



Appendix B

The Chartered Governance Institute

International Income & Expenditure Account and Balance Sheet for the year ended 30 June 2021

CONTENTS	PAGES
Income & Expenditure Account	1
Balance Sheet	2
Notes to the financial statements	3
Independent Chartered Accountants' Review Report	4

Income and Expenditure Account for the year ended 30 June 2021

	Note	2021 £	2020 £
Expenditures			
General meeting costs		1,715	2,944
Council		482	15,882
Professional Standards & Executive Committee		830	18,516
Legal		1,140	1,022
Consultancy services		–	–
Special projects	1	55,740	48,537
Director General fees and expenses	2	91,304	112,763
Head office support	3	14,423	12,474
Association management company	4	56,071	59,422
Provision for potentially irrecoverable debtors	5	25,576	–
TOTAL EXPENDITURES		247,281	271,560
Incoming resources (Recovery of expenditures)			
Australia		43,888	59,022
Canada		4,261	5,850
China (including Hong Kong)		63,644	77,855
Malaysia		34,355	43,164
New Zealand		5,870	7,711
Singapore		14,479	17,500
Southern Africa		17,547	22,197
UK, Republic of Ireland and Associated Territories, Channel Islands and Isle of Man		88,512	108,856
Zimbabwe		11,444	12,845
Sponsorship		6,000	–
TOTAL INCOMING RESOURCES		290,000	355,000
NET SURPLUS FOR THE YEAR		42,719	83,440

Notes

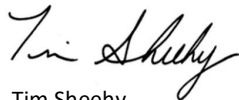
- 1 Includes £35,065 for eCommunity, £10,426 for Thought Leadership, £1,974 for Website, £810 for E-news Magazine, £264 for Brand Marketing, and £7,200 to reimburse MCI for development costs of the eCommunity
- 2 Includes £89,888 for the provision of services and £1,416 for travel and related expenses
- 3 Includes £7,000 to CGIUKI for reimbursement of costs associated with the provision of the Institute Secretary and £7,423 of miscellaneous expenses including communication, bank fees, storage and other items
- 4 MCI UK Ltd was appointed on 1 December 2014 to provide administrative support services to the CGI. Comprises £63,540 of MCI general support during 2020/21 and a VAT refund of £7,469
- 5 A provision for the potentially irrecoverable debt of £25,576 from the Zimbabwe Division has been created as a prudent measure, The International Council will continue to monitor the situation in Zimbabwe.

The notes on page 3 form part of these financial statements.

Balance Sheet at 30 June 2021

	30 June 2021	30 June 2020
	Note	
	£	£
CURRENT ASSETS		
Debtors - Gross amounts receivable	37,020	25,576
Debtors - Impairment provisions	(25,576)	–
	<u>17,444</u>	<u>25,576</u>
Debtors	17,444	25,576
Prepayments	2,120	12,622
Cash at bank and in hand	127,577	56,048
	<u>147,141</u>	<u>94,246</u>
CURRENT LIABILITIES: Amounts falling due within one year		
Creditors and accruals	10,239	63
	<u>10,239</u>	<u>63</u>
NET CURRENT ASSETS / NET ASSETS	<u>136,902</u>	<u>94,183</u>
RESERVES		
Accumulated reserves brought forward	94,183	10,743
Surplus for the year ended	42,719	83,440
Accumulated reserves carried forward	<u>136,902</u>	<u>94,183</u>

These financial statements were approved by the Executive Committee of The Chartered Governance Institute and are signed on their behalf by:



Tim Sheehy
Director General of The Chartered Governance Institute

Date: 8 September 2021

The notes on page 3 form part of these financial statements.

Notes to the financial statements

1. General information and responsibilities for the preparation of the financial statements

The Chartered Governance Institute (the Institute) is the premier global qualifying organisation for chartered secretaries and chartered governance professionals, which was founded in 1891 and granted a Royal Charter in 1902.

These financial statements for the year ended 30 June 2021 report solely on the international operations of The Chartered Governance Institute which comprise: the Council of The Chartered Governance Institute, standing committees, including the Professional Standards Committee, the Institute's association management company and the activities of the Director General (together the international aspects of the Institute).

The Institute is under the management and control of the Council. The Chartered Governance Institute, as a body incorporated under Royal Charter, is not subject to UK company law. However, the Council of The Chartered Governance Institute has elected to prepare these financial statements in accordance with FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, as issued by the Financial Reporting Council.

The financial statements are required to give a true and fair view of the state of affairs and of the net income and expenditures of the international aspects of the Institute, for each year. In preparing these financial statements the Council of The Chartered Governance Institute are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the international aspects of the Institute will continue in operation.

The Council of The Chartered Governance Institute is responsible for keeping adequate records that disclose with reasonable accuracy at any time the financial position of the Institute. It is also responsible for safeguarding the assets of the international aspects of the Institute and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

2. Basis of preparation

These financial statements have been prepared in accordance with FRS102 under the historical cost convention. The disclosure requirements of section 1A of FRS102 have been applied other than where additional disclosure is required to show a true and fair view.

The principal accounting policies that have been applied in the preparation of the financial statements are set out below.

Incoming resources

Incoming resources relates to amounts receivable from other Divisions of The Chartered Governance Institute for the recovery of expenditures, and is stated at the fair value of the income receivable. Expenditure is recovered from the Divisions of The Chartered Governance Institute in proportion to the number of members and students on the register at 31 December of the preceding year.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Independent Chartered Accountants' Review Report to the Council of The Chartered Governance Institute

I have reviewed the financial statements for the international aspects of The Chartered Governance Institute (the Institute) for the year ended 30 June 2021, which comprise the Income and Expenditure Account, the Balance Sheet and the notes to the financial statements on page 3, 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 (United Kingdom Generally Accepted Accounting Practice).

Council's Responsibility for the Financial Statements

As explained more fully in note 1, General information and responsibilities for the preparation of the financial statements, the Council of The Chartered Governance Institute are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Accountants' Responsibility

My responsibility is to express a conclusion of the financial statements. I conducted my review in accordance with International Standard on Review Engagements ('ISRE') 2400 (Revised) *Engagements to review historical financial statements* and ICAEW technical release TECH 09/13AAF (Revised) *Assurance review engagements on historical financial statements*. ISRE 2400 (Revised) requires me to conclude whether anything has come to my attention that causes me to believe that the financial statements, taken as a whole, are not prepared in all material respects, in accordance with FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, as issued by the Financial Reporting Council ('FRC'). ISRE 2400 (Revised) also requires me to comply with the ICAEW Code of Ethics and the FRC's Ethical Standard, as applicable.

Scope of the Assurance Review

A review of the financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. I have performed procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, applying analytical procedures, and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK). Accordingly, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the international aspects of the Institute's affairs as at 30 June 2021, and of its surplus for the year then ended; and
- in accordance with FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, as issued by the Financial Reporting Council.

Use of my report

This report is made solely to the Council of The Chartered Governance Institute, as a body, in accordance with the terms of our engagement letter dated 2 October 2019. My review work has been undertaken so that I may state to the Council of The Chartered Governance Institute those matters I have agreed to state to them in a reviewer's report and for no other purpose. To the fullest extent permitted by law, TC Group or myself do not accept or assume responsibility to anyone other than The Chartered Governance Institute and its Council as a body, for the review work, for this report, or for the conclusions I have formed.



8 September 2021

James Blake FCA, Chartered Accountant
for and on behalf of TC Group
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