

2021-22

**Association for
Project Management**
Annual report and accounts



THE CHARTERED BODY FOR THE PROJECT PROFESSION

Association for Project Management

Financial statements

For the year ended 31 March 2022

**Incorporated by Royal Charter RC000890
Charity registration number 1171112**

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Legal and administrative information

The organisation is a body incorporated by Royal Charter (RC000890) and registered as a charity (1171112). Its charitable object is 'to advance the science, theory and practice of project and programme management for the public benefit.'

APM board of trustees	Y Adeshile J Broome E Carroll-Walsh (from 15 November 2021) S Forsyth (to 15 November 2021) S Gilbert D Lewis M Mazilu C Mills A Morley S Simmonite (from 15 November 2021) M Wallace (to 14 November 2021) K Whelan I Williams
Company secretary	M Robinson
Key management personnel	A Boddison (Chief Executive from September 2021) D Dore (Chief Executive until June 2021) M Hepworth (Deputy Chief Executive)
Principal address	Ibis House Regent Park Summerleys Road Princes Risborough Buckinghamshire HP27 9LE

Legal and administrative information

External auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Internal auditor	Crowe UK LLP 55 Ludgate Hill London EC4M 7JW
Principal bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Principal solicitors	Blake Morgan LLP New Kings Court Tollgate Chandler's Ford Eastleigh SO53 3LG
Investment fund managers	Tilney 6 New Street Square New Fetter Lane London EC4A 3BF

Introduction

Board Chair's report

We continue to live in volatile and uncertain times, but one constant is the ability of well-managed projects to harness the power of change for good. As we move into the post-COVID recovery, it's important that we continue to look forwards. Project management has never been more important and project professionals, as leaders and enablers of change, will play a vital role in helping businesses and society overcome challenges and capitalise on emerging opportunities.

APM has undergone a period of transition itself this year, with the appointment of a new CEO, Professor Adam Boddison, Deputy CEO, Mark Hepworth, and new Director of Communications and External Affairs, Humayon Pramanik. This ability to continuously adapt and evolve is reflective of the profession we serve and stands APM in good stead for the future.

The need to keep investing in skills and development has never been greater, and APM is leading in this regard. This year has seen the roll out of a new mentoring programme for our members, a new Continuing Professional Development (CPD) programme, a refreshed Competence Framework to support the professional development of project practitioners, and the launch of the Major Project Leadership Specialist Certificate; an assessment which recognises the skills and competences of those who lead major projects, programmes and portfolios. It has also been a strong year for APM's research programme, with the launch of the new *Dynamic Conditions for Project Success* research report among others.

Following a year in which so much has been achieved, it seems fitting that we're now looking ahead to celebrating APM's 50th Anniversary. This milestone will be recognised in several ways throughout 2022, including with a new strategy and the return of our flagship conference Power of Projects as a face-to-face event.

I would like to thank APM staff across all departments for their hard work. I would also like to take this opportunity to commend the expertise and commitment of APM's volunteer community, as well as APM's board members for their continued support over the past year. Finally, I would like to wish Adam Boddison well in his first year at the helm of APM.

Debbie Lewis
APM Board Chair

Introduction (continued)

Chief Executive's report

Having officially commenced in the role of Chief Executive Officer at APM in September 2021, it's fair to say that - at the time of writing - I'm still relatively new in the role. When reflecting on these past few months, I still can't help but be impressed by the levels of passion, commitment, knowledge and enthusiasm for the project profession that the team at APM has shown. It makes me feel greatly optimistic for the future and hugely proud of all that has been achieved over the past year.

However, it's impossible to forget that APM and the profession we serve are still working through some significant challenges. The long-term effects of the coronavirus pandemic will be with us for some time. The impacts of Brexit on the business environment have been felt by many of our corporate partners, while the energy crisis has thrown the importance of infrastructure investment in this area into sharp relief. And of course, there's the existential threat posed by climate change.

While challenges of such scale may appear overwhelming at first sight, the project profession should be lauded for its ability to adapt, which has been proved time and again. One of the things that most appealed to me about joining APM is that project management creates positive change for everyone. No matter what sector you work in, or where you are in the world, projects deliver benefits. As someone who's passionate about trying to make the world a better place, I believe effective project delivery is more essential than ever when it comes to solving some of the most challenging problems facing society.

