	267	179	1	616	558
Facilities	132	209	141	1	483	570
IT	156	246	166	1	569	643
HR	79	125	84	-	288	279
Governance	48	77	52	-	177	143
Total	774	1,223	824	4	2,825	2,653

6. Net expenditure / income

	2021	2020
	£000	£000
Net expenditure/income for the year is stated after charging/(crediting):		
Fees payable to the charity's auditors for:		
Audit of the charity's annual accounts - 2021	90	-
Audit of the charity's annual accounts - 2020	-	90
Audit of the charity's annual accounts - 2019	-	56
Tax compliance	6	5
Fees payable to affiliate firms of the charity's auditors for:		
Audit of subsidiary companies' accounts	35	32
Non-audit services (preparation of company's accounts)	3	-
Depreciation (see note 11)	62	59
Operating lease rentals	19	41

7. Subsidiary companies**CIPS Corporate Services Limited**

02610367

The charity has a wholly owned subsidiary undertaking, CIPS Corporate Services Limited, incorporated in England and Wales. The principal business of the subsidiary is the sale of books and the provision of corporate training and related services to international corporates. The subsidiary has agreed to covenant all its profit to the charity. All activities have been consolidated into the group statement of financial activities. A summary of the subsidiary's trading result is shown below.

	2021	2020
	£000	£000
Revenue	1,220	1,368
Cost of sales	(226)	(295)
Margin	994	1,073
Administrative expenses	(60)	(79)
Net profit before transfer	934	994
Deed of covenant transfer to charity	(934)	(994)
Net profit	-	-
Assets	100	84
Liabilities	(100)	(84)
Net assets	-	-
Share capital	-	-
Profit and loss account	-	-
Net reserves	-	-

The company has issued share capital of 2 ordinary shares of £1 each.

CIPS Australia and New Zealand Pty Limited

ABN 32 111 330 262

CIPS Australia and New Zealand Pty Limited commenced trading in January 2005. Incorporated within Australia, it is a wholly owned subsidiary of the charity. The principal activities during the financial year were facilitating the servicing of membership for existing CIPS members situated in Australia and New Zealand, providing Australian businesses with company training related to procurement, and providing a programme of continuous improvement in professional standards. All activities have been consolidated into the group statement of financial activities. A summary of the subsidiary's trading result is shown below.

	2021	2020
	£000	£000
Revenue	1,442	1,398
Cost of sales	(433)	(410)
Margin	1,009	988
Administrative expenses	(949)	(919)
Net profit	60	69
Assets	1,388	1,436
Liabilities	(1,947)	(2,055)
Net liabilities	(559)	(619)
Share capital	-	-
Profit and loss account	(559)	(619)
Net reserves	(559)	(619)

The company has issued share capital of 2 ordinary shares of AUD\$1 each.

CIPS Southern Africa Pty Limited

2009/022052/07

CIPS Southern Africa Pty Limited commenced trading in April 2010. Incorporated within South Africa, 49% is directly owned by the charity and the remaining 51% is owned by CIPS SA BBBEE Trust. Due to the Founder relationship between CIPS Southern Africa and the Trust, and the fact that control of the Trust rests with CIPS Southern Africa, the charity considers CIPS Southern Africa to be a part of the CIPS group. The principal activities during the financial year were facilitating the servicing of membership for existing CIPS members situated in Southern Africa, and providing South African businesses and individuals with company training related to procurement and providing a programme of continuous improvement in professional standards. All activities have been consolidated into the group statement of financial activities. A summary of the company's trading result is shown below.

	2021	2020
	£000	£000
Revenue	1,667	1,452
Cost of sales	(504)	(365)
Margin	1,163	1,087
Administrative expenses	(950)	(727)
Net profit	213	360
Assets	2,418	2,621
Liabilities	(944)	(1,360)
Net assets	1,474	1,261
Share capital	-	-
Designated funds	-	-
Profit and loss account	1,474	1,261
Net reserves	1,474	1,261

The company has issued share capital of 100 ordinary shares of ZAR 1 each.

CIPS Professional Body Southern Africa Proprietary Ltd

2016/045398/07

CIPS Professional Body Southern Africa Proprietary Ltd commenced trading in 2018. Incorporated in South Africa in 2016, it is a wholly owned subsidiary of CIPS Southern Africa Pty Limited. Its principal activity is serving individuals in South Africa to meet the requirements of the South African Qualifications Authority. A summary of the company's trading result is shown below.

	2021	2020
	£000	£000
Revenue	450	327
Cost of sales	(226)	(157)
Margin	224	170
Administrative expenses	(120)	(202)
Net loss/(profit)	104	(32)
Assets	737	771
Liabilities	(775)	(913)
Net liabilities	(38)	(142)
Share capital	-	-
Designated funds	-	-
Profit and loss account	(38)	(142)
Net reserves	(38)	(142)

The company has issued share capital of 100 ordinary shares of ZAR 1 each.

CIPS Singapore Pte Ltd

201333047E

CIPS Singapore Pte Ltd was incorporated in Singapore on 9 December 2013 and is a wholly owned subsidiary of CIPS. Its principal activities during the financial year were the provision of corporate training and services relating to procurement and supply. All activities have been consolidated into the group statement of financial activities. A summary of the subsidiary's trading result is shown below.

	2021	2020
	£000	£000
Revenue	311	247
Cost of sales	(117)	(69)
Margin	194	178
Administrative expenses	(28)	(35)
Net profit	166	143
Assets	521	294
Liabilities	(719)	(675)
Net liabilities	(198)	(381)
Share capital	-	-
Profit and loss account	(198)	(381)
Net reserves	(198)	(381)

The company has issued share capital of 1 ordinary share of £1 each.

CIPS Satinalma Tedarik Egit. Hizm. Ltd. Sti

CIPS Satinalma Tedarik Egit. Hizm. Ltd. Sti is incorporated in Turkey and is a wholly owned subsidiary of CIPS and has an accounting year-end of 31 December. The principal activities of the company are the provision of corporate training and services relating to procurement and supply. All activities have been consolidated into the group statement of financial activities. A summary of the subsidiary's unaudited trading result for the year to 31 October 2020 is shown below.

	2021	2020
	£000	£000
Revenue	325	110
Cost of sales	(190)	(93)
Margin	135	17
Administrative expenses	(10)	(9)
Net profit	125	8
Assets	131	19
Liabilities	(7)	(11)
Net assets	124	8
Share capital		
Profit and loss account	124	8
Net reserves	124	8

CIPS USA Inc.

CIPS USA Inc. was incorporated in the United States of America in 2017 and commenced trading during the previous financial year. It is a wholly owned subsidiary of CIPS. The principal activities of the company are the provision of corporate training and services relating to procurement and supply. All activities have been consolidated into the group statement of financial activities. A summary of the subsidiary's trading result is shown below.

	2021	2020
	£000	£000
Revenue	881	686
Cost of sales	(228)	(208)
Margin	653	478
Administrative expenses	(676)	(729)
Net profit	(23)	(251)
Assets	629	660
Liabilities	(1,391)	(1,440)
Net assets	(762)	(780)
Share capital	-	-
Profit and loss account	(762)	(780)
Net reserves	(762)	(780)

CIPS Hong Kong Limited

75 29 58

The charity has a wholly owned subsidiary undertaking, CIPS Hong Kong Limited. It does not trade but is merely a vehicle for Hong Kong members to hold branch meetings. CIPS Hong Kong Ltd has been excluded from the consolidation on the grounds that it is immaterial in the context of the group as a whole.

Company name	CIPS Hong Kong Limited
Nature of business	Members Branch
Country of incorporation	Hong Kong
Nominal value of share held	10,000 HK\$

8. Staff costs

	Group	Charity	Group	Charity
	2021	2021	2020	2020
	£000	£000	£000	£000
Wages and salaries	10,122	8,410	10,011	8,409
Employer's social security costs	908	862	821	761
Defined benefit pension scheme expense	-	-	-	-
Defined contribution pension scheme	680	603	618	559
Total staff costs	11,710	9,875	11,450	9,729
Payroll costs capitalised (see below)	(442)	(442)	(320)	(320)
Restricted payroll costs (see below)	(16)	(16)	(246)	(246)
Staff costs per note 4	11,252	9,417	10,884	9,163

Payroll costs capitalised: The total staff costs include £441,826 of payroll costs which were capitalised in the year as part of the development work for the IT systems project.

Restricted payroll costs: Staff costs which were offset by income received under the UK Coronavirus Job Retention Scheme are included within restricted funds rather than staff costs in note 4.

The average number of staff employed by the group throughout the year was:

	2021	2020
	208	196

Emoluments of senior staff	2021	2020
£60,000 - £69,999	15	7
£70,000 - £79,999	8	7
£80,000 - £89,999	2	1
£90,000 - £99,999	3	6
£100,000 - £109,999	3	2
£110,000 - £119,999	1	3
£120,000 - £129,999	4	-
£130,000 - £139,999	-	4
£140,000 - £149,999	1	-
£150,000 - £159,999	1	-
£180,000 - £189,999	-	1
£250,000 - £259,999	-	1
£270,000 - £279,999	1	-

The group's defined benefit pension scheme closed to future members on 1 November 2003. CIPS offers a defined contribution plan into which it paid £603k (2020: £559k) of employer contributions in the year. At the end of the year, there were 170 members of staff with stakeholder plans. CIPS Australia paid £58k (2020: £56k) and CIPS USA paid £20k (2020: £0) into staff defined contribution superannuation schemes.

The members of the Global Board of Trustees were not remunerated for their services during the year. Expenses of £307 (2020: £7,761) were reimbursed to 2 (2020: 13) trustees during the year. These expenses included travel, subsistence and incidental costs in connection with attendance at meetings of the Board of Trustees.

The group considers its key management personnel to comprise the Chief Executive and the Senior Leadership Team. The total employment benefits of these individuals, including employer pension contributions, were £1,302k (2020: £1,375k).

9. Taxation

CIPS is a charity within the meaning of paragraph 1, Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. As a result, no tax charge arose in the period. The group's UK subsidiary company makes qualifying donations of all taxable profit to the charity. No corporation tax liability on this subsidiary arises in the accounts.

CIPS Australasia Pty Limited is registered as a not for profit organisation in Australia. No tax liability on this subsidiary arises in the accounts.

CIPS Singapore Pte Ltd, CIPS Southern Africa Pty Limited and CIPS Professional Body South Africa Proprietary Ltd are subject to local company taxation. The following tax charge arises:

	2021	2020
	£000	£000
Current taxation		
South Africa – current year	163	135
Singapore withholding tax	2	9
	165	144
Deferred taxation		
South Africa – current year	60	(5)
Total tax charge for the year	60	(5)

10. Pension costs

The charity is the sponsoring employer of a funded defined benefit pension scheme in the UK, which provides retirement benefits based on members' salary when leaving employment. The scheme was closed to new entrants on 1 November 2003. The assets of the scheme are held in a separately administered fund and the scheme is administered by a trustee body (independent of CIPS) who are responsible for ensuring that the scheme is sufficiently funded to meet current and future obligations. The liabilities set out in this note have been calculated based on the results of the full Scheme Funding Assessment as at 31 October 2018, updated to 31 October 2021, allowing for interest and benefits paid. The present value of the defined benefit obligation and any past service costs were measured using the projected unit credit method. CIPS has agreed a funding plan with the trustee body, whereby contributions are made into the scheme to pay operating expenses and additional contributions to reduce the funding deficit where necessary. The disclosures set out below are based on calculations carried out as at 31 October 2021 by an independent qualified actuary. The results of the calculations and the assumptions adopted are shown below.

On 1 November 2003, the charity also established a stakeholder pension plan, which is open to new employees. Contributions to the plan by the employer are equal to twice that paid by the member and vary between 6% and a maximum of 12% dependent upon the age of the member.

The following information relates to the scheme's valuation on an FRS102 section 28 basis at 31 October 2021.

Principal assumptions

The principal actuarial assumptions at the balance sheet date were:

	2021	2020
Discount rate	1.80%	1.52%
Aggregate long-term expected rate of return on assets (net of expenses)	1.80%	1.52%
Retail Prices Index (RPI) inflation	3.45%	3.00%
Consumer Prices Index (CPI) inflation	2.65%	2.14%
Future increases in deferred pensions	2.65%	2.14%
Rate of increase in salaries	2.65%	2.00%
Rate of increase to pensions in payment:		
Fixed increases	In line with scheme rules	In line with scheme rules
RPI subject to max 5% p.a.	3.35%	2.95%
Post-retirement mortality	100% of S3PA tables, with future improvements in line with the CMI2020 projection model, with w2020 = 0%, Sk 7.0, IAMI = 0.25% and a long term improvement rate of 1.25% p.a.	95% of S3PA All; CMI 2019 core tables, with 1.50% LTR of improvement
Cash commutation	75% maximum tax free cash	75% maximum tax free cash
Life expectancy of male aged 65 at balance sheet date	22.1	22.4
Life expectancy of male aged 65 in 20 years from balance sheet date	23.4	24.1
Life expectancy of female aged 65 at balance sheet date	24.5	24.7
Life expectancy of female aged 65 in 20 years from balance sheet date	25.9	26.5

Note: The calculations are based on the full corporate bond and inflation yield curves, with the rates quoted here being single equivalent rates

Asset breakdown

The major categories of scheme assets as a percentage of total scheme assets are:

	2021	2020
Overseas equities	5.20%	5.00%
UK corporate bonds	32.00%	32.90%
LDI	16.10%	17.30%
Property	4.80%	4.30%
Cash	0.30%	0.20%
Insurance policies	4.50%	5.80%
Other (including diversified growth funds)	37.10%	34.50%
Total	100.00%	100.00%

The pension scheme has not invested in any of CIPS's own financial instruments, nor in properties or other assets used by CIPS. The assets are all quoted in an active market with the exception of the insured pensions.

Net defined benefit asset

	2021	2020
	£000	£000
Fair value of scheme assets	25,181	24,482
Present value of defined benefit obligation	(20,365)	(21,642)
Defined benefit asset recognised in balance sheet	4,816	2,840

The total expense recognised in the statement of financial activities is as follows:

	2021	2020
	£000	£000
Current service cost	-	-
Administration expenses	286	193
Past service costs including curtailment	-	-
Recognised in arriving at net income/(expenditure)	286	193
Interest on the net defined benefit liability	(45)	(45)
Total	241	148

The total amounts taken to other recognised gains and losses are as follows:

	2021	2020
	£000	£000
Actual return on scheme assets	1,170	1,586
Less: amounts included in net interest on the net defined benefit liability	(368)	(420)
Remeasurement gains and (losses) - return on scheme assets excluding interest income	802	1,166
Remeasurement gains and (losses) - actuarial gains and (losses)	840	(1,037)
Total	1,642	129

Changes in the present value of the defined benefit obligation are as follows:

	2021	2020
	£000	£000
Present value of defined benefit obligation at beginning of period	21,642	20,973
Benefits paid including expenses	(1,046)	(936)
Administration costs	286	193
Interest cost	323	375
Remeasurement (gains) and losses - actuarial (gains) and losses	(840)	1,037
Present value of defined benefit obligation at end of period	20,365	21,642

Changes in the fair value of plan assets are as follows:

	2021	2020
	£000	£000
Fair value of scheme assets at beginning of period	24,482	23,232
Interest income	368	420
Remeasurement gains - return on scheme assets excluding interest income	802	1,166
Contributions by employer	575	600
Benefits paid including expenses	(1,046)	(936)
Fair value of scheme assets at end of period	25,181	24,482

Movements over 5 year period

	2021	2020	2019	2018	2017
	£000	£000	£000	£000	£000
Fair value of scheme assets	25,181	24,482	23,232	20,687	20,434
Present value of defined benefit obligation	(20,365)	(21,642)	(20,973)	(18,612)	(20,474)
Surplus/(deficit)	4,816	2,840	2,259	2,075	(40)
Gain/(loss) arising from experience on scheme obligations	-	-	-	-	-
Gain/(loss) arising from changes in the assumptions for valuing the scheme obligations	840	(1,037)	(2,486)	1,727	(590)
Gain/(loss) arising from experience on scheme assets	802	1,166	1,485	(481)	676

11. Fixed assets**Tangible fixed assets****(a) Group**

	Freehold land and buildings	Leasehold improvements	Fixtures and fittings	Computer equipment	Total
	£000	£000	£000	£000	£000
Cost / Valuation					
At 1 November 2020	1,318	45	270	602	2,235
Disposals during the year	-	-	(9)	(24)	(33)
Additions during the year	-	-	16	28	44
Exchange difference	-	(1)	1	1	1
At 31 October 2021	1,318	44	278	607	2,247
Accumulated depreciation					
At 1 November 2020	(96)	(21)	(213)	(581)	(911)
Disposals during the year	-	-	9	2	11
Charged during the year	(17)	(9)	(22)	(14)	(62)
Exchange difference	-	-	(2)	(1)	(3)
At 31 October 2021	(113)	(30)	(228)	(594)	(965)
Net book value 31 October 2021	1,205	14	50	13	1,282
Net book value 31 October 2020	1,222	24	57	21	1,324

(b) Charity

	Freehold land and buildings	Leasehold improvements	Fixtures and fittings	Computer equipment	Total
	£000	£000	£000	£000	£000
Cost / Valuation					
At 1 November 2020	1,318	-	170	485	1,973
Disposals during the year	-	-	(9)	(2)	(11)
Additions during the year	-	-	12	2	14
Exchange difference	-	-	1	(1)	-
At 31 October 2021	1,318	-	174	484	1,976
Accumulated depreciation					
At 1 November 2020	(96)	-	(130)	(479)	(705)
Disposals during the year	-	-	9	-	9
Charged during the year	(17)	-	(19)	(4)	(40)
Exchange difference	-	-	1	-	1
At 31 October 2021	(113)	-	(139)	(483)	(735)
Net book value 31 October 2021	1,205	-	35	1	1,241
Net book value 31 October 2020	1,222	-	40	6	1,268

Intangible fixed assets**(a) Group**

	Assets under development	Total
	£000	£000
Cost / Valuation		
At 1 November 2020	1,574	1,574
Additions during the year	3,374	3,374
At 31 October 2021	4,948	4,948

Amortisation

At 1 November 2020	-	-
At 31 October 2021	-	-
Net book value 31 October 2021	4,948	4,948
Net book value 31 October 2020	1,574	1,574

(b) Charity

	Assets under development	Total
	£000	£000
Cost / Valuation		
At 1 November 2020	1,574	1,574
Additions during the year	3,374	3,374
At 31 October 2021	4,948	4,948

Amortisation

At 1 November 2020	-	-
At 31 October 2021	-	-
Net book value 31 October 2021	4,948	4,948
Net book value 31 October 2020	1,574	1,574

Intangible assets under construction relate to development costs forming part of a programme to develop new systems and processes. The recognised amount is in respect of development costs giving rise to an internally generated intangible asset. They will be amortised over the useful life of the asset once it has been brought into use.

12. Listed investments

	Group	Charity	Group	Charity
	2021	2021	2020	2020
	£000	£000	£000	£000
Market value at 1 November	4,138	4,138	4,262	4,262
Additions	95	95	164	164
Disposals	(50)	(50)	-	-
Net realised and unrealised (losses)/gains	745	745	(288)	(288)
Market value at 31 October	4,928	4,928	4,138	4,138
Historical cost of investments	3,804	3,804	3,707	3,707

Listed investments are managed by appointed fund managers. The investment strategy is growth oriented with investments being held in the Barclays Charity Distribution Fund and the Charities Property Fund with a balance held in cash as follows:

	Group	Charity	Group	Charity
	2021	2021	2020	2020
	£000	£000	£000	£000
Barclays Charity Distribution Fund	4,797	4,797	4,009	4,009
Charities Property Fund	130	130	129	129
Market value at 31 October	4,927	4,927	4,138	4,138

13. Investment in subsidiary companies

	2021	2020
	£	£
Shares in subsidiary undertakings at cost		
At 1 November 2020 and 31 October 2021	8	8

14. Debtors

	Group	Charity	Group	Charity
	2021	2021	2020	2020
	£000	£000	£000	£000
Trade debtors	3,114	2,237	2,930	1,943
Other debtors	18	7	63	57
Deferred taxation	60	-	80	-
Prepayments and accrued income	1,024	873	1,250	1,096
Due from subsidiary undertakings	-	993	-	1,914
	4,216	4,110	4,323	5,010

Included in amounts due from subsidiary undertakings is an amount of £144k (2020: £144k) which represents a loan from the charity to CIPS Australia and New Zealand Pty Limited. Currently the charity does not levy an interest charge on the loan. There is no formal repayment plan in situ, payments are made on an ad hoc basis as available funds allow.

Deferred taxation arises on timing differences and losses carried forward in the group's South African subsidiaries.

The group's Singapore subsidiary has an unrecognised deferred tax asset of £87k (2020: £87k). This has not been recognised in the financial statements due to the unpredictability of local taxable profit streams.

15. Creditors

Amounts falling due in less than 1 year

	Group	Charity	Group	Charity
	2021	2021	2020	2020
	£000	£000	£000	£000
Trade creditors	1,622	1,462	1,622	1,542
Bank loans	500	500	375	375
Other creditors including taxation and social security	341	271	496	322
Accruals and deferred income	11,066	8,643	10,620	8,669
Amounts due to subsidiary undertakings in <1 year	-	989	-	1,193
	13,529	11,865	13,113	12,101
Deferred income as at 1 November 2020	8,730	7,198	9,230	7,561
Released during the year	(8,730)	(7,198)	(9,230)	(7,561)
Deferred during the year	9,511	7,427	8,730	7,198
Deferred income as at 31 October 2021	9,511	7,427	8,730	7,198

Income is deferred where payment is received in advance for contracted services that have yet to be provided.

Amounts falling due in more than 1 year

	Group	Charity	Group	Charity
	2021	2021	2020	2020
	£000	£000	£000	£000
Bank loans	1,380	1,380	1,625	1,625
	1,380	1,380	1,625	1,625

CBILS loan

CIPS entered into a loan from Barclays Bank under the UK government Coronavirus Business Interruption Loan Scheme (CBILS) on 14 April 2020. The balance is repayable in 16 instalments over 4 years, following a 1 year capital repayment holiday, and accrues interest at the Bank of England rate, or a minimum of 1.79%.

The loans are repayable as follows:

	Group	Charity	Group	Charity
	2021	2021	2020	2020
	£000	£000	£000	£000
Under 1 year	500	500	375	375
Between 1 - 2 years	500	500	500	500
Between 2 - 5 years	880	880	1,125	1,125
	1,880	1,880	2,000	2,000

16. Analysis of net assets between funds

(a) Group

						2021
	Tangible and intangible assets	Listed investments	Net current liabilities	Non-current liabilities	Pension scheme	Total
	£000	£000	£000	£000	£000	£000
Restricted funds	-	-	383	-	-	383
Unrestricted funds	6,230	4,928	(4,467)	(1,380)	-	5,311
Pension scheme surplus	-	-	-	-	4,816	4,816
Funds at 31 October 2021	6,230	4,928	(4,084)	(1,380)	4,816	10,510
						2020
	Tangible and intangible assets	Listed investments	Net current liabilities	Non-current liabilities	Pension scheme	Total
	£000	£000	£000	£000	£000	£000
Restricted funds	-	-	382	-	-	382
Unrestricted funds	2,898	4,138	(2,878)	(1,625)	-	2,533
Pension scheme surplus	-	-	-	-	2,840	2,840
Funds at 31 October 2020	2,898	4,138	(2,496)	(1,625)	2,840	5,755

(b) Charity

						2021
	Tangible and intangible assets	Listed investments and investments in subsidiary companies	Net current liabilities	Non-current liabilities	Pension scheme	Total
	£000	£000	£000	£000	£000	£000
Restricted funds	-	-	383	-	-	383
Unrestricted funds	6,189	4,928	(5,836)	(1,380)	-	3,901
Pension scheme surplus	-	-	-	-	4,816	4,816
Funds at 31 October 2021	6,189	4,928	(5,453)	(1,380)	4,816	9,100
						2020
	Tangible and intangible assets	Listed investments and investments in subsidiary companies	Net current liabilities	Non-current liabilities	Pension scheme	Total
	£000	£000	£000	£000	£000	£000
Restricted funds	-	-	382	-	-	382
Unrestricted funds	2,842	4,138	(3,681)	(1,625)	-	1,674
Pension scheme surplus	-	-	-	-	2,840	2,840
Funds at 31 October 2020	2,842	4,138	(3,299)	(1,625)	2,840	4,896

17. Reserves

Group

	Restricted funds	Unrestricted funds	Pension reserve	Total
	£000	£000	£000	£000
At 1 November 2020	382	2,533	2,840	5,755
Transfers	-	(334)	334	-
Actuarial gain	-	-	1,642	1,642
Foreign currency translation loss	-	(37)	-	(37)
Net income for the year	1	3,149	-	3,150
At 31 October 2021	383	5,311	4,816	10,510

	Restricted funds	Unrestricted funds	Pension reserve	Total
	£000	£000	£000	£000
At 1 November 2019	382	3,395	2,259	6,036
Transfers	-	-	452	452
Actuarial gain	-	-	129	129
Foreign currency translation gain	-	32	-	32
Net expenditure for the year	-	(894)	-	(894)
At 31 October 2020	382	2,533	2,840	5,755

Unrestricted funds include the currency translation reserve of £527k (2020: £564k) which is used to recognise exchange differences arising from translation of the financial statements of foreign operations to sterling.

Charity

	Restricted funds	Unrestricted funds	Pension reserve	Total
	£000	£000	£000	£000
At 1 November 2020	382	1,674	2,840	4,896
Transfers	-	(334)	334	-
Actuarial gain	-	-	1,642	1,642
Foreign currency translation loss	-	1	-	1
Net income for the year	1	2,560	-	2,561
At 31 October 2021	383	3,901	4,816	9,100

	Restricted funds	Unrestricted funds	Pension reserve	Total
	£000	£000	£000	£000
At 1 November 2019	382	2,965	2,259	5,606
Transfers	-	-	452	452
Actuarial gain	-	-	129	129
Foreign currency translation gain	-	(1)	-	(1)
Net expenditure for the year	-	(1,290)	-	(1,290)
At 31 October 2020	382	1,674	2,840	4,896

Unrestricted funds include the currency translation reserve of £15k (2020: £14k) which is used to recognise exchange differences arising from translation of the financial statements of foreign operations to sterling.

(a) Restricted funds

	CIPS Foundation	CIPS Health Procurement Africa	NOS Project	IDEA Project	e-Comm research	Coronavirus job retention scheme	Total Funds
Charity and Group	£000	£000	£000	£000	£000	£000	£000
At 1 November 2020	354	-	2	14	12	-	382
Transfers from unrestricted reserves	-	-	-	-	-	-	-
Incoming funds	1	982	-	-	-	16	999
Outgoing funds	-	(982)	-	-	-	(16)	(998)
At 31 October 2021	355	-	2	14	12	-	383

	CIPS Foundation	CIPS Health Procurement Africa	NOS Project	IDEA Project	e-Comm research	Coronavirus job retention scheme	Total Funds
Charity and Group	£000	£000	£000	£000	£000	£000	£000
At 1 November 2018	354	-	2	14	12	-	382
Transfers from unrestricted reserves	-	-	-	-	-	-	-
Incoming funds	-	556	-	-	-	246	802
Outgoing funds	-	(556)	-	-	-	(246)	(802)
At 31 October 2020	354	-	2	14	12	-	382

CIPS Foundation - a trust fund for furtherance of education in purchasing matters. CIPS supports this related charity with an annual contribution of £10,000.

CIPS Health Procurement Africa - external funding to strengthen health procurement processes in Africa

NOS Project - external funding for the development of world class National Occupational Standards for International Trade and Services and Supply Chain Management.

IDEA Project - external funding to develop a certificate of competence for local government procurement specialists.

e-Comm research - external funding for a specific professional practice project.

Coronavirus job retention scheme - UK government funding to offset payroll costs for employees placed on furlough during Covid-19 pandemic

All of the above funds are restricted income funds.

(b) Pension reserve**Charity and group**

	2021	2020
	£000	£000
At 1 November 2020	2,840	2,259
Transfer from unrestricted reserves	334	452
Actuarial gain	1,642	129
At 31 October 2020	4,816	2,840

Transfers during the year comprise employer contributions to the pension scheme in excess of the service and administration costs and the net of expected returns over interest cost.

18. Leasing commitments

At 31 October 2021 the group's and the charity's future minimum lease payments under non-cancellable operating leases were as follows:

	Group	Charity	Group	Charity
	2021	2021	2020	2020
	£000	£000	£000	£000
Amounts due within one year	13	13	37	37
Amounts due between one and five years	14	14	45	45
	27	27	82	82

Total leasing costs for the year were £19k. The leasing commitments detailed above are in respect of the lease of vehicles, office equipment and premises.

19. Related party transactions

During the year the charity provided services amounting to £286k (2020: £374k) to CIPS Corporate Services Limited, a wholly owned subsidiary.

The amount due to CIPS Corporate Services Limited at the end of the year was £84k (2020: £52k).

During the year, the charity provided services amounting to £293k (2020: £239k) to CIPS Southern Africa (Pty) Limited, a 49% owned subsidiary, whereby the remaining 51% is controlled by CIPS.

The amount due to CIPS Southern Africa (Pty) Limited at the year-end was £763k (2020: £26k).

During the year, the charity provided services amounting to £225k (2020: £157k) to CIPS Professional Body South Africa Proprietary Ltd, an indirect subsidiary.

The amount due from CIPS Professional Body South Africa Proprietary Ltd at the year-end was £407k (2020: £101k).

During the year, the charity provided services amounting to £127k (2020: £98k) to CIPS Australia and New Zealand Pty Limited, a wholly owned subsidiary.

The amount due from CIPS Australia and New Zealand Pty Limited, at the end of the year was £941k (2020: £1,003k). A provision of £658k (2020: £658k) is included in the charity accounts against the debt due from Australia.

During the year, the charity provided services amounting to £61k (2020: £56k) to CIPS Singapore (Pty) Ltd, a wholly owned subsidiary.

The amount due to CIPS Singapore Pty Ltd at the end of the year was £136k (2020: £34k due from CIPS Singapore).

During the year, the charity provided services amounting to £32k (2020: £47k) to CIPS USA Inc, a wholly owned subsidiary.

The amount due from CIPS USA Inc at the end of the year was £1,088k (2020: £1,068k). A provision of £780k (2020: £780k) has been made in the charity accounts against the debt due from the USA.

20. Financial instruments

The group's and charity's financial instruments may be analysed as follows:

	Group	Charity	Group	Charity
	2021	2021	2020	2020
	£000	£000	£000	£000
Financial assets				
Financial assets measured at fair value through profit or loss	4,928	4,928	4,138	4,138
Financial assets that are debt instruments measured at amortised cost	8,421	5,539	9,367	9,940
Financial liabilities				
Financial liabilities measured at amortised cost	3,502	4,331	1,622	2,735

Financial assets measured at fair value through profit or loss comprise fixed asset investments in units in investment funds designed for use by charities.

Financial assets measured at amortised cost comprise stocks, cash, trade debtors, other debtors and amounts due from group undertakings.

Financial liabilities measured at amortised cost comprise trade creditors, loans and amounts due to group undertakings.

21. Post balance sheet events

None.

22. Prior year statement of financial activities

Consolidated statement of financial activities for the year ended 31 October 2020

	Notes	Unrestricted funds	Restricted funds	Pension reserve	Total funds	Total funds
		£000	£000	£000	2020	2019
					£000	£000
Income from:						
Charitable activities						
Membership and professional development, subscriptions and fees		10,804	-	-	10,804	14,811
Corporate business		10,289	556	-	10,845	12,322
Magazine, conferences and sponsorship		2,436	-	-	2,436	3,085
Coronavirus job retention scheme		-	246	-	246	-
Other		70	-	-	70	81
Investments	3	177	-	-	177	237
Total income		23,776	802	-	24,578	30,536
Expenditure on:						
Charitable activities	4	23,930	802	-	24,732	29,917
Total expenditure		23,930	802	-	24,732	29,917
Net income/(expenditure) before investment gains		(154)	-	-	(154)	619
Net gains/(losses) on investments	12	(288)	-	-	(288)	245
Transfers between funds	17	(452)	-	452	-	-
Net income/(expenditure)		(894)	-	452	(442)	864
Other recognised gains and losses						
Pension scheme actuarial gain	10	-	-	129	129	(1,001)
Foreign currency translation (loss)/gain		32	-	-	32	(28)
Net movement in funds		(862)	-	581	(281)	(165)
Reconciliation of funds						
Funds brought forward		3,395	382	2,259	6,036	6,201
Balance carried forward		2,533	382	2,840	5,755	6,036

Parent charity statement of financial activities for the year ended 31 October 2020

	Notes	Unrestricted funds	Restricted funds	Pension reserve	Total funds	Total funds
		£000	£000	£000	2020	2019
					£000	£000
Income from:						
Charitable activities						
Membership and professional development, subscriptions and fees		8,291	-	-	8,291	10,600
Corporate business		7,673	556	-	8,229	9,135
Magazine, conferences and sponsorship		2,085	-	-	2,085	2,618
Coronavirus job retention scheme		-	246	-	246	-
Income from subsidiaries		994	-	-	994	1,184
Other		8	-	-	8	59
Investments	3	132	-	-	132	160
Total income		19,183	802	-	19,985	23,756
Expenditure on:						
Charitable activities	4	19,733	802	-	20,535	24,208
Total expenditure		19,733	802	-	20,535	24,208
Net income/(expenditure) before investment gains		(550)	-	-	(550)	(452)
Net gains/(losses) on investments	12	(288)	-	-	(288)	245
Transfers between funds	17	(452)	-	452	-	-
Net income/(expenditure)		(1,290)	-	452	(838)	(207)
Other recognised gains and losses						
Pension scheme actuarial gain	10	-	-	129	129	(1,001)
Foreign currency translation gain/(loss)		(1)	-	-	(1)	(9)
Net movement in funds		(1,291)	-	581	(710)	(1,217)
Reconciliation of funds						
Funds brought forward as previously stated		2,965	382	2,259	5,606	6,823
Balance carried forward		1,674	382	2,840	4,896	5,606

All items above derive from continuing operations.

There are no recognised gains or losses other than those stated above.

About CIPS, the Chartered Institute of Procurement & Supply

The professional body

CIPS, a not-for-profit organisation that exists for the public good, is the voice of the profession, promoting and developing high standards of skill, ability and integrity among procurement and supply chain professionals.

Quality guaranteed

Our qualifications are recognised by OFQUAL in England and regulators in various countries, demonstrating that they meet specific quality standards.

The Global Standard

CIPS Global Standard in Procurement and Supply, which is freely available, sets the benchmark for what good looks like in the profession.

A commercial organisation

CIPS helps governments, development agencies, and businesses around the world to excel in procurement and supply, supporting them to improve and deliver results and raise standards.