

CHARTERED INSTITUTE OF HOUSING

(Incorporated under Royal Charter)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

CONTENTS

| | Page |
|---|---------|
| Reference and administrative details of the charity, its Trustees and advisers | 1 - 2 |
| Trustees' report | 3 - 21 |
| Independent auditors' report on the financial statements | 22 - 25 |
| Consolidated statement of financial activities | 26 |
| Consolidated balance sheet | 27 - 28 |
| Charity balance sheet | 29 - 30 |
| Consolidated statement of cash flows | 31 |
| Notes to the financial statements | 32 - 60 |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021

Trustees

Aileen Evans, Current CIH president
Anne Chapman, Assistant Director - Governance and Compliance, Golding Homes, Vice Chair
Chan Kataria, Chief Executive, EMH Group
Elly Houlst, Group Director - Assets, Notting Hill Genesis
Geraldine Howley, Chief Executive, Incommunities, Chair of the Board
Gordon Perry, Former Chief Executive, Accent Group (now a retired consultant)
John Hannigan, Chief Executive, Circle Voluntary Group
Julie Faddon, Chief Executive, SLH Group, Vice-Chair
Robert Grundy, Head of Housing, Savills (Housing Division)

Co-opted members

Jo Richardson, Current CIH Vice-president until June 2021
Paul Diggory, Chair of the Wales Board - co-opted until November 2021
James Strang, Former CEO, Parkhead Housing Association (retired) - co-opted until November 2021

Executive Team

Gavin Smart, Chief Executive
Josie Twimming-Stroud, Director, Member Services and Communications
Sarah Dunkerely, Director, Knowledge and Learning
Andy Orrey, Interim Director, Finance
James Prestwich, Director, Policy and External Affairs

Charity registered numbers

244067 and SCO40324

Principal office

Chartered Institute of Housing
Suites 5-6 Rowan House
Westwood Way
Coventry
CV4 8HS

Independent auditors

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Bankers

Barclays Bank plc
5 Colmore Row
Birmingham
B3 2WN

Solicitors

Trowers and Hamblins LLP
3 Bunhill Row
London
EC1Y 8YZ

Investment Managers

Charles Stanley and Company Limited
25 Luke Street
London
EC2R 4AR

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees of Chartered Institute of Housing (CIH, also referred to as the Institute) submit their annual report and the audited financial statements for the year ended 31 March 2021.

The Trustees have adopted the provisions of 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 (FRS 102) (effective 1 January 2015)” in preparing the annual report and financial statements of the charity.

Structure, governance and management

a. Structure

CIH is incorporated under a Royal Charter which was granted on 25 June 1984. The objects of CIH are to promote the science and art of housing, its standards and ideals and the training and education of those engaged in the profession of housing practice. CIH is registered as a charity with the Charity Commission (registered no. 244067) and the Office of the Scottish Charity Regulator (registered no. SCO40324).

The international subsidiaries of CIH are CIH Asia International (Hong Kong, Taiwan, Macau) and CIH China WOFE Xianyu Shenzhen (wholly owned foreign entity)/Xuan Yu (mainland China). CIH Canada and CIH Asia International are both wholly owned subsidiaries of CIH UK. CIH China is a subsidiary of CIH Asia International.

Each subsidiary has the following structure:

- Governing board
- Executive committee (to determine the direction of travel for financial and operational activity)
- Operational general manager
- Finance function
- Auditors

Over the past year, CIH has worked closely with all subsidiaries to establish robust governance structures and effective operational and financial reporting. CIH Canada has recruited a new management agent to reinvigorate activity and membership engagement in the country. CIH Asia International has worked to establish an office and presence in China to ensure legal and regulatory compliance with local requirements and this can now start to operate as a subsidiary in its own right.

HouseMark Limited is an associate company (51% owned) offering benchmarking and sector improvement services and business intelligence. This company is registered at Companies House under company number 03822761.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

b. Governance

The appointed CIH Governing Board comprises twelve (12) Trustees. The Board is responsible for the management of the business of the Institute. This includes setting the strategic direction of the Institute as a whole, determining priorities, ensuring performance and managing risk and accountability, viability and sustainability. The Governing Board exercises all the powers of the Institute which are not otherwise required by the Charter and Byelaws to be exercised by the membership in general meeting.

The Governing Board oversees the business of the national boards in Scotland, Wales and Northern Ireland, the nine regional groups in England, CIH International Subsidiaries and branches and the delegated boards and committees:

- Audit and Risk Board,
- Governance, Ethics, Remuneration and Nominations (GERN) Committee
- Professional Standards Committee,
- Futures Board, and
- Policy Advisory Committee.

The Trustees are required to meet a minimum of six times per year and in 2020/2021 they held six meetings from April 2020 to March 2021. Governance costs include expenditure relating to advice on and compliance with all regulatory and legal obligations, audit costs, costs of meeting constitutional and statutory requirements, Trustee and board committee meetings, costs of all strategic planning processes and the executive staff costs incurred in supporting the governance activities, company secretariat and support staff.

CIH have noted an error in the Charity commission breakdown of the published accounts for 2019/2020. The charity commission require the declaration of specific income and expenditure lines and for the year in question CIH reported Governance costs at £19k. The actual governance costs were £335,558, which was included in note 9 of the financial statements.

A schedule of current Trustees and those who have served terms of office during 2020/2021 is included on page 1.

Audit and Risk Board (ARB)

The scope of the Audit and Risk Board is authorised by the Governing Board, and includes the following activities:

- Providing strategic advice to CIH Governing Board in relation to risk and accountability;
- Assessing the degree to which the CIH Code of Governance and Governance Framework is complied with, is clear in its meaning and is practicable, making recommendations for change to the Governing Board as appropriate;
- Monitoring and reviewing membership satisfaction levels in relation to CIH services and activities, reporting at least annually to the Governing Board;
- Examining reports on special investigations and to advise the Governing Board accordingly;
- Promoting the completion of effectiveness reviews at Board level in line with procedures agreed by Governing Board, reporting on the overall findings to Governing Board.

Currently, the membership of the Audit and Risk Board comprises three Trustees and one independent member. The Chair of the Board is a Trustee.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

GERN Committee

The membership of the GERN committee comprises of four (4) Trustees and one (1) independent member. The GERN Committee chair is a trustee. The company secretary attends all GERN's meetings.

The GERN Committee is authorised by the Governing Board to perform;

- Governance and ethics decisions to ensure that policies are drawn up and reviewed regularly, which define the roles, duties and responsibilities of the board and committee members. The committee ensures that there is a clear process approved by the Board of Directors for recruitment and that this process is effectively implemented. The Committee is responsible for the recruitment of the Board and Committee, including the appointment of the Vice President in accordance with the Charter and the Byelaws.
- Remuneration decisions in terms of setting the remuneration policy for all executive directors, directors and senior management including pension rights and any compensation payments. No director or senior manager is involved in any decisions as to their own remuneration. The remuneration policy takes into account the risk appetite of CIH and aligns with CIH's strategic goals. The committee also ensures that contractual terms on termination, and any payments made, are fair to the individual, and CIH, that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- Nomination decisions in terms of ensuring plans are in place for orderly succession to Governing Board and senior management positions, and overseeing the development of a diverse pipeline for succession, taking into account the challenges and opportunities facing the company, and the skills and expertise needed on the board in the future.

Remuneration and nomination of the Governing Board and Executive Team

The Charter and Bye laws require Governing Board members to be recruited by means of a selection panel. Members are appointed on the basis of their skills and experience and those required by the Board and shall become Trustees after they have been approved by the Trustee Recruitment Panel and subsequently approved by the Members in General Meeting.

At each Annual General Meeting, one third of the Trustees retire (in addition to any otherwise required to retire) and where possible, the Trustees to retire are those who have been appointed Members of Governing Board for the longest period since their appointment.

If a person has served on the Governing Board as a Trustee for a continuous period of six years, he or she shall be ineligible for re appointment as a Trustee at the Annual General Meeting at which he or she ceases to hold office.

The President and Vice President are elected through a nomination and voting process. Calls for nomination for the position of Vice President are made at the beginning of the financial year before the Annual General Meeting (AGM). At each AGM, the Vice President becomes President and a Trustee ex officio for so long as he or she is President. The retiring President ceases to hold office and retires as a Trustee.

Each member of the board undertakes induction training, consisting of a comprehensive briefing by the Chair of the board, the Chief Executive and Company Secretary and Head of Governance with emphasis placed on the legal status and the responsibility of a Trustee.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

In addition, all new Trustees have a thorough introduction with directors and key staff. An induction pack is provided to each Trustee including CIH's Charter and Bye Laws, Governance Framework and reference documents relating to the role of Trustee from the Charity Commission. This is updated as required throughout the year and updates are provided to the Trustees.

Professional Standards Committee (PSC)

The PSC examines cases where a member of CIH or other person or body has laid a complaint against a member or has alleged that such member has acted in contravention of the Bylaws. The PSC will oversee the code of conduct for CIH including:

- Considering complaints against members about breaches of the code
- From late 2016, it will review CIH's CPD policy and the auditing of members' compliance
- Direct action to be taken where a member has breached the code or the CPD policy
- Report to the governing board annually on compliance with the code
- Advise CIH on its complaints policy
- Review the code of ethics every three years.

The function of the PSC is being extended and it is hoped they can become more engaged in work connected to the professional standards framework.

Policy Advisory Committee (PAC)

The PAC acts as a sounding board for CIH's responses to emerging housing issues and policy development. Providing insight, advice and expertise on housing and related policy areas, PAC helps CIH to:

- Increase its influence and effectiveness in housing policy development
- Prioritise its resources effectively in policy and public affairs activities
- Reflect members' interests in housing policy matters.

In 2019/20 PAC provided advice on our work on building safety, professionalism, the way in which social housing is allocated and CIH's policy priorities as well as shaping our submissions to the Treasury ahead of the Budget and Comprehensive Spending Review. We have continued to work on these priorities during 2020/21 and a recruitment campaign in the autumn of 2020 attracted applicants of a very high calibre and enabled us to bring a broader range of skills, knowledge and expertise to the group.

Futures Board

The CIH Futures board seeks to increase membership among housing professionals under the age of 30 and promote housing as a career and the role of professional bodies.

Evie Copeland and James Ballantyne continued in their roles as chair and vice-chair respectively and a recruitment drive took place in December 2020 with two new board members joining from the Midlands and London. The next round of recruitment will seek to increase their geographical representation across the UK as well as individuals from under-represented groups in our communities.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

c. The Charity Governance Code and the CIH Governance Framework

Good governance is essential for the success of any organisation and is now more important than ever. Trustees and board members play a vital role in serving their chosen causes and their wider communities. They bring passion and commitment as well as skills and experience to the organisations they lead. Boards set the long-term vision and protect the reputation and values of their organisations.

