



Chartered Institute of Marketing (CIM) and
its subsidiary companies

Report and Financial Statements

Year ended 30 June 2024

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Directors' report

For the year ended 30 June 2024

In April 2023, the Board approved a seven-year strategy that would take CIM up to June 2030. The period covered by this report represents the first year of that strategy. The strategy itself requires an organisational transition on an unprecedented scale if CIM is to deliver on the targets for 2030, and the good news is that considerable progress has been made in establishing the foundations of this growth. While this was going on, the four revenue generators still had to deliver and meet their customer expectations in an environment of negligible economic growth and continued spiralling costs. This impacted both the revenue and the size of the overall surplus, and as the continued investment in CIM's processes and enablers is made, it was satisfactory to note that revenue came in at £336k more than the previous year, with Training in particular achieving a milestone of delivering over £5m of revenue in its own area.

The lifeblood of a professional body is relevance, and CIM's seven new intermediate-level Open training courses in Artificial Intelligence (AI) have been especially successful. This year also saw the development of CIM's new Global Professional Marketing Framework (GPMF). We have worked with business leaders, recruitment agencies and marketing professionals globally to identify the critical skills, behaviours and attributes of an outstanding marketer. This framework forms the foundation for a robust approach, defining what it takes to be competent and relevant in this field.

The ever-changing landscape of digital marketing and AI is encompassed under 'digital agility', which fully illustrates the pace of change and just how adaptable marketers have to be in this area.

The need to continue to adapt has never been stronger, and this year we have launched a new suite of qualifications centred on professional and digital marketing, which will start being delivered by CIM accredited study centres in September 2024. Responding to trends identified through extensive market research, these qualifications are made up of shorter, online modules to combat the pressures of time and physical logistics, helping marketers to balance industry demands with their busy everyday lives, no matter where in the world they are based. In supporting our overall marketing community engagement, it is encouraging to see our total membership returning to growth again, with an increase of just over 3% to take us to 25,637. This year also saw the delivery of some high calibre member events at Henley Business School, the Digital Marketing Conference in Duxford and the Financial Services Marketing Leaders' Summit in London.

The first year of our strategy implementation has seen some significant achievements as detailed in the narrative below, setting a strong foundation for future progress. Despite facing challenges in adjusting to new ways of working, the engagement of management from the outset has been instrumental in fostering organisation-wide understanding. This approach has encouraged all employees to recognise their roles within the larger strategic framework. While transforming organisational culture and eliminating silos is a long-term effort, we are already seeing improvements in cross-department collaboration with the introduction of seven strategic project teams. This shift is crucial in building a more cohesive and agile organisation.

This year saw Moor Hall successfully re-branded as CIM's Business Centre. This has led to a very positive uplift in commercial bookings despite the challenges of having Cookham Bridge closed for five months and the flooding of the River Thames which blocked access to the site. Investment in reducing our technical debt continues at pace, and next year will see the launch of a new CIM website, as well as the conclusion of CIM's Customer Relationship Management (CRM) project. Both projects will have a significant impact on our ability to be more focused when enhancing the customer experience.

Our work overseas continues to grow. CIM has retained its position as Vice Chair of the European Marketing Confederation that now consists of 14 countries with a forum held in Vienna, our Strategy and Commercial Director visited Entebbe in Uganda to address the African Marketing Confederation. Wherever we go, we are recognising a growing appreciation of the difference that professional marketing makes to business performance, and CIM's role in supporting and delivering the difference in marketing.

The Directors would like to thank all staff and volunteer members for their unwavering support and efforts in delivering the Objects of CIM as it embarks on this strategic journey to 2030. We now have a clear aspiration for both the organisation and the marketing profession over the coming years, and this is being cascaded to our stakeholders and communities across the globe over the coming months so that we are all fully aligned in continuing to deliver on the Objects of our Charter.

Structure, governance and management

CIM is incorporated by Royal Charter, which was awarded on 7 February 1989. It is governed by its Constitution, comprising its Charter, Bye-laws, General Regulations and Board Regulations.

The Board of Directors is the governing body for CIM and determines the overall direction and development of the organisation through good governance and effective strategic planning.

Nine members of CIM's Board of Directors are elected from the Voting Members of CIM. Seven of these must live in the UK or Europe and two must be from the rest of the world. Each candidate must be nominated by four Voting Members. At each election, the Board identifies specific skills and experience that it feels would benefit the Board, and candidates are asked to complete a statement relating to these.

Before taking office, new Directors receive an induction and have an opportunity to meet with the Officers, Board and Senior Management Team.

The Board is supported in its work by four committees:

The Appointments and Remuneration Committee, which assists the Board with appointments to the Board or governance committees, supports the implementation of CIM's HR strategy and reviews appropriate policies. It supports the Board in the recruitment and management of the CEO, recommending the remuneration package to the Board. The Board, with the assistance of this committee sets the CEO's KPIs and assesses performance against these objectives.

The Audit and Risk Committee advises the Board on the external audit, risk management and the internal controls assurance to ensure that CIM operates appropriate controls to safeguard its assets.

The Constitution and Ethics Committee advises the Board on CIM's Constitution and governance policies.

These three committees are required to have members of the Board sitting on them and report to the Board.

The Disciplinary Committee hears complaints against members brought under the Code of Professional Conduct.

Subject to CIM's Constitution, the Board of Directors has sole control in all matters relating to the governance direction, management and organisation of CIM and the Board has the power to delegate certain areas of responsibility to some of its Committees or to individuals, while retaining the ultimate accountability and responsibility for the decisions made on its behalf. Delegation is detailed in a Board Policy – the Schedule of Delegated Authority, which lays out the key areas of responsibility and authority of the Board of Directors, Board Members, Committees and the Executive. CIM's Constitution delegates day-to-day operations to the CEO.

CIM has a number of connected organisations worldwide. CIM Hong Kong Limited and CIM Enterprises Limited are consolidated in these financial statements.

The Communication Advertising and Marketing Education Foundation (CAM) is a subsidiary of CIM. CAM is a charity, has a separate Board and operates independently of CIM.

Objects

The Objects of CIM are:

- to promote and develop the art and science of marketing and to encourage, advance and disseminate knowledge, education, and practical training in and research into that art and science
- to promote and maintain high standards of professional skill, ability and integrity among persons engaged in marketing products and services
- to promote entry to and advancement in the profession of marketing by means of examination and other methods of assessment
- to provide and develop a professional organisation for marketing
- to increase public awareness and understanding of marketing as a vital factor in business success and prosperity.