As the only chartered membership organisation for the project profession in the world, our activities - from qualifications and knowledge-sharing to research, resources and debate - build the profile of the profession and set the highest of standards. In a complex world, we're helping the project profession deliver better.

It's a privilege for me to play a leadership role at APM and, in our 50th anniversary year, I'd like to thank everyone for their support including our members, volunteers, colleagues, board trustees and partners. I look forward to building on what has already been achieved and the strong position APM is in for the future.

Professor Adam Boddison
APM Chief Executive Officer

Structure, governance and management

Background

The board of trustees of Association for Project Management (APM) is pleased to present the annual report and audited accounts for the year ended 31 March 2022. These comply with the Financial Reporting Standard applicable in the UK and Republic of Ireland - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

APM is incorporated by Royal Charter (RC000890) and is a registered charity (1171112). Its charitable object is: 'to advance the science, theory and practice of project and programme management for the public benefit.' APM's principal office is: Ibis House, Regent Park, Summerleys Road, Princes Risborough, Bucks, HP27 9LE.

Governance framework

The Royal Charter and By-laws are available on the 'About Us' section of the APM website. The Charter serves as APM's constitution and sets high-level governance arrangements such as the composition of the board of trustees.

The Charter authorises the board of trustees to manage the business of the Association. As part of this duty, the board agrees the APM regulations. The regulations are available online and set out detailed governance arrangements. They include a scheme of delegation confirming the matters that the board withholds to itself for approval, and the matters which it delegates to the Chief Executive to manage. To summarise the framework: the board sets APM's strategy and monitors its implementation, assuring itself that performance is on track. The board ensures that APM acts within its charitable objects and applicable law. As trustees, the board members are collectively required to manage the assets of the charity.

Individual APM members form an important part of APM's governance framework. Those in the full and fellow grades (MAPM/FAPM) are voting members. This status enables them to attend and vote at general meetings as well as to participate in the annual elections for trustees. The board currently operates with up to nine elected trustees and up to three appointed trustees. The latter are generally appointed by the board to fill gaps in skills and experience. The elected trustees are voting members who are nominated and elected by voting members.

The board has established sub-groups to oversee specific areas of its work. Duties and memberships are outlined on the APM website. The groups comprise: the audit and assurance committee; the remuneration committee; the professional standards and knowledge committee; and the nominations panel. Memberships and terms of reference for the groups are reviewed regularly. Some trustees also act as 'champions' for specific topics and projects.

Detailed governance matters

The regulations require an annual board evaluation exercise to be undertaken; this is externally facilitated every third year. An external consultant carried out a detailed review during the year, providing her report in March 2022. This identified a sound governance framework and good behaviours in the board room. A number of recommendations for improvement were made including suggestions to review board composition, meeting frequency and to improve communications explaining the public benefit delivered by APM. Increasing the board's focus on the charity governance code was also recommended and the 2022/23 internal board evaluation will update an 'apply or explain' analysis of APM against the code.

Structure, governance and management (continued)

Detailed governance matters (continued)

APM's trustees are not remunerated but do receive expenses. APM purchases indemnity insurance which seeks to protect trustees against personal liability if legal claims are made against them.

Trustees' biographies can be found on the APM website.

The 2021 board elections saw voter turnout decrease a little to 17.4% but an upper quartile performance amongst similar membership bodies was maintained. A good range of quality candidates was again seen with 14 candidates being nominated. Trustees are keen to encourage a diverse and committed range of candidates and members are warmly encouraged to consider the opportunity.

New trustees receive both internal induction and external governance training. All new trustees receive briefings from members of the leadership team and the Company Secretary. Additional training and briefings are available for individual trustees on request. Regular briefings are given to the whole board on various aspects of APM's activities and board-wide training is organised as required.

APM operates a code of conduct for board members and has a policy in relation to conflicts of interest. The board is updated on governance related matters as required and receives guidance on process from the Company Secretary. Related party transactions between APM and its board members are detailed in note 23 to the accounts.

The charity's wholly owned subsidiary, Ibis Trading Limited (06536096), is established as a trading arm. Ibis may undertake commercial activities which are not classed as charitable primary purpose trading, or those that might expose the charity to unnecessary risk. Any profits are gift aided to APM. The presentation of the subsidiary in the accounts is explained in note 1 to the accounts. Currently Ibis' activities focus on sponsorship income.