To make a difference, a board must have proper procedures and policies in place, but it should also work well as a team, have regard to its own purpose and development and foster good relationships within the organisation and across the wider community that it serves. CIH seeks to ensure that its governance arrangements are of the highest order and inspire confidence and trust in the organisation.

In 2020, CIH updated its code of governance and Governance Framework to align with the updates made to the Charity Governance Code and the changes experienced in the last year to the governance structure in CIH. The CIH Code of Governance has been updated to reflect these changes to the Charity Code particularly with reference to EDI. The rationale behind the update is, addressing equality, diversity and inclusion helps a board to make better decisions. Recognising and countering any imbalances in power, perspectives and opportunities in the charity, and in the attitudes and behaviour of trustees, staff and volunteers, helps to make sure that a charity achieves its aims.

The updated code is shorter and streamlined with more reference to other parts of the Framework and other policies and guidelines outside of the actual Code.

The CIH Governance Framework aligns with the Charity Governance Code and adopts the “apply or explain” approach that is the trademark of the Charity Governance Code. It is the foundation of the CIH Governance Framework’s flexibility.

The Framework is not a rigid set of rules, although of necessity, some structure is applied so that the affairs of the Institute are regulated in such manner as the Governing Board sees fit. Rather, the Framework consists of seven key principles which are to be applied across the wider governance of the organisation and provisions.

It is recognised that, from time to time, an alternative to following a provision may be justified in particular circumstances if good governance can be achieved by other means. A condition of doing so, however, is that the reasons for it should be explained clearly and carefully to members and other stakeholders as appropriate.

CIH has a strong reputation throughout the housing sector and it plays a vital role, through its members and its influence, in shaping the lives of millions of people through its work to improve the homes and communities in which they reside.

CIH Trustees and Board members therefore carry an important responsibility to manage the organisation and deliver on its objectives in a way that enhances trust and support among its stakeholders.

The Governance Framework sets out clearly the principles that Trustees and other decision makers follow. It also provides clear information about what those principles mean in practice.

Good governance in charities is fundamental to their success. It enables and supports a charity’s compliance with the law and relevant regulations. It also promotes a culture where everything works towards fulfilling the charity’s vision.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

d. Leadership

Geraldine Howley has completed her second year as chair of the Governing Board. The chair is supported by Julie Fadden and Anne Chapman both confirmed as vice chairs.

Aileen Evans took over as president in November 2019 at the AGM. The current vice president is Jo Richardson who takes up office as president at the AGM in June 2021.

Robert Grundy was due to come to the end of his six-year term in November 2020, but due to the pandemic, members passed a resolution to extend his term for a period of one year ending November 2021 and for the recruitment of a replacement also delayed.

The Board also agreed to co-opt three members onto the Governing Board in 2020.

| | |
|---------------|---|
| Jo Richardson | Current CIH vice-president until June 2021 |
| Paul Diggory | Chair of the Wales Board – co-opted until November 2021 |
| James Strang | Former CEO, Parkhead Housing Association (retired) – co-opted until November 2021 |

e. Management

The day to day management of CIH is delegated by the Governing Board to the Chief Executive and the Executive Team. The Finance and Corporate Services functions were managed on an interim basis by Executive Directors pending permanent recruitment.

The Executive Team for 2020/2021 comprises:

| | |
|---|-----------------------|
| Chief Executive | Gavin Smart |
| Interim Director of Finance | Andy Orrey |
| Membership and Partnerships | Josie Twinning-Stroud |
| Director, Knowledge and Learning | Sarah Dunkerley |
| Director of Policy and External Affairs | James Prestwich |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

f. Trustees' responsibilities statement

The Trustees of CIH are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England, Wales, Scotland and Northern Ireland 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 charity and the group and of the incoming resources and application of resources of the group for that period.

In preparing these financial statements, the charity Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution.

They are also responsible for safeguarding the assets of the charity and the group and for taking reasonable steps to prevent and detect fraud and other irregularities.

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

Trustees also determine the strategic course of the Institute and monitor progress against corporate plans and review its constitutional, statutory and financial responsibilities.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

g. Risk management

Policies and procedures are designed to identify, assess and mitigate risk. The Audit and Risk Board examines and actively reviews the major strategic, business and operational risks that CIH faces and reports back to the Governing Board Trustees, via the Chair of the Audit and Risk Board who is a member of the Governing Board and a Trustee.

The Executive Team carries out regular reviews of the strategic risk register, and twice a year conducts a directorate review of operational risks.

The results of these reviews are reported to the Chief Executive in a directorate declaration statement, enabling assurance to be given by the Chief Executive to the Audit and Risk Board on the key risks and controls in place and their operation.

The key strategic risks which have been identified are:

- CIH fails to deliver against its financial strategy due to changes in the sector. A challenging economic climate and changing markets for our customers continues to impact upon CIH's income streams and membership;
- Financial underperformance of commercial subsidiaries as well as JV and other partners.
- CIH fails to fulfil its regulatory requirements
- Pension liabilities for past service which on cessation are substantial would detrimentally impact CIH's financial position.

These key strategic risks are recorded in the strategic risk register, which records the mitigation that is in place, together with further action. The Executive Team and Audit and Risk Board keep the risks under review and consider appropriate mitigating actions which are detailed in the risk register.

The mitigating actions are ranked in order of priority and have a contingency plans built in. The Governing Board receives regular reports from the Audit and Risk Board.

The Trustees, as a body, are together responsible for establishing, implementing and monitoring the internal financial controls. The detailed oversight of the internal financial controls is delegated to the Audit and Risk Board.

The Audit and Risk Board have taken note of the guidance from the Charities Commission on Internal Financial Controls and have completed the check list provided by the Charity Commission as guidance to evaluate the CIH's performance against the legal requirements and good practice recommendations set out in this guidance.

The Audit and Risk Board is satisfied with the level of compliance and any actions identified to improve the controls.

The Audit and Risk Board met four times between April 2020 and March 2021. An assurance framework was developed in conjunction with the appointed Internal Auditors, RSM. The framework includes a three-year audit strategy and annual internal audit plan.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

In 2020/2021, the following internal audits were undertaken and planned:

- CRM: Benefits Realisation Arrangements
- Membership Framework
- CIH Group Oversight Framework: Subsidiary Companies and Joint Ventures
- Governance – Corporate Planning Arrangements
- Key Financial Controls
- Follow up of outstanding audit recommendations
- Change Management advisory audit planned following implementation of a new CRM

The annual opinion from the internal auditors is, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes.

Objectives and Activities

In setting the objectives, planning the activities, and reporting on the performance of CIH the Trustees have given careful consideration to the Charity Commission guidance on public benefit. Our charitable objectives and public interest requirement guide our business and corporate planning.

CIH is the independent voice for housing and the home of professional standards. We exist to promote the science and art of housing, its standards and ideals and the training and education of people who work in housing.

We maintain our public benefit by providing education and training programmes and using evidence, both research and practice based, to influence and shape housing policy and implementation. We disseminate information and knowledge to and for the industry through our membership and communication networks.

Our objectives and activities in 2020-21 were driven by our corporate plan for 2018-21, which sets out our vision for CIH and the profession.

The plan's mission is "to support housing professionals to create a future in which everyone has a place to call home." It sets out how we will:

- build a sustainable and successful organisation
- grow our membership
- provide relevant knowledge and education for a modern housing profession
- be the leading voice for the UK housing profession.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

a. Main achievements of the charity

Education and learning

A total of 1,459 CIH qualifications were awarded in 2020-2021 compared with 1,750 in 2019-2020. The impact of the lockdown, pandemic and national restrictions have had a significant impact on education during the year, with changes to regulations, delivery and assessment practices having a significant effect on our centres and qualifications registrations, including the ability to print certificates, with the focus being on results and achievement not new starts. Despite this we maintained a consistent level of registrations over the year, although at lower levels than expected, due to the operational models of centres being face-to-face and them having to implement change during this period. The CIH Housing Academy was able to adapt to change quickly as most of its offer was already on-line and this provided us with an advantage and a platform to work with the sector to continue to meet educational demands in a more flexible manner. New offers were developed to replace existing face-to-face delivery and blended delivery models, that are fully online including the new online plus, which offers a mixture of online learning and virtual tutorials and bite-size learning, giving individuals the opportunity to learn in small steps.

We have continued to embed a UK-wide approach to the delivery of qualifications and training, while continuing to deliver nation-specific content where appropriate or needed. We have continued to build relationships and bespoke programmes with employers across the UK and internationally, with partners such as Homeless link and ICSH (Irish Council for Social Housing), Landlords Authority Scotland, and with an increasing number of new customers in the public sector and local authorities.

Apprenticeships

We have continued to develop and build on our delivery of apprenticeship programmes in 2020-2021; with 292 registered with CIH at the end of the year. Apprenticeship delivery was impacted during the period and experienced a high level of 'interruptions' to programme more than expected. Interruptions result in a hold being placed on their account and a freeze on any funding for that apprentice for the period of the hold, (these are at the request of the apprentice and employer and indications are that these are a result of employment issues during the lockdown). We have put in place a programme of contact with the aim of working with the apprentices and employers to get them back on programme in the shortest possible time. Delivery was also moved to online contact and assessment from face-to-face which is a longer-term benefit.

Our end point assessment (apprenticeship) function was able to quickly move to online/virtual panels, reducing several costs such as assessor expenses and this has seen an increase in activity over the period. We have seen an increase in new registrations in this area and achievements, with 799 apprentices registered with CIH in the year. Since when our first apprentices completed in 2019, a total of 642 have now successfully completed. We have continued to work with the devolved nations on their review of the apprenticeship's framework.

Training and continuing professional development

Our face-to-face training offer was immediately impacted by the national lockdown and restrictions on face-to-face contact and delivery, resulting in a change to all training programmes made. Initially we launched new online training programmes in late May using webinar technology. We continued to revise and refine the programmes and moved the delivery to Microsoft team's functionality, focusing on both our open access programmes and offers and adapting programmes that were bespoke for individual employer's needs. Both options have had varying degrees of success and have allowed greater flexibility in delivery style, time, and costs.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

Professionalism

In March 2021 we introduced CIH professional standards. The standards build on seven characteristics that have been developed, tested and refined with the sector over the last 18 months. They are designed to support people to reflect on and think about their professional development needs. They are relevant for everyone who works in housing, across all tenures, whatever the role or specialism. They have been very positively achieved and there is a significant cohort of organisations now working to embed our standards across their organisations.

Membership performance

Our membership numbers increased by three per cent to 18,875 at 31 March 2021 compared to 18,393 at 31 March 2020. This is a positive development against the backdrop of the pandemic and demonstrates the continued focus across the sector on professionalism.

A total of 1511 new members joined us in 2020-21 including 209 new chartered or fellow members (our highest grades of membership).

We now offer a rolling year membership allowing members to sign up at any point in the year for a period of 12 months.

CIH Futures continue to support our work particularly this year during National Careers Week and the promotion of our young professionals' event The Big Conversation, held virtually for the first time and attracting over 100 delegates. However, the pandemic proved challenging in growing our under 30s membership and numbers fell to 318 at the end of March 2021.

In 2020 we launched our Building Better Boards membership offer for board members and governance professionals, to acknowledge the critical role they play in the sector, ensure they are recognised as housing professionals and supported and equipped through CIH membership. To date we have 16 organisations sign up to our Building Better Boards membership offer resulting in 189 new members.

We entered into a new partnership with The Institute of Leadership and Management (TILM) offering discount membership of TILM to current CIH members in order for our members to benefit from additional resources to support their careers.

We introduced new ways for members to get involved including our Equality, Diversity and Inclusion (EDI) steering group who are working with us to support our commitments to EDI. Our regional group structure in England is now more flexible with members encouraged to join who share our goal of delivering member value across the regions. During the pandemic this included contributing content to our virtual events programme and creating virtual networking opportunities for members.

Conference and events activity

This has been a very turbulent year for our events business. The COVID-19 pandemic all but ended our live events business overnight. The team have focused on rebuilding our offer, pivoting quickly from a face to face to virtual events model. This has ensured that we remained relevant in the market and were able to continue using our events as a vehicle to deliver knowledge to the sector and a sense of community for our members and customers. Over the past year the team delivered 28 events which has seen hundreds of speakers and around 5,500 attendees.

As we move into the next year, we are embarking on a strategy which will see all CIH delivered conferences and seminars be exclusive to CIH members.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

Corporate Partnerships

Our corporate partnership products performed well this year, generated £1.264m of revenue. Our partnerships focus on delivering key account management to our high spend clients, providing revenue for each of our commercial business areas.

Influencing and providing evidence

Our 2018 Rethinking Social Housing research and report identified that social housing and the people who live in it are increasingly subject to unfair stigma based on their tenure. The causes are many and varied but we recognise that housing providers, their employees and contractors all play a part in creating and perpetuating stigma in the way that services are designed and delivered and through their language, attitudes and behaviour. We worked with the See the Person campaign to capture tenants' and residents' experiences of stigma and jointly produced a guide titled It's not okay. The guide, launched in September 2020, encourages landlords and professionals to critically reflect on the impact of what they do while also sharing learning and positive practice in challenging negative stereotyping.

For many households, part or total loss of income as a result of the COVID-19 pandemic means that they face an increased risk of homelessness due to not being able to meet their housing costs. We welcomed the initial steps taken by government to protect tenants and help them meet their housing costs during the crisis. By sustaining many peoples' incomes through the furlough scheme and other measures, and by calling a halt to evictions, it created a temporary respite for tenants. However, concerned that the end of these measures could result in a sudden increase in homelessness, in June 2020 we published a set of evidence-based proposals for government which included a range of welfare policy measures. We have continued to campaign for these measures in our Spending Review and Budget representations to HM Treasury.

CIH has led and/or contributed to a number of important campaigns during the year.

- CIH is a founding member of the Housing Made for Everyone (HoME) coalition led by Habinteg and the Centre for Ageing Better. HoME's #ForAccessibleHomes campaign is calling for higher accessibility standards to be the default in all new homes. This is a pressing issue as only 9 per cent of our country's homes have the four basic accessibility measures that make a home visitable let alone liveable, an estimated 400,000 people who have to use wheelchairs in their homes are still living in properties that are not adapted or accessible, while only 1 per cent of new homes planned outside London are to be fully wheelchair accessible. Campaign activities include regular social media activity and an accessible housing day, an open letter to the Prime Minister and secretary of state for housing on the need for higher accessibility standards, and discussions with private developers on support for/objections to increased standards. CIH also submitted a response to the government's consultation on raising accessibility standards for new homes.
- In June 2020 we became partners in Homes at the Heart – a cross-sector coalition campaign calling on government to use the 2020 Spending Review to make a once in a lifetime investment in social housing to provide the homes we desperately need, boost the post-COVID economy, create jobs and improve lives. This also formed the basis of our submission to HM Treasury ahead of the Chancellor's March 2021 Budget Statement.

Since the tragic fire at Grenfell Tower almost four years ago, we have been actively engaged with both the sector and government to influence current and future practice on building safety in high-rise buildings. Activities so far have included:

- Representing CIH on two of the competency steering groups – building safety manager and overarching competency body
- Working with the Ministry of Housing, Communities and Local Government (MHCLG) building safety team to support the drafting of the Building Safety Bill
- Submitted evidence to the CLG select committee on the Building Safety Bill

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

- Spoken at a range of internal and external event to raise awareness of the new statutory and regulatory regime being introduced through the Fire Safety Act and the Building Safety Bill
- Creating a range of products and services (including a one-day virtual event) to support members to understand forthcoming changes and act now to ensure that building in scope are safe
- Developing a range of fire safety webinar and seminar programmes.

CIH Scotland

Over the last year we have worked closely with housing professionals across all tenures to amplify the power of their experience and expertise. This has included publishing research on Scotland's affordable housing need between 2021-26 with partners at Shelter Scotland and SFHA calling for 53,000 affordable homes over the next five years; chairing a Scottish Government Working Group on improving housing outcomes for victims of domestic abuse and publishing a report; co-chairing a new National Dementia Forum to improve links between housing, health and social care services and ensure people with dementia are supported to live well in their homes; publishing a manifesto for the 2021 Scottish Parliamentary elections and reporting on the future of housing education in Scotland setting out how colleges, universities and learning centres can work more collaboratively to improve learner access to education.

We have made the case to elected members and decision makers about the case for investing in housing by giving oral evidence to two parliamentary committees on both the Scottish Budget and Domestic Abuse (Protection) Act; Convening Scottish Housing Day on behalf of the sector, including a keynote event and a report on the case for more social housing; submitting 14 consultation responses to the Scottish Government and Scottish Parliament and sitting as a member of the COVID-19 local authority resilience group and social housing resilience group.

Finally, across 2020/21 we delivered a series of conferences and exhibitions, policy symposiums and member including the annual CIH Scotland Housing Festival - it remains firmly established as Scotland's premier housing event and took place as a virtual event for the first time in March 2021. Our set piece young professionals' event, The Big Conversation, brought together new and emerging figures from Scotland and beyond seeking the big answers to the major issues on career progression in the sector. We shared best practice and knowledge through our series of member webinars and briefings and our 2021 good practice compendium featuring all shortlisted entries from the 2021 Scotland Housing Awards. And we launched our Housing Leader Exchange- bring together expertise from inside and outside the sector on the challenges of being a leader in Scotland.

CIH Northern Ireland

We published 'Rethinking social housing Northern Ireland – the next steps' setting out our key asks for policy change moving beyond covid. The report was launched on social media achieving more than 20,000 views / impressions and almost 1,000 engagements. We discussed the report with five MLAs, the communities minister, finance minister, infrastructure minister and the Committee for Communities.

We ran a joint campaign with three local organisations calling for a specific housing outcome in the draft programme for government, to prioritise housing policy development and funding. The campaign received public support from ministers and four political parties, and it was discussed in the NI Assembly. The campaign is ongoing.

We published results of CIH public opinion polling in Northern Ireland, which highlighted stigma as a barrier to delivery of future homes. This is a key issue for which members have sought our influencing.

We ensured integration of NI in the Homes at the Heart campaign with four NI organisations submitting content. A key local ask was funding prioritisation in light of increasing covid costs; the grant budget was subsequently reviewed and increased.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

We achieved 21 mentions in the regional press and national trade press, including BBC Newsline, BBC, Belfast Telegraph, Irish News and Inside Housing. This included coverage of NI aspects of the UK Housing Review. We published 13 blogs/media releases.

We submitted two consultation responses. The Department for Communities proceeded with two of our recommendations from previous work, to explore a new intermediate housing tenure for Northern Ireland, and to change the proposed definition of affordable housing for planning purposes, ensuring social housing continues to be afforded appropriate weight.

We ran nine policy webinars – 407 bookings were received with a median of 30 per webinar, while delegate fees and sponsorship resulted in a surplus of £1,860. Much of the content was repurposed from the Northern Ireland regional conference that was cancelled due to covid, ensuring members could still avail of the programme.

We secured funding from the Department for Communities for development costs to make our online Level 2 landlord qualification suitable for the Northern Ireland market. We worked with the Housing Academy to develop and submit the proposal.

The Department for the Economy approved the development of a new apprenticeship framework for level 3 housing practice. This is the result of our work establishing a sector task and finish group to review existing qualifications and demonstrate demand for a new framework, following the closure of the Ulster University housing management degree. The group has 11 employers.

CIH Cymru

Back Housing /Cefnogi Tai 2021

As political parties campaigned ahead of the Senedd election on 6 May 2021, we worked with members to help inform and amplify the voices of housing professionals by:

- Launching our Back Housing / Cefnogi Tai 2021 manifesto
- Meeting with political representatives shaping each party's respective commitments
- Providing briefing sessions for candidates from each main political party on our manifesto and wider housing-related issues creating a digital engagement pack for Welsh members to use when engaging prospective candidates locally.

Back the Bill campaign

To elevate the impact of our call around a right to adequate housing in Wales, we have worked to co-produce a campaign alongside Tai Pawb and Shelter Cymru aimed at realising the right in practice – 'Back the Bill'. The campaign is centred around draft legislation that would pave the way for a right to adequate housing to be enshrined in Welsh law. Three political parties included incorporation of the Right as their number one commitment in the housing sections of their manifestos ahead of the Senedd elections.

Capturing public feeling

To aid our influencing work we commissioned public opinion polling which found that 77 per cent of people in Wales would support in principle, a right to adequate housing. The survey also revealed housing was seen as a prominent issue by the Welsh public, with a majority (83 per cent) believing the Government should provide housing at a decent standard for everyone.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

Shaping the Welsh housing policy landscape

Alongside our work linked to the election and the pandemic we've been busy contributing the views of housing professionals to help shape the housing policy landscape by:

- Responding to Welsh Government consultation and Senedd inquiries, including views on making Wales more age-friendly, how the Well-being of Future Generations Act has impacted the sector, and future considerations for addressing fuel poverty.
- Working in collaboration to raise the profile of housing issues – for example we collaborated on a response on the future of housing standards with Public Health Wales, emphasising the link between housing quality and people's well-being.
- Providing opportunities to professionals to directly engage decision-makers – for example we held a number of roundtables for members with expertise in building safety to help inform and shape thinking on the new building safety white paper.

Tyfu Tai Cymru Project

Through our Tyfu Tai Cymru research project (supported by grant-funding from the Oak Foundation) we have refocused our resources to focus more on the issues facing our members in Wales. This has included undertaking work surveying local authority housing professionals, unearthing the views on how the pandemic has impacted working conditions and housing delivery. And commissioning our largest piece of research to date looking at the role of housing advice during the hospital discharge process with a view to improving the consistency and awareness of the role housing does and can play in keeping people well at home and protecting vital capacity in the NHS.

We were also in the middle of producing research focussing on social housing allocations when the pandemic hit. This piece of work was paused and re-focussed to ensure its recommendations reflected on the COVID-19 context. We're continuing to work closely with Welsh Government over the findings of this report to shape how access to social housing can be made as fair and transparent as possible for anyone wishing to access it in Wales.

Media coverage

We continued to identify and exploit high profile broadcast, online and print media opportunities for CIH messages, including our research, policy positions and campaigns, learning role and the benefits of membership.

We were featured in a range of media and channels, maximising our use of social media to share news and key messages to our members and the wider housing community. In comparison to financial year 19/20, in 20/21 we had a very successful year on Twitter especially. Our followers grew +1,633 to 35,982; we saw an increase in interactions which jumped +4,173 to 10,641 and we had more traffic coming to us for news and content, increasing to 15,741 from 3,693 the previous year. This shows that we're having a positive effect on social media, driving traffic to our website for our events, briefings, blogs and training. Throughout the year, we wrote a number of comment pieces for Inside Housing, sharing our policy views and organisational opinion on a range of key housing announcements, such as: the Prime Minister's 'build back better' speech in June 2020; the release of the Social Housing White Paper in November 2020; and the changes to rough sleeping legislation in December 2020. In addition, we also provided statements on government announcements, changes in housing policy and breaking news.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

In September 2020 at the Virtual Housing Festival, we released our collaboration with ITN Productions focusing on the future of housing. The series featured the work of around 10 housing associations and local authorities. Alongside this, ITN put together a news item on our presidential campaign, Shine a Light which feature our president, Aileen Evans, plus some heartfelt case studies. We have decided to take a break from our partnership with ITN for 2021 due to the effects of the pandemic. We will resume in 2022 with a new film.

b. Investment strategy and performance

The Trustees' investment powers are set out within CIH's charter and byelaws. Accordingly, Trustees engage and instruct Charles Stanley & Company Limited ("Charles Stanley") and Barclays Bank to manage the investment portfolio. Both managers act within CIH's investment policy and, in addition, use an independent screening and monitoring agency which ensures that the requirements of the CIH Socially and Environmentally Responsible Investment Policy are upheld. Charles Stanley is instructed to follow an approach that is consistent with sustainable investment.

Not only must our investments offer sound potential return, but the companies should conduct themselves in a way that is both socially and environmentally responsible. We favour selection of those companies with ethical business practices that promote desirable goals such as sustainable development and mitigating climate change. Our investment objective is to maintain the real value of assets and protect the capital base whilst providing a rising level of investment income.

The portfolio made a total gain of £379k in the year, reversing the prior losses of £208k and, in addition, produced investment income of £64k, which was slightly down on the prior year of £73k. Our portfolio spans a wider range of asset classes than Equity and Bonds and seeks to generate return from a variety of sources. Our portfolio is reviewed continuously to ensure it remains within market indicators.

Financial Review

In addition to CIH's own activities these accounts include the licence fee received from HouseMark Limited, an associate company offering benchmarking and sector improvement services and business intelligence.

a. Financial position

The trading environment for the Charity during the pandemic was very difficult for events, conferences and Learning, although membership subscriptions and fees increased by 5.4% from the prior year with strong retention rates of existing members. We continued to build on our business to business relationships with corporate partnerships entering their fourth year. The overall consolidated Net Income surplus before revaluations of £215k is testament to prudent financial management, and this is the second successive year such a surplus has been achieved. The main one-off impacts on our financial position at 31 March 2021 were a revaluation loss in the pension liability arising from the defined benefit pension scheme of £265k and a revaluation loss on the former offices in Coventry (Octavia House) of £25k.

The net expenditure on charitable activities was £6,661k for the year, which represents a reduction of £1,663k compared to the prior year.

As a result of the above, the balance sheet shows a net liability position of £403k which is an improvement on the prior year of £305k.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

By the year end, incoming resources were £6,876k with investment in charitable activities at £6,275k, directly supporting delivery of our services to members and the housing sector.

Our associate company HouseMark Limited, a joint venture with the National Housing Federation, accounted for a return in respect of its licence fee of £240k for the year.

b. Reserves and designated funds

CIH holds financial reserves to be applied to future activities in a number of categories:

- * Unrestricted funds (excluding the pensions reserve) of £3,893k are available to be applied, at the discretion of the Trustees, to any of CIH's charitable purposes.
- * Restricted funds (£56k) available to be applied to the specific purpose(s) intended by the donor. The main long-term restricted fund is the David Butler Bursary Fund which provides financial support for people wishing to pursue a career in housing and at the end of the year was £52k. Other Restricted reserves relate to Grants received, with expenditure yet to be incurred.
- * Pension deficit reserve (£4.352m) is a negative reserve, arising from the recognition of the long tail liability on the defined benefit pension fund, more detail of which appears below. The trustees have expressed an intention to establish a designated reserve in unreserved funds in the future to build up the resources to meet the long-term pension liability. The ability to set aside such funds is dependent upon CIH generating surpluses which then become available.

CIH's assets are predominantly unrestricted and Trustees actively manage the proportion that is freely available as reserves. It is the intention of the Trustees to hold sufficient reserves to enable expenditure to be reduced in a managed fashion, should the need arise, avoiding the need to halt work abruptly. The Trustees have agreed that free reserves should normally be nine months of such essential expenditure. At 31 March 2021 this is estimated to be £5.0m

At 31 March 2021 the level of net assets is £3,949k, excluding the long-term pension liability, of which 5.2% (£200k) is cash and 53.8% is freely available being investment funds. In addition, the level of free reserves as at 31 March 2021 is £2,871k, which includes investment property of £1,925k. The Trustees have approved a new 3-year financial plan, in which the Institute returns to positive annual cashflow and therefore consider the reserve position above to be adequate in this period of transition.

This is, however, subject to the level of pension contributions remaining at levels that enable the Charity to fund the deficit over the longer-term, and the Trustees have concluded negotiations with the LPFA pension fund to this effect. Details of the pension scheme can be found in the notes to the financial statements. The next pension triennial review is underway and we expect the outcome in March 2022. The movements on these funds are detailed in the notes to the accounts.

The trustees have also agreed the following principles for the prioritisation of annual surpluses as they are accrued in future years:

- The business must have the resources (both people and infrastructure related) needed to maximise cash generation from the existing market and for opportunities to grow sustainably. This is critical to producing future ongoing profitability in a competitive world.
- Any additional future cash surpluses after priority 1 above should be invested to build up cash or liquid investments of 9 months operating costs so that future services to members can be continued for the short-term in even the most demanding financial environment. This implies free reserves of at least £3m and approximately £5m of either cash or liquid investments if all other valuations remain unchanged.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

c. Going concern

Chartered Institute of Housing has net assets excluding pension scheme liabilities of £3,949k (2020: £3,762k) at the balance sheet date. We have re-budgeted taking into account the impacts of the COVID 19 pandemic and have reduced expenditure to broadly match the expected reduced income. We expect income streams to recover in following years and we are looking at ways to supplement this with new products and more general cost savings. The currently approved three-year business plan included a return to positive cash-flows, and the implementation and outcomes of the plan will be vigorously monitored. The board have reviewed future cash projections, and have been assured that the impacts of Covid 19 can be contained with minimal net impact. Thereafter, the cash position reverts to a more favourable picture, and the board take comfort that further savings opportunities are available should the need arise.

CIH's negotiations with LPFA about future contribution rates for its final salary pension scheme members and the level of contributions towards the past pensions deficit were successfully concluded in the previous financial year, which mitigated a significant historic risk. As part of these discussions CIH closed the scheme to new and existing members and agreed in principle to the deficit management agreement proposed by the LPFA which will see CIH pay increased contributions in future years and grant a level of security on certain assets held by the charity.

The Directors consider the following to be the key risks to be considered in assessing going concern:

- the impact of reduced membership during the renewal in January 2022
- the impact of closing physical events and conferences due to the pandemic
- revenue reductions in Learning, training and Education incomes if investment in personal development reduces significantly
- an inability to reduce costs should any or all of the above occur.

Having reviewed stress testing on the ability to mitigate income reduction, the favourable liquidity position, the management reporting framework including the identification of opportunities not included in forecasts, the opportunity to secure additional funding should the need arise, the initial improved performance against the approved budget, the more general risk management framework and the process of regularly reviewing financial performance, the Directors believe that material uncertainties can be mitigated and/or managed appropriately and on this basis CIH's Governing Board confirms the CIH's going concern status.

d. Future plans

A new three-year corporate plan was approved by the trustees on 31 March 2021, with the following four key aims:

- Be a successful, sustainable and well-respected organisation
- Be a first choice, member driven organisation, responsive to the profession
- Provide relevant, current professional development for a world class housing profession
- Be the leading voice for the housing profession across the UK

This plan includes actions necessary to bring the Institute back into positive net worth.

CIH has managed to reduce the negative impact of the pandemic through provision of effective IT systems and hardware to enable working from home and through quickly responding to moving our education and training products online. The biggest area negatively impacted has been our events and we are constantly reviewing how we can continue to provide value to our members in this area.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

We therefore remain ambitious in our plans as we move into the new financial year. Our priorities for 2021/22 are:

- Further improve our membership offer and grow membership numbers by 10 per cent
- Increase lobbying and policy activity
- Increase training, apprenticeships and education by between three per cent and 10 per cent
- Reduce reliance on income from third parties and deliver a surplus of £150k.

Disclosure of information to auditors

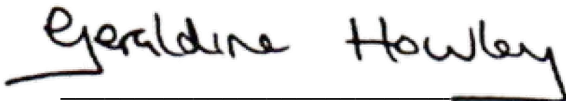
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Crowe U.K. LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Geraldine Howley
(Chair of Trustees)

Date: 27 October 2021

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHARTERED INSTITUTE OF HOUSING

Opinion

We have audited the financial statements of Chartered Institute of Housing (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHARTERED INSTITUTE OF HOUSING
(CONTINUED)

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient and proper accounting records; 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.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHARTERED INSTITUTE OF HOUSING
(CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which 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 liquidate the Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 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 Auditors' 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.

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

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over income and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHARTERED INSTITUTE OF HOUSING
(CONTINUED)

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 25 January 2022

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

| | Note | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Total funds 2021 £000 | Total funds 2020 £000 |
|--|------|---------------------------------------|-------------------------------------|--------------------------------|--------------------------------|
| Income from: | | | | | |
| Donations and legacies | 4 | 222 | 142 | 364 | 196 |
| Charitable activities | 5 | 6,234 | 41 | 6,275 | 8,064 |
| Investments | 6 | 195 | - | 195 | 73 |
| Other income | 7 | 42 | - | 42 | 232 |
| | | <u>6,693</u> | <u>183</u> | <u>6,876</u> | <u>8,565</u> |
| Total income | | | | | |
| Expenditure on: | | | | | |
| Charitable activities | 8 | 6,386 | 274 | 6,660 | 8,324 |
| | | <u>6,386</u> | <u>274</u> | <u>6,660</u> | <u>8,324</u> |
| Total expenditure | | | | | |
| Net income/(expenditure) before net gains/(losses) on investments | | | | | |
| | | 307 | (91) | 216 | 241 |
| Net gains/(losses) on investments | | 379 | - | 379 | (208) |
| Net movement in funds before other recognised gains/(losses) | | | | | |
| | | <u>686</u> | <u>(91)</u> | <u>595</u> | <u>33</u> |
| Other recognised gains/(losses): | | | | | |
| (Losses)/gains on revaluation of fixed assets | | (25) | - | (25) | 300 |
| Actuarial (losses)/gains on defined benefit pension schemes | 29 | (265) | - | (265) | 1,006 |
| | | <u>396</u> | <u>(91)</u> | <u>305</u> | <u>1,339</u> |
| Net movement in funds | | | | | |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | (855) | 147 | (708) | (2,047) |
| Net movement in funds | | 396 | (91) | 305 | 1,339 |
| | | <u>(459)</u> | <u>56</u> | <u>(403)</u> | <u>(708)</u> |
| Total funds carried forward | | | | | |

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 32 to 60 form part of these financial statements.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

| | Note | 2021 £000 | 2020 £000 |
|--|------|--------------|--------------|
| Fixed assets | | | |
| Intangible assets | 14 | 360 | 209 |
| Tangible assets | 15 | 662 | 755 |
| Investments | 17 | 2,103 | 2,082 |
| Investment property | 16 | 1,925 | 1,950 |
| | | 5,050 | 4,996 |
| Current assets | | | |
| Debtors | 18 | 1,467 | 1,541 |
| Cash at bank and in hand | | 280 | 324 |
| | | 1,747 | 1,865 |
| Creditors: amounts falling due within one year | 19 | (2,836) | (3,091) |
| Net current liabilities | | (1,089) | (1,226) |
| Total assets less current liabilities | | 3,961 | 3,770 |
| Provisions for liabilities | | (12) | (8) |
| Net assets excluding pension liability | | 3,949 | 3,762 |
| Defined benefit pension scheme liability | 29 | (4,352) | (4,470) |
| Total net assets | | (403) | (708) |
| Charity funds | | | |
| Restricted funds | 22 | 56 | 147 |
| Unrestricted funds: | | | |
| Unrestricted funds excluding pension asset | 22 | 3,893 | 3,615 |
| Pension reserve | 22 | (4,352) | (4,470) |
| Total unrestricted funds | 22 | (459) | (855) |
| Total funds | | (403) | (708) |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Geraldine Howley
(Chair of Trustees)
Date: 27 October 2021

The notes on pages 32 to 60 form part of these financial statements.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

CHARITY BALANCE SHEET
AS AT 31 MARCH 2021

| | Note | 2021 £000 | 2020 £000 |
|--|------|----------------|----------------|
| Fixed assets | | | |
| Intangible assets | 14 | 360 | 209 |
| Tangible assets | 15 | 662 | 755 |
| Investments | 17 | 2,103 | 2,082 |
| Investment property | 16 | 1,925 | 1,950 |
| | | <u>5,050</u> | <u>4,996</u> |
| Current assets | | | |
| Debtors | 18 | 1,493 | 1,541 |
| Cash at bank and in hand | | 207 | 324 |
| | | <u>1,700</u> | <u>1,865</u> |
| Creditors: amounts falling due within one year | 19 | (2,831) | (3,091) |
| | | <u>(1,131)</u> | <u>(1,226)</u> |
| Total assets less current liabilities | | <u>3,919</u> | <u>3,770</u> |
| Provisions for liabilities | | (12) | (8) |
| Net assets excluding pension liability | | <u>3,907</u> | <u>3,762</u> |
| Defined benefit pension scheme liability | 29 | (4,352) | (4,470) |
| Total net assets | | <u>(445)</u> | <u>(708)</u> |
| Charity funds | | | |
| Restricted funds | 22 | 56 | 147 |
| Unrestricted funds | | | |
| Unrestricted funds excluding pension liability | 22 | 4,030 | 3,615 |
| Pension reserve | 22 | (4,352) | (4,470) |
| Total unrestricted funds | 22 | <u>(501)</u> | <u>(855)</u> |
| Total funds | | <u>(445)</u> | <u>(708)</u> |

The charity's net movement in funds for the year was £263 (2020 - £1,339).

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Geraldine Howley
(Chair of Trustees)
Date: 27 October 2021

The notes on pages 32 to 60 form part of these financial statements.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

| | 2021 | <i>2020</i> |
|--|--------------|----------------|
| | £000 | <i>£000</i> |
| Cash flows from operating activities | | |
| Net cash used in operating activities | (402) | <i>(453)</i> |
| Cash flows from investing activities | | |
| Dividends, interests and rents from investments | 195 | <i>73</i> |
| Proceeds from the sale of tangible fixed assets | - | <i>123</i> |
| Purchase of intangible assets | (175) | <i>-</i> |
| Purchase of tangible fixed assets | (5) | <i>(431)</i> |
| Proceeds from sale of investments | 230 | <i>1,239</i> |
| Purchase of investments | (36) | <i>(1,410)</i> |
| Movement on cash held for reinvestment | 149 | <i>-</i> |
| Net cash provided by/(used in) investing activities | 358 | <i>(406)</i> |
| Change in cash and cash equivalents in the year | (44) | <i>(859)</i> |
| Cash and cash equivalents at the beginning of the year | 324 | <i>1,183</i> |
| Cash and cash equivalents at the end of the year | 280 | <i>324</i> |

The notes on pages 32 to 60 form part of these financial statements

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Chartered Institute of Housing (CIH) was incorporated in the United Kingdom under Royal Charter on 25 June 1984 and has no share capital. CIH is registered as a charity with the Charity Commission England and Wales (registered no. 244067) and the Office of the Scottish Charity Regulator (registered no. SCO40324).

The registered and principal office is Chartered Institute of Housing, Octavia House, Westwood Way, Coventry, CV4 8JP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Chartered Institute of Housing meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

2.2 Going concern

The Trustees consider they have sufficient reserves and cash to continue operating on a going concern basis for the foreseeable future.

As stated in the Trustee's Report, Trustees believe there are no material uncertainties that call into doubt the charity's ability to continue as a going concern and the accounts have therefore been prepared on the basis that the charity is a going concern. In light of the current climate in relation to the COVID-19 pandemic the Trustees have reviewed the charity's finances. In the short term cash holdings are sufficient to ensure adequate cashflow for the foreseeable future. In the medium to long term plans for, and the structure of, Chartered Institute of Housing remain extant and will continue to be reviewed regularly.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.3 Income

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

Income is represented by subscriptions, training/education courses, conferences, rental income, investment income, grants and amounts receivable for services provided excluding VAT.

For subscriptions, entitlement is taken at the date on which the subscription starts and the income is recognised over the life of the subscription.

For training/education courses and conferences, entitlement is taken on the date on which the service is provided, being the date the conference/course takes place.

The grants received during the year are performance related grants in nature. They have therefore been recognised in the Statement of financial activities in line with entitlement triggered by achievement of the performance conditions over the grant period.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

Charitable activities and governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

2.6 Intangible assets and amortisation

Intangible assets are stated at cost, less amortisation. Development costs were included within the initial cost capitalised based on the considerations made by Trustees of the future economic benefit and enhancement of services received from the asset.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.6 Intangible assets and amortisation (continued)

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

| | |
|-------------------------|--|
| CRM and website | - over the useful economic life of the asset (6 years) |
| Other projects/software | - 20% - 33.3% straight line |

Assets in the course of development are not amortised until the project has completed and the asset is in use.

2.7 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities

Tangible fixed assets are carried at cost or valuation net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | |
|----------------------------------|--|
| Leasehold land | - over the period of the lease |
| Long leasehold buildings | - over the period of the lease up to maximum of 50 years |
| Short leasehold improvements | - over the period of the lease |
| Equipment, fixtures and vehicles | - 20% of cost |

The Institute's long leasehold property is valued on the basis of open market value for existing use by an external valuer at least once every five years and in the interim by the Trustees on the same basis.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.8 Investments

Quoted investments are stated at market value in the Balance sheet.

Total unrealised and realised gains and losses arising on investment assets are disclosed within the Statement of Financial Activities. The gain or loss is calculated with regard to the market value at the beginning of the year, or its cost if purchased during the year.

Investments in subsidiaries are stated at cost less impairment.

The joint ventures are stated at cost within the charity accounts less any accumulated impairment losses where necessary.

All other unlisted investments are measured initially at a cost and subsequently measured at fair value unless the fair value cannot be measured reliably in which case they are measured at cost less impairment.

Investment properties for which a fair value can be measured reliably, are reviewed annually, with any changes recognised in the Statement of Financial Activities.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid.

2.10 Creditors

Creditors and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event that will probably result in a transfer of funds to a third party, and the amount of the settlement can be estimated reliably.

The dilapidations provision relates to the London office which is held under an operating lease and is an area of significant estimation/judgement. For more details see Note 1.16.

Provisions are made where an event has taken place that gives the Charity a legal and constructive obligation that probably requires settlement by transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Financial Activities in the year that the Charity becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.11 Financial instruments

The Group 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.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.12 Pensions

Retirement benefits to employees are funded by contributions from both the charity and employees, administered through two schemes, one a stakeholder scheme and the other a defined benefit scheme.

The defined benefit scheme is a multi-employer scheme held with the London Pensions Fund Authority (LPFA). The charity's share of the underlying assets and liabilities in the LPFA scheme have been identified and the requirements of S.28, Employee Benefits, within FRS 102, have been followed.

The charity also operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

2.13 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

3. Critical accounting estimates and areas of judgement

Preparation of the financial statements requires management to make significant judgements and estimates. 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.

Critical accounting estimates and assumptions:

Useful economic lives of intangible and tangible assets

The annual amortisation and depreciation charges for the intangible and tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See Notes 13 and 14 for the carrying amount of the intangible and tangible assets and Notes 2.6 and 2.7 for the useful lives for each class of asset.

Dilapidation provision

As part of the Charity's property leasing arrangements there is an obligation to maintain the state of the properties as generally set in the dilapidations provision of a lease. As a result of alterations taking place at the properties, a dilapidation provision had been recognised over the period of the lease with the costs being charged to the Statement of Financial Activities.

Defined benefit pension scheme

The present value of the defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate, life expectancy, salary increases and asset valuation. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability.

4. Income from donations and legacies

| | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Total funds 2021 £000 |
|--|---|---|--|
| Donations | - | - | - |
| Grants | - | 142 | 142 |
| Government grants - Coronavirus Job Retention Scheme | 222 | - | 222 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| | 222 | 142 | 364 |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. Income from donations and legacies (continued)

| | <i>Unrestricted funds 2020 £000</i> | <i>Restricted funds 2020 £000</i> | <i>Total funds 2020 £000</i> |
|-----------|---|---|--|
| Donations | 25 | - | 25 |
| Grants | - | 171 | 171 |
| | <u>25</u> | <u>171</u> | <u>196</u> |

5. Income from charitable activities

| | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Total funds 2021 £000 |
|--------------------------|---|---|--|
| Subscription and fees | 2,271 | - | 2,271 |
| Publications | 11 | 41 | 52 |
| Education | 599 | - | 599 |
| Corporate partnership | 525 | - | 525 |
| Professional practice | 240 | - | 240 |
| Training and conferences | 2,588 | - | 2,588 |
| Total 2021 | <u>6,234</u> | <u>41</u> | <u>6,275</u> |

| | <i>Unrestricted funds 2020 £000</i> | <i>Restricted funds 2020 £000</i> | <i>Total funds 2020 £000</i> |
|--------------------------|---|---|--|
| Subscription and fees | 2,045 | - | 2,045 |
| Publications | 3 | - | 3 |
| Education | 3,066 | - | 3,066 |
| Corporate partnership | 330 | - | 330 |
| Professional practice | 231 | - | 231 |
| Training and conferences | 2,389 | - | 2,389 |
| <i>Total 2020</i> | <u>8,064</u> | <u>-</u> | <u>8,064</u> |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

6. Investment income

| | Unrestricted funds 2021 £000 | Total funds 2021 £000 |
|-------------------|---|--|
| Rental income | 131 | 131 |
| Investment income | 64 | 64 |
| | 195 | 195 |
| | 195 | 195 |

| | <i>Unrestricted funds 2020 £000</i> | <i>Total funds 2020 £000</i> |
|-------------------|---|--|
| Investment income | 73 | 73 |
| | 73 | 73 |
| | 73 | 73 |

7. Other incoming resources

| | Unrestricted funds 2021 £000 | Total funds 2021 £000 |
|--------------|---|--|
| Other income | 42 | 42 |
| | 42 | 42 |
| | 42 | 42 |

| | <i>Unrestricted funds 2020 £000</i> | <i>Total funds 2020 £000</i> |
|-----------------|---|--|
| Property income | 58 | 58 |
| Other income | 174 | 174 |
| | 232 | 232 |
| | 232 | 232 |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

8. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Total funds 2021 £000 |
|----------------------------------|--|--|---|
| Subscription and fees | 810 | - | 810 |
| Publications and guides | - | 77 | 77 |
| Education | 404 | - | 404 |
| Training and conferences | 1,675 | - | 1,675 |
| Regional costs | 1,007 | - | 1,007 |
| Support salaries and staff costs | 918 | 81 | 999 |
| Legal and audit fees | 198 | - | 198 |
| Past service pension costs | 499 | - | 499 |
| Other | 875 | 116 | 991 |
| | <u>6,386</u> | <u>274</u> | <u>6,660</u> |
| | <u><i>Unrestricted funds 2020 £000</i></u> | <u><i>Restricted funds 2020 £000</i></u> | <u><i>Total funds 2020 £000</i></u> |
| Subscription and fees | 42 | - | 42 |
| Publications and guides | 35 | - | 35 |
| Education | 2,881 | - | 2,881 |
| Professional practice | 557 | - | 557 |
| Training and conferences | 2,881 | 84 | 2,965 |
| Regional costs | 449 | - | 449 |
| Support salaries and staff costs | 703 | - | 703 |
| Legal and audit fees | 162 | - | 162 |
| Past service pension costs | 385 | - | 385 |
| Other | 145 | - | 145 |
| | <u>8,240</u> | <u>84</u> | <u>8,324</u> |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Analysis of expenditure by activities

| | Activities undertaken directly 2021 £000 | Support costs 2021 £000 | Total funds 2021 £000 |
|--------------------------------|---|--|--|
| Subscription and fees | 810 | - | 810 |
| Publications and guides | 77 | - | 77 |
| Education | 404 | - | 404 |
| Training and conferences | 1,675 | - | 1,675 |
| Regional costs | 1,007 | - | 1,007 |
| Support salaries & staff costs | - | 999 | 999 |
| Legal and audit fees | - | 198 | 198 |
| Past service pension costs | - | 499 | 499 |
| Other | - | 991 | 991 |
| | <u>3,973</u> | <u>2,687</u> | <u>6,660</u> |

| | <i>Activities undertaken directly 2020 £000</i> | <i>Support costs 2020 £000</i> | <i>Total funds 2020 £000</i> |
|--------------------------------|---|--|--|
| Subscription and fees | 42 | - | 42 |
| Publications and guides | 35 | - | 35 |
| Education | 2,881 | - | 2,881 |
| Professional practice | 557 | - | 557 |
| Training and conferences | 2,965 | - | 2,965 |
| Regional costs | 449 | - | 449 |
| Support salaries & staff costs | - | 703 | 703 |
| Legal and audit fees | - | 162 | 162 |
| Past service pension costs | - | 385 | 385 |
| Other | - | 145 | 145 |
| | <u>6,929</u> | <u>1,395</u> | <u>8,324</u> |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

10. Auditors' remuneration

| | 2021 | <i>2020</i> |
|---|--------------|--------------|
| | £000 | <i>£000</i> |
| Fees payable to the charity's auditor for the audit of the charity's annual accounts | 19 | <i>19</i> |
| Fees payable to the charity's auditor in respect of: All non-audit services not included above | 3 | <i>3</i> |
| | ===== | <i>=====</i> |

11. Net income/(expenditure)

| | 2021 | <i>2020</i> |
|---|--------------|--------------|
| | £000 | <i>£000</i> |
| Depreciation of tangible fixed assets | 98 | <i>49</i> |
| Amortisation of web, CRM and other projects | 24 | <i>-</i> |
| Foreign exchange loss | - | <i>1</i> |
| Operating lease rentals - land and building | 180 | <i>180</i> |
| | ===== | <i>=====</i> |
| | 302 | <i>230</i> |
| | ===== | <i>=====</i> |

12. Staff costs

| | Group | <i>Group</i> | Charity | <i>Charity</i> |
|-----------------------|--------------|--------------|----------------|----------------|
| | 2021 | <i>2020</i> | 2021 | <i>2020</i> |
| | £000 | <i>£000</i> | £000 | <i>£000</i> |
| Wages and salaries | 3,230 | <i>3,204</i> | 3,230 | <i>3,204</i> |
| Social security costs | 300 | <i>295</i> | 300 | <i>295</i> |
| Other pension costs | 159 | <i>294</i> | 159 | <i>294</i> |
| | ===== | <i>=====</i> | ===== | <i>=====</i> |
| | 3,689 | <i>3,793</i> | 3,689 | <i>3,793</i> |
| | ===== | <i>=====</i> | ===== | <i>=====</i> |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Staff costs (continued)

The average number of persons employed by the charity during the year was as follows:

| | Group 2021 No. | <i>Group 2020 No.</i> |
|--|-------------------------------|-------------------------------|
| Direct charitable services and support | 89 | 83 |
| Management and administration of the charity | 5 | 5 |
| | <hr/> 94 <hr/> | <hr/> 88 <hr/> |

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

| | Group 2021 No. | <i>Group 2020 No.</i> |
|---------------------------------|-------------------------------|-------------------------------|
| In the band £60,001 - £70,000 | 2 | 1 |
| In the band £70,001 - £80,000 | 1 | 1 |
| In the band £80,001 - £90,000 | - | 1 |
| In the band £110,001 - £120,000 | - | 1 |
| In the band £120,001 - £130,000 | 1 | - |

The remuneration (including employers national insurance contributions) of the senior management team for the charity totalled £395k (2020: £406k).

During the period there were redundancy or termination payments made which amounted to £30k (2020: £19k).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, expenses totalling £38 were reimbursed or paid directly to 1 Trustee (2020 - £6,016 to 5 Trustees). They were incurred for travel and subsistence costs for trustees involved in business meetings and working groups.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

14. Intangible assets

Group and Charity

| | Website, CRM and other projects £000 | Assets in the course of development £000 | Total £000 |
|-----------------------|--|---|-------------------|
| Cost | | | |
| At 1 April 2020 | 1,985 | 209 | 2,194 |
| Additions | 350 | 175 | 525 |
| Disposals | (1,985) | (350) | (2,335) |
| At 31 March 2021 | <u>350</u> | <u>34</u> | <u>384</u> |
| Amortisation | | | |
| At 1 April 2020 | 1,985 | - | 1,985 |
| Charge for the year | 24 | - | 24 |
| At 31 March 2021 | <u>24</u> | <u>-</u> | <u>24</u> |
| Net book value | | | |
| At 31 March 2021 | <u><u>326</u></u> | <u><u>34</u></u> | <u><u>360</u></u> |
| At 31 March 2020 | <u><u>-</u></u> | <u><u>209</u></u> | <u><u>209</u></u> |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15. Tangible fixed assets

Group and Charity

| | Long Leasehold Land & Buildings £000 | Short leasehold improvements £000 | Equipment, Fixtures and Vehicles £000 | Total £000 |
|--------------------------|---|--|--|-----------------------|
| Cost or valuation | | | | |
| At 1 April 2020 | 425 | 218 | 373 | 1,016 |
| Additions | - | - | 5 | 5 |
| At 31 March 2021 | <u>425</u> | <u>218</u> | <u>378</u> | <u>1,021</u> |
| Depreciation | | | | |
| At 1 April 2020 | 20 | 29 | 212 | 261 |
| Charge for the year | 12 | 45 | 41 | 98 |
| At 31 March 2021 | <u>32</u> | <u>74</u> | <u>253</u> | <u>359</u> |
| Net book value | | | | |
| At 31 March 2021 | <u><u>393</u></u> | <u><u>144</u></u> | <u><u>125</u></u> | <u><u>662</u></u> |
| <i>At 31 March 2020</i> | <u><u>405</u></u> | <u><u>189</u></u> | <u><u>161</u></u> | <u><u>755</u></u> |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

16. Investment property

Group and Charity

| | Freehold investment property £000 |
|------------------------|--|
| Valuation | |
| At 1 April 2020 | 1,950 |
| Surplus on revaluation | (25) |
| At 31 March 2021 | 1,925 |

Properties held at year end were valued by a RICS registered valuer in 2021.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17. Fixed asset investments

| Group and charity | Subsidiaries £000 | Quoted investments £000 | Loan investment to HouseMark £000 | Cash on deposit £000 | Total £000 |
|--------------------------|------------------------------|--|--|-------------------------------------|-----------------------|
| Cost or valuation | | | | | |
| At 1 April 2020 | 56 | 1,718 | 126 | 193 | 2,093 |
| Additions | - | 36 | - | (149) | (113) |
| Disposals | - | (230) | (1) | - | (231) |
| Revaluations | - | 379 | - | - | 379 |
| At 31 March 2021 | 56 | 1,903 | 125 | 44 | 2,128 |
| Impairment | | | | | |
| At 1 April 2020 | 11 | - | - | - | 11 |
| Charge for the year | 16 | - | - | - | 14 |
| At 31 March 2021 | 27 | - | - | - | 25 |
| Net book value | | | | | |
| At 31 March 2021 | 29 | 1,903 | 125 | 44 | 2,103 |
| <i>At 31 March 2020</i> | <i>45</i> | <i>1,718</i> | <i>126</i> | <i>193</i> | <i>2,082</i> |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17. Fixed asset investments (continued)

Subsidiaries

CIH Asia International Limited

The institute owns 100% of the issued share capital of CIH Asia International Limited. CIH Asia International Limited was incorporated on 9 November 2017 and has been dormant throughout the period.

CIH China

CIH Asia International Limited owns 100% of CIH China (Shenzhen Xuan Yu Information Consulting Co. Ltd) by virtue of the dormant's exercised control of entity. The institute therefore wholly owns this subsidiary. This has been included in the consolidation on the grounds of size of the entity.

CIH Canada

The institute owns 100% of the issued share capital of CIH Canada. This has been excluded from consolidation on the grounds of materiality.

Joint Ventures

HouseMark

The Institute holds all of the issued A share capital of HouseMark Limited, which provides a knowledge management and benchmarking service. The National Housing Federation holds all of the issued B share capital of the company. The company is treated as a joint venture.

The joint ventures are stated at cost less any accumulated impairment losses where necessary.

18. Debtors

| | Group | <i>Group</i> | Charity | <i>Charity</i> |
|---|--------------|--------------|----------------|----------------|
| | 2021 | <i>2020</i> | 2021 | <i>2020</i> |
| | £000 | <i>£000</i> | £000 | <i>£000</i> |
| Trade debtors | 902 | 989 | 902 | 989 |
| Amounts owed by group undertakings | - | 39 | 26 | 39 |
| Amounts owed by participating interests | 62 | 58 | 62 | 58 |
| Other debtors | 42 | 66 | 42 | 66 |
| Prepayments and accrued income | 461 | 389 | 461 | 389 |
| | 1,467 | <i>1,541</i> | 1,493 | <i>1,541</i> |

Trade debtors are stated after provision for bad debts of £127k (2020: £124k).

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

19. Creditors: Amounts falling due within one year

| | Group | <i>Group</i> | Charity | <i>Charity</i> |
|--|----------------|----------------|----------------|----------------|
| | 2021 | <i>2020</i> | 2021 | <i>2020</i> |
| | £000 | <i>£000</i> | £000 | <i>£000</i> |
| Payments received on account | - | 474 | - | 474 |
| Trade creditors | 452 | 394 | 450 | 394 |
| Other taxation and social security | 156 | 204 | 156 | 204 |
| Other creditors | 94 | 91 | 91 | 91 |
| Accruals and deferred income | 2,134 | 1,928 | 2,134 | 1,928 |
| | 2,836 | <i>3,091</i> | 2,831 | <i>3,091</i> |
| | Group | <i>Group</i> | Charity | <i>Charity</i> |
| | 2021 | <i>2020</i> | 2021 | <i>2020</i> |
| | £000 | <i>£000</i> | £000 | <i>£000</i> |
| Deferred income at 1 April 2020 | 1,488 | 1,430 | 1,488 | 1,430 |
| Resources deferred during the year | 1,819 | 1,488 | 1,819 | 1,488 |
| Amounts released from previous periods | (1,488) | <i>(1,430)</i> | (1,488) | <i>(1,430)</i> |
| | 1,819 | <i>1,488</i> | 1,819 | <i>1,488</i> |

The value of deferred income included above relates to income for future periods beginning on or after 1 April 2021. The deferred income relates to membership fees and income from corporate partnerships for the year 1 April 2021 to 31 March 2022.

20. Financial instruments

| | Group | <i>Group</i> | Charity | <i>Charity</i> |
|--|--------------|--------------|----------------|----------------|
| | 2021 | <i>2020</i> | 2021 | <i>2020</i> |
| | £000 | <i>£000</i> | £000 | <i>£000</i> |
| Financial assets | | | | |
| Financial assets measured at fair value through income and expenditure | 1,903 | 1,718 | 1,903 | 1,718 |

Financial assets measured at fair value through income and expenditure comprise listed investments.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

21. Provisions

Group and charity

| | Dilapidation provision £000 |
|-----------------|--|
| At 1 April 2020 | 8 |
| Additions | 4 |
| | <hr/> |
| | 12 |
| | <hr/> <hr/> |

As part of the charity's property leasing arrangements there is an obligation to repair damages which incur during the life of the lease, such as wear and tear. The cost is charged to Statement of financial activities as the obligation arises. The provision is expected to be utilised by 2023 as the leases terminate.

Due to the difficulties in predicting expenditure that will be required on return of a property to the landlord many years into the future, the dilapidations provision is considered a source of significant estimation uncertainty. The provision has been calculated using historical experience of actual expenditure incurred on dilapidations and estimated lease termination dates.

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

22. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2020 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 March 2021 £000 |
|---|------------------------------------|----------------|---------------------|-----------------------------|----------------------------|---|
| Unrestricted funds | | | | | | |
| General Fund | 1,522 | 6,693 | (6,769) | 152 | 379 | 1,977 |
| Designated research and development fund | 152 | - | - | (152) | - | - |
| Revaluation reserve | 1,941 | - | - | - | (25) | 1,916 |
| Pension reserve | (4,470) | - | 383 | - | (265) | (4,352) |
| | <u>(855)</u> | <u>6,693</u> | <u>(6,386)</u> | <u>-</u> | <u>89</u> | <u>(459)</u> |
| Restricted funds | | | | | | |
| Regional fund | 1 | - | - | - | - | 1 |
| David Butler bursary | 50 | - | - | - | - | 50 |
| Learning to Let | 23 | - | (23) | - | - | - |
| Tri country bursary fund | 5 | - | - | - | - | 5 |
| Oak Foundation grant | 54 | 2 | (56) | - | - | - |
| Wales Govt. (Innov. Housing Programme) | 14 | 110 | (124) | - | - | - |
| UK Housing Review | - | 41 | (41) | - | - | - |
| Wales Govt. (Welsh Housing Quarterly) | - | 12 | (12) | - | - | - |
| Housing Rights Website | - | 5 | (5) | - | - | - |
| Wales Govt. (Housing Review) | - | 13 | (13) | - | - | - |
| | <u>147</u> | <u>183</u> | <u>(274)</u> | <u>-</u> | <u>-</u> | <u>56</u> |
| Total of funds | <u>(708)</u> | <u>6,876</u> | <u>(6,660)</u> | <u>-</u> | <u>89</u> | <u>(403)</u> |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

22. Statement of funds (continued)

The Designated research and development fund is being held for future expenditure on implementation of the new IT strategy.

The David Butler Bursary fund is CIH's educational grant scheme to provide financial support for people wishing to pursue a career in housing.

The incoming resources of CIH also include grants made by government departments for specific purposes.

Statement of funds - prior year

| | <i>Balance at 1 April 2019 £000</i> | <i>Income £000</i> | <i>Expenditure £000</i> | <i>Gains/ (Losses) £000</i> | <i>Balance at 31 March 2020 £000</i> |
|--|---|------------------------|-----------------------------|-------------------------------------|--|
| Unrestricted funds | | | | | |
| General Fund | 1,810 | 8,394 | (8,474) | (208) | 1,522 |
| Designated research and development fund | 152 | - | - | - | 152 |
| Revaluation reserve | 1,641 | - | - | 300 | 1,941 |
| Pension reserve | (5,710) | - | 234 | 1,006 | (4,470) |
| | <u>(2,107)</u> | <u>8,394</u> | <u>(8,240)</u> | <u>1,098</u> | <u>(855)</u> |
| Restricted funds | | | | | |
| Regional fund | 1 | - | - | - | 1 |
| Learning to Let | - | 23 | - | - | 23 |
| Tri country bursary fund | 5 | - | - | - | 5 |
| David Butler bursary | 52 | - | (2) | - | 50 |
| Oak Foundation grant | 2 | 104 | (52) | - | 54 |
| Wales Govt. (Innov. Housing Programme) | - | 44 | (30) | - | 14 |
| | <u>60</u> | <u>171</u> | <u>(84)</u> | <u>-</u> | <u>147</u> |
| Total of funds | <u><u>(2,047)</u></u> | <u><u>8,565</u></u> | <u><u>(8,324)</u></u> | <u><u>1,098</u></u> | <u><u>(708)</u></u> |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Total funds 2021 £000 |
|--|---|---|--|
| Tangible fixed assets | 662 | - | 662 |
| Intangible fixed assets | 360 | - | 360 |
| Fixed asset investments | 2,103 | - | 2,103 |
| Investment property | 1,925 | - | 1,925 |
| Current assets | 1,691 | 56 | 1,747 |
| Creditors due within one year | (2,836) | - | (2,836) |
| Provisions for liabilities and charges | (4,364) | - | (4,364) |
| Total | (459) | 56 | (403) |

Analysis of net assets between funds - prior year

| | <i>Unrestricted funds 2020 £000</i> | <i>Restricted funds 2020 £000</i> | <i>Total funds 2020 £000</i> |
|--|---|---|--|
| Tangible fixed assets | 755 | - | 755 |
| Intangible fixed assets | 209 | - | 209 |
| Fixed asset investments | 2,082 | - | 2,082 |
| Investment property | 1,950 | - | 1,950 |
| Current assets | 1,718 | 147 | 1,865 |
| Creditors due within one year | (3,091) | - | (3,091) |
| Provisions for liabilities and charges | (4,478) | - | (4,478) |
| Total | (855) | 147 | (708) |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

24. Reconciliation of net movement in funds to net cash flow from operating activities

| | Group 2021 £000 | <i>Group 2020 £000</i> |
|--|--------------------------------|--------------------------------|
| Net income for the year (as per Statement of Financial Activities) | 595 | 33 |
| Adjustments for: | | |
| Depreciation charges | 98 | 49 |
| Amortisation charges | 24 | - |
| Gains/(losses) on investments | (379) | 143 |
| Dividends, interests and rents from investments | (195) | (73) |
| Loss/(profit) on the sale of fixed assets | - | (1) |
| Decrease/(increase) in debtors | 72 | (429) |
| Increase/(decrease) in creditors | (254) | 42 |
| Net pension scheme costs | (383) | (234) |
| Increase/(decrease) in provisions | 4 | 4 |
| Impairment of investments | 16 | 12 |
| Net cash used in operating activities | (402) | <i>(454)</i> |

25. Analysis of cash and cash equivalents

| | Group 2021 £000 | <i>Group 2020 £000</i> |
|--|--------------------------------|--------------------------------|
| Cash in hand | 280 | 324 |
| Total cash and cash equivalents | 280 | <i>324</i> |

26. Analysis of changes in net debt

| | At 1 April 2020 £000 | Cash flows £000 | At 31 March 2021 £000 |
|--------------------------|-------------------------------------|----------------------------|--------------------------------------|
| Cash at bank and in hand | 324 | (44) | 280 |
| | 324 | (44) | 280 |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

27. Related party transactions

Other transactions

The following transactions took place with another business in which one of the Trustees are a member of the board, CEO or similar.

| 2021 | Sales | Purchases | Balance outstanding as at 31 March 2021 |
|-----------------------------|--------------|------------------|--|
| CIH Canada | 38,698 | - | 2,622 |
| De Montford University | - | - | - |
| East Midlands Housing Group | 4,399 | - | 2,304 |
| Golding Homes | 4,621 | - | 2,955 |
| Notting Hill Genesis | 60,678 | - | (561) |
| Savills | 2,684 | - | 535 |
| South Liverpool Homes | 62,381 | 574 | 62,381 |
| Grand Union Housing | 21,674 | - | - |
| Circle Voluntary Housing | 1,940 | - | 1,470 |

| 2020 | Sales | Purchases | Balance outstanding as at 31 March 2020 |
|--------------------------------|--------------|------------------|--|
| Ark Consultancy | 6,708 | - | 6,019 |
| Broadacres Housing Association | 4,359 | - | - |
| CIH Canada | 25,610 | - | - |
| De Montford University | 310 | - | - |
| East Midlands Housing Group | 21,635 | - | 18,022 |
| Golding Homes | 7,778 | - | - |
| Incommunities Group | 4,084 | 555 | (96) |
| Notting Hill Genesis | 57,574 | - | (1413) |
| Parkhead Housing Association | 8,821 | - | (468) |
| Savills | 10,501 | - | (61) |
| South Liverpool Homes | 18,657 | 111 | 960 |

Joint Venture - HouseMark Limited

The Institute owns all of the £1 A shares in HouseMark Limited, a company which helps housing organisations to achieve continuous improvement in service delivery and to achieve value for money.

The transactions with this joint venture are listed below:

| | 2021 £000 | 2020 £000 |
|--|----------------------|----------------------|
| License fees and other institute service sales | 240 | 237 |
| Balance due from the company at 31 March | - | 277 |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Joint arrangement - Ocean Media Group

The Institute has an arrangement with Ocean Media Group to collaborate a new vision for closer working on media initiatives and other activities that will better deliver and develop products and services for the housing sector.

The transactions with the joint arrangement are listed below:

| | 2021 | <i>2020</i> |
|--|-------------|-------------|
| | £000 | <i>£000</i> |
| Sales | 158 | <i>363</i> |
| Purchases | - | <i>(1)</i> |
| Balance due from the company at 31 March | 240 | <i>230</i> |

There are no other related party transactions.

28. Capital commitments

| | Group | <i>Group</i> |
|--|--------------|--------------|
| | 2021 | <i>2020</i> |
| | £000 | <i>£000</i> |
| Contracted for but not provided in these financial statements | | |
| Acquisition of intangible assets | - | <i>39</i> |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

29. Pension commitments

The Group operates a defined benefit pension scheme.

CIH is an admitted body to the London Pensions Fund Authority. The LPFA Board oversees the management of the Fund whilst the day to day fund administration is undertaken by the Local Pensions Partnership. Where appropriate some functions are delegated to the Fund's professional advisers.

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The next actuarial valuation of the Fund will be carried out as at 31 March 2022 and will set contributions for the period from 1 April 2023 to 31 March 2026. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

CIH's negotiations with LPFA about future contribution rates for its final salary pension scheme members and the level of contributions towards the past pensions deficit continued during the financial year.

As part of these discussions CIH closed the scheme to new and existing members and agreed in principle to the deficit management agreement proposed by the LPFA which will see CIH pay increased contributions in future years and grant a level of security on certain assets held by the charity. The details behind the negotiations over this arrangement are still on-going.

The cost of employee and employer contributions into this fund was £499,000 (2020: £382,000).

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

| | At 31 March 2021 | <i>At 31 March 2020</i> |
|--------------------------|-----------------------------|-----------------------------|
| | % | % |
| Discount rate | 2.10 | 2.35 |
| Future salary increases | n/a | 1.90 |
| Future pension increases | 2.40 | 1.90 |

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The assumed life expectations on retirement age 65 are:

| | At 31 March 2021 | <i>At 31 March 2020</i> |
|----------------------------------|-----------------------------|-----------------------------|
| | Years | Years |
| Mortality rates (in years) | | |
| - for a male aged 65 now | 23.0 | 22.1 |
| - at 65 for a male aged 45 now | 23.4 | 23.5 |
| - for a female aged 65 now | 24.5 | 24.4 |
| - at 65 for a female aged 45 now | 26.0 | 25.8 |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

29. Pension commitments (continued)

Sensitivity analysis

| | At 31 March 2021 £000 | <i>At 31 March 2020 £000</i> |
|--|--------------------------------------|--------------------------------------|
| Discount rate +0.1% | 17,960 | 16,074 |
| Discount rate -0.1% | 18,316 | 16,714 |
| Mortality assumption - 1 year increase | 19,075 | 16,939 |
| Mortality assumption - 1 year decrease | 18,316 | 15,860 |
| Long term salary increase +0.1% | - | 16,391 |
| Long term salary increase -0.1% | - | 16,391 |
| Pension increases and deferred revaluation +0.1% | 18,677 | 16,715 |
| Pension increases and deferred revaluation -0.1% | 18,316 | 16,072 |

The Group's share of the assets in the scheme was:

| | At 31 March 2021 £000 | <i>At 31 March 2020 £000</i> |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Equities | 7,753 | 6,434 |
| Target return portfolio | 3,204 | 3,071 |
| Infrastructure | 1,193 | 869 |
| Property | 1,231 | 1,183 |
| Cash and other liquid assets | 583 | 364 |
| Total fair value of assets | 13,964 | 11,921 |

The actual return on scheme assets was £1,962,000 (2020 - £45,000).

The amounts recognised in the Consolidated statement of financial activities are as follows:

| | 2021 £000 | <i>2020 £000</i> |
|--|----------------------|----------------------|
| Interest income | 91 | 132 |
| Administrative expenses | 18 | 16 |
| Total amount recognised in the Consolidated statement of financial activities | 109 | 148 |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

29. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

| | 2021 | <i>2020</i> |
|---|---------------|----------------|
| | £000 | <i>£000</i> |
| Opening defined benefit obligation | 16,391 | <i>17,927</i> |
| Actuarial losses/(gains) | 1,948 | <i>(1,344)</i> |
| Benefits paid | (401) | <i>(394)</i> |
| Interest cost | 380 | <i>425</i> |
| Unfunded pension payments | (2) | <i>(2)</i> |
| Experience gain on defined benefit obligation | - | <i>(221)</i> |
| Closing defined benefit obligation | 18,316 | <i>16,391</i> |

Movements in the fair value of the Group's share of scheme assets were as follows:

| | 2021 | <i>2020</i> |
|--|---------------|---------------|
| | £000 | <i>£000</i> |
| Opening fair value of scheme assets | 11,921 | <i>12,217</i> |
| Interest income | 279 | <i>293</i> |
| Actuarial gains/(losses) | 1,683 | <i>(338)</i> |
| Other actuarial losses | - | <i>(221)</i> |
| Contributions by employer | 499 | <i>382</i> |
| Administration expenses | (15) | <i>(16)</i> |
| Benefits paid | (403) | <i>(396)</i> |
| Closing fair value of scheme assets | 13,964 | <i>11,921</i> |

30. Operating lease commitments

At 31 March 2021 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Charity | <i>Charity</i> |
|--|----------------|----------------|
| | 2021 | <i>2020</i> |
| | £000 | <i>£000</i> |
| Not later than 1 year | 268 | <i>180</i> |
| Later than 1 year and not later than 5 years | 768 | <i>1,031</i> |
| Later than 5 years | 700 | <i>875</i> |
| | 1,736 | <i>2,086</i> |

CHARTERED INSTITUTE OF HOUSING
(Incorporated under Royal Charter)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

31. Principal subsidiaries and associates

The following were subsidiary undertakings of the charity:

| Names | Company number | Registered office or principal place of business | Principal activity | Class of shares | Holding | Included in consolidation |
|--------------------------------|-----------------------|---|---------------------------|------------------------|----------------|----------------------------------|
| CIH Asia International Limited | 2605335 | 16 Wang Hoi Road, Kowloon Bay, Kowloon, Hong Kong | Dormant | Ordinary | 100% | No |
| CIH Canada | 1891387 | 30 Duncan Street, Suite 500, Toronto, ON M5V 2C3 | Housing services & advice | Common | 100% | No |

The financial results of these subsidiaries for the year were not material to the group and have not been disclosed.