Achievements and performance

Qualifications

In line with many other professional bodies, revenue from qualification assessment bookings has continued to decline, recording a reduction of 5.9% compared with last year. Decline in employer funding levels, global economic factors and a perceived lack of time to commit to formalised learning all contribute to this position. There are some planned and environmental activities which suggest a more positive outlook for the next year with early signs of employer funding beginning to build, increased UK government focus of skills development and a complete relaunch of the majority of the CIM qualifications suite to deliver an up-to-date and more streamlined learning experience.

Autumn 2023 marked the launch of the updated capability framework – CIM's Global Professional Marketing Framework (GPMF), which represents eight technical areas of competence and knowledge alongside 38 areas of skills development.

These have been applied to five levels of ability from 'aware' to 'expert'. The professionalism of the sector is overlaid onto capability through the 'responsibilities and behaviours' section, delivering a 360-degree guide to the development of a marketer today. The framework was developed through extensive research involving employers, academics, learning delivery partners and other professional bodies.

The capabilities, levels and behaviours outlined within the GPMF will form the basis of all product development CIM undertakes, including qualifications, training and member content. We are currently in discussions with marketing institutes globally to widen the reach of the GPMF.

The GPMF was used to develop a new suite of qualifications at Foundation level (Level 3), Certificate level (Level 4) and Diploma level (Level 6), again following extensive stakeholder research. In response to customer behaviours and needs, the new qualifications will offer a wider choice of subject areas allowing a level of customisation to learner needs while still being a robust route to developing marketing careers.

Modules are smaller and focused to deliver both the depth and breadth of knowledge required. Online assessment methodologies, with immediate indicative results, will encourage learners to continue to learn and move to the next modules with no delay waiting for results. This should also result in the full qualification being achieved more quickly, which is in line with customer needs. We plan to review qualifications at Postgraduate level (Level 7) in early 2025.

In addition, October 2024 will see the launch of The Marketing Club, which will increase the engagement of CIM with undergraduates and apprenticeship learners, offering more targeted support to those in the pre- and early career stages. The Marketing Club will represent a package of benefits, including The Pitch competition, alternative assessments, targeted webinar content and access to CIM content to support learners throughout their learning journey, and ultimately support the employability journey. This revenue stream has grown by 13% YoY with growth seen in UK engagement and an expansion of geographical reach.

A widening of Apprenticeship End Point Assessment activities to deliver against the more heavily demanded apprenticeship standards is being undertaken to build upon the 28% increase in annual revenue. Anticipated changes in Government policy and focus will be an important factor over 2024/25 and CIM is growing engagement with apprenticeship providers and employers to determine how any changes can be implemented quickly to support the revenue stream.

Finally, CIM continue to work with Pearson on the scheduled launch of the Marketing T Level, targeting the 16–18 year age market. T levels will be available for teaching from Sept 2025.

Membership

June 2024 saw total membership come in at 25,637, which is a 3% increase over the previous year. This growth represents a welcome reversal to the previous two years of decline and is the result of the implementation of the continuous improvement plan that was drawn up from the insights provided by the membership census carried out in October 2022.

This year also saw the welcome return of regional member events. We recognise that more work needs to be carried out to better support our active member volunteers, with the aim of creating a framework within which improved communication and engagement will ensure that they receive the support they expect. In doing so, we can all continue to enjoy the high calibre of events that are delivered across the regions, both in the UK and internationally.

We have seen a considerable improvement in the quality of instant reporting on membership data. This has helped identify which membership benefits are being used and regarded as providing value, as well as highlighting those initiatives that have failed, such as the Jobsite and My Fellow Community. We are pleased to see that some initiatives have positively flourished. The new member onboarding welcome calls have been very well received, and the CPD programme continues to grow in popularity. However, there is still room for improvement if we are to consolidate this growth in membership. This will involve more independent research in the autumn of 2024 that will aim to provide better insight into the wants and needs of our marketing audience.

As CIM continues to undergo further organisational transition in support of the strategy to 2030, the membership proposition will be centred around recognition (accreditation), capability (development) and belonging (community), with a professional recognition that all members of this community align to the same standards of professionalism as underlined by the Global Professional Marketing Framework (GPMF) and the revised Code of Professional Conduct. As part of this global recognition, which will be embodied in Chartered Marketer status, it bodes well that the number of Chartered Marketers grew by 10% over the year, which exceeded the target set for this year.

As we continue to promote a consistency in recognition and capability of professional marketing at an international level, so there will be a growing focus on collaborating and engaging with other national marketing bodies and continental associations and confederations, to start connecting an ever-larger community of professional marketers.

Training

The training business continues to be a significant revenue and contribution driver for the organisation, with revenue growth up on the previous year by £192k, exceeding over £5m total revenue for the first time in over 10 years.

The Open training portfolio consists of around 145 different virtual and e-learning programmes. These are constantly reviewed and refined based on customer feedback and market changes. While there have been many new courses developed and launched during the year, the Google Analytics Four programme and the suite of AI-specific courses generated significant demand and have led the revenue rankings. The overall delegate volumes for the year increased by 10% over the prior year to 5,567. International bookings accounted for 8% of total Open training revenue (predominantly coming from Europe and the Middle East). Satisfaction scores for Open training have also increased this year, with the Net Promoter Score up 2.2 points compared with last year to 47.1, and quality of delivery and depth of knowledge both increasing from the previous year to 75% and 84%, respectively.

Business Solutions has been progressively building momentum by delivering tailored capability assessments and development programmes to organisations. Over the past year, around 130 clients have engaged in various activities ranging from simple one-day team training sessions to comprehensive global capability change programmes.

Our Company Affiliate programme is a strategic shift, imperative to the growth objectives for CIM. It is a 12-month relationship which unlocks specific benefits for organisations wanting to develop their teams. These include group membership, discounts on training and a dedicated single point of contact for all professional development support. In total, we acquired 10 organisations, including Panasonic. This is an incredible partnership which adds even more credibility behind the proposition and will help build on the volume required to deliver on the strategic shift around organisational accreditation. Interest continues to be positive, and we continue to review the overall proposition.

We will continue to refine the existing portfolio, as well as building on the momentum gained in 2023/24 in attracting a broader international audience, creating our own IP, improving our customer journey and continuing to adapt appropriately, which will support our long-term growth and strategic development.

