



DRAFT Minutes of AGM 2022

The Annual General Meeting (AGM) of the CIBSE was held on 5 May 2022. The AGM was conducted as a hybrid model, with participants both in-person and online via Teams. Kevin Kelly, CIBSE President 2021-2022, chaired the meeting. Chief Executive Ruth Carter read the Notice of Order convening the meeting.

The minutes of the 44th AGM of CIBSE, held on 6 May 2021 and published in the August 2021 issue of *CIBSE Journal*, were accepted as a correct record of the meeting. A small addition referring to “related party transactions” was accepted.

Actions arising from the minutes:

1. A suggestion that a “further breakdown of regions, societies, networks, and groups” and their respective funding be provided in a Journal article. This was considered, but couldn’t be provided in sufficient context to give rise to an appropriate article for *CIBSE Journal*.
2. Names of proposed auditors will be included in the Calling Notice henceforth.

Annual Report and Financial Statements

Kevin Kelly provided an overview of the 2021 Annual Report, underlining the significant surplus enjoyed this year thanks to the outstanding performance of volunteers and amidst the challenges of a global pandemic. The report reflects on the highlights of the year, emphasises the Institution’s values, and celebrates the work of Members, Societies, and Special Interest Groups.

CIBSE’s work with the Royal Academy of Engineering, its 5th edition of ventilation guidance, and its numerous contributions to government advisory groups were all recognised. The priority of building safety was reinforced as a critical challenge in the wake of Grenfell. CIBSE has been instrumental in raising public safety standards in the industry.

Upgrading the UK’s Building Regulations is an ongoing effort for CIBSE with the updates to Part L (Conservation of fuel and power) and Part F (Ventilation) and the newly added Part O (Overheating) and Part S (Electric Vehicle Charging).

Improving building performance has been at the forefront of CIBSE’s work and the CIBSE Building Performance Awards showcased a breadth of industry achievements and innovative approaches.

CIBSE is deeply involved in the transition to Net Zero by 2050, updating its Climate Action Plan. It also played an essential role in the development of the CIC Carbon Zero Climate Action Plan. To support the broader industry in reducing emissions, CIBSE launched a calculation methodology for GHG emissions – TM65: *Embodied carbon in building services*.

A new nominations review process was launched to improve transparency and enhance diversity among nominated candidates. As a result, CIBSE received a record number of high-quality applications. Some of the talented candidates who didn’t make it through the process were sought out for other roles. The Diversity and Inclusion Committee was rebooted and has engaged with WiBSE (Women in Building Services Engineering) to improve liaison.

The new committee will be a standing committee of the Board and will set overall policy and direction for CIBSE and oversee the work of four panels representing four minority groups.

The immense talent represented in CIBSE's Young Engineers Awards reassured us of the promising outlook for the future. The Apprentice of the Year Award was extended in 2021 from one to two categories covering 'technician' and 'degree apprentices', allowing for greater recognition of this key route into the industry and a greater diversity of skills and applicants.

The Annual Report is available at www.cibse.org/annualreport

Adrian Catchpole, CIBSE's honorary treasurer, introduced this year's Audit Report and outlined changes. BDO was approved to be CIBSE's auditor at the last AGM. However, having arrived at an impasse regarding fees, BDO and CIBSE jointly decided that the former will step down from this role. The Board issued a tender to fill the resultant vacancy and appointed Crowe U.K. LLP as temporary auditors. The Board has since observed improvements to the audit process and client reporting.

Julia Poulter, Statutory Auditor at Crowe presented the Auditors Report on CIBSE's consolidated financial statements, its parent charity, and its subsidiaries for the year ended 31 December 2021. The financial statements were found to provide a true and fair view of the state of the Group and the parent charity's affairs and of the incoming resources and application of resources (including its income and expenditure) for the year and had been prepared in accordance with the UK's accepted accounting practices and requirements under the Charities Act 2011.

Adrian Catchpole then reported on the 2021 Financial Statements, emphasising that CIBSE has a strong set of accounts despite ongoing challenges due to the pandemic. Catchpole commended the staff's pursuit of savings and initiatives to improve the business.

The overall Group income rose from £6.117m in 2020 to £6.891m in 2021. Trading subsidiaries (Services, Certification and Hong Kong) witnessed an increase of £380k. Investment income (Interest and Dividends) is the only category that saw a minor dip from £64k to £63k. Income from membership subscriptions was up by £137k despite the freeze on the increase to subscriptions in 2021. Fees collected for charitable services (CPD and Events) increased by £165k. Under donations and legacies, £93k was posthumously bequeathed by former CIBSE President Graham Manly.

CIBSE Services Ltd turnover was found to have benefitted from making certain services virtual, such as training, and creating better online learning experiences. As restrictions eased, the Journal saw advertising revenues increase. Publication sales increased following the release of key guides like TM65, CP1, and Guide A.

While CPD and online learning did well, events in general saw a deficit. The 2021 Building Performance Awards were the first to be held post-pandemic, so the figures are significantly lower than its February 2020 predecessor. Digital software verifications were down, but are explained by the biennial nature of the renewal process. Certification turnover, bound by regulatory constraints, stayed around the same.

Overall Group expenditure rose from £6.204m in 2020 to £6.612m in 2021. Spending on trading subsidiaries remained the same even as income rose; it was noted that a year of savings from online working offset increased costs. Expenditure on membership was up by £186k. Technical expenditure went down slightly due to staff vacancies. Adrian Catchpole was pleased to declare that increased funding went toward 'Regions, Special Interest Groups and Societies'. Additionally, there was better take up of 'Research' funding as we came out of lockdown.

There was a total £774k increase in Group income and a £408k increase in Group expenditure. Before gains on investment, the Group experienced a £279k surplus this year against an £87k loss last year. In valuation income (Investments/Pension Funds) and net movement in funds, the 2020

statements show a deficit of £6k and £93k respectively. In 2021, these categories display positive increases - £163k and £442k respectively.

Net assets of the Group being carried forward in 2021 were £3.016m, representing a £443k increase from 2020. The investment fund balance went up £293k as the government invested in the economy. The stock market - and by extension CIBSE's investments, also did well. Physical copies of publications will keep decreasing as we move to digital versions. Increased debtors in 2021 reflect increased sales.

Cash at bank and in hand increased by £628k due to increased sales and the 12-month interest-free Coronavirus Business Interruption Loan (CBIL) of £500k. Offered by the government in response to the pandemic, this amount remains unspent by CIBSE. Credit due within one year includes trade creditors and a portion of the CBIL. The Defined Benefit Pension Scheme Asset fell from £24k to £9k due to continuous changes in the asset ceiling.

Although pre-pandemic levels have not yet been restored, revenues across the business continue to improve and CIBSE is in significant operational surplus.

Adrian Catchpole then opened the floor to questions.

Chris Jones asked if there was an exceptional reason why the pension scheme asset had reduced from £24k to £9k, to which Adrian Catchpole reiterated that those running the pension scheme change these things and it is out of our control.

Chris Jones also asked if the extra revenue from subscription fee increases has been outweighed by actuarial losses to the defined benefit pension scheme, and asked about exposure to market fluctuations and if the Trustees see the overall situation as any kind of risk. Adrian Catchpole confirmed that this is on the risk register, and anyone involved with defined benefit pension schemes knows how difficult and risky it is. For the pension scheme there are different Trustees, distinct from the CIBSE Board, who review this regularly and actively examine ways to reduce risk.

Phil Jones noted that creditors comprise a high proportion of the turnover. More details were requested on the £441k that is outstanding, and if it relates to a particular debt. Adrian Catchpole said this is linked to the government's CBIL. He explained that the decision was taken in March 2020, when members forecast for a worst-case scenario and anticipated CIBSE having to draw down investments, hence the loan was acquired as an additional potential cash fund. However, during this time the stock market, and business, bounced back quickly. The plan is to pay back the loan in the months ahead subject to Board review.

Auditors

The proposal put forth by Adrian Catchpole to appoint Crowe U.K. LLP as auditors for the financial year 2022 was passed unanimously.

Special Resolution

The second proposal put forth by Adrian Catchpole for annual membership subscription rates to be increased by 4% from 1 January 2023 was also passed unanimously.

Board and Council for 2022/2023

Ruth Carter announced the Officers, Board and Council Members for the forthcoming year.

Officers:

President:	Kevin Mitchell
President-Elect:	Adrian Catchpole
Hon Treasurer:	Vince Arnold
Immediate Past President:	Kevin Kelly
Vice Presidents:	Fiona Cousins, PL Yuen, Les Copeland
Continuing Board Members:	Dave Cooper, Laura Mansel-Thomas
Newly elected Board Members:	Lionel James, Ruth Kelly-Waskett, David Stevens
Newly elected Council Members:	Mike Burton, Sanjay Modasia, Andy Sneyd

Any Other Business

Kevin Kelly thanked departing Board Members Alex Logan, David Fitzpatrick, Susan Hone-Brooks, Lynne Jack, and Stuart MacPherson before formally concluding the AGM.