All individual APM members are bound by a code of professional conduct. Details of the code and its associated procedural rules and indicative sanctions guidance are available on the 'About Us' section of the APM website.

Risk management

APM has a policy for the management of risk which is reviewed and approved by the board on the recommendation of the audit and assurance committee. Risk management is embedded within operational management and APM's project, programme and portfolio management. APM risk management follows guidance set out by the Charity Commission (charities and risk management CC26).

The Deputy Chief Executive acts as risk champion and maintains the strategic risk register. APM has developed a process for risk management which cascades risk management to operational and programme management across APM. Each functional area manages its own risks, which are reviewed at the appropriate level and escalated as necessary.

Risk registers exemplify APM's risk management processes and set out the topic, risk assessment, risk owners, impacts, mitigations, actions, net risk and risk acceptability.

Structure, governance and management (continued)

Risk management (continued)

The risk registers are maintained as live documents within a cloud-based software solution and are available to management at all times.

The board reviews risk in detail on an annual basis and reviews the corporate risk register on an exception basis at each board meeting. The audit and assurance committee review corporate risks and consider an area of specific risk at each meeting, as well as monitoring the nature and application of the risk management process. Risks are also considered at regular leadership team meetings.

Key risks and the plans and strategies to manage those risks are detailed on pages 23 and 24.

Pay policy for senior staff

All board members give their time freely and receive no remuneration. Trustees may receive expenses. Details of their expenses and any related party transactions are disclosed in notes 21 and 23 to the financial statements.

Day-to-day management of APM is delegated to a remunerated Chief Executive in accordance with board-approved regulations. The leadership team includes the Chief Executive and Deputy Chief Executive who are considered to be the key management personnel within the organisation.

Remuneration of the leadership team is reviewed annually in accordance with APM's remuneration policy. This includes provision for a performance related pay scheme which applies to all APM staff. The remuneration of the Chief Executive is approved by the board's remuneration committee.

Investment policy

The policy aims to protect APM's financial assets in real terms by appointing an external investment manager to manage the Association's investments on a discretionary basis. The manager operates under an investment management agreement with APM which in turn is directed by a policy determining the structure and appropriateness of the investments.

The APM board has oversight of the implementation of the Association's investment policy by the APM executive. The board has appointed an investment board champion who acts as a conduit between the executive and board.

The investment objectives of the Association are to maintain the purchasing power of the current assets and all future contributions over a normal market/economic cycle (considered to be 7-10 years) to achieve returns within reasonable and prudent levels of risk. An appropriate asset allocation is maintained based on a total return policy that is compatible with a flexible spending approach, while still having the potential to produce positive real returns.

To date, £3.5m has been transferred to the portfolio for investment; of this £0.3m remained in cash at the year-end pending investment under suitable market conditions.

The remaining cash funds not required on a day-to-day basis are placed on deposit.

Structure, governance and management (continued)

Investment policy (continued)

Ethical investment guidelines

Investments are carried out in line with APM's aims and objectives. An exclusionary policy has not been adopted but individual investments may be excluded if perceived to conflict with the Association's objects.

Direct investments with organisations having any involvement in supporting oppressive regimes or the production of certain banned munitions are prohibited. Companies with significant involvement (>10% of turnover) in gambling and pornography are also excluded. The total exposure of the portfolio to any form of conventional weapons manufacturing will not exceed 1% of total investment assets.

Objectives and activities

We're the only chartered membership organisation for the project profession in the world. Our activities – from qualifications and networking to research, resources and debate – build the profile the profession warrants, challenge the status quo where it matters and set the highest standards. In a complex world, we're helping the project profession deliver better.

The objectives and activities in this report are aligned to our five-year strategy, *Inspiring Positive Change*. 2021/22 marked the final year of this strategy, with a refreshed strategy launching in 2022.

Our vision and mission

Our vision expresses what we want to achieve and how the world will benefit when we do:

“A world in which all projects succeed with project management as a life skill for all.”

We'll make this vision a reality by unleashing the potential of projects to make a positive difference in the world, and by helping people to understand how they can contribute. This is expressed through our mission:

“Inspiring communities to deliver meaningful change for societal benefit by advancing the art, science, theory and practice of project management.”

Our values

Our values are the principles that drive our behaviours, providing a consistent standard between colleagues and towards our members and stakeholders. They are core to who we are and define ourselves as an organisation. They drive and characterise how we communicate in every way and we're proud of what they represent.

We have four values, each with its own associated behaviours:

- **Progressive** - Being Progressive is about approaching things with an open mind. We try to find the most creative way to get things done and we embrace technology, innovate and have a global outlook.
- **Thoughtful** - Being Thoughtful is about listening and leading debate. We constantly evolve, share our perspective, and own our voice. We support the skills that go beyond project management process alone and are fundamental to success.
- **Warm** - Being Warm is about championing diversity and inclusivity. We treat everyone with empathy and respect - however challenging the circumstances. We're also flexible, friendly and collaborative.
- **Excellent** - Being Excellent is about our commitment to promoting the profession and raising its profile. We set the benchmark with chartered status and constantly challenge ourselves to improve by investing in our quality of thought, delivery, dialogue and services.

Our strategic goals

To guide us on our journey to completing our mission and making our vision a reality, we set out our objectives and expected outcomes in a multi-year strategy. These are:

- Chartered standard
- Membership growth
- Knowledge and research
- Organisational innovation
- Collaborate and engage.

Objectives and activities (continued)

The strategy is delivered through a rolling business plan that is reviewed annually by our board. This plan explains how our various teams and departments contribute to delivering the knowledge and standards the project profession needs to succeed. The plan includes Key Performance Indicators (KPIs) that are reviewed and set at the start of each business year. These KPIs enable us to measure how successfully we're meeting our objectives.

The financial year 2021/22 marked the final year of our strategy *Inspiring Positive Change*. Despite the challenges of the past five years, our strategy during this period enabled us to endure, adapt and deliver for ourselves, our members and the communities we serve. There have been far too many successes to list here, but some of the key highlights from this five-year period are:

<p>Chartered standard</p> <p>Successfully position, develop and launch the chartered standard to become the accepted benchmark standard for project professionals.</p>	<ul style="list-style-type: none"> ▪ We introduced the Chartered Project Professional (ChPP) standard, a leading professional benchmark for the project profession ▪ ChPP is recognised as a mark of distinction in the profession and over 2,400 project professionals now hold this distinction
<p>Membership growth</p> <p>Accelerate the growth, diversity and global reach of APM's membership by engaging with new sectors and communities.</p>	<ul style="list-style-type: none"> ▪ We've increased membership numbers from 23,000 in early 2017 to over 37,000 by March 2022 ▪ We're represented by members in 140 countries
<p>Knowledge and research</p> <p>Advance the art, science, theory and practice of project management with an innovative knowledge and research programme.</p>	<ul style="list-style-type: none"> ▪ We've published a wide range of research, including <i>The Golden Thread</i>, a ground-breaking study of the contribution of projects and project management to the UK's economy and society ▪ Our commitment to recognising excellence in project management academia, education and research was demonstrated with the launch of our Festival of Education and Research in 2020
<p>Organisational innovation</p> <p>Define and build APM as the model of a sustainable professional body for the 21st century.</p>	<ul style="list-style-type: none"> ▪ We have been supporting our members throughout the COVID-19 pandemic, including the launch of our dedicated online qualification platform, introducing a programme of virtual events, and offering financial support to renewing members who were experiencing difficulties ▪ We launched our Corporate Partner Programme for organisations who want to develop their project management capability and community

Objectives and activities (continued)

<p>Collaborate and engage</p> <p>Accelerate the universal adoption of project management by people delivering change through collaboration and partnerships.</p>	<ul style="list-style-type: none">▪ We've used our research and thought leadership to raise our profile as the voice of the project profession▪ Over the past year we've collaborated with the Major Projects Association and the Infrastructure and Projects Authority (IPA) on the development of our Major Project Leadership Specialist Certificate, which is an assessment to recognise the skills and competences of those who lead major projects, programmes and portfolios
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Objectives and activities (continued)

Our charitable object

As a charity, we exist to create public benefit through everything we do. Our charitable object is to advance the science, theory and practice of project and programme management for the public benefit. This underpins our vision, mission, values and strategy, leading to public benefit.

This statement takes account of Charity Commission guidance on public benefit including '*Public Benefit: Running a Charity*' (PