THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

CONTENTS

Page

1  Trustees’ Report

40  Independent Auditor’s Report

43  Consolidated Statement of Financial Activities

44  Consolidated and Institution Balance Sheets

45  Consolidated Cash Flow Statement

46  Notes forming part of the Consolidated Financial Statements
Our Vision

Better performing buildings for society and the environment.

Our Mission

To advance and promote the art, science and practice of building services engineering, to invest in education and research, and to support our community of built environment professionals in their pursuit of excellence.

Our Values

We Lead
We are a trusted authority on the present and future challenges facing the built environment, we use our collective expertise and influence to champion the best and most innovative solutions with rigour and integrity.

We Empower
We provide people with knowledge, training and networking and a pathway to professional registration so that their work will have a meaningful impact.

We Champion
We are vocal and visible in our drive to improve the performance, safety, health and sustainability of the built environment and we support and celebrate the talented people who make it happen.

We Inspire
We are passionate about the quality of the built environment and we encourage committed people, from every background, to join our community.
President’s message

In 2019 we witnessed an increased global focus on climate change, which was met by our industry with a renewed pledge to make buildings better and increased recognition of the invaluable contribution we make in meeting global carbon targets.

Through a challenging year, it was encouraging to see what our industry achieved and the overwhelming commitment to ensuring our buildings perform better.

In my Presidential Address last May I called for the industry to adapt to the changing political and environmental climate. We must also not lose sight of our main goal of providing safe, functional, sustainable buildings that are fit for purpose in their performance today and adaptable for the future.

The Building Performance Awards were a clear demonstration of what can be delivered. The 37-storey EY Centre in Sydney, developed by Mirvac, was crowned Building Performance Champion, and was described by the awards judges as an ‘exemplary project’, receiving praise for its truly holistic approach to building performance and wellbeing.

Residential Project of the Year was Lark Rise, designed by bere:architects, which is an ultra-low energy, all-electric, two-bedroom detached property, and the UK’s first certified Passivhaus Plus home. It was described by the judges as a ‘groundbreaking development’ with the potential to demonstrate how building homes to this specification could be adopted more widely.

Digital engineering is also evolving rapidly, allowing increased collaboration on an array of projects. We celebrated achievements in this field at the Digital Engineering Awards which, although only in their second year, attracted a large number and variety of entries. The innovation and creativity of the winners highlighted what can be achieved with the advances and increased adoption of this discipline.

Unsurprisingly, with the publication of the report on Phase 1 of the public inquiry into the fire at Grenfell Tower, we have also seen a sharpened focus on responsibilities around Building Regulations and compliance. The Chartered Institution of Building Services Engineers (CIBSE) technical team and the Society of Façade Engineering were both involved in the Hackitt review, which is testament to the expertise of our members and staff.

The review highlighted the essential role we have to play in ensuring building occupants are safe and buildings fit for purpose. The timely publication of Guide E: Fire Safety Engineering, in 2019, enables our members to better serve society and meet their professional duties for compliance with fire safety requirements. This also helps our members in other parts of the world, notably Australia, to respond to the questions about building facades and fire safety being raised.

The diverse nature of our industry was clearly evident at CIBSE’s Build2Perform Live event, held in London in November. This two-day flagship event attracted more than 1700 visitors and brought together more than 170 speakers in sessions covering subjects ranging from health and wellbeing to decarbonisation, and retrofit to digitalisation.

Practical actions to help accelerate the UK’s progress to meeting its 2050 net zero carbon emissions target were the focus of the event’s opening day, with keynote speaker, Baroness Brown of Cambridge, outlining the enormity of the challenge the UK faces.
President’s message (continued)

The vast range of expertise and experience at the event was inspiring, and a beacon of hope for what we, as an industry, can achieve with the innovation this talent can drive forward.

We can also gain inspiration and reassurance for the future by looking at the emerging talent at the Young Engineers Awards. The seven Graduate of the Year finalists demonstrated an exceptional ability to communicate effectively – a skill that is essential if our industry is to collaborate effectively with fellow professionals and engage with those who commission, use and occupy buildings.

But they can’t get there alone, and the awards were also a reminder of the importance of nurturing and mentoring our young engineers. The employers recognised at the awards demonstrated progressive strategies for recruiting, nurturing and empowering young people, and provide a suitable environment for our young engineers to flourish.

The encouragement of those new to the engineering community is essential to ensure they reach their full potential and feel motivated to progress. I was privileged to be able to witness this first hand when I hosted the Young Engineers Network (YEN) Conference in Kuala Lumpur in November. This new talent gives us hope of finding innovative solutions to the urgent challenges of climate change and having a significant impact on building performance.

We also celebrate those who have helped pave the way for future generations, providing positive and inspiring role models. In 2019 an unprecedented three CIBSE members were honoured with gold medals, the highest accolade awarded by CIBSE.

From fellows to student members, CIBSE must continue to make sure our Institution, and industry, is welcoming and inviting to all. We believe that an inclusive culture brings resilience, creativity and innovation – qualities that deliver both better buildings and a stronger building services engineering community.

To this end, we are working hard to enhance awareness and understanding of diversity and inclusion throughout CIBSE and our Inclusivity Panel has developed Inclusivity Guidelines to help CIBSE members and staff.

As we reflect on what we have delivered in 2019 it is clear that we still have some way to go, but the overarching feeling I take with me into 2020 is one of immense optimism that we have the talent and resolve required to continue to meet the multiple challenges of climate change, building safety and digitisation.
Our Values

Last year CIBSE developed our new Vision, Mission and Values, which are the foundations for ensuring we maximise our positive impact on the world. Our 2019 annual report, therefore, takes its themes from these values.

We Lead

CIBSE is leading the conversation on equipping the built environment for a changing climate.

Building services are key to keeping building users as safe and comfortable as possible, promoting occupant health and wellbeing, minimising impact on the environment during construction and in use, and driving improved performance and productivity.

CIBSE leads the way in promoting improvement in the performance of buildings to the benefit of users, developers and owners, and as a natural consequence of what we do day-to-day.

Our involvement in government level discussions and consultations makes us a strong champion for better standards and enforcement, driving buildings that are safe and fit for purpose.

We Empower

CIBSE empowers our members and the wider building community through the sharing and dissemination of knowledge and training. We enable people to access the skills and knowledge they require to fulfil their potential and serve society.

Knowledge sharing is one of CIBSE’s primary roles in the industry. Working with the industry and its clients, CIBSE serves wider society by developing and publishing internationally recognised guidance and codes.

The knowledge provides authoritative guidance for the design, installation and operation and maintenance of engineering services in buildings. It enables engineers to keep up to date with best practice in technology and standards, and supports the implementation of policies to improve safety, comfort and productivity of buildings and reduce their carbon emissions.

In an industry that is seeing increasingly complex and changing technology, CIBSE enables building services engineers to keep abreast of the changes and empowers them to deliver the best outcomes for clients and end users. By improving their skills and knowledge they can help everyone live and work in safer, healthier and more comfortable spaces.

We Champion

CIBSE supports and champions the diversity, breadth and strength of its membership. CIBSE membership recognises and accredits expertise so that those who are competent can be widely and reliably recognised.
Our Values (continued)

We Champion (continued)

CIBSE champions the skills and experience of our members, raising their profile and giving prominence to the best engineers who value good building performance.

CIBSE relies on our members to help generate knowledge in a variety of specialisms for industry and public benefit across many areas of the world. Diversity of CIBSE’s membership is central to achieving these goals.

CIBSE delivers the greatest benefit to society when its knowledge is drawn from the full spectrum of people and professions who form its membership.

We Inspire

We inspire our community and wider society to strive for better and safer building performance.

Our monthly CIBSE Journal, the annual Building Performance Awards, the Technical Symposium and Build2Perform Live all serve to raise wider public awareness of what we do and the importance of building services engineering to society. They maximise the impact of the work CIBSE does, and building services engineering in its broadest sense, to a highly diverse audience.

Raising awareness helps people appreciate the benefits of supporting building services engineers in their careers and work to improve building performance.

Demonstrating the importance of good building performance, and the link with good building services engineering, reinforces the message that the success of the built environment is crucial to many areas of public life.

Our Building Performance Awards and Young Engineers Awards demonstrate what can be achieved by the expertise and talent across the industry and inspire others to tap into their own creativity and encourage innovation.

Inspiring others to join our community and choose engineering as a career are essential if we are to meet our environmental targets, and we encourage committed people from every background. Through the work of our Inclusivity Panel and our commitment to diversity, we hope to attract as broad a range of new engineers as possible.
We Lead

One of CIBSE’s primary purposes is to lead in the delivery of authoritative guidance on the principles of better building performance, helping engineers keep up to date.

The net zero carbon agenda demands significant changes in the way we build our homes, offices, healthcare and leisure buildings. CIBSE knowledge will be key to providing building designers, constructors and operators with the guidance they need to deliver and manage low carbon buildings. Our expertise is vital to setting standards for future homes and other buildings.

In a fast-changing environment that demands digital delivery of knowledge and guidance, we are improving and accelerating the way we generate our knowledge and the means by which people can access it and published several online tools in 2019.

As a charity, our aims are driven by our charter to support ‘the Science, Art and Practice of building services engineering, by providing the public and our members with first class information and education services’.

CIBSE Guide E: Fire safety engineering

With fire safety a priority for the building industry globally, it was appropriate that a revised and updated version of the widely respected CIBSE Guide E on fire safety engineering was published in June.

The fourth edition of Guide E addresses fire safety issues, including fire detection and automatic fire suppression systems, building evacuation, access for firefighters and controlling the spread of smoke and fire.

It incorporates additional content on international best practice, including North America, Australasia, and the Gulf region. It also takes account of recent changes to the Building Regulations in England, prohibiting the use of combustible materials in certain external walls of buildings.

There are generally two ways of demonstrating compliance with Building Codes and regulations. One is to follow the prescriptive requirements given in the codes and accompanying guidance and the other is to use a fire engineering approach. Guide E focuses on fire engineering and is intended to be the essential document, providing building services engineers and fire life safety consultants with guidance on a broad range of fire engineering issues. It is particularly useful for those involved in innovative or unusual building designs where the prescriptive approach may not be suitable.

The Guide enables designs to be developed to reflect current best practice and latest standards. Further changes to the regulations will be incorporated into later revisions, with significant updates being posted online.
We Lead (continued)

Supporting climate change policy
CIBSE’s work on climate change, in particular overheating, and guidance on wellbeing informed the Committee on Climate Change, being cited in its report on the state of UK housing. The Committee called for greater regulation of the risk of overheating in buildings, based on recent work done by CIBSE and adding significantly to the wider calls for action on this issue. This again shows the direct relevance of CIBSE work to building performance in the UK and the value of CIBSE guidance in the development of wider policy and regulation.

Digital Engineering Series
The CIBSE Digital Engineering (DE) Series has been developed to help the built environment supply chain tackle the practical challenges of digital engineering and building information modelling (BIM). Digital information management offers the prospect of passing as-built information through to those who own, operate and maintain buildings, enabling them to maintain and improve the performance of their building through its life cycle. This concept of a ‘golden thread’ of information is a key recommendation of the Independent Review of Building Regulations and Fire Safety.

In January DE6.1: Cyber Security in Building Services Design was published, providing further guidance on this aspect of BIM.

In addition, a library of online symbols was published, providing an agreed set of symbols for use in digital processes. Further modules in the series are being developed to expand the range of symbols available and broaden the scope of the library.

Building Information Modelling Standards
The CIBSE Digital Steering Group brings together those concerned with the implications of digitalisation within the industry. The Group leads development of the CIBSE Digital Engineering Series, Product Data Templates and BIMHawk tool. It also provides significant input to the British Standards Institution on relevant standards. These are playing an important role in ensuring international adoption of security minded BIM processes and collaborative working, in particular the ISO 19650 series of standards.

CIBSE contributed significantly to the first two BIM international standards, BS EN ISO 19650–1 Organization of information about construction works – Information management using building information modelling – Part 1: Concepts and principles and – Part 2: Delivery phase of assets, which were published in January.

Technical Symposium
The annual CIBSE Technical Symposium is an invaluable opportunity for professionals of all ages to hear about the latest building services innovations and research. This event encourages the
We Lead (continued)

Technical Symposium (continued)

participation of both young and experienced industry practitioners, researchers and building users to
share experiences and develop networks.

The ninth Symposium, held in Sheffield, hosted more than 70 speakers and welcomed 250 delegates
- the largest ever attendance outside London. The theme, ‘Transforming Built Environments – Driving
change with engineering’, focussed on the advances in materials, technologies and techniques that
lead to and motivate positive changes in the built environment. The Symposium papers are available
online.

Consultations

CIBSE is committed to leading the industry on policy and regulation changes. Responding to relevant
consultations is a crucial activity and our Technology Committee oversees responses to government
and devolved administration consultations and calls for evidence from Select Committees, ensuring
the interests of our members are represented.

A major focus of our efforts has been the ongoing response to the Grenfell Tower fire. The
Independent Review of Building Regulations and Fire Safety highlighted the need for buildings to
perform and be safe, but also comfortable, promote the health and wellbeing of their users and not
have significant adverse impacts on the local environment. CIBSE is committed to supporting the
review findings and implementation, and submitted a full response to the consultation on ‘Building a
Safer Future’, which set out further details of the implementation plans. We are also active members
of the Construction Industry Council (CIC) post-Grenfell expert panel.

CIBSE and our members are contributing to work on the review of Parts F and L and of Overheating,
and we are engaging with the Welsh Government as it takes forward its own review of the regulations
in Wales.

There has been significant dialogue with the Department for Business, Energy and Industrial Strategy
(BEIS) and the Committee on Climate Change on the way forward for zero carbon policy for energy in
buildings.

In 2019 formal responses were submitted to the following consultations:

- Amendments to the Approved Document B: Sprinklers and other fire safety measures in new
  high-rise blocks of flats;
- Redress for purchasers of new build homes and the New Homes Ombudsman;
- Net zero government inquiry;
- Draft guideline on Indoor air quality at home;
- Building a Safer Future: Proposals for reform of the building safety regulatory system;
- Social value in government procurement;
- Decarbonising heating: Overview of current evidence;
- Scrutiny of the draft Environment (Principles and Governance) Bill;
Consultations (continued)

- Measuring environmental change - Draft indicators framework for the 25 Year Environment Plan;
- Energy efficiency inquiry;
- Draft guidance on streamlined energy and carbon reporting; and
- Effects of indoor air quality on children and young people’s health.

All CIBSE responses to public consultations are available on the CIBSE website. cibse.org/consultations

Responding to climate change and the net zero carbon agenda
CIBSE has a history of engagement on climate change mitigation and adaptation and the link to building performance. The CIBSE Climate Action Plan identifies our current and planned activities in the areas where we have a duty and ability to act as a professional institution. CIBSE was instrumental in setting up the CIC Climate Change Expert Panel.

The Position Statement ‘Steps to net zero carbon buildings’ summarises CIBSE’s recommendations on how the regulation of energy use and carbon emissions from buildings in the UK needs to change. It sets out how this should be reflected in the review of Building Regulations Part L and the developing Future Homes Standard.

Leading in collaboration - National Engineering Policy Centre (NEPC)
CIBSE is part of the National Engineering Policy Centre (NEPC), an ambitious new partnership of the 36 UK engineering organisations led by the Royal Academy of Engineering. The NEPC manifesto, ‘Engineering Priorities for our Future Economy and Society’, calls on government to invest in skills, innovation, digital and traditional infrastructure and clean energy technologies. It gives key policy recommendations to enhance the UK’s world-leading innovation and engineering capacity.

Certification
In 2019 CIBSE Certification continued to certify the competence of energy professionals. It recorded more than 750 certified energy assessors for the purposes of the Energy Performance of Buildings Regulations, including 60 in Scotland, and more than 900 Low Carbon Consultants.

CIBSE Certification continuously worked to raise the profile of its certification schemes to reinforce the reputation of Low Carbon Consultants (LCCs) and Low Carbon Energy Assessors (LCEAs) as a high quality, expert service and an important means of raising competence across the industry. The Minimum Energy Efficiency Standards Regulations have seen an increase in demand for CIBSE Certification registered energy assessors from landlord organisations reviewing their portfolios. Lodgement credit sales in 2019 were the highest since 2012.
We Lead (continued)

Certification (continued)

2019 was the phase 2 reporting year for the Energy Savings Opportunity Scheme (ESOS), so throughout the year there was a steady flow of new applicants, as well as people re-joining our ESOS Register, making nearly 250 ESOS Lead Assessors in all.

Our UKAS accreditation to certify energy management systems against ISO 50001 and ISO 9001 means that CIBSE Certification can support companies operating energy management systems or quality management systems by providing third party verification that their system operation conforms to the standard. In 2019 companies in the CIBSE community started to use the ISO 9001 certification service. CIBSE Certification also started to issue ISO 14001 certificates as part of the application process for UKAS accreditation for that standard.

From 1 September 2019, CIBSE Certification business has been transacted through CIBSE Certification Ltd, having previously been undertaken through CIBSE Services Ltd. CIBSE Certification Ltd is a wholly owned subsidiary of The Chartered Institution of Building Services Engineers.

cibsecertification.co.uk

We Empower

The CIBSE Knowledge team produces information, data and guidance to provide the CIBSE community with the resources they need and to develop the skills of members and others in the industry to deliver safe, efficient and accessible products and services.

Throughout 2019, the CIBSE Knowledge Portal, and its content, continued to be the most visited section of our website, recording:

- More than one million visits;
- From 215 countries; and
- 50,000+ downloads.

CIBSE members benefit from unlimited access to more than 750 online resources. The Knowledge Portal is regularly updated with new knowledge, including our Guides, TMs and other guidance, commissioning codes, research papers, case studies and the presentations from past Technical Symposia and Build2Perform Live.

CIBSE knowledge is also available for non-members to purchase through the Knowledge Portal. Revenue from the Portal contributes to the ongoing improvement and development of CIBSE’s guidance.

2019 saw a shift in the format of knowledge outputs produced by CIBSE, with the release of digital tools, such as Energy Benchmarking and Digital Symbols. Other releases included:
We Empower (continued)

- Commissioning definitions and terminology for the building industry: A common overview – an ASHRAE\(^1\) co-publication with CIBSE and AiCARR\(^2\);
- CIBSE Guide E: Fire safety engineering;
- DE6.1 Cyber security in building services design;
- Energy benchmarking online tool;
- CP3: Open-loop groundwater source heat pumps: Code of Practice for the UK;
- On-line symbols library – initial three modules released on small power, lighting and fire alarms, and ventilation;
- Working with WELL: Using the WELL Building tool in the UK – Air;
- Lighting Guide 19: Lighting for extreme conditions;
- Lighting Factfile 7: Design and assessment of exterior lighting schemes;
- Lighting Guide 2: Lighting for healthcare premises; and

[cibse.org/knowledge]

Technical journals

CIBSE’s two peer reviewed technical journals: Building Services Engineering Research and Technology (BSER&T); and Lighting, Research & Technology (LR&T) continue to go from strength to strength. BSER&T is published six times a year and LR&T eight times a year to meet demand from submitted papers. These significantly increase the role of the Institution in disseminating research to a wide international audience.

BSER&T celebrated its 40\(^{th}\) anniversary in 2019 with several notable editorials and articles. The first article of the year reviewed progress on understanding the causes of ‘failure’ in building design – a reprise and development by Derek Clements-Croome of his paper which appeared in the first issue in 1980. He considered the latest methods of measurement and assessment which provide feedback data for sustainability and also highlighted the increasing focus on health and wellbeing rating assessments.

Specially commissioned editorials included a review of the forerunners to BSER&T including the journal of the IHVE; opinions on more than 40 years in building performance simulation; and a look forward to UK low-carbon heating.

A special issue ‘Assessing and mitigating overheating in buildings’ was published in 2019, which included papers on the challenges of refurbishment, designing for the elderly and the simulation and modelling of overheating scenarios. Special issues can take up to two years to produce and require particularly dedicated input from editors and authors.

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\(^1\) The American Society of Heating, Refrigerating and Air Conditioning Engineers

\(^2\) The Italian Association of Air Conditioning, Heating and Refrigeration
We Empower (continued)

Technical journals (continued)
The journals are available to CIBSE members as a benefit of membership, with a worldwide subscriber base supported by our publishing partner Sage.
cibse.org/knowledge

Training

In 2019 CIBSE’s training team worked with:

- More than 2000 trainees;
- 130 classroom training courses;
- 86 in-house courses; and
- 2170 active online learning users.

CIBSE’s in-house training remained popular, with both existing and new companies choosing to train multiple staff at once, at a location of their choice.

Our growing portfolio of training activities included working alongside the Green Register to host a half-day seminar: Avoiding Overheating, based on CIBSE’s guidance, which was well received, selling out with more than 70 attendees.

The training team continues to recruit trainers to meet demand for new courses.

CIBSE’s online learning platform allows learners the flexibility to choose where and when they want to train. Over 2019 the platform was developed and content updated, including the release of new digital engineering modules, as well as a core engineering module: Above Ground Drainage. The training team commissioned updates of the following core modules:

- Cable sizing;
- Introduction to mechanical and electrical building services;
- Hot and chilled water pipework systems; and
- Heating systems design.
cibse.org/training

We Champion

CIBSE is the leading professional body for the building services profession, with more than 22,000 members in more than 100 countries serving the global construction engineering sector.

CIBSE members are part of a network that offers professional support and expertise across the globe. They work in partnership with other professional bodies, construction and engineering firms worldwide to deliver engineering excellence in the built environment.
We Champion (continued)

Supporting engineers into CIBSE membership and professional registration remains at the centre of what the membership department does. We continue to develop initiatives to increase professional competence in the profession, which is also a key recommendation of the Hackitt Review.

CIBSE provides members with:

- Unlimited access to the Knowledge Portal, with digital access to all CIBSE guidance;
- Subscription to the CIBSE Journal, CIBSE email newsletter, BSER&T and LR&T Journals;
- Preferential rates on printed copies of publications from CIBSE and other publishers; and
- Extensive opportunities for professional development and networking.

Our 2019 highlights include:

- Linking ACIBSE and MCIBSE applicants with interviewers via report writing workshops and phone surgeries;
- Continued promotion of CIBSE membership to those participating in CIBSE Special Interest Groups, and the advancement to professional membership grades for current Affiliate Members;
- Increased activity at universities and colleges to promote the profession, CIBSE and professional registration; and
- Working with training providers and graduating the first set of apprentices through our new End Point Assessment scheme.

Regions

The Institution is organised on a regional basis. There are 16 regions in the UK and four overseas - in Ireland, Australia and New Zealand, Hong Kong and the United Arab Emirates (UAE). There are also Chapters in Canada, China (Shanghai and Chongqing), Qatar, Singapore and Sri Lanka.

Each region is driven by a committee of dedicated volunteers who engage with members and improve understanding of building services engineering among other professions and society in general. This is achieved primarily through events covering a wide range of built environment topics, often organised in collaboration with other CIBSE Groups and Societies, as well as other institutions and organisations.
We Champion (continued)

Regions (continued)

The 20 regions are:

- Australia & New Zealand;
- East Anglia;
- East Midlands;
- Home Counties North East;
- Home Counties North West;
- Home Counties South East;
- Home Counties South West;
- Hong Kong;
- Ireland;
- Merseyside & North Wales;
- North East;
- North West;
- Northern Ireland;
- Scotland;
- South Wales;
- South West;
- Southern;
- United Arab Emirates;
- West Midlands; and
- Yorkshire.

Young Engineers Network (YEN)

The CIBSE Young Engineers Network is a global network of regional centres offering a forum for engineers at the beginning of their careers to learn new skills, expand their knowledge and give or receive peer support. YEN is open to both CIBSE members and non-members.

YEN exists to:

- Promote a positive and welcoming image for building services, especially for those who did not study the discipline at university;
- Enable young engineers to engage more closely with the Institution at an early stage in their careers;
- Encourage more women to join and remain involved in the building services profession;
- Establish a formal link with CIBSE Council and Board;
- Help younger engineers to promote building services engineering to school and university students; and
- Guide young engineers towards a long-term career in building services.
We Champion (continued)

Young Engineers Network (continued)

In 2019 YEN held its Global Conference in Malaysia. The conference, hosted by CIBSE President Lynne Jack, included a tour of the new Heriot Watt University campus, Petronas Towers, a visit to Singapore and local Malaysian construction sites to learn about the different approaches to building services.

Societies and Divisions
Key sectors are represented within CIBSE by professional bodies that offer professional recognition to their members and support the science, art and practice within their field. These are all Divisions of the Institution but often referred to as “Societies”. Following the formation of the Society of Digital Engineering and the recognition of CIBSE Patrons as a Division, the General Rules for the Divisions have been updated and the supplementary rules for the various Divisions reviewed to reflect the revised Divisional Rules.

Society of Digital Engineering (SDE)
The Society of Digital Engineering provides a forum for those involved in digitising the built environment, whether as designers, contractors, manufacturers, clients, facilities managers or software vendors. Membership is open to all involved in digital engineering, building information modelling (BIM), software for design and analysis of buildings, computer aided facilities management and other related activity. It provides professional recognition to digital engineers and a route to CIBSE membership and registration with the Engineering Council.

The Society hosted the second Digital Engineering Awards at Build2Perform Live 2019. The awards generated a wider range and number of entries than in 2018. The Society also ran sessions at Build2Perform Live dedicated to digital engineering and how it impacts on and relates to other activities in which members engage.

In 2019 the SDE ran a ‘One Day Design Challenge’ to see what could be done to automate common project workflows. Feedback on the challenge from those involved was overwhelmingly positive, with many reporting that the exercise will help with their internal processes.

The SDE works closely with the CIBSE Digital Steering Group, which works to create the products and services used by members. In 2019 the Digital Steering Group:

- Created the next four batches of standard symbols, hosted on the CIBSE website and freely accessible to all;
- Completed the first nine digital engineering publications - which are also eLearning modules available on the CIBSE eLearning platform and through our partner member, Excitech, via its Pinnacle eLearning platform;
- Completed new guidance in the digital engineering series on Cyber-security in Building Services Design;
We Champion (continued)

Society of Digital Engineering (continued)

- Continued to provide our Fundamentals of BIM course – both at CIBSE and in-house; and
- Continued to work on the CoDEC (Certificate of Digital Engineering Competency) scheme, initially for manufacturers, but with the aim of extending it to other sectors of our industry.

The Society of Façade Engineering (SFE)
The Society of Façade Engineering brings together the disciplines involved in the process of design, supply, installation, testing and operation of building façades in a forum where they can work together to advance knowledge and practice in façade engineering. The Society includes architects, façade engineers, building services engineers, structural engineers, academics and contractors.

The Society promotes good practice to enable today’s increasingly complex building façades to meet performance criteria, including safety, weather-tightness, thermal performance, ventilation, lighting, solar control, and acoustics.

In 2019 the Society continued to contribute to work in response to the Grenfell Tower fire and championed the importance of professional competence. Other activities included technical events, city walk tours and the SFE awards, Facades 2019, which were presented at the “Glass Supper” industry dinner in December. There has been a focused effort at making the Society less London focused with a big launch event in Manchester and some smaller joint events with CIBSE Regions.

Society of Public Health Engineers (SoPHE)
The Society aims to provide a higher profile and focus for public health engineers.

The Society ran a programme of technical events in 2019, which are open to all, covering various aspects of water, drainage, energy, sustainability and legislation. These also cover projects incorporating cutting edge engineering solutions, which go beyond current design practices and challenge industry norms.

The Society worked closely with the SoPHE Industrial Working Group to introduce an annual event, held in July, which showcased the newest products in the sector, alongside a small seminar programme.

The Society of Light and Lighting (SLL)
The Society welcomes all who are interested in the art, science and engineering of light, lighting and its applications. Lighting designers, consulting engineers, researchers, students, academics, manufacturers and sales staff all contribute to its membership. It offers authoritative guidance, professional recognition and a range of technical events. SLL is recognised worldwide as an authority on lighting and its applications.
We Champion (continued)

The Society of Light and Lighting (continued)

The Society published new guides, including LG2: Lighting for Healthcare Premises and LG19: Lighting for Extreme Conditions. In addition, free-to-download lighting FactFiles: LF7, Design and Assessment of Exterior Lighting Schemes and LF15, The Importance of Glare and Calculating UGR were published.

The SLL LightBytes series was presented at seven venues in 2019, in partnership with sponsors Soraa, Thorlux, Zumtobel and Xicato. Developed in association with the CIBSE Daylight Group and the sponsors, the series focused on the four topics of people, space, time and place. Dr Eleonora Brembilla, Research Associate in advanced building daylight modelling at Loughborough University, was the guest presenter.

The Society exhibited at Darc Rooms in September and LuxLive in November, where the final of the SLL Young Lighter of the Year Award was held before the winner was announced at the Lux Awards.

The Society exhibited at Light Middle East in October, promoting the Society in the United Arab Emirates (UAE) region and welcoming new members. This supports our members in the region and promotes CIBSE and knowledge and expertise. At this event SLL hosted the fourth Ready Steady Light Middle East.

The Institute of Local Exhaust Ventilation Engineers (ILEVE)

The Institute was established to promote air quality in the workplace and reduce ill health and death due to occupational lung disease caused by airborne contamination and hazardous substances in the working environment. There are around 8,000 new cases of occupational lung disease annually, making it a significant problem for all those affected, their families and dependants and a serious burden on the healthcare system.

ILEVE works with the Health and Safety Executive (HSE) and other professional and trade bodies to raise awareness of the need for local exhaust ventilation (LEV) to safeguard workplace health and promote competence.

The Institute’s Competence Cards are issued to members as proof of their peer assessed and evidenced competence and provide a benchmark for LEV competence standards. ILEVE offers a path to full professional registration for engineers in LEV and a means to maintain and enhance professional standing.

In 2019 ILEVE rebranded with a modernised logo and committed to widening its reach by reducing membership subscription costs for corporate grades. It also exhibited and ran sessions at the British Occupational Hygiene Society conference and held its first event in the CIBSE Scotland region.
We Champion (continued)

Special Interest Groups
The 18 Special Interest Groups cover topics ranging from daylighting and lifts to controls and electrical services. Participation is open to anyone - CIBSE members and non-members alike, making their activities open to anyone with an interest in the topics that they address.

Through the groups, CIBSE engages with some 45,000 non-members with a specific interest in one or more of the topics covered by the groups.

1. ASHRAE
2. Building Simulation
3. Chimneys and Flues
4. CHP and District Heating
5. Daylight
6. Electrical Services
7. Energy Performance (including the Young Energy Performance Group)
8. Facilities Management
9. Healthcare
10. Heritage
11. Homes for the Future
12. HVAC Systems
13. Information Technology (IT) & Controls
14. Intelligent Buildings
15. Lifts
16. Natural Ventilation
17. Resilient Cities
18. School Design

The groups run a variety of technical activities and provide knowledge and information through a range of channels. Several groups contributed to the 2019 Build2Perform Live seminar programme.

In 2019 many groups started hosting their event content online, increasing access for CIBSE and group members. One of the hottest topics on the agenda of group events last year was: ‘how can we reach net zero by 2050?’
We Champion (continued)

Inclusivity

CIBSE believes that an inclusive culture brings resilience, creativity and innovation – qualities that deliver both better buildings and a stronger building services engineering community. CIBSE is working hard to ensure our organisation and profession are welcoming to all, for the benefit of all. Actively working to address and improve inclusivity is more than a business imperative; it’s simply the right thing to do.

The CIBSE Inclusivity Panel continues to focus on its three key aims, which are to:

1. Improve awareness and understanding of inclusivity and diversity across CIBSE, and embed these concepts within the Institution’s strategic aims;
2. Improve the breadth and quality of data captured about staff and members’ ‘protected characteristics’; and
3. Increase the proportion of female members and registrants.

For the first aim 2019 saw the panel considering how to embed inclusivity in all the various strands of current CIBSE activity.

On the second, we are working with the senior staff team to ensure CIBSE’s processes and systems can support the capture of this data in a compliant, transparent and secure manner.

On the third aim, the Panel ran a survey in 2019 reaching out to members of the building services industry to gain a better understanding of the environment in which we work and study in respect of inclusivity and diversity. More than 900 responses were received, and an action plan is being formulated, based on the results.

In 2019 the Inclusivity Panel also organised a thought-provoking session at Build2Perform Live titled, ‘Differently Abled: Developing a new understanding of disability and ability’. This sensitive issue was explored by challengingly honest speakers who concluded that as an industry we need to encourage co-production rather than only consultation when trying to achieve inclusive design, employment of a more diverse workforce to help reduce a lack of empathy at design stage, and to not judge people on their diagnoses.

cibse.org/inclusivity
We Inspire

CIBSE worked to raise the public profile of the Institution throughout 2019, maximising reach through the use of diverse communication routes, including events, digital media, conventional news outlets and increasingly social media. This effort supports the wider use of the Institution’s knowledge and expertise to deliver better buildings and shape the debate around key issues in the building services sector.

Build2Perform Live (26-27 November 2019)

Build2Perform Live, at London Olympia, opened with a full house for Baroness Brown’s presentation on Reaching Net Zero. Build2Perform 2019 proved a major celebration of the vital work of the CIBSE community, welcoming 1700 visitors and 152 speakers and hosting 54 technical sessions. There was also a programme of 19 exhibitor technical presentations to update attendees on the latest technical product information.

Build2Perform Live is a free-to-attend event that facilitates the sharing of CIBSE and industry knowledge to the benefit of the wider built environment. Key topics in this year’s programme were: systems thinking and integration; digitalisation; retrofit and refurbishment; health, wellbeing and productivity; climate impact; policy; energy: decarbonisation and storage; modular and offsite construction; and people, competence and skills. Attendees showed a particular interest in understanding low carbon technologies for heating and cooling, total building performance and digital engineering sessions. Sessions consistently focused on providing specific building performance ‘takeaways’, which attendees could apply in their work.

New initiatives for 2019 included: recording a stream of content for release to CIBSE members across the year, a Patrons’ hub, and a Society of Public Health Engineering hub. Work has already started on further initiatives for 2020.

build2perform.co.uk

CIBSE Journal

The CIBSE Journal enjoyed another successful year in 2019, with the magazine celebrating its 10 year anniversary. This was marked in the February edition with an article featuring Bill Bordass and Quinten Babcock, who both appeared in the first edition in 2009, looking back over the last 10 years and at what still needs to be done to meet environmental targets.

The Journal continued to support CIBSE’s priorities, publications and events with extensive coverage of the Building Performance Awards winners across the year, content from the Technical Symposium, Young Engineers Awards and Build2Perform Live and coverage of group and division events.

The June edition included an interview with CIBSE President Lynne Jack, who also appeared on the cover. To coincide with International Women in Engineering Day, the edition featured an article on what the industry is doing to boost diversity.
We Inspire (continued)

CIBSE Journal (continued)

For the first time, the Journal published a supplement focusing on health and wellbeing. The supplement included details of the update to CIBSE TM40 Health and Wellbeing, a write up from the first CIBSE Health and Wellbeing Group debate and a look at Deloitte’s new UK headquarters, which attained Well Gold certification.

Four additional standalone supplements were produced in 2019. These covered: school and education facilities, commercial heating, hotel and leisure facilities and lighting.

The Journal hosted two sponsored round table discussions, one focusing on pipework and the other on improving standards in installations of cooling systems. It also held three sponsored webinars, on emergency lighting, off-site systems build and power resilience.

The Journal website continues to attract high visitor numbers, with an average of more than 19,000 monthly users. This is supported by regular social media activity highlighting the main features and news stories.

cibsejournal.com
jobs.cibsejournal.com

Media relations

In 2019 CIBSE worked with public relations agency Ridgemount PR to place 20 feature articles across 15 publications, including RIBA Journal, LABM, Architects Datafile, P&FM, FMJ, Facilitate, ABC&D. CIBSE distributed 18 press releases covering our major events, new publications and commercial undertakings, and these were published across a wide variety of industry outlets.

CIBSE website

The website continues to be the focus for our interaction with members and the wider industry. Based on feedback from members, we have enhanced the search facility on the Knowledge Portal, introducing drop-down menus to give easier access to the full range of knowledge. In parallel, we have completed a review of site content and are working to update the content.

cibse.org

Social media

#IamCIBSE

Launched in March 2019, the #IamCIBSE campaign aimed to raise awareness and celebrate the work of the talented, committed and dedicated individuals who work in building services engineering. The campaign provided people with the opportunity to share their success stories and achievements.
We Inspire (continued)

#IamCIBSE (continued)

Campaign headline statistics include:

- 2100 web views on the #IamCIBSE landing page;
- 4365 views of #IamCIBSE blog posts;
- 1500+ likes on #IamCIBSE social media posts; and
- More than 700 uses of the #IamCIBSE hashtag.

In 2020, CIBSE is focusing on celebrating the networks, groups, regions, divisions and organisations that make up the CIBSE community through #WeAreCIBSE activities and posts.

#Build2Perform

CIBSE #Build2Perform continued to be at the centre of the conversation about building performance. This hashtag is now part of the CIBSE branding, and is used across all CIBSE social media platforms, the CIBSE Journal, Build2Perform Live and the Technical Symposium. It is used by CIBSE and the industry to amplify messages about improving and optimising the performance of buildings.

Instagram

With the introduction of the #IamCIBSE campaign, CIBSE launched its first Instagram account to allow as many people as possible to champion #IamCIBSE and celebrate best practice and the CIBSE community.

Twitter, LinkedIn and Facebook

Engagement across all these social media platforms continued to grow in 2019. The marketing team concentrated on sharing content that would celebrate and inform followers, as well as creating posts that would stimulate conversations, moving away from marketing-based messaging. This proved popular, with LinkedIn comments increasing to an average of 18 a month, compared to only six in 2018.

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<td>Instagram</td>
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We Inspire (continued)

CIBSE Blog

Over 2019 viewing numbers for the CIBSE blog doubled to a total of 186,000, with both new posts and older entries proving popular. Each product and service area used the channel to produce and share insightful posts that championed their activities, creating 41 posts across the year, compared to nine posts in 2018.

The most popular blogs of 2019 were:

- How in-house training could benefit your company: 1562 views;
- What's new for CIBSE Building Performance Engineer of the Year 2019 winner: 1139 views; and
- “I am doing something worthwhile for the planet.” #IamCIBSE: 813 views.

cibseblog.co.uk

Building Services Awards

Building Performance Awards 2019

The awards showcase the highest achievements in building performance across the construction and property industry, providing recognition of outstanding building services engineering practice.

Now in their 12th year, the 15 awards recognise the individuals, teams and companies who demonstrate an exceptional commitment to ensuring buildings deliver safety, comfort, efficiency and sustainability, and that they are fit for purpose for their lifespan.

Entries to project categories were required to provide at least one year’s operational performance data to demonstrate their achievements in delivering measurable excellence in building performance.

The 2019 winners were announced at the awards dinner at the Grosvenor House Hotel in front of more than 700 guests.

The EY Centre in Sydney, Australia developed and built by Mirvac won the overall Building Performance Champion award, also taking the International Project of the Year award. The 33-floor tower was recognised for delivering premium-grade office space whilst achieving demanding sustainability targets. The tower incorporates a high-performance façade and an energy efficient demand-controlled ventilation system. Judges described the scheme as ‘an exemplary project’ and praised the truly holistic approach to building performance and wellbeing.

A new category – the Engineer of the Year – was launched in 2019 to celebrate an individual’s achievements. Clara Bagenal George, Senior Engineer at Elementa Consulting claimed the title, after launching the influential London Energy Transformation Initiative.

cibse.org/bpa
Building Services Awards (continued)

CIBSE Digital Engineering Awards 2019
Established in 2018 by the Society of Digital Engineering, the Digital Engineering Awards showcase innovation and leadership in digital engineering – a discipline which has become fundamental to the design of high-performance buildings. They look to identify and promote outstanding applications of digital engineering from clients, engineers, contractors and manufacturers.

BuroHappold Engineering was recognised as the overall Digital Engineering Champion after winning in three categories: Best Consultancy; Best Innovation; and Best Process and Application. The judges noted that not only had they achieved excellent technical solutions, but they had taken a truly collaborative approach to developing their toolsets and processes and encouraging wider industry collaboration.

Jagannatha Reddy of Arcadis won Best Digital Engineer, impressing judges for the sheer breadth and depth of digital engineering that he had pioneered and championed.

FAÇADES 2019
Organised by the Society of Façade Engineering, the annual Façade of the Year competition is the Façade industry’s longest running and most prestigious awards. The awards recognise and reward excellence and achievements in Façade Engineering, raising the profile and drawing attention to the importance of the discipline in modern architecture. The 2019 winners, announced at the Glass Supper in London, demonstrated the diverse and remarkable nature of what can be achieved.

Sir Robert McAlpine and Josef Gartner won the New Build award for the Bloomberg Headquarters in London. The Refurbishment award was won by Mott MacDonald for Great Arthur House, London. BuroHappold Engineering took the Innovation award for the Morpheus Hotel, Macau China.

The Happold Brilliant Award
Winner: London South Bank University
The annual Happold Brilliant Award is presented by CIBSE to the university department judged to offer the best-balanced accredited course in the discipline of building services engineering. The judges were impressed by the high quality of graduates produced by the university and felt that project topics covered a wide range of building services areas and included sustainability and renewable systems. The award was presented to Dr Alex Paurine on behalf of London South Bank University.

Ken Dale Travel Bursary
Winner: Raphael Amajuoyi, Hurley Palmer Flatt
Raphael Amajuoyi won the Ken Dale Travel Bursary for his research titled ‘Designing for Gender Equality’.
Building Services Awards (continued)

Ken Dale Travel Bursary (continued)

His research will explore the comfort levels experienced by different genders within the modern-day office. He travelled to San Francisco, Rio de Janeiro and Doha for his research, and will also conducted research in London.

 Judges said his subject matter, quality bid and presentation gave him the lead over the other submissions.

The annual travel bursary offers between £1,500- £4,000 to young building services engineers in the early stages of their career, providing them with the opportunity to research an aspect of their field of work in another country.

President’s Prize – The Undergraduate Award (sponsored by Hays Building Services)
Winner: Yu Fu, University of Nottingham Ningbo China
Yu Fu won the CIBSE Undergraduate Award 2019 for his final year project, ‘A machine learning approach to predict window openings in naturally ventilated buildings’. A trophy was also presented to University of Nottingham Ningbo China in acknowledgement of its achievements.

The award, sponsored by Hays Building Services, is designed to encourage students to develop their potential and aim for excellence. It is awarded to those in their final year of a building services course accredited by CIBSE, and recognises their academic achievements.

Society of Light and Lighting (SLL) Young Lighter of the Year Award
Winner: Anna Wawryniak, Peter Andres Lichtplanung, Germany
2019 marked the 25th year of the SLL Young Lighter of the Year Award. The award is open to anyone with an interest in light and lighting under the age of 30. It provides finalists with a unique platform to illustrate their knowledge and research on a lighting subject and encourages young lighters to develop their knowledge and enhance their skills.

Anna Wawryniak from architectural lighting design consultancy Peter Andres, Lichtplanung in Germany, won the competition with her presentation ‘A light booster metro car for the commuting work force: Human centric lighting in underground transportation’.

Society of Public Health Engineers (SoPHE) Young Engineer of the Year Award
Winner: Keir Loudon, Arup
The 2019 SoPHE Young Engineers Award challenged applicants, aged 18-35, to produce a promotional video celebrating the work of a public health engineer. Keir’s winning video provided an exciting and engaging insight into the problem solving undertaken by public health engineers.
Building Services Awards (continued)

Young Engineers Awards

The Young Engineers Awards (YEA) encompass the CIBSE ASHRAE Graduate of the Year and Employer of the Year awards. Now in its 24th year, the awards celebrate the industry’s best examples of young talent and give recognition to those companies who champion the next generation of engineers through a commitment to education, on the job training and mentoring.

CIBSE ASHRAE Graduate of the Year 2019

Winner: Laura Luckhurst, Cundall
The Graduate of the Year award recognises excellence in the early stages of the engineer’s career. The shortlisted finalists are among the best young engineers in the profession. The award required the seven finalists to demonstrate that they also had the best soft skills by delivering a five minute presentation on a given theme.

Laura Luckhurst, a graduate mechanical engineer at Cundall, won for her articulate and confident presentation in response to the question ‘How can building services professionals find the right balance between the needs of the global environment, occupant health, wellbeing and productivity, and best value?’ She said the key to finding the right balance was to use existing research and guidance and apply it ‘to every single project we work on’.

Runners up were Felix Cox, mechanical engineer at AECOM, and Tom Lusty, building services engineer at Couch Perry Wilkes.

CIBSE Employer of the Year Award 2019

Winner: AECOM
The Employer of the Year awards recognise employers that have shown excellence and innovation in developing the engineers of the future. For the second year running AECOM was recognised for its progressive strategy for recruiting, nurturing and empowering young people, winning in the large company category, before being crowned overall champion.

Fairheat won the small company category, and Troup Bywaters + Anders won the large company category.
Building Services Awards (continued)

Full list of award winners in 2019

CIBSE Gold Medals

- Peter Boyce
- Victor Cheung Chi-Kong
- David Hughes
- David Wood

CIBSE Silver Medals

- Chris Jones

Bronze medals for service to the Regions

- Steve A Hunt – Merseyside & North Wales
- David Mather - YEN
- Andrew Michael Forrest – Merseyside & North Wales

Honorary Fellow

- Geoff Prudence

Carter Bronze Medal

- Yiyi Chu, Peng Xu, Zhiwei Yang and Weilin Li

Napier Shaw Bronze Medal

- Gesche M Huebner, Tadj Oreszczyn and Robert J Lowe

The Happold Brilliant Award

- London South Bank University

Ken Dale Travel Bursary

- Raphael Amajuoyi

Building Services Awards (continued)

President’s Prize: CIBSE Undergraduate Award

- Yu Fu

Society of Light and Lighting Young Lighter of the Year Award

- Anna Wawryziak

Society of Public Health Engineers Young Engineer of the Year Award

- Keir Loudon
Building Services Awards (continued)

Full list of award winners in 2019 (continued)

**Young Engineers Awards**
- CIBSE ASHRAE Graduate of the Year: Laura Luckhurst
- CIBSE Employer of the Year overall winner and large company winner: AECOM
- Employer of the Year, small company: Fairheat
- Employer of the Year, medium company: Troup Bywaters + Anders

**CIBSE Building Performance Awards**
- Building Performance Champion: EY Centre, Sydney Australia - Mirvac
- Building Performance Consultancy (up to 100 employees): WARM: Low Energy Building Practice
- Building Performance Consultancy (101-1000 employees): Cundall
- Building Performance Consultancy (over 1000 employees): BuroHappold Engineering
- Collaborative Working Partnership: Broadway Chambers – Woodford Heating and Energy
- Learning and Development: The Cundall Diploma - Cundall
- Energy Management Initiative: 2 Kingdom Street Demand Driven Strategy – Cavendish Engineers
- Facilities Management Team: TFL Head Offices FM Portfolio – Transport for London
- Energy Efficient Product or Innovation: Armstrong Tango parallel pumping solution – Armstrong Fluid Technology
- Energy Saving Product or Innovation: The Encore Cistern – The Green Futures Initiative
- Project of the Year – Commercial/Industrial: One Angel Square, Northampton - BDP
- Project of the Year – Public Use: Urban Sciences Building, Newcastle University – BuroHappold Engineering
- Project of the Year – Residential: Lark Rise – bere:architects
- Project of the Year – International: EY Centre, Sydney, Australia – Mirvac
- Building Performance Engineer of the Year – Clara Bagenal George, Senior Engineer – Elementa Consulting
Building Services Awards (continued)

Digital Engineering Awards
- Best Process and Application: BuroHappold Engineering – ‘Parametric dwelling optioneering’
- Best Innovation: BuroHappold Engineering – ‘Building and habitats object model’
- Best Project/Collaboration (large): Ramboll and JG Ingenieros – ‘Proyetco 5 Estrella’
- Best Consultancy: BuroHappold Engineering
- Best Manufacturer: Schindler
- Best Digital Engineer: Jagannatha Reddy, Arcadis
- Digital Engineering Champion: BuroHappold Engineering

FAÇADES 2019 (Society of Façade Engineering)
- Façade of the Year New Build: Sir Robert McAlpine and Josef Gartner - Bloomberg Headquaters, London
- Façade of the Year Refurbishment: Mott MacDonald - Great Arthur House, London
- Façade of the Year Innovation: BuroHappold Engineering - Morpheus Hotel, Macau China

Future Plans

We Lead

The evidence of the gap in performance between design aspiration and what actually gets built is clear cut. If we want net-zero emissions buildings then this must be addressed. There is an urgent need to redouble efforts to drive improved performance of our built environment, not just in design and construction, but throughout the life cycle of operation and maintenance. CIBSE will continue to deliver guidance to support this improvement.

CIBSE will continue to support the work of the inquiry into the Grenfell Tower disaster in every appropriate way, seeking as far as possible to eliminate the risk of such an event happening again. We will continue to support the ongoing reforms to industry practice, regulation, enforcement and guidance.

We Empower

CIBSE will continue to work with our members and the wider industry to provide best practice knowledge, guidance and learning through appropriate media and at point-of-use to support further improvement of the safety, comfort and performance of buildings, occupants and wider community.
Future Plans (continued)

We Empower (continued)

We will continue to review our delivery of engineering knowledge and guidance to our members, the wider industry and public, and maintain a wide-ranging programme of knowledge development.

We Champion

Supporting engineers into CIBSE membership and professional registration remains at the centre of what the membership department does.

Initiatives for 2020 include:

- Introducing online applications to establish a more efficient process into membership; and
- Developing and establishing our End Point Assessment process for building services apprenticeship qualifications.

We Inspire

We will continue to maximise the impact of the work of CIBSE, our members and the wider building services engineering community and their commitment to improving building performance.

We will continue to showcase good practice through CIBSE Journal, our Awards, Build2Perform Live, Technical Symposium and other technical activities and communications, raising public awareness of what we do and the importance and value of building services engineering to society.
Financial Review

The Institution’s Annual Accounts are presented to comply with the Charities Act 2011, its Royal Charter and By-Laws and to meet all applicable accounting standards including the Statement of Recommended Practice - Accounting and Reporting by Charities and the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP FRS 102). Investments are shown at market value and the Annual Accounts incorporate the assets, liabilities, income and expenditure of the Regions. The results of the Institution’s commercial subsidiary CIBSE Services Limited and The Chartered Institution of Building Services Engineers Hong Kong Limited are incorporated into the Consolidated Accounts.

Total income for 2019 was £7.3M, about £300K more than the previous year. All income streams showed an increase, with the most significant uplift in membership. Total expenditure was £7.2M, an increase on the previous year in line with the increase in income.

As a result, net income before gains on investments was £70K, which was slightly down on 2018 but ahead of the budget set for the year. There was a significant unrealised gain on investments of £298K which was substantially in excess of the 2018 loss of £47K. This resulted in net income of £368K.

There was an actuarial loss on the defined benefit pension scheme of £143K, resulting from changes in assumptions and the effect of the asset ceiling, although the value of the Fund’s assets had increased substantially. The Institution continues to fund the recovery plan agreed following the triennial valuation of the scheme carried out as of 1st April 2017.

As a result, funds rose to £2.67M from £2.44M in 2018. This reflects the increase in investments, offset by the actuarial loss on the pension scheme, in addition to the operational surplus on the Institution’s activities.

The cash balance increased to £1.38M from £0.91M in 2018, with further improvements having been achieved to the collection of membership subscriptions.

Reserves policy

The Institution has a reserves policy to maintain a level of funds that is sufficient to meet four months of payroll expenditure, any unplanned contingencies and to accommodate investment for new initiatives. The Board considers that the Institution’s overall level of funds is sufficient for these purposes, but the free reserves of the Institution have reduced as a result of strategic investments in recent years. The intention of the Board is to rebuild free reserves to previous levels over time.

At the year end, the Institution held free reserves of £0.61M (2018: £0.37M), being the amount of funds available excluding restricted and designated funds, and less reserves held as tangible fixed assets.
Financial Review (continued)

Reserves policy (continued)

It is the view of the Board that any expenditure from reserves should be applied only to finance new initiatives which will make a substantial contribution to the delivery of the Institution’s strategic charitable objectives, and that the cost of existing activities should be met from incoming revenues from year to year. Any decision on the use of reserves rests with the Board on the advice of the Hon. Treasurer and the Finance, Risk, Audit & Governance Sub Committee.

Risk management

It is the responsibility of the Board as the Trustees of the Institution to examine the major operational and business risks which the Institution faces and to establish appropriate systems to manage significant risks.

The Trustees have identified a loss of contact with, and relevance to the membership and failure to develop and maintain appropriate and relevant content for the Knowledge Portal, as a major operational risk to CIBSE and its subsidiary. The Knowledge Management Committee review and update content on a regular basis and communication with members through Council, Regions, Societies and Groups, election of Board and Council Members is in place to mitigate this risk so as ensure continuous provision of service and development.

Financial sustainability has been identified as a principal financial risk for both the charity and its subsidiary company. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital.

Attention has also been focussed on non-financial risks arising from processing online payment transactions, fire, health and safety of employees and members. These risks are managed by ensuring accreditation is up to date, having robust compliance policies and procedures in place, and regular awareness training for staff.

Risk is assessed as part of the consideration of all new projects, and the Finance, Risk, Audit & Governance Sub Committee is charged with the detailed examination of the Institution’s Risk Register and the presentation of an annual review of the Institution’s overall risk profile for the Board’s consideration. This review has identified and assessed the major risks faced by the Institution, and confirmed that appropriate control systems have been established to manage those risks. The Board will continue to review the overall risk profile on an annual basis, and to consider specific and substantial risks as they arise.

The Board has also noted, however, that the UK’s decision to leave the European Union has potentially significant consequences for the Building Services Industry and for the Institution, but that there is
Financial Review (continued)

Risk management (continued)

considerable uncertainty as to what the impact, if any, might be. The Board has accordingly agreed for the time being to maintain an additional section in the Risk Register referring specifically to risks that may be associated with Brexit.

Structure, Governance and Management

The Chartered Institution of Building Services Engineers is governed by its Royal Charter and By-Laws, which were awarded in 1976 and last amended in 2010, when they were substantially streamlined by the removal of many former By-Laws into a new set of Regulations. Further changes to the By-Laws and Regulations concerning Officer and Board Member nominations, appointments and elections were approved in General Meeting during 2018.

The members of the Board of the Institution are the Trustees of the Charity. The Board is composed of the Officers of the Institution (the President, the President Elect, the three Vice Presidents, the Honorary Treasurer and the Immediate Past President) and five additional members who are elected for a three year term of office. The office of President is filled automatically by the previous year’s President Elect, with the office of Immediate Past President being filled by the previous year’s President. Under new rules approved during 2018, the Vice Presidents and the Honorary Treasurer are appointed by the Board, whilst the President-Elect position remains subject to election.

The Board is required to nominate candidates each year for forthcoming vacancies for President Elect and for members of the Board and to make appointments to the offices of Vice President and Honorary Treasurer following consideration of advice received from the Nominations Committee. All newly appointed Trustees are provided with an information pack containing relevant information on their role, including Charity Commission guidance on Trustees’ responsibilities. In addition, training on Trustees’ responsibilities is carried out annually.

The Board meets every two months to direct the business of the Institution and is assisted by the House & Remuneration Sub Committee (which deals with terms and conditions of employment of the Chief Executive and senior staff and ad hoc issues) and the Finance, Risk, Audit & Governance Sub-Committee (which deals with budgeting, management and financial accounts, audit, risk and governance issues). The Standing Committees of the Institution (the Education, Training & Membership Committee, Technology Committee, Professional Practices Committee, Publications & Research Outputs Delivery Committee and the Regional Liaison Committee) report to the Board and have delegated authority within their spheres of activity.
Structure, Governance and Management (continued)

The Institution’s trading subsidiary CIBSE Services Limited is governed by Directors, appointed by the Board of the Institution, who meet regularly to monitor and direct its activities. The purpose of CIBSE Services Limited is to generate income for the Institution through the development and operation of commercial activities which are aligned with and support the objectives of the Institution. The Chair of CIBSE Services Limited makes regular reports to the Board of the Institution.

During 2019, the ownership of the subsidiary company CIBSE Certification Ltd was transferred from CIBSE Service Ltd to CIBSE itself, and certification trading activities were moved from CIBSE Services Ltd to CIBSE Certification Ltd. The purpose of CIBSE Certification Limited is to generate income for the Institution through certification activities which are aligned with and support the objectives of the Institution. The Directors of CIBSE Certification Limited report to the Finance, Risk, Audit and Governance Sub Committee of the Institution.

The Chartered Institution of Building Services Engineers Hong Kong Ltd is a company limited by guarantee registered in Hong Kong. It was established to handle the operation of the CIBSE Hong Kong Region in order to meet local legislative requirements, and ultimate control of the company rests with the CIBSE Board through the appointment of its directors. The Hong Kong region otherwise operates in the same manner as other CIBSE regions, but under the auspices of this local incorporation.

Key management personnel remuneration

The Board of Trustees is responsible for the governance and overall control of the Institution. The Chief Executive conducts the business of the Institution on a day to day basis under the direction of the Board of Trustees, supported by the senior management staff of the Institution.

All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in Note 8 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and in accordance with the Institution’s policy withdraw from decisions where a conflict of interest arises.

The pay of the charity’s Chief Executive and senior management staff is reviewed annually by the House & Remuneration Sub Committee, which is a sub-committee of the Board of Trustees comprising the President, President-Elect, Immediate Past President and Honorary Treasurer. Authority is delegated to the House Sub Committee to appraise the performance of the Chief Executive and to approve any increase to the remuneration of the Chief Executive and of the senior management staff. A range of factors are considered in this process, including job performance, price and earnings inflation, market conditions and comparisons with other professional institutions.
Structure, Governance and Management (continued)

Public benefit

We have referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Trustees

The following were members of the Board and thus Trustees of the Charity during the whole year, unless otherwise stated:

Ashley Bateson
Adrian Catchpole
Les Copeland
Fiona Cousins (from 7th May 2019)
David Fitzpatrick (from 7th May 2019)
Susan Hone-Brookes
Lynne Jack
Kevin Kelly
Stephen Lisk
Stuart MacPherson
Kevin Mitchell
Peter Y Wong (to 7th May 2019)
P L Yuen

Co-options to the Board
Atif Rashid

Chief Executive Officer
Stephen Matthews

Members of the Consultative Council
All Board members are also members of Council

Past Presidents
John Field
Peter Wong
Structure, Governance and Management (continued)

**Elected Members**
Colin Ashford
Eleanora Brembilla
Carol Clark
Sebastian Gray
Maria Longo
Laura Mansel-Thomas
Andrew Piper
Linda Vidler

**Co-Opted Members**
Wally Gilder
Paddy Conaghan

**Divisional Representatives**
James Shove (SLL)
Jonathan Gaunt (SoPHE)
Savario Passetto (SFE)
Les Copeland (SDE)
Dean Greer (ILEVE)
David Fitzpatrick/Nick Mead (interim from Nov 19) (Patrons)

**Young Engineers Network**
Alexandra Logan

**YEN Mentor**
Andrew Saville

**WiBSE**
Laura Dunlop

**Inclusivity Panel**
Atif Rashid

**REHVA**
Andy Ford/David Fisk

**Fellows Network**
Geoff Prudence
Structure, Governance and Management (continued)

EC(UK) Board Rep
George Adams

Digital Steering Group
Les Copeland

Standing Committee Chairs
- Education Training and Membership: Vince Arnold
- Communication Committee: Mariana Trusson
- Technology Committee: Katie Clemence
- Professional Conduct Committee: John Armstrong
- Knowledge Management Committee: David Hughes
- Regional Liaison Committee: Stuart MacPherson

Group Representatives
- ASHRAE: David Green
- Building Simulation: Darren Woolf
- Chimneys & Flues: Jim Kinnibrugh
- CHP and District Heating: Huw Blackwell
- Daylight: John Mardaljevic
- Electrical Services: Tony Sung
- Energy Performance: Roger Macklin
- Facilities Management: Geoff Prudence
- Healthcare: Frank Mills
- Heritage: Andrew More
- Homes for the Future: Tom Lelyveld
- HVAC Systems: Tony Day
- Information Technology (IT) & Controls: Vacant
- Intelligent Buildings: Derek Clements-Croome
- Lifts: Adam Scott
- Natural Ventilation: Chris Iddon
- Resilient Cities: George Adams
- School Design: Jeremy Climas

Regional Representatives
- ANZ: Paul Angus
- East Anglia: Nicola Booth
- East Midlands: Jarrod Tandy
- HCNE: Austin Williamson
Structure, Governance and Management (continued)

Regional Representatives (continued)

- HCNW: Olu Babalola
- HCSE: Richard Davies
- HCSW: Darren Warmington
- Hong Kong: Wai Yip Stanley Chow
- Ireland: Mona Holtkötter
- Merseyside & North Wales: Martin Tunnicliffe
- North East: Bobo Ng
- North West: Colin Lehane
- Northern Ireland: Nigel Jess
- Scotland: Karen Warner
- South Wales: Justin Thomas
- South West: Carla Bartholomew
- Southern: Sean Gibson
- UAE: Reid Donovan
- West Midlands: Jos Brownlie
- Yorkshire: Kayley Lockhead

Trustees’ responsibilities

The Trustees are responsible for preparing the Trustees’ report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Institution and the Group and of the incoming resources and application of resources of the Institution and the Group for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Institution’s transactions and that disclose with reasonable accuracy at any time the financial position of the Institution and the Group and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Institution and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
Structure, Governance and Management (continued)

Trustees’ responsibilities (continued)

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

Approved by the Board of Trustees and signed on its behalf by:

Lynne Jack  
President  
30/03/2020
Opinion

We have audited the financial statements of The Chartered Institution of Building Services Engineers (“the Parent Charity”) and its subsidiaries (“the Group”) for the year ended 31 December 2019 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the institution balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group’s and of the Parent Charity’s affairs as at 31 December 2019 and of the Group’s its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Charity in accordance with the ethical requirements 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 related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or the Parent Charity’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.
Other information
The other information comprises the information included in the Annual Report, other than the financial statements and our auditor’s report thereon. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustees’ Annual Report; or
- adequate accounting records have not been kept by the Parent Charity; or
- the Parent Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees
As explained more fully in the Trustees’ responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group’s and the Parent Charity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to
Responsibilities of Trustees (continued)

liquidate the Group or the parent Charity or to cease operations, or have no realistic alternative but
to do so.

Auditor’s responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in
accordance with the Act and relevant regulations made or having effect thereunder.

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 at the
Financial Reporting Council’s (“FRC’s”) website at:
https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Use of our report

This report is made solely to the Charity’s trustees, as a body, in accordance with the Charities Act
2011. Our audit work has been undertaken so that we might state to the Charity’s trustees those
matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest
extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity
and the Charity’s trustees as a body, for our audit work, for this report, or for the opinions we have
formed.

Richard Willis (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
55 Baker Street
London
W1U 7EU

12 March 2020

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment
as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number
OC305127).
### THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2019**

<table>
<thead>
<tr>
<th>Note</th>
<th>Unrestricted Funds £</th>
<th>Restricted Funds £</th>
<th>Total 2019 £</th>
<th>Unrestricted Funds £</th>
<th>Restricted Funds £</th>
<th>Restated Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income From:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charitable activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Members’ subscriptions</td>
<td>3,319,871</td>
<td>49,875</td>
<td><strong>3,369,746</strong></td>
<td>3,086,868</td>
<td>49,570</td>
<td><strong>3,136,438</strong></td>
</tr>
<tr>
<td>Fees receivable for charitable services</td>
<td>354,469</td>
<td>10,837</td>
<td><strong>365,306</strong></td>
<td>318,812</td>
<td>13,878</td>
<td><strong>332,690</strong></td>
</tr>
<tr>
<td><strong>Other trading activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trading subsidiary companies</td>
<td>3,560,955</td>
<td>-</td>
<td><strong>3,560,955</strong></td>
<td>3,495,430</td>
<td>-</td>
<td><strong>3,495,430</strong></td>
</tr>
<tr>
<td><strong>Investments</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td>63,649</td>
<td>-</td>
<td><strong>63,649</strong></td>
<td>59,181</td>
<td>-</td>
<td><strong>59,181</strong></td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>7,298,944</td>
<td>60,712</td>
<td><strong>7,359,656</strong></td>
<td>6,960,291</td>
<td>63,448</td>
<td><strong>7,023,739</strong></td>
</tr>
</tbody>
</table>

| **Expenditure On:** | | | | | | |
| Raising funds | | | | | | |
| Trading subsidiary companies | 3,176,466 | - | **3,176,466** | 3,050,453 | - | **3,050,453** |
| **Charitable activities** | | | | | | |
| Membership | 1,716,128 | - | **1,716,128** | 1,505,673 | - | **1,505,673** |
| Technical | 701,057 | 75,437 | **776,494** | 617,738 | 46,600 | **664,338** |
| Regional & special interest groups | 1,112,584 | - | **1,112,584** | 1,197,051 | - | **1,197,051** |
| Research | 507,127 | - | **507,127** | 503,224 | - | **503,224** |
| **Total expenditure** | 7,213,362 | 75,437 | **7,288,799** | 6,874,139 | 46,600 | **6,920,739** |

| **Net income/(expenditure) before gains on investments** | 85,582 | (14,725) | 70,857 | 86,152 | 16,848 | **103,000** |
| **Net gains/(losses) on investments** | 297,830 | - | **297,830** | (47,344) | - | **(47,344)** |
| **Net income/(expenditure)** | 383,412 | (14,725) | **368,687** | 38,080 | 16,848 | **55,656** |

| **Transfers between funds** | | | | | | |
| **Other recognised losses** | | | | | | |
| Actuarial (loss)/gain on defined benefit pension scheme | (143,000) | - | **(143,000)** | (160,000) | - | **(160,000)** |
| **Net movement in funds** | 240,412 | (14,725) | **225,687** | (121,192) | 16,848 | **(104,344)** |

**Fund balances brought forward at 1 January**

| (£) | 2,328,812 | 111,676 | **2,440,488** | 2,450,004 | 94,828 | **2,544,832** |

**Fund balances carried forward at 31 December**

| (£) | 2,569,224 | 96,951 | **2,666,175** | 2,328,812 | 111,676 | **2,440,488** |

All amounts relate to continuing activities.

The notes on pages 46 to 65 form part of these financial statements.
### THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

### CONSOLIDATED AND INSTITUTION BALANCE SHEETS AS AT 31 DECEMBER 2019

<table>
<thead>
<tr>
<th>Note</th>
<th>Group 2019 £</th>
<th>Group Restated 2018 £</th>
<th>The Institution 2019 £</th>
<th>The Institution Restated 2018 £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>9</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Tangible assets</td>
<td>10</td>
<td>667,520</td>
<td>698,584</td>
<td>468,040</td>
</tr>
<tr>
<td>Investments</td>
<td>11</td>
<td>1,963,425</td>
<td>1,665,595</td>
<td>1,963,429</td>
</tr>
<tr>
<td><strong>Total fixed assets</strong></td>
<td></td>
<td>2,630,945</td>
<td>2,364,179</td>
<td>2,431,469</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks of publications</td>
<td></td>
<td>30,529</td>
<td>27,493</td>
<td>-</td>
</tr>
<tr>
<td>Debtors</td>
<td>12</td>
<td>865,675</td>
<td>855,656</td>
<td>281,567</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>1,381,831</td>
<td>906,885</td>
<td>1,247,865</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td>2,278,035</td>
<td>1,790,034</td>
<td>1,529,432</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors: Amounts falling due within one year</td>
<td>13</td>
<td>(2,278,805)</td>
<td>(1,758,725)</td>
<td>(1,985,950)</td>
</tr>
<tr>
<td><strong>Net current liabilities</strong></td>
<td></td>
<td>(770)</td>
<td>31,309</td>
<td>(456,518)</td>
</tr>
<tr>
<td><strong>Net assets excluding pension scheme asset</strong></td>
<td></td>
<td>2,630,175</td>
<td>2,395,488</td>
<td>1,974,951</td>
</tr>
<tr>
<td>Defined benefit pension scheme asset</td>
<td>19</td>
<td>36,000</td>
<td>45,000</td>
<td>36,000</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td></td>
<td>2,666,175</td>
<td>2,440,488</td>
<td>2,010,951</td>
</tr>
<tr>
<td><strong>The funds of the charity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted Funds</td>
<td>14</td>
<td>96,951</td>
<td>111,676</td>
<td>96,951</td>
</tr>
<tr>
<td><strong>Unrestricted funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General fund</td>
<td>15</td>
<td>1,279,637</td>
<td>1,072,905</td>
<td>624,414</td>
</tr>
<tr>
<td>Designated funds</td>
<td>15</td>
<td>1,289,587</td>
<td>1,255,907</td>
<td>1,289,586</td>
</tr>
<tr>
<td><strong>Total charity funds</strong></td>
<td></td>
<td>2,666,175</td>
<td>2,440,488</td>
<td>2,010,951</td>
</tr>
</tbody>
</table>

Approved and authorised for issue on behalf of the Board of Trustees on 30/03/2020.

L Jack  
President

A Catchpole  
Honorary Treasurer

The notes on pages 46 to 65 form part of these financial statements.
### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

<table>
<thead>
<tr>
<th>Note</th>
<th>2019 £</th>
<th>2018 £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net cash used in operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I</td>
<td>538,509</td>
<td>148,670</td>
</tr>
</tbody>
</table>

**Net cash flow from investing activities**

<table>
<thead>
<tr>
<th>Description</th>
<th>2019 £</th>
<th>2018 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from investments</td>
<td>63,649</td>
<td>59,181</td>
</tr>
<tr>
<td>Proceeds from sale of investments</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>(127,212)</td>
<td>(38,994)</td>
</tr>
<tr>
<td>Net cash flows from investing activities</td>
<td>474,946</td>
<td>168,857</td>
</tr>
</tbody>
</table>

**Reconciliation of net cash flow to movement in net funds**

<table>
<thead>
<tr>
<th>Description</th>
<th>2019 £</th>
<th>2018 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase/(decrease) in cash</td>
<td>474,946</td>
<td>168,857</td>
</tr>
<tr>
<td>Change in net cash funds resulting from cash flows</td>
<td>474,946</td>
<td>168,857</td>
</tr>
<tr>
<td>Net cash funds at 1 January 2019</td>
<td>906,885</td>
<td>738,028</td>
</tr>
<tr>
<td>Net cash funds at 31 December 2019</td>
<td>1,381,831</td>
<td>906,885</td>
</tr>
</tbody>
</table>

### Notes to the cash flow statement

**I. Reconciliation of net income to net cash flow from operating activities**

<table>
<thead>
<tr>
<th>Description</th>
<th>2019 £</th>
<th>2018 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net expenditure for the reporting period (as per the Statement of Financial Activities)</td>
<td>368,687</td>
<td>55,656</td>
</tr>
<tr>
<td>Net loss/(gain) on investments</td>
<td>(297,830)</td>
<td>47,344</td>
</tr>
<tr>
<td>Investment income</td>
<td>(63,649)</td>
<td>(59,181)</td>
</tr>
<tr>
<td>Depreciation charges</td>
<td>154,204</td>
<td>131,566</td>
</tr>
<tr>
<td>Loss on disposal of fixed assets</td>
<td>4,072</td>
<td>16,151</td>
</tr>
<tr>
<td>(Increase)/decrease in stocks of publications</td>
<td>(3,036)</td>
<td>(9,791)</td>
</tr>
<tr>
<td>(Increase)/decrease in debtors</td>
<td>(10,019)</td>
<td>2,064,124</td>
</tr>
<tr>
<td>Increase/(decrease) in debtors</td>
<td>520,080</td>
<td>(1,959,199)</td>
</tr>
<tr>
<td>Decrease in pension asset to liability</td>
<td>(134,000)</td>
<td>(138,000)</td>
</tr>
<tr>
<td>Net cash used in operating activities</td>
<td>538,509</td>
<td>148,670</td>
</tr>
</tbody>
</table>

**II. Analysis of changes in net funds excluding term deposits**

<table>
<thead>
<tr>
<th></th>
<th>At 01/01/2019 £</th>
<th>Cash Flows At 31/12/2019 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short term deposits <em>(deposited on 24 hour notice)</em></td>
<td>709,339</td>
<td>(16,770)</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>197,546</td>
<td>491,716</td>
</tr>
<tr>
<td><strong>Total cash and cash equivalents</strong></td>
<td>906,885</td>
<td>474,946</td>
</tr>
</tbody>
</table>

The notes on pages 46 to 65 form part of these financial statements.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

1 GENERAL INFORMATION

The Chartered Institution of Building Services Engineers is a charity registered in England and Wales, registration number 278104. It is governed by its Royal Charter and By-laws which were awarded in 1976 and last amended in 2010. The registered office is 222 Balham High Road, London, SW12 9BS.

2 ACCOUNTING POLICIES

The principal policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2.1 Basis of accounting

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these financial statements. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a ‘true and fair view’ and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’. This departure has involved following the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the previous Statement of Recommended Practice: Accounting and Reporting by Charities which was effective from 1 April 2005 but which has since been withdrawn.

The Chartered Institution of Building Services Engineers meets the definition of a public benefit entity under FRS 102.

The Trustees consider that there are no material uncertainties about the Institution’s ability to continue as a going concern. The most significant areas of judgement and key assumptions that affect the items in the financial statements relate to the estimation of the defined benefit pension scheme’s assets and liabilities (see Note 2.17 and Note 19).

2.2 Financial statements of the Institution and its trading subsidiaries

The financial statements include the consolidation of CIBSE Services Limited, CIBSE Certification Limited and The Chartered Institution of Building Services Engineers Hong Kong Limited (CIBSE Hong Kong Limited), all wholly owned subsidiaries of the Institution.

No separate Statement of Financial Activities has been presented for the Institution. The results of the Institution for the year ended 31 December 2019 are included in Note 16.

Exemption from the requirement to disclose transactions between the Institution and its subsidiary companies has been taken under section 33.1A of FRS 102 as transactions occur between wholly owned members.

The Institution has taken advantage of the disclosure exemption permitted by FRS 102 of the requirements of Section 7 Statement of Cash Flows to not disclose a charity-only Statement of Cash Flows.

2.3 Funds

The Institution has divided its funds into categories according to their nature and purpose as follows:

Unrestricted funds

Funds available for the Institution to pursue all of its objectives under its Royal Charter and comprise:

General fund

This represents the undesignated accumulated surpluses from funds available for the general objectives of the Institution.
2 ACCOUNTING POLICIES (continued)

Designated fund
Funds designated to pursue a particular objective or group of objectives under the Royal Charter and comprise:

Research Fund
This fund has the objectives of raising and designating funds for the purpose of enabling research to advance the art, science and practice of building services engineering.

Education Fund
CIBSE established this fund with the objective of raising and designating funds to enable CIBSE to further education in the art, science and practice of building services engineering.

Richard Tully Family Publication Fund
This fund was established by the designation of a gift from Richard E J Tully, with the objective of funding awards to encourage the continued publication of good engineering practice in the profession of building services engineering.

Domestic Building Services Panel Fund
This fund has the objectives of raising and designating funds for the purpose of enabling research to advance the art, science and practice of building services engineering for Domestic Heating publications.

Society of Light and Lighting Fund
This fund has the objective of funding the operations of the Society of Light and Lighting Fund.

Ken Dale Fund
This fund was established following receipt of a legacy from past president Ken Dale designated to advance the art, science and practice of building services engineering in his name.

Restricted funds
These funds have been received by the Institution with specific restrictions on their use within the objectives of its Royal Charter and comprised:

Patrons Fund
This fund was formed to provide a base for financing activities of concern to the building services industry as a whole, for which adequate funds were not available within the unrestricted funds of the Institution, and to provide liaison between the Institution and its members with the commercial organisations involved in building services engineering.

2.4 Branches, groups and regions
The activities of branches, groups and regions, together with their assets and liabilities are incorporated within these accounts.

2.5 Income
Subscriptions
Subscriptions due are treated as income for the periods to which they relate. Subscriptions received in respect of future years are carried forward in the financial statements as deferred income until the relevant subscription year.

Legacies
Legacies are included in the Statement of Financial Activities where probate was granted prior to the balance sheet date and a distribution is considered probable and the amount can be reliably estimated.

Donations and grants
Donations and grants are included in the financial statements when receivable.

Volunteers
CIBSE as an organisation relies heavily on its volunteers to allow it to carry out the wide variety of work that it does, across a range of fields within building services. Attempting to provide such in-depth knowledge for an industry as diverse as building services is an enormous undertaking, and would be impossible without the
2 ACCOUNTING POLICIES (continued)

Volunteers (continued)
hundreds of experts who give their time and resources to the Institution and work to remain on the forefront of technology.

Carrying out a variety of roles on a voluntary basis for CIBSE, from contributing to technical papers, to serving on the board and deciding strategy, to helping at events and with media requests, the volunteers give substantial resources at a time when the industry has never been more stretched. However, as it is impractical to place a monetary value on the volunteers’ contribution due to the absence of a reliable measurement basis, the contribution of volunteers are not included as income in the financial statements.

Fees received for charitable services
These represent amounts receivable in respect of goods or services during the year.

Investment income and gains
Investment income, including any tax recoverable thereon, is included in the financial statements in the year in which they are receivable. Investment gains and losses are incorporated in the financial statements as they occur. Unrealised gains and losses arising from the valuation of investments, together with any movements in such gains are separately identified within the financial statements.

2.6 Expenditure
Expenditure is accounted for on an accrual basis and is recognised where there is a legal and constructive obligation to pay for the expenditure.

Charitable expenditure comprises expenses incurred on the defined charitable purposes of the Institution. Cost of raising funds comprises expenses incurred in enhancing and maintaining the public image of the Institution and expenditure incurred in trading activities that raise funds.

Governance costs comprise expenses incurred in the governance of the Institution and its assets and are primarily associated with constitutional and statutory requirements.

Each category includes direct expenses and staff costs, together with an allocation of overhead costs based on a combination of direct staff costs and activity levels.

2.7 Intangible fixed assets
Goodwill arising on an acquisition of trade and assets represents the difference between the fair value of the consideration paid and the fair value of the net assets acquired. It is capitalised and amortised through the profit and loss account over the estimate of its useful economic life of three years.

Goodwill is amortised on cost at 50% in the first year and, 30% & 20% over the next two years after consideration of its estimated useful life of 3 years.

2.8 Tangible fixed assets
Freehold land is not depreciated. The charity separately identifies the major components of its properties and charges depreciation so as to write down the cost of each component to its estimated residual value on a straight line basis over its expected useful life.

<table>
<thead>
<tr>
<th>The useful lives are as follows:</th>
<th>Building structure</th>
<th>50 years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Doors</td>
<td>30 years</td>
</tr>
<tr>
<td></td>
<td>Windows</td>
<td>10 years</td>
</tr>
</tbody>
</table>

Other tangible fixed assets:

| Computer equipment | 3- 5 years |
| Fixtures & fittings | 5 years |
2 ACCOUNTING POLICIES (continued)

2.9 Investments
Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Unlisted investments comprise investments in subsidiaries which are measured at cost less impairment.

A source of financial risk faced by the charity is that of volitatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities, particularly currency risk, and within particular sectors or sub sectors.

2.10 Impairments
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. When the carrying amount exceeds it's recoverable amount, an impairment loss is recognised in the Statement of Financial Activities unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

2.11 Financial Instruments
The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

2.12 Stocks
Finished stocks relate to technical publications and are stated at the lower of cost and net realisable value. Cost comprises the price of purchasing, printing, binding and compilation.

2.13 Debtors
Trade and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original term of the contract. Impairment losses are recognised in the statement of financial activities for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the statement of financial activities.

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

2.15 Creditor
Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.
2 ACCOUNTING POLICIES (continued)

2.16 Holiday pay accrual
A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2.17 Pension contributions
The Institution operates a non-contributory pension scheme providing benefits based on final pensionable salary. The assets of the scheme are invested with an insurance company and are totally separate from those of the Institution. This scheme was closed to new members in 1999. The Institution has fully adopted the disclosures set out in section 28 of FRS 102. The difference between the fair value of the assets held in the Institution’s defined benefit pension scheme and the scheme’s liabilities measured on an actuarial basis using the projected unit method are recognised in the Institution’s Balance Sheet as a pension scheme asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the Institution is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contributions by the Institution are charged to the Statement of Financial Activities in accordance with section 28 of FRS 102. The Institution contributes to a stakeholder pension scheme operated by Aviva and is open to all employees. The annual contribution payments are charged to the Statement of Financial Activities.

2.18 Taxation
The Institution is registered as a charity, registration number 278104, and in consequence it is exempt from taxation on income arising from and expended on its charitable activities.

2.19 Foreign currencies
Transactions in foreign currency are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

2.20 Judgements and key sources of estimation uncertainty
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no estimates and assumptions that are considered to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2.21 Restatement of 2018 comparatives
The Institution has reduced its current liabilities and increased its opening reserves in respect of deferred income by £94,567 for the year ended 31 December 2018. The institution had carried forward the asset from prior years but no longer holds an obligation to earn the income and therefore recognised the amount as in income in prior years.
3 CHARITABLE SERVICES INCOME

Fees receivable for charitable services for the year is derived from:

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>Total 2019</th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>Total 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training delegate fees</td>
<td>75,400</td>
<td>10,837</td>
<td>86,237</td>
<td>95,131</td>
<td>13,878</td>
<td>109,009</td>
</tr>
<tr>
<td>Publications</td>
<td>30,269</td>
<td>-</td>
<td>30,269</td>
<td>18,656</td>
<td>-</td>
<td>18,656</td>
</tr>
<tr>
<td>Societies sponsorship fees</td>
<td>24,000</td>
<td>-</td>
<td>24,000</td>
<td>51,853</td>
<td>-</td>
<td>51,853</td>
</tr>
<tr>
<td>Grants and royalties</td>
<td>159,310</td>
<td>-</td>
<td>159,310</td>
<td>86,387</td>
<td>-</td>
<td>86,387</td>
</tr>
<tr>
<td>Sundry</td>
<td>65,490</td>
<td>-</td>
<td>65,490</td>
<td>66,785</td>
<td>-</td>
<td>66,785</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>354,469</td>
<td>10,837</td>
<td>365,306</td>
<td>318,812</td>
<td>13,878</td>
<td>332,690</td>
</tr>
</tbody>
</table>

4 INVESTMENT INCOME

Investment income for the year is derived from:

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>Total 2019</th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>Total 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listed investments</td>
<td>59,534</td>
<td>-</td>
<td>59,534</td>
<td>58,363</td>
<td>-</td>
<td>58,363</td>
</tr>
<tr>
<td>Cash deposits</td>
<td>4,115</td>
<td>-</td>
<td>4,115</td>
<td>818</td>
<td>-</td>
<td>818</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>63,649</td>
<td>-</td>
<td>63,649</td>
<td>59,181</td>
<td>-</td>
<td>59,181</td>
</tr>
</tbody>
</table>

5 EXPENDITURE

<table>
<thead>
<tr>
<th></th>
<th>Staff Direct Costs</th>
<th>Other Direct Costs</th>
<th>Staff Support Cost</th>
<th>Other Support Cost</th>
<th>2019 Total</th>
<th>2018 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure on raising funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trading subsidiary companies</td>
<td>946,805</td>
<td>2,229,661</td>
<td>-</td>
<td>-</td>
<td>3,176,466</td>
<td>3,050,453</td>
</tr>
<tr>
<td>Expenditure on charitable activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership</td>
<td>499,806</td>
<td>194,962</td>
<td>618,460</td>
<td>402,900</td>
<td>1,716,128</td>
<td>1,505,673</td>
</tr>
<tr>
<td>Technical</td>
<td>189,566</td>
<td>199,549</td>
<td>234,568</td>
<td>152,811</td>
<td>776,494</td>
<td>664,338</td>
</tr>
<tr>
<td>Regional &amp; special interest groups</td>
<td>225,164</td>
<td>427,294</td>
<td>278,618</td>
<td>181,508</td>
<td>1,112,584</td>
<td>1,197,051</td>
</tr>
<tr>
<td>Research</td>
<td>106,188</td>
<td>183,943</td>
<td>131,397</td>
<td>85,599</td>
<td>507,127</td>
<td>503,224</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,967,529</td>
<td>3,235,409</td>
<td>1,263,043</td>
<td>822,818</td>
<td>7,288,799</td>
<td>6,920,739</td>
</tr>
</tbody>
</table>
6 SUPPORT COSTS

The support costs have been allocated on the following basis:

<table>
<thead>
<tr>
<th>Support cost</th>
<th>Basis of allocation</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration staff and welfare</td>
<td>Staff costs</td>
<td>1,263,043</td>
<td>1,194,546</td>
</tr>
<tr>
<td>Temporary staff, recruitment &amp; consultants</td>
<td>Direct allocation to projects</td>
<td>79,579</td>
<td>55,628</td>
</tr>
<tr>
<td>Meeting costs</td>
<td>Direct allocation to projects</td>
<td>55,390</td>
<td>59,297</td>
</tr>
<tr>
<td>Office costs</td>
<td>Total number of employees</td>
<td>110,493</td>
<td>115,026</td>
</tr>
<tr>
<td>Premises</td>
<td>Area occupied basis</td>
<td>83,243</td>
<td>82,714</td>
</tr>
<tr>
<td>IT</td>
<td>Direct allocation to projects</td>
<td>214,732</td>
<td>263,987</td>
</tr>
<tr>
<td>Legal &amp; professional fees</td>
<td>Direct allocations to projects</td>
<td>84,718</td>
<td>86,018</td>
</tr>
<tr>
<td>Depreciation</td>
<td>Direct allocation to projects</td>
<td>87,986</td>
<td>57,450</td>
</tr>
<tr>
<td>Bad debt</td>
<td>Actual</td>
<td>2,774</td>
<td>(43,898)</td>
</tr>
<tr>
<td>Marketing</td>
<td>Direct allocation to projects</td>
<td>48,328</td>
<td>54,182</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Governance costs</th>
<th>Basis of allocation</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditor’s remuneration - statutory audit</td>
<td>Direct allocation to projects</td>
<td>25,622</td>
<td>13,274</td>
</tr>
<tr>
<td>Auditor’s remuneration - non-audit services</td>
<td>Direct allocation to projects</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>AGM &amp; annual report cost</td>
<td>Direct allocation to projects</td>
<td>14,356</td>
<td>13,458</td>
</tr>
<tr>
<td>Trustees expenses</td>
<td>Direct allocation to projects</td>
<td>25,173</td>
<td>27,243</td>
</tr>
</tbody>
</table>

------------

2,030,286  1,924,950
------------

65,151    53,975

The support costs have been allocated on the following basis:
## 7 STAFF COSTS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>2,588,848</td>
<td>2,451,239</td>
</tr>
<tr>
<td>Temporary staff and agency fees</td>
<td>90,762</td>
<td>38,259</td>
</tr>
<tr>
<td>Social security costs</td>
<td>282,619</td>
<td>265,277</td>
</tr>
<tr>
<td><strong>Pension costs:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defined contribution pensions</td>
<td>140,344</td>
<td>120,017</td>
</tr>
<tr>
<td>Defined benefit pensions</td>
<td>7,000</td>
<td>11,000</td>
</tr>
<tr>
<td><strong>Total Staff Costs</strong></td>
<td>3,109,573</td>
<td>2,885,792</td>
</tr>
</tbody>
</table>

The average number of employees during the year, who were all engaged in the activities of the Institution and its subsidiaries, was: 61

All Trustees give of their time freely and no Trustee remuneration was paid in the year (2018: £Nil).

The key management personnel of the parent charity, the Institution, comprise the Trustees, the Chief Executive Officer and the senior management team. Total employee benefits of key management personnel for the year under review, excluding the Trustees were £864,329 (2018: £850,721).

None of the Institution’s wholly-owned subsidiaries employ staff directly. As a result, the key management personnel and their aggregate employee benefits for the group is the same as the Institution as disclosed above.

The number of employees earning total emoluments of £60,000 or more:

<table>
<thead>
<tr>
<th>Emoluments Range</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>£60,001 to £70,000</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>£70,001 to £80,000</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>£80,001 to £90,000</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>£90,001 to £100,000</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>£100,001 to £110,000</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>£180,001 to £190,000</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Contributions in the year for provision of the pension schemes in respect of the above higher paid employees amounted to £51,386 for 7 staff (2018: £42,086 for 7 staff).
8 TRANSACTIONS WITH TRUSTEES AND RELATED PARTY TRANSACTIONS

The Trustees of the Institution are the members of Board, who are drawn, from time to time, from the membership of the Institution. No member of Board received any remuneration or benefits-in-kind for their duties as Trustees (2018: Nil).

Members of the Board of Trustees are reimbursed for travelling and other expenses whilst engaged on the activities of the Institution.

Reimbursements were made as follows:

<table>
<thead>
<tr>
<th></th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reimbursed to 7 Trustees (2018: 6 Trustees)</td>
<td>25,582</td>
<td>27,748</td>
</tr>
</tbody>
</table>

Under the terms of the Royal Charter & Bylaws, the Institution is empowered to make reasonable and proper payments to members for services actually rendered to the Institution. This power includes Trustees, in their capacity as members of the Institution. In their capacity as members of the Institution, Trustees are obliged to pay annual subscriptions due to the Institution and are entitled to take advantage of the services offered by the Institution and its subsidiary company, on the same terms offered to all members, or to the general public. Where members or their connections provide services to, or utilise any other services or facilities of the Institution, the amounts paid to or charged by the Institution are based on either:

- Standard rates paid by the Institution to members and non-members alike, for services such as lecturing or interviewing of candidates; or
- Rates negotiated on behalf of the Institution, independently of the member involved, by the Board, or their delegated committee, based on competitive tenders or general commercial rates.

During the year, the Institution is aware that payments have been made by the Institution for commercial services provided to it, or charges made by the Institution for utilising other services or facilities of the Institution, by certain Members of the Board of Trustees, or their connections, as follows:

During 2019, there were no speaker fees paid to Trustees (2018: £Nil).
## 9 INTANGIBLE FIXED ASSETS

<table>
<thead>
<tr>
<th>Group</th>
<th>Goodwill £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost or valuation</td>
<td>155,572</td>
</tr>
<tr>
<td>Balance at 1 January 2019 and at 31 December 2019</td>
<td>------------</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accumulated Amortisation</th>
<th>155,572</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January 2019 and at 31 December 2019</td>
<td>------------</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Book value</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 31 December 2018 and at 31 December 2019</td>
<td>---------</td>
</tr>
</tbody>
</table>

## 10 TANGIBLE FIXED ASSETS

<table>
<thead>
<tr>
<th>Group</th>
<th>Freehold Property £</th>
<th>Computer Equipment £</th>
<th>Furniture &amp; Equipment £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 January 2019</td>
<td>426,000</td>
<td>1,093,413</td>
<td>321,195</td>
<td>1,840,608</td>
</tr>
<tr>
<td>Additions</td>
<td></td>
<td>-</td>
<td>87,291</td>
<td>127,212</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>(239,137)</td>
<td>(67,537)</td>
<td>(306,674)</td>
</tr>
<tr>
<td>Balance at 31 December 2019</td>
<td>426,000</td>
<td>941,567</td>
<td>293,579</td>
<td>1,661,146</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accumulated depreciation</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January 2019</td>
<td>124,976</td>
<td>714,784</td>
<td>302,264</td>
<td>1,142,024</td>
</tr>
<tr>
<td>Charge for the year</td>
<td>28,790</td>
<td>116,860</td>
<td>8,554</td>
<td>154,204</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>(235,065)</td>
<td>(67,537)</td>
<td>(302,602)</td>
</tr>
<tr>
<td>Balance at 31 December 2019</td>
<td>153,766</td>
<td>596,579</td>
<td>243,281</td>
<td>993,626</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net book value</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>At 31 December 2019</td>
<td>272,234</td>
<td>344,988</td>
<td>50,298</td>
<td>667,520</td>
</tr>
<tr>
<td>At 31 December 2018</td>
<td>301,024</td>
<td>378,629</td>
<td>18,931</td>
<td>698,584</td>
</tr>
</tbody>
</table>
### 10 TANGIBLE FIXED ASSETS (continued)

<table>
<thead>
<tr>
<th>Institution</th>
<th>Freehold Property</th>
<th>Computer Equipment</th>
<th>Furniture &amp; Equipment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Balance at 1 January 2019</td>
<td>426,000</td>
<td>352,983</td>
<td>317,936</td>
<td>1,096,919</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>44,372</td>
<td>39,921</td>
<td>84,293</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>(67,537)</td>
<td>(67,537)</td>
</tr>
<tr>
<td>Balance at 31 December 2019</td>
<td>426,000</td>
<td>397,355</td>
<td>290,320</td>
<td>1,113,675</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Balance at 1 January 2019</td>
<td>124,976</td>
<td>200,226</td>
<td>299,266</td>
<td>624,468</td>
</tr>
<tr>
<td>Charge for the year</td>
<td>28,790</td>
<td>51,495</td>
<td>8,419</td>
<td>88,704</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>(67,537)</td>
<td>(67,537)</td>
</tr>
<tr>
<td>Balance at 31 December 2019</td>
<td>153,766</td>
<td>251,721</td>
<td>240,148</td>
<td>645,635</td>
</tr>
<tr>
<td>Net book value</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>At 31 December 2019</td>
<td>272,234</td>
<td>145,634</td>
<td>50,172</td>
<td>468,040</td>
</tr>
<tr>
<td>At 31 December 2018</td>
<td>301,024</td>
<td>152,757</td>
<td>18,670</td>
<td>472,451</td>
</tr>
</tbody>
</table>
## 11 FIXED ASSETS INVESTMENTS

<table>
<thead>
<tr>
<th></th>
<th>Group 2019</th>
<th>Group 2018</th>
<th>The Institution 2019</th>
<th>The Institution 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as at 1 January</td>
<td>1,665,595</td>
<td>1,712,939</td>
<td>1,665,597</td>
<td>1,712,941</td>
</tr>
<tr>
<td>Purchase of units</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Sale of units</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net gains on investments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gains on sale of investments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net gain on revaluation at 31 December</td>
<td>297,830</td>
<td>(47,344)</td>
<td>297,830</td>
<td>(47,344)</td>
</tr>
<tr>
<td></td>
<td>-----------</td>
<td>-----------</td>
<td>----------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>Balance as at 31 December</td>
<td>1,963,425</td>
<td>1,665,595</td>
<td>1,963,429</td>
<td>1,665,597</td>
</tr>
</tbody>
</table>

**Investments are made up of:**

- **Listed investments**
  - 1,963,425
  - 1,665,595
  - 1,963,425
  - 1,665,595

- **Trading subsidiaries:**
  - 100% interest in CIBSE Services Limited: -
  - 100% interest in CIBSE Certification Limited: -
  - 100% interest (100% Group / 50% The Institution) in The Chartered Institution of Building Services Engineers Hong Kong Limited: -

  - 1,963,425
  - 1,665,595
  - 1,963,429
  - 1,665,597

**The historical cost of listed investments are:**

- Listed Investments cost at 1 January: 1,117,199
- Less sale of units:
  - 1,117,199
- Listed Investments cost at 31 December: 1,117,199

The listed investments are managed on behalf of the Institution by CCLA Investment Management Limited.

The significance of financial instruments to the ongoing financial sustainability of the Institution is considered in the investment powers section of the Trustees' Annual Report. The basis of fair value for listed investments is equivalent to the market value, using the mid-market price.
### 12 DEBTORS

<table>
<thead>
<tr>
<th></th>
<th>Group 2019</th>
<th>Group 2018</th>
<th>The Institution 2019</th>
<th>The Institution 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Trade debtors</td>
<td>339,693</td>
<td>446,449</td>
<td>31,601</td>
<td>19,340</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>366,841</td>
<td>267,618</td>
<td>138,621</td>
<td>115,665</td>
</tr>
<tr>
<td>Other debtors</td>
<td>159,141</td>
<td>141,589</td>
<td>111,345</td>
<td>87,052</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>865,675</strong></td>
<td><strong>855,656</strong></td>
<td><strong>281,567</strong></td>
<td><strong>222,057</strong></td>
</tr>
</tbody>
</table>

### 13 CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

<table>
<thead>
<tr>
<th></th>
<th>Group Restated 2019</th>
<th>Group Restated 2018</th>
<th>The Institution Restated 2019</th>
<th>The Institution Restated 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>252,992</td>
<td>171,551</td>
<td>161,140</td>
<td>82,901</td>
</tr>
<tr>
<td>Accruals</td>
<td>138,979</td>
<td>127,426</td>
<td>105,304</td>
<td>87,008</td>
</tr>
<tr>
<td>Amounts owed to group undertakings</td>
<td>-</td>
<td>-</td>
<td>394,574</td>
<td>181,580</td>
</tr>
<tr>
<td>Deferred income: amounts received in advance for subscriptions &amp; services</td>
<td>1,235,344</td>
<td>1,177,974</td>
<td>956,606</td>
<td>884,512</td>
</tr>
<tr>
<td>Taxation and social security</td>
<td>296,707</td>
<td>179,401</td>
<td>112,804</td>
<td>88,107</td>
</tr>
<tr>
<td>Other creditors</td>
<td>354,783</td>
<td>102,373</td>
<td>255,522</td>
<td>65,562</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,278,805</strong></td>
<td><strong>1,758,725</strong></td>
<td><strong>1,985,950</strong></td>
<td><strong>1,389,670</strong></td>
</tr>
</tbody>
</table>

#### Deferred income

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 January</td>
<td>1,177,974</td>
<td>2,906,859</td>
<td>884,512</td>
<td>2,681,616</td>
</tr>
<tr>
<td>Amounts released to income</td>
<td>(1,177,974)</td>
<td>(2,906,859)</td>
<td>(884,512)</td>
<td>(2,681,616)</td>
</tr>
<tr>
<td>Amount deferred in the year</td>
<td>1,235,344</td>
<td>1,177,974</td>
<td>956,606</td>
<td>884,512</td>
</tr>
</tbody>
</table>

At 31 December

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,235,344</td>
<td>1,177,974</td>
<td>956,606</td>
</tr>
</tbody>
</table>
14 **RESTRICTED FUNDS – Group**

<table>
<thead>
<tr>
<th>Current Year</th>
<th>Balance at 1 January 2019</th>
<th>Movement in Funds</th>
<th>Balance at 31 December 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Income</td>
<td>Expenditure</td>
<td>Transfers</td>
</tr>
<tr>
<td>Patrons Fund</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td></td>
<td>111,676</td>
<td>60,712</td>
<td>(75,437)</td>
</tr>
</tbody>
</table>

Prior Year

<table>
<thead>
<tr>
<th>Prior Year</th>
<th>Balance at 1 January 2018</th>
<th>Movement in Funds</th>
<th>Balance at 31 December 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Income</td>
<td>Expenditure</td>
<td>Transfers</td>
</tr>
<tr>
<td>Patrons Fund</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td></td>
<td>94,828</td>
<td>63,448</td>
<td>(46,600)</td>
</tr>
</tbody>
</table>

See Note 2.3 for description of funds

15 **UNRESTRICTED AND DESIGNATED FUNDS – Group**

<table>
<thead>
<tr>
<th>Current Year</th>
<th>Restated Balance at 1 January 2019</th>
<th>Movement In Funds</th>
<th>Balance at 31 December 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Income</td>
<td>Expenditure</td>
<td>Transfers</td>
</tr>
<tr>
<td>Research Fund</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Education Fund</td>
<td>524,937</td>
<td>249,418</td>
<td>(290,131)</td>
</tr>
<tr>
<td>Richard Tully Family Publication Fund</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Domestic Building Services Panel Fund</td>
<td>58,371</td>
<td>4,339</td>
<td>(3,797)</td>
</tr>
<tr>
<td>Society of Light and Lighting</td>
<td>123,043</td>
<td>9,147</td>
<td>-</td>
</tr>
<tr>
<td>Ken Dale Fund</td>
<td>206,224</td>
<td>48,187</td>
<td>(21,179)</td>
</tr>
<tr>
<td>Designated Funds</td>
<td>244,346</td>
<td>243,953</td>
<td>(209,859)</td>
</tr>
<tr>
<td>Ken Dale Fund</td>
<td>98,986</td>
<td>7,359</td>
<td>(3,757)</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Unrestricted Funds</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Designated Funds</td>
<td>1,255,907</td>
<td>562,403</td>
<td>(528,723)</td>
</tr>
<tr>
<td>General Fund</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td></td>
<td>1,072,905</td>
<td>6,736,541</td>
<td>(6,529,809)</td>
</tr>
<tr>
<td>Unrestricted Funds</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td></td>
<td>2,328,812</td>
<td>7,298,944</td>
<td>(7,058,532)</td>
</tr>
</tbody>
</table>

See Note 2.3 for description of funds
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

<table>
<thead>
<tr>
<th>Prior Year</th>
<th>Restated Balance at 1 January 2018</th>
<th>Movement In Funds</th>
<th>Restated Balance at 31 December 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Research Fund</td>
<td>582,712</td>
<td>231,937</td>
<td>(289,712)</td>
</tr>
<tr>
<td>Education Fund</td>
<td>58,371</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Richard Tully Family Publication Fund</td>
<td>118,467</td>
<td>4,576</td>
<td>-</td>
</tr>
<tr>
<td>Domestic Building Services Panel Fund</td>
<td>183,668</td>
<td>39,144</td>
<td>(16,588)</td>
</tr>
<tr>
<td>Society of Light and Lighting</td>
<td>267,820</td>
<td>227,170</td>
<td>(250,644)</td>
</tr>
<tr>
<td>Ken Dale Fund</td>
<td>101,398</td>
<td>3,918</td>
<td>(6,330)</td>
</tr>
<tr>
<td>Designated Funds</td>
<td>1,312,436</td>
<td>506,745</td>
<td>(563,274)</td>
</tr>
<tr>
<td>General Fund</td>
<td>1,137,568</td>
<td>6,453,546</td>
<td>(6,518,209)</td>
</tr>
<tr>
<td>Unrestricted Funds</td>
<td>2,450,004</td>
<td>6,960,291</td>
<td>(7,081,483)</td>
</tr>
</tbody>
</table>

See Note 2.3 for description of funds

16 RESULTS OF THE INSTITUTION

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total income</td>
<td>4,018,491</td>
<td>3,380,189</td>
</tr>
<tr>
<td>Total expenditure</td>
<td>(3,984,922)</td>
<td>(3,707,208)</td>
</tr>
<tr>
<td>Net expenditure before gains on investments</td>
<td>33,569</td>
<td>(327,019)</td>
</tr>
<tr>
<td>Net gains on investments</td>
<td>297,830</td>
<td>(47,344)</td>
</tr>
<tr>
<td>Net expenditure after gains on investments</td>
<td>331,399</td>
<td>(374,363)</td>
</tr>
<tr>
<td>Actuarial loss on defined benefit pension scheme</td>
<td>(143,000)</td>
<td>(160,000)</td>
</tr>
<tr>
<td>Net movement in funds</td>
<td>188,399</td>
<td>(534,363)</td>
</tr>
</tbody>
</table>
17 TRADING SUBSIDIARIES

The Group has three wholly owned subsidiaries, CIBSE Services Limited (company registered no. 03645473) and CIBSE Certification Limited (company registered no. 06083016), which are both incorporated in the UK and The Chartered Institution of Building Services Engineers Hong Kong Limited, which is incorporated in Hong Kong. CIBSE Services Limited and CIBSE Certification Limited carry out various activities in pursuance of the charitable aims of the Institution and operates various commercial activities. CIBSE Services Limited and CIBSE Certification Limited donate their taxable profit to the Institution. The principal activities of The Chartered Institution of Building Services Engineers Hong Kong Limited are the provision of conferences and exhibition services.

A summary of the trading results and net assets of the subsidiaries for 2019 are shown below. Audited accounts for all of the subsidiaries are filed with their respective Registrars.

<table>
<thead>
<tr>
<th></th>
<th>CIBSE Services Limited</th>
<th>CIBSE Certification Limited</th>
<th>CIBSE HK Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>£3,330,739</td>
<td>£273,390</td>
<td>£167,713</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(£2,312,042)</td>
<td>(£228,731)</td>
<td>(£176,618)</td>
</tr>
<tr>
<td>Administration expenses</td>
<td>(£617,213)</td>
<td>(£24,273)</td>
<td>(£-)</td>
</tr>
<tr>
<td>Operating profit</td>
<td>£401,484</td>
<td>£20,386</td>
<td>(£8,905)</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>£462</td>
<td>£-</td>
<td>(£-)</td>
</tr>
<tr>
<td>Net profit before gift aid</td>
<td>£401,946</td>
<td>£20,386</td>
<td>(£8,905)</td>
</tr>
<tr>
<td>Amount donated to the Institution</td>
<td>(£376,142)</td>
<td>£-</td>
<td>(£-)</td>
</tr>
<tr>
<td>Amount retained by the subsidiary</td>
<td>£25,804</td>
<td>£20,386</td>
<td>(£8,905)</td>
</tr>
</tbody>
</table>

The aggregate of the assets, liabilities and funds was:

<table>
<thead>
<tr>
<th></th>
<th>CIBSE Services Limited</th>
<th>CIBSE Certification Limited</th>
<th>CIBSE HK Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td>£150,946</td>
<td>£48,406</td>
<td>£128</td>
</tr>
<tr>
<td>Net current assets/(liabilities)</td>
<td>£412,794</td>
<td>(£28,018)</td>
<td>£70,971</td>
</tr>
<tr>
<td>Net assets</td>
<td>£563,740</td>
<td>£20,388</td>
<td>£71,099</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Funds</th>
<th>CIBSE Services Limited</th>
<th>CIBSE Certification Limited</th>
<th>CIBSE HK Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Called up share capital</td>
<td>£2</td>
<td>£2</td>
<td>(£-)</td>
</tr>
<tr>
<td>Reserves</td>
<td>£563,738</td>
<td>£20,386</td>
<td>£71,099</td>
</tr>
<tr>
<td></td>
<td>(£-)</td>
<td>(£-)</td>
<td>(£-)</td>
</tr>
<tr>
<td></td>
<td>£563,740</td>
<td>£20,388</td>
<td>£71,099</td>
</tr>
</tbody>
</table>
### Current Year

<table>
<thead>
<tr>
<th>Fund balances at 31 December 2019</th>
<th>General Funds</th>
<th>Designated Funds</th>
<th>Restricted Funds</th>
<th>Total 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td>667,520</td>
<td>-</td>
<td>-</td>
<td>667,520</td>
</tr>
<tr>
<td>Investments</td>
<td>1,963,425</td>
<td>-</td>
<td>-</td>
<td>1,963,425</td>
</tr>
<tr>
<td>Net current assets/(liabilities)</td>
<td>(1,387,308)</td>
<td>1,289,587</td>
<td>96,951</td>
<td>(770)</td>
</tr>
<tr>
<td><strong>Net Assets excluding pension scheme liability</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,243,637</td>
<td>1,289,587</td>
<td>96,951</td>
<td>2,630,175</td>
</tr>
<tr>
<td>Defined benefit pension scheme liability</td>
<td>36,000</td>
<td>-</td>
<td>-</td>
<td>36,000</td>
</tr>
<tr>
<td><strong>Net assets including pension scheme liability</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,279,637</td>
<td>1,289,587</td>
<td>96,951</td>
<td>2,666,175</td>
</tr>
</tbody>
</table>

### Prior Year

<table>
<thead>
<tr>
<th>Fund balances at 31 December 2018</th>
<th>General Funds</th>
<th>Designated Funds</th>
<th>Restricted Funds</th>
<th>Restated Total 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td>698,584</td>
<td>-</td>
<td>-</td>
<td>698,584</td>
</tr>
<tr>
<td>Investments</td>
<td>1,665,595</td>
<td>-</td>
<td>-</td>
<td>1,665,595</td>
</tr>
<tr>
<td>Net current assets/(liabilities)</td>
<td>(1,333,364)</td>
<td>1,255,907</td>
<td>108,766</td>
<td>31,309</td>
</tr>
<tr>
<td><strong>Net Assets excluding pension scheme liability</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,030,815</td>
<td>1,255,907</td>
<td>108,766</td>
<td>2,395,488</td>
</tr>
<tr>
<td>Defined benefit pension scheme liability</td>
<td>45,000</td>
<td>-</td>
<td>-</td>
<td>45,000</td>
</tr>
<tr>
<td><strong>Net assets including pension scheme liability</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,075,815</td>
<td>1,255,907</td>
<td>108,766</td>
<td>2,440,488</td>
</tr>
</tbody>
</table>
19 CIBSE PENSION SCHEMES

CIBSE operates both a defined contribution and a defined benefit pension scheme which require contributions to be made separately to administered funds for the benefit of the employees. The defined contribution scheme was opened in November 2001 and employer contribution commenced in April 2007.

Final salary pension scheme

The defined benefit scheme has been reported under section 28 of FRS 102. The most recent valuation was at 1 April 2017. The assumptions which had most significant effect on that valuation were:

(i) future long term average salary increases pre-retirement of 3.2% per annum.
(ii) future long term average salary increases post-retirement of 1.7% per annum.

This actuarial valuation showed that the market value of the scheme’s assets was £4,523,000 and that their actuarial value was 90% of the benefits that had accrued to members after allowing for expected future salary increases. The Trustees and the Employer agreed to additional Employer contributions of £108,000 p.a. from 1 April 2017 until the Funding Valuation shortfall is addressed. The actuarial valuation calculated the Funding Valuation shortfall is expected to be addressed until 28 February 2022. The payments are payable by the last day of February each year and are due to remain the same over the period.

Based on the current schedule of contributions the estimated contribution to be paid over to the scheme in 2019 is at least 45.2% p.a. of the pensionable salary roll, on a monthly basis.

The number of employees in the scheme at 31 December 2019 were:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active employees</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Deferred pensioners</td>
<td>18</td>
<td>20</td>
</tr>
<tr>
<td>Pensioners</td>
<td>10</td>
<td>22</td>
</tr>
</tbody>
</table>

The financial assumptions used by the actuary to calculate the scheme liabilities under FRS 102 were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate of increase in salaries</td>
<td>4.40%</td>
<td>4.50%</td>
</tr>
<tr>
<td>Rate of increase in pensions in payments accrued before 6 April 1997</td>
<td>3.00%</td>
<td>3.00%</td>
</tr>
<tr>
<td>Rate of increase in pensions in payments accrued after 6 April 1997</td>
<td>3.00%</td>
<td>3.00%</td>
</tr>
<tr>
<td>Discount rate</td>
<td>1.90%</td>
<td>2.70%</td>
</tr>
<tr>
<td>Retail price inflation</td>
<td>3.20%</td>
<td>3.30%</td>
</tr>
</tbody>
</table>
19  CIBSE PENSION SCHEMES (continued)

Analysis of the amount charged to expenditure

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current service cost</td>
<td>(14)</td>
<td>(19)</td>
</tr>
<tr>
<td>Total service cost</td>
<td>(14)</td>
<td>(19)</td>
</tr>
</tbody>
</table>

Net interest costs

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income on plan assets</td>
<td>111</td>
<td>107</td>
</tr>
<tr>
<td>Interest expense on defined benefit obligation</td>
<td>(104)</td>
<td>(99)</td>
</tr>
<tr>
<td>Net return</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>Total pension costs charged to the Statement of Financial Activities</td>
<td>(7)</td>
<td>(11)</td>
</tr>
</tbody>
</table>

Analysis of the actuarial loss recognised in the Statement of Financial Activities

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual return on plan assets, excluding interest income</td>
<td>570</td>
<td>(230)</td>
</tr>
<tr>
<td>Experience gains and losses arising on the scheme liabilities</td>
<td>(37)</td>
<td>(165)</td>
</tr>
<tr>
<td>Changes in assumptions underlying the present value of the scheme liabilities</td>
<td>(441)</td>
<td>(179)</td>
</tr>
<tr>
<td>Effect of asset ceiling</td>
<td>(235)</td>
<td>56</td>
</tr>
<tr>
<td>Total actuarial (loss)/gain recognised in the Statement of Financial Activities</td>
<td>(143)</td>
<td>(160)</td>
</tr>
</tbody>
</table>

Analysis of the pension accounting information under FRS 102 is shown below

Amount recognised in the Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present value of defined benefit obligation</td>
<td>(4,345)</td>
<td>(3,906)</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>4,754</td>
<td>4,089</td>
</tr>
<tr>
<td>Net defined benefit asset</td>
<td>409</td>
<td>183</td>
</tr>
<tr>
<td>Effect of asset ceiling</td>
<td>(373)</td>
<td>(138)</td>
</tr>
<tr>
<td>Recognised defined benefit asset</td>
<td>36</td>
<td>45</td>
</tr>
</tbody>
</table>

Change in defined benefit obligation

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined benefit obligation at beginning of period</td>
<td>(3,906)</td>
<td>(4,830)</td>
</tr>
<tr>
<td>Current service costs</td>
<td>(14)</td>
<td>(19)</td>
</tr>
<tr>
<td>Interest expenses</td>
<td>(104)</td>
<td>(99)</td>
</tr>
<tr>
<td>Remeasurement arising from changes in assumptions</td>
<td>(441)</td>
<td>179</td>
</tr>
<tr>
<td>Remeasurements arising from experience</td>
<td>(37)</td>
<td>(165)</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>157</td>
<td>1,028</td>
</tr>
<tr>
<td></td>
<td>(4,345)</td>
<td>(3,906)</td>
</tr>
</tbody>
</table>
19 CIBSE PENSION SCHEMES (continued)

<table>
<thead>
<tr>
<th>Change in plan assets</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets at beginning of year</td>
<td>4,089</td>
<td>5,091</td>
</tr>
<tr>
<td>Interest income</td>
<td>111</td>
<td>107</td>
</tr>
<tr>
<td>Actual return on plan assets, excluding interest income</td>
<td>570</td>
<td>(230)</td>
</tr>
<tr>
<td>Employer contributions</td>
<td>141</td>
<td>149</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>(157)</td>
<td>(1,028)</td>
</tr>
<tr>
<td>Assets at end of year</td>
<td>4,754</td>
<td>4,089</td>
</tr>
<tr>
<td>Actual return on assets</td>
<td>681</td>
<td>(123)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Asset class split</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>58%</td>
<td>59%</td>
</tr>
<tr>
<td>Property</td>
<td>13%</td>
<td>12%</td>
</tr>
<tr>
<td>Corporate Bonds</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>Gilts</td>
<td>15%</td>
<td>19%</td>
</tr>
<tr>
<td>Cash</td>
<td>8%</td>
<td>3%</td>
</tr>
<tr>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

20 POST BALANCE SHEET EVENTS

Since the year end, the development of the Coronavirus (COVID-19) outbreak has had an unforeseen impact on the Institution, along with all other organisations. The Institution is following official UK government advice and has instituted home working and online meetings to replace face to face gatherings for the foreseeable future.

The Institution has stress tested its income and even with 100% reduction in income, considers sufficient liquid funds are available to meet its requirements for the foreseeable future.

The Institution has also considered operational aspects, and considers it has sufficient cover in critical operational areas to manage its activities.

Whilst the full effects of these changes are largely unknown, the financial impacts are being closely monitored by management. The Institution benefits from receiving substantial membership subscription income early in the year, and whilst income from commercial activities will be affected, cost savings will be made from the cancellation of events and from reduced travel. Significant liquid investments are also in place, and no significant threat to the continued operation of the Institution is anticipated.