CIM Business Centre

Total revenue for the year was £2.3m, which was an increase compared with last year of 4.5%. The rebranding of the Conference Centre into the CIM Business Centre has continued to prove a success by attracting new companies to the site during the financial year. The Business Centre experienced an unforeseeable challenge when Cookham Bridge was closed for necessary repair work for six months between mid-October 2023 and mid-March 2024. This restricted a large part of the Business Centre's client base, dramatically affecting its revenue. After an eventful third quarter, the re-opening of the bridge mid-March 2024 allowed for a successful close to the year for the Business Centre where we hosted some exciting business events for the first time.

The bridge closure gave us a good opportunity to develop the site with investment in a new restaurant and buffet servery counters. In the continued programme of renovations and improvements, the Manor House lobby floor was restored to its original oak floorboards, which date back to 1805. We also refreshed all 80 bedrooms across the site. The increase in the customer satisfaction rating shows that this greatly improved the customer experience.

The team has stabilised on-site, with consistent levels of staffing supporting the delivery of Business Centre demands. Ongoing development of the skills within the team is our focus moving forwards.

Marketing

It is vital that CIM remains relevant to audiences, and marketing has an important role in achieving this. We have continued with a broad range of activities, including events, podcasts, member-exclusive content and advertising, as well as maintaining a strong social media presence.

As well as our external-facing work, we have been working on a number of strategic projects that will further grow relevance and levels of engagement with our members and our core audiences. This has included a review of the CIM brand and how we present ourselves – the output of this work will be rolled out in the coming months. We have also continued to work on our digital platforms to build and establish new Content Management System (CMS) and CRM capability. Linked to this, we have implemented work to improve the quality of our data. From this we are building better data-led customer journeys, which will ultimately lead to better, more relevant communications.

Our continued focus on digital channels has been supported by investment in dynamic advertising for all our products. Timely paid media campaigns play a crucial role in supporting our business objectives. Social media plays a significant part in our ongoing engagement, and we have seen growth across all platforms, including our LinkedIn presence, which has now grown to over 200k followers.

Continuing the digital approach, our member magazine *Catalyst* was launched in a new, interactive digital-only format. This digital platform allows us to analyse reader behaviour and identify which topics and themes perform best. These insights enable us to make data-driven decisions which are integrated into our editorial discussions, guiding future content production. This process ensures that members are receiving content on the topics that matter most to them.

Our regional communities are key, and we have developed new frameworks and levels of support, which helped deliver 38 regional and sector-based events and webinars. A standout example was our annual Financial Services Marketing Leaders' Summit, which saw senior figures from across the sector, including NatWest, Investec and IBM, in attendance alongside 80 senior marketers who came together to debate the key challenges facing financial services marketers. Leading journalists from *The New York Times*, Politico, *Business Insider* and Reuters also attended.

Artificial intelligence (AI) has of course been high on marketers' agendas during the last 12 months. Our training on AI continues to be popular and it has been a key content theme over the last year. We have partnered with IBM Labs to deliver a series of roundtable events focused on providing marketers with the insights and knowledge needed to remain agile against the backdrop of the challenges and opportunities posed by emerging technology. We facilitated discussion and networking for CMOs and senior marketers from a wide variety of global brands and leading digital marketing agencies, including Allianz, Audi, Barclays Bank, Capita, Dell Technologies, Ford Motor Company, HSBC UK, and Microsoft.

As part of our commitment to supporting marketers throughout their career journey, we extended our renowned global student competition, The Pitch, to include postgraduate students for the first time. The response was record-breaking, with over 200 teams from both the UK and international communities seizing the opportunity to develop essential employment skills and tackle a real-life marketing challenge. Building on this success, we will grow The Pitch further in 2025.

Our people

The past year has seen significant development of our workforce, and the People team has played a pivotal role in advancing our organisational goals through strategic initiatives, talent management and fostering a culture of continuous improvement. A dynamic set of challenges and external factors, including economic conditions, a competitive recruitment market and changing employment legislation, have all continued to shape our HR practices.

Attracting, developing and retaining talented people has required agile solutions and our employer branding has become a critical factor in attracting talent to CIM. We have continued to develop comprehensive onboarding programs and opportunities for continuous professional development, fostering a supportive environment where people feel valued and engaged.

Strategic alignment has been a main focus for the People team, ensuring that our operations and initiatives are closely aligned to our organisational goals. Our guiding principles have been effectively communicated and, recognising the importance of collaboration, we have fostered a culture of cross-functional working with strategic project teams, breaking down silos and enhancing working relationships.

The People team's efforts have been instrumental in building a resilient, capable and motivated workforce and looking to 2024/25, we will continue to innovate and adapt to the evolving needs of our people. With CIM's ambitious plans for growth, we will need to be forward-thinking and adaptable, monitoring and anticipating external factors to align our activities to the evolving needs of the business.

Sustainability

CIM remains committed to enhancing its sustainability credentials, with ongoing initiatives designed to reduce our environmental impact. As part of this effort, we have implemented energy-efficient upgrades across our sites, including the replacement of traditional lighting with motion-sensitive LEDs and upgrading outdated heating systems to modern, energy-efficient alternatives.

We are fostering a culture of environmental awareness through carbon literacy training, encouraging our staff to adopt small, everyday actions to reduce their carbon footprints. These actions include turning off monitors when not in use, reducing waste, and increasing recycling efforts.

This year, we conducted an initial, informal carbon footprint audit, which has already led to some preliminary actions. Later in the year, we will undertake a comprehensive audit to establish a baseline for CIM's carbon footprint. This will enable us to identify key areas for improvement and shape a detailed sustainability strategy for the future.

While we work towards our full sustainability plan, we are continuously refining our environmental performance, ensuring it remains a fundamental aspect of our business strategy and day-to-day operations.

Beyond our internal efforts, CIM is equally committed to supporting the wider community. We actively promote responsible and sustainable marketing practices, contributing to a more sustainable future for both society and the broader marketing sector.

Financial report

Overall results

The consolidated financial statements include the continuing subsidiaries of CIM: The Communication Advertising and Marketing Education Foundation (CAM), a charity limited by guarantee, CIM Hong Kong Limited and CIM Enterprises Limited.

Revenue of just over £14 million is 3% higher than last year with improvements in Training and the CIM Business Centre driving the increase.

Qualifications revenue showed a 5.9% reduction against 2022/23, down to £2.9m, mainly due to the lower level of assessment bookings and the downturn globally in the qualifications market post-COVID. Membership revenue showed an increase of 6.2% against last year to £3.9m. Training revenue continues to rise with a 3.9% increase on 2022/23, taking it for the first time over £5m to £5.1m. The Business Centre revenue increased by £0.1m to £2.3m, which was a 4.5% increase on 2022/23.

Direct costs of sales of £7.9m were up by 8.8% resulting in a gross profit of £6.3m, which was a decrease on last year. Administrative expenses at £6.2m reduced by 4.7% compared with last year which was driven by tight cost control and spending efficiencies.

As a result, CIM reported an operating profit of £151k (2022/23: £203k including a £50k increase in the value of the investment property).

The Directors have considered the market value of the investment property as at 30 June 2024 and, following the valuation received in July 2023, have agreed that no amendment to the value is required. (2022/23 increase in value of £0.05m).

After accounting for net interest payable, there was a profit before tax of £0.1m (2022/23: £0.2m).

The defined benefit pension scheme showed an accounting surplus of £4.0m at the year end, although this asset cannot be recognised under current conditions. This compares to a surplus of £4.3m last year. The main reason for the decrease in surplus over the year is lower than expected investment returns over the period, which has been partially offset by a decrease in market views on long-term inflation. The administration expenses incurred in running the scheme are covered by the pension scheme from the surplus in the scheme.

Balance sheet

The total net worth of CIM as at 30 June 2024 was £5.1m (2022/23: £5.0m) with unrestricted reserves accounting for £4.4m (2022/23: £4.3m). The restricted reserves of £0.7m relate to CAM and are required to be utilised for its charitable purposes.

Capital expenditure of £0.4m was lower than last year (2022/23: £1.0m) as the ongoing investment in the CRM system reduces as the overall project is nearing completion.

Net current liabilities were £1.6m (2022/23: £3.1m). The reduction at the year end is partly due to the repayment of the Santander Loan of £0.2m. Included within current liabilities is £2.4m of deferred income and trade creditors £0.8m. Trade and other debtors were £0.8m compared with £0.6m last year.

Cash at bank and in hand at the end of the year was £1.7m. This balance includes the £1.5m mortgage from HSBC which was in place at the year end.

Risk management

The Audit and Risk Committee undertakes a detailed review of the risk register twice a year, which provides an in-depth analysis of the exposure to high-level risks. The risks are covered under six categories:

- Strategic
- Financial
- Operational
- Compliance and Legal
- People
- Other

The scoring system rates each identified risk on the likelihood and severity of it occurring. Each risk is assigned to a member of the Executive for management and monitoring; this is either by inclusion in the appropriate procedures, monthly reports and management accounts or contained in individuals' objectives.

The Board of Directors review new and high-rated risks at each quarterly meeting and receive a report from the Audit and Risk Committee to aid their annual review and discussion of the full risk register. The Board is ultimately responsible for ensuring that risks are determined, reviewed, and managed.

Looking forward, the geopolitical instability in our largest overseas market (Sri Lanka) has increased the financial risk profile across a number of areas of the business. We have factored this into the budget planning process and will monitor it throughout the year so we can take mitigating actions to ensure the business's ongoing financial stability.

Climate change and sustainability, cyber-security and artificial intelligence remain key risk areas for CIM to embed a robust proactive plan that both mitigates these risks where possible and supports our own strategic goals.

Statement of directors' responsibilities

The Board of Directors is responsible for preparing the annual report and financial statements in accordance with UK Generally Accepted Accounting Practice. CIM's Royal Charter and Bye-laws require the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of CIM and of the income and expenditure for that year. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and appropriate
- 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 a 'going concern' basis unless it is inappropriate to presume CIM will continue.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of CIM and to enable them to ensure that the financial statements comply with the Charter. They are also responsible for safeguarding CIM's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


There is no relevant audit information of which the auditors are unaware, and the Directors have taken all the necessary steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on CIM's website.

Summary and outlook

In summary, the Board is very pleased with the progress CIM has made in 2023/2024 in maintaining financial stability as well as embracing the elements that will deliver growth – both now and in the future. We are also very excited about the implementation of the fresh strategy over the coming years and recognise how important this next year of transition will be. We have full confidence in the Executive to deliver on this transition, and this remains an exciting time of opportunity for CIM as it adapts to meet the challenges of the future.

The Board wishes to thank the CEO, the Senior Management Team and all CIM staff, our membership and the wider stakeholder community for their commitment and dedication to maintaining a strong professional body that is robust, agile and capable.

Signed by:

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Andrew Yuille
Chair of the Board of Directors

Date: 11/1/2024

Legal and administration information

For the year ended 30 June 2024

The Board of Directors

Andrew Yuille DipM FCIM Chartered Marketer – Chair

Michael Lynch DipM FCIM Chartered Marketer – Vice Chair

Dr Ruchitha Perera DipM FCIM Chartered Marketer – Vice Chair

Gina Balarin FCIM Chartered Marketer

William Burton DipM FCIM Chartered Marketer

Chris Daly FCIM Chartered Marketer - From November 2023

Dr June Dennis DipM Hon FCIM Chartered Marketer Until January 2024

Penny Eccles DipM FCIM Chartered Marketer - From January 2024

Fiona Hawkins FCIM

Dr Leeya Hendricks FCIM Chartered Marketer - From January 2024

Dr Dawn Holmes FCIM Chartered Marketer – Until January 2024

Paul Mackman FCIM Chartered Marketer - From January 2024

Gus MacIver ACIM FCMA - Until January 2024

The Appointments and Remuneration Committee

Andrew Yuille DipM FCIM Chartered Marketer – Chair

Carol Ashton Chartered MCIPD

William Burton DipM FCIM Chartered Marketer

Penny Eccles DipM FCIM Chartered Marketer - From January 2024

Dr June Dennis DipM FCIM Chartered Marketer – Until January 2024

The Audit and Risk Committee

Kevin Smith FCCA – Acting Chair

Gus MacIver ACIM FCMA - Until January 2024

David Maltby
FCIM

Johnny Smoes FCIM Chartered Marketer

Dr Peter So DipM MCIM - From April 2024

The Constitution and Ethics Committee

Michael Lynch DipM FCIM Chartered Marketer - Chair

Helen Anderson FCIM Chartered Marketer

Andrew Chalk DipM FCIM - Until January 2024

Mr Kelvin Golding DipM FCIM Chartered Marketer - From April 2024

Dr Leeya Hendricks FCIM Chartered Marketer - From January 2024

Dr Amila Kankanamge FCIM - From April 2024

Matt Waters MCIM Chartered Marketer

Regional Chairs

Nicki Ramsbottom MCIM - East of England

Andrea Snagg FCIM Chartered Marketer - Greater London

Marian Norwood DipM FCIM Chartered Marketer - Ireland

Rachael Mabe DipM FCIM - Midlands

Jennifer Baker MCIM - North West

Ellie Murphy FCIM - Scotland

Marie Wilcox DipM FCIM Chartered Marketer - South East

Alia Weir MCIM Chartered Marketer - South West & Channel Islands

Dr Gavin Davies FCIM Chartered Marketer - Wales

Helen Stott DipM FCIM - Yorkshire

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Leadership Team

Chris Daly FCIM Chartered Marketer - Chief Executive

Anna D'Souza FCCA ACIM - Director of Finance, Procurement and Risk

Maggie Jones DipM FCIM - Director of Qualifications and Partnerships

Sarah Lee-Boone Chartered FCIPD ACIM - Director of People and Workplace

Joanne Saintclair-Abbott CG (Affiliated) - Institute Secretary

Mark Scott FCIM - Director of Marketing and Communications

James Sutton FCIM - Strategy and Commercial Director

Independent auditor's report to members of The Chartered Institute of Marketing

Opinion

We have audited the financial statements of the Chartered Institute of Marketing (the 'parent institute') and its subsidiaries (the 'group') for the year ended 30 June 2024 which comprise the consolidated profit and loss account and statement of retained earnings, the consolidated balance sheet, the consolidated cash flow statement, the CIM balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent institute's affairs as at 30 June 2024 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Royal Charter.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going 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 and the parent institute'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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors are responsible for assessing the group and parent institute'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 directors either intend to liquidate the group or the parent institute or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Signed by:

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David Boosey BA(Hons) FCA
(Senior Statutory Auditor)

for and on behalf of MHA, Statutory Auditor
Reigate, United Kingdom
Date: 11/5/2024

MHA is a trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

Consolidated profit and loss account and statement of retained earnings

For the year ended 30 June 2024

	Note	2024 £'000	2023 £'000
Turnover	3	14,290	13,954
Cost of sales		(7,950)	(7,305)
Gross profit		6,340	6,649
Administrative expenses		(6,189)	(6,496)
Group operating profit before changes to impairment		151	153
Gain/(Loss) on changes in fair value of investment property	10	-	50
Operating profit		151	203
Interest receivable	6	45	23
Interest payable	6	(101)	(18)
Profit on ordinary activities before taxation		95	208
Taxation	7	-	-
Profit after taxation		95	208
Other comprehensive income for the year:			
Actuarial losses on defined benefit pension scheme	16	-	-
Total comprehensive income for year		95	208
Retained profits brought forward		4,993	4,785
Retained profits carried forward		5,088	4,993

All income and expenditure was derived solely from continuing activities. The notes on pages 20 to 31 form part of these financial statements.

Consolidated balance sheet

At 30 June 2024

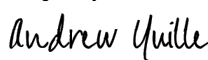
	Note	2024 £'000	2023 £'000
Fixed assets			
Tangible assets	9	7,840	7,868
Investments	10	250	250
		8,090	8,118
Current assets			
Stocks		23	20
Debtors - due within one year	11	1,061	1,010
Cash at bank and in hand		1,682	579
		2,766	1,609
Current liabilities			
Creditors – amounts falling due within one year	12	(4,364)	(4,734)
		(4,364)	(4,734)
Net current liabilities			
		(1,598)	(3,125)
Total assets less current liabilities			
		6,492	4,993
Creditors			
Amounts falling due after more than one year	13	(1,404)	-
Net assets excluding pension liability			
		5,088	4,993
Defined benefit pension liability	16	-	-
Net assets			
		5,088	4,993
Retained earnings			
- CIM GROUP		4,382	4,308
- CAM – see note 1(j)		706	685
Total retained earnings			
		5,088	4,993

The notes on pages 20 to 31 form part of these financial statements.

These financial statements were approved and authorised by The Board of Directors on 31 October 2024

Andrew Yuille
Director and Chair

Date: 11/1/2024

Signed by:

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Consolidated cash flow statement

For the year ended 30 June 2024

	Note	2024 £'000	2023 £'000
Cash flow from operating activities:			
Profit/(Loss) for the financial year		95	208
Adjustments for:			
Depreciation and amortisation of fixed assets	9	472	379
(Gain) from changes in fair value of investment property	10		(50)
Loss on disposal of fixed assets		3	-
Net interest payable/(receivable)	6	56	(5)
(Increase) in:			
Trade and other debtors		(51)	(168)
(Decrease) in trade and other creditors		(197)	(380)
Stock		(3)	-
Net cash generated from operating activities		375	(16)
Cash flows from investing activities:			
Purchases of tangible fixed assets		(447)	(1,014)
Interest received		45	23
Net cash generated from investing activities		(402)	(991)
Cash flows from financing activities:			
Bank mortgage		1,500	-
Loan repayments		(269)	(227)
Interest Paid		(101)	(18)
Net cash from financing activities		1,130	(245)
Net Increase / (Decrease) in cash and cash equivalents		1,103	(1,252)
Cash and cash equivalents at beginning of year		579	1,831
Cash and cash equivalents at end of year	15	1,682	579

The notes on pages 20 to 31 form part of these financial statements.

CIM balance sheet

At 30 June 2024


	Note	2024 £'000	2023 £'000
Fixed assets			
Tangible assets	9	7,840	7,868
Investments	10	250	250
		8,090	8,118
Current assets			
Stocks		23	20
Debtors - due within one year	11	1,199	1,128
Cash at bank and in hand		1,531	453
		2,753	1,601
Current liabilities			
Creditors – amounts falling due within one year	12	(5,093)	(4,956)
		(5,093)	(4,956)
Net current liabilities			
		(2,340)	(3,355)
Total assets less current liabilities			
		5,750	4,763
Creditors			
Amounts falling due after more than one year	13	(1,404)	(500)
Net assets excluding pension liability			
		4,346	4,263
Defined benefit pension liability	16	-	-
Net assets			
		4,346	4,263
Retained earnings			
Profit and loss account		4,346	4,263
Total retained earnings			
		4,346	4,263

The notes on pages 20 to 31 form part of these financial statements.

These financial statements were approved and authorised for issue by The Board of Directors on 31 October 2024.

Andrew Yuille
Director and Chair

Date: 11/1/2024

Signed by:

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Notes to the financial statements

For the year ended 30 June 2024

1. Accounting policies

a) Basis of accounting

CIM is a company incorporated in England & Wales under Royal Charter. The address of the principal office is given on the Legal and Administration Information page and the nature of the Group's operations, and its principal activities are set out in the Directors' Report. The financial statements have been prepared under the historical convention and in accordance with the Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The financial statements are presented in the currency of the primary economic environment in which CIM operates, which is the Pound Sterling and are rounded to the nearest £1,000.

The preparation of financial statements in compliance with FRS 102 continues to require the use of certain critical accounting estimates. It also requires Group management to continue exercising judgment in applying the Group's accounting policies.

b) Going concern

The Group made a profit after tax of £0.1m during the year (2022/23: £0.2m) and had net current liabilities of £1.6m (2022/23: £3.1m), with the major component of current liabilities consisting of £2.4m (2022/23: £2.4m) of deferred income. The 2024/25 budget reflects investment required by CIM in order for future growth to be achieved, resulting in a surplus of £0.2m for the year. Given the strength of the balance sheet and the 15-year mortgage from HSBC of £1.5m, the directors believe that there are no material uncertainties and CIM is able to continue as a going concern. Accordingly, the directors have prepared the accounts on a going concern basis.

c) Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the parent company
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent entity as their remuneration is included in the totals for the Group as a whole

d) Basis of consolidation

The financial statements include the results of CIM, those branches over which CIM can exert dominant influence and which would have a material impact on its results and all of its subsidiary undertakings. In the case of other branches, the amounts advanced have been treated as part of total expenditure. A separate profit and loss account for CIM itself has not been presented. Intercompany transactions and balances between Group companies are eliminated in full.

e) Revenue

The main income streams are divided into four areas:

- i. Qualification services include all examination fees and accreditation fees
- ii. Membership services include professional and student membership fees and members
- iii. Training, which covers CIM's trading activities including corporate and individual training courses
- iv. Business Centre services include corporate events, hotel accommodation, weddings and other social events held at Moor Hall and the CIM Business Centre

Accounting for incoming resources:

Income is deferred where it relates to membership subscriptions and training course income which apply to the next financial year. All deferred income will be released to revenue within the following financial year. Revenue is recognised as follows:

- i. Qualification income from examination fees is recognised in the period in which the exams are sat
- ii. Membership income from subscriptions is recognised over the period to which it relates
- iii. Training income is recognised at the date of delivery of the service / goods apart from corporate training which is recognised over the period to which it relates. E-Learning income is recognised when significant risks and rewards have been transferred to the customer
- iv. Business Centre services are recognised when the relevant events take place

f) Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the profit and loss account during the period in which they are incurred.

Depreciation:

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Freehold buildings and improvements	-	50 years
Plant, machinery and vehicles	-	3-15 years
Computer equipment and software	-	3-5 years
Furniture, fixtures and equipment	-	5-10 years

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted, prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Impairment of fixed assets:

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

g) Investment property

Investment property is carried at fair value. The directors consider any changes in fair value on an annual basis, with reference to external data available and the valuation is adjusted if necessary. No depreciation is provided and changes in fair value are recognised in the profit and loss account.

h) Foreign currency translation

Functional and presentation currency:

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Pound Sterling, which is CIM's functional and the Group's presentation currency.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date.

Transactions and balances:

Foreign currency transactions are translated into the Group entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the profit and loss account within 'other operating income'.

i) Pension costs

The difference between the fair value of the assets held in the Group's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the Group's balance sheet as a pension asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the Group is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Contributions to the Group's defined contribution scheme are charged to the profit and loss account in the year in which they become payable.

j) Fund accounting

Retained profits held by CIM are unrestricted general funds which can be used in accordance with CIM's objects at the discretion of the Directors and restricted funds which relate to the net funds of the Communication Advertising and Marketing Education Foundation (CAM) which is a charitable subsidiary company whose funds are only available to further that entity's charitable objectives.

k) Current and deferred taxation

The Group suffers taxation on any activity that does not directly benefit the members of CIM or furthers the charitable objectives of CAM. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where CIM and its subsidiaries operate and generate taxable income.

Deferred tax is not currently recognised in the financial statements due to the uncertainty of sufficient future taxable profits being generated against which current losses can be offset.

l) Holiday pay accrual

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

m) Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

n) Grant income

Payments received from the government for furloughed employees are a form of grant. This grant money is receivable as compensation for expenses already incurred, and where this is not in respect of future related costs, is recognised in income in the period in which it becomes receivable and the related expenses incurred.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Directors have made the following judgments:

- Determine whether there are indicators of impairment of the Group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit
- Determine whether appropriate assumptions have been made to value the assets and liabilities of the defined benefit pension scheme
- Consider the appropriateness of non-recognition of a deferred tax asset in respect of unutilised cumulative tax losses

Other key sources of estimation uncertainty:

- Tangible fixed assets (see note 9)
- Valuation of investment property (see note 10)
- Recoverability of debtors (see note 11)

Tangible fixed assets are depreciated over their useful lives, taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

The valuation of investment property is carried out at fair value in consultation with external valuers.

Provision is made for non-recoverability of trade debtors where they remain unpaid beyond the average time to collect, generally 90 days.

3. Analysis of turnover

	2024 £'000	2023 £'000
Analysis by class of business:		
Qualifications	2,959	3,145
Membership	3,898	3,669
Training	5,122	4,930
Business Centre	2,311	2,210
	14,290	13,954

4. Operating profit

	2024 £'000	2023 £'000
This is arrived at after charging:		
Depreciation of tangible fixed assets	472	379
Fees payable to CIM's auditors for the audit of the CIM's annual accounts	45	42
Fees payable to the Group's auditors for other services to the Group:		
Taxation compliance services	4	4
Defined contribution pension cost	473	305

5. Employees

	2024 £'000	2023 £'000
Staff costs (including senior management) consist of:		
Wages and salaries	6,173	6,019
Social security costs	634	638
Defined contribution pension cost	473	305
	7,280	6,962

	2024 Number	2023 Number
The average number of employees (including senior management) during the year was:		
Qualifications	19	18
Membership	45	55
Training	26	22
Business Centre	20	18
Administration	40	44
	150	157

All employees are employed by CIM.

The number of higher paid employees was:	2024 Number	2023 Number
£100,001 - £110,000	2	1
£110,001 - £140,000	3	4
£140,001 - £170,000	2	3
>£170,001	1	1

The above remuneration bands include benefits-in-kind, bonuses and employers pension contributions.

No Directors received any remuneration or benefits from the Group.

Key management personnel include the Senior Management Team who together have authority and responsibility for planning, directing and controlling the activities of the Group. The total compensation including employers pension contributions paid to key management personnel for services provided to the Group was £955k (2023: £1,061k). The increase in employers' contributions year on year follows the introduction of salary sacrifice for pension contributions, so contributions previously attributed to the employee are now falling under employer contributions.

6. Interest receivable and interest payable

	2024 £'000	2023 £'000
Interest receivable		
Interest receivable on short term deposits	45	23
Interest payable		
Loans and overdrafts	(101)	(18)
Net interest (payable)/receivable	(56)	5

7. Taxation

There is no taxation payable for the current year. An analysis is shown below to reconcile the result for the year to the tax charge:

	2024 £'000	2023 £'000
Profit on ordinary activities before taxation	95	208
Tax on profit on ordinary activities at standard CT rate of 25.00%	24	43
Expenses not deductible for tax purposes	1,551	1,266
Income not taxable for tax purposes	(1,713)	(1,402)
Fixed asset differences	67	31
Remeasurement of deferred tax for change in tax rates	-	(14)
Deferred tax not recognised	71	76
Current tax charge/(credit)	-	-

No deferred tax assets are currently recognised on the balance sheet. CIM has unutilised cumulative tax losses of £9,563,421 available to carry forward against future profits from commercial activities.

8. Parent company profit for the year

In accordance with permitted exemptions CIM has not presented its own profit and loss account in these financial statements. The profit after tax of CIM itself for the year was £69k (2023: £161k).

9. Tangible fixed assets

	Freehold land and buildings £'000	Plant, machinery and vehicles £'000	Computer equipment and software £'000	Furniture, fixtures and equipment £'000	Total £'000
Cost or valuation					
At 1 July 2023	6,221	1,628	2,857	402	11,108
Transfers	-	-	-	-	-
Additions	-	132	271	44	447
Disposals	-	(9)	(116)	(2)	(127)
At 30 June 2024	6,221	1,751	3,012	444	11,428
Depreciation					
At 1 July 2023	916	560	1,421	343	3,240
Transfers	-	-	-	-	-
Charge for the year	79	167	194	32	472
Disposals	-	(7)	(116)	(1)	(124)
At 30 June 2024	995	720	1,499	374	3,588
Net book value					
At 30 June 2024	5,226	1,031	1,513	70	7,840
At 30 June 2023	5,305	1,068	1,436	59	7,868

The freehold land and buildings are subject to a fixed charge as security for the HSBC Mortgage. All tangible fixed assets are owned by CIM. On transition to FRS 102, CIM took the option of treating the previously revalued amount (at 30 June 2014) of freehold land and buildings as deemed cost.

10. Fixed asset investments

The Directors have considered the market value of the investment property at 30 June 2024 of £250k (2023: £250k) and do not require any adjustments in value to be made. The value of the investment property was increased by £50k in the prior year following a professional independent valuation.

If the investment property had been accounted for under the historic cost accounting rules, the property would have been measured as follows:

	Group and CIM 2024 £'000	Group and CIM 2023 £'000
Historic cost	350	350
Accumulated depreciation	(70)	(63)
Net book value	280	287

The following subsidiaries were active in the year and are 100% subsidiaries of CIM:

- Communication Advertising & Marketing Education Foundation (CAM), incorporated in England
- The Chartered Institute of Marketing Hong Kong Limited, incorporated in Hong Kong
- CIM Enterprises Limited, incorporated in England

11. Debtors: Due within one year

	2024		2023	
	Group £'000	CIM £'000	Group £'000	CIM £'000
Trade debtors	744	744	589	589
Owed by Group companies	-	138	-	118
Other debtors	26	26	45	45
Prepayments	274	274	353	353
Accrued income	17	17	23	23
	1,061	1,199	1,010	1,128

12. Creditors: Amounts falling due within one year

	2024		2023	
	Group £'000	CIM £'000	Group £'000	CIM £'000
CAM loan (see note 14)	-	500	-	-
Loan (see note 14)	54	54	227	227
Trade creditors	793	793	867	867
Owed to Group companies	-	-	-	10
Taxation and social security	294	294	283	283
Other creditors	78	78	76	76
Accruals	715	944	913	1,125
Deferred income	2,430	2,430	2,368	2,368
	4,364	5,093	4,734	4,956

13. Creditors: Amounts falling due after more than one year

	2024		2023	
	Group £'000	CIM £'000	Group £'000	CIM £'000
CAM loan (see note 14)	-	-	-	500
Loan (see note 14)	1,404	1,404	-	-
	1,404	1,404	-	500

The maturity of sources of debt finance was:

Within one year or on demand	54	554	227	227
In 1-2 years	54	54	-	500
In 2-5 years	163	163	-	-
> 5 years	1,187	1,187	-	-
	1,458	1,958	227	727

14. Loans and Mortgage Facility

The loan of £500,000 with CAM was extended until 30th September 2024. The terms of renewal are currently being discussed, with the view to securing a new loan with CAM for £500,000 for a term of 2 years to 31 July 2026 at an interest rate of 5.25%.

On 15 August 2023, a 15-year mortgage for £1.5m was provided by HSBC and secured against Moor Hall at an interest rate of 2.75% above Bank of England Base Rate. The balance on the previous secured loan from Santander of £227k was repaid in full. The Government backed Coronavirus Business Interruption Loan Scheme (CBIL Scheme) payable on demand overdraft facility of £1.5m was removed on 18 August 2023.

15. Reconciliation of net cash flow to movement in net debt

Analysis of changes in net debt - Group	At 1 July 2023 £'000	Cashflow £'000	At 30 June 2024 £'000
Santander Loan	(227)	227	-
HSBC Loan	-	(1,458)	(1,458)
Cash at bank and in hand	579	1,103	1,682
Total	352	(128)	224

Net debt is defined as the net of cash and cash equivalents, other financial assets, bank overdrafts, loan notes and bank loans.

Reconciliation of net cash flow to movement in net debt - Group	2024 £'000	2023 £'000
Decrease in cash in the year	(128)	(1,026)
Net position at the beginning of the year	352	1,378
Net position at the end of the year	224	352

16. Pensions

The Chartered Institute of Marketing (the Employer) operates a defined benefit pension arrangement called the CIM Holdings Limited Retirement Benefits Scheme (the Scheme). The Scheme provides benefits based on final salary and length of service on retirement, leaving service or death. The Employer also operates a defined contribution scheme, but this is not included in these disclosures.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Employer must agree with the Trustees of the Scheme the contributions to be paid to meet the Statutory Funding Objective.

The most recent comprehensive actuarial valuation of the Scheme was carried out as at 30 June 2020 and the next valuation of the Scheme is due as at 30 June 2023. The Employer did not pay any contributions to the Scheme in the year to 30 June 2024 as the Scheme was in surplus at the previous actuarial valuation date.

In the event that the 30 June 2023 actuarial valuation reveals a deficit, the Employer will be required to agree a new Schedule of Contributions with the Trustee.

The Scheme is managed by a board of Trustees appointed in part by the Employer and in part from elections by members of the Scheme. The Trustees have responsibility for obtaining valuations of the fund, administering benefit payments and

investing the Scheme's assets. The Trustees delegate some of these functions to their professional advisers where appropriate.

The Scheme exposes the Employer to a number of risks:

- Investment risk: The Scheme holds investments in asset classes, such as equities, which have volatile market values and, while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if deficits emerge.
- Interest rate risk: The Scheme's liabilities are assessed using market yields on high quality corporate bonds to discount the liabilities. As the Scheme hedges some interest rate risk, the value of the assets is expected to move broadly in the same way as the liabilities.
- Inflation risk: A significant proportion of the benefits under the Scheme are linked to inflation. Although the Scheme's assets are expected to provide a good hedge against inflation over the long term, movements over the short-term could lead to deficits emerging.
- Mortality risk: In the event that members live longer than assumed deficits may emerge in the Scheme.

There were no plan amendments, curtailments or settlements during the period.

The weighted average duration of the defined benefit obligation is around 13 years.

The assumptions used for calculating the liabilities were:	2024	2023
Discount rate	5.2%	5.3%
Inflation assumption (RPI)	3.3%	3.3%
Inflation assumption (CPI)	2.7%	2.7%
Pre-1995 pension increases	5.0%	5.0%
Post 1995 pension increases	3.2%	3.2%
Post 1 July 2007 pension increases	2.2%	2.3%
Salary increases	2.8%	2.8%
Post-retirement mortality	S4NA tables with CMI 2023 projections using a long-term improvement rate of 1.25% p.a. No allowance has been made for members to take tax free cash	S3NA tables with CMI 2019 projections using a long-term improvement rate of 1.25% p.a. No allowance has been made for members to take tax free cash
Commutation		
Life expectancy at age 65 of male aged 45	23.0	23.7
Life expectancy at age 65 of male aged 65	21.7	22.4
Life expectancy at age 65 of female aged 45	25.6	26.2
Life expectancy at age 65 of female aged 65	24.2	24.8

The current asset split is as follows:	Bid values as at 2024
	£'000
Equities / growth assets	3,394
Buy and maintain credit	6,272
Swaps	4,029
Cash	6,867
Total assets	20,562

Balance Sheet	2024 £'000	2023 £'000
Fair value of assets	20,562	20,869
Present value of funded obligations	(16,541)	(16,571)
Surplus / (deficit) in scheme	4,021	4,298
Effect of asset ceiling	(4,021)	(4,298)
Net defined benefit asset / (liability)	-	-

Amounts recognised in Profit & Loss	2024 £'000	2023 £'000
Current service cost	-	-
Administration costs	191	2
Interest on liabilities	857	733
Interest on assets	(1,079)	(944)
Past service cost	-	-
Settlement and curtailment cost	-	-
Interest on effect of asset ceiling	228	211
Total charge to Profit and Loss	197	2

Re-measurements over the period	2024 £'000	2023 £'000
Loss / (gain) on assets in excess of interest	367	5,161
Experience losses / (gains) on liabilities	269	528
Losses / (gains) from changes to demographic assumptions	(527)	-
Losses / (gains) from changes to financial assumptions	199	(4,073)
Losses / (gains) from change in effect of asset ceiling	(505)	(1,618)
Total re-measurements	(197)	(2)

Change in value of assets	2024 £'000	2023 £'000
Fair value of assets at start	20,869	25,911
Interest on assets	1,079	944
Company contributions	-	-
Contributions by Scheme participants	-	-
Benefits paid	(828)	(823)
Administration costs	(191)	(2)
Change due to settlements and curtailments	-	-
Return on assets less interest	(367)	(5,161)
Fair value of assets at end	20,562	20,869

Actual return on assets	712
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Change in value of the DB liabilities	2024 £'000	2023 £'000
Value of liabilities at start	16,571	20,206
Interest on liabilities	857	733
Benefits paid	(828)	(823)
Change due to settlements and curtailments	-	-
Experience (gain) / loss on liabilities	269	528
Changes to demographic assumptions	(527)	-
Changes to financial assumptions	199	(4073)
Value of liabilities at end	16,541	16,571

	2024 £'000	2023 £'000
Reconciliation of effect of asset ceiling		
Effect of asset ceiling at start	4,298	5,705
Interest on effect of asset ceiling	228	211
Actuarial losses / (gains)	(505)	(1,628)
Effect of asset ceiling at end	4,021	4,298

	Approximate effect on liability £'000
Sensitivity of the value placed on the liabilities	
Discount rate -0.25%	513
Inflation +0.25%	338
Salary increases +0.25%	22
Long-term rate of mortality improvements +0.25%	105

Note that the above sensitivities are approximate and only show the likely effect of an assumption being adjusted in isolation.

	Period to 30 Jun 2025
Projected Profit & Loss account for next period	
Current service cost	-
Administration costs	191
Interest on liabilities	839
Interest on assets	(1,043)
Past service costs	-
Settlement and curtailment cost	-
Interest on effect of asset ceiling	209
Total charge to Profit and Loss	196

17. Contingent liabilities

There are no contingent liabilities.

18. Post balance sheet events

The loan from CAM for £500,000 was extended until 30th September 2024. The terms of renewal are currently being discussed, with the view to securing a new loan with CAM for £500,000 for a term of 2 years to 31 July 2026 at an interest rate of 5.25%. The pension scheme actuarial valuation as at 30 June 2023 was completed on 18 September 2024. The scheme remained in surplus.

19. Capital commitments

	2024		2023	
	Group £'000	CIM £'000	Group £'000	CIM £'000
Capital: contracted, but not provided for	-	-	-	-

The contracted capital relates to the development and replacement of the commercial IT systems.

20. Related party disclosures

The ultimate controlling party of the Group is CIM. As at 30 June 2024, CIM owed (a) CAM £0.5m (2022/23: £0.5m), £21,000 of transactions during the year were solely interest receivable from CIM, in addition CIM owed CAM £0.2m of accrued interest and conversely CAM owed CIM £0.1m and (b) £nil (2022/23: £10,000) to The Chartered Institute of Marketing Hong Kong Limited (CIM HK), and (c) CIM Enterprises Limited owed CIM £25,000 (2022/23:£19,000 - restated).

There were no transactions with any senior member of the management team this year (2022/23: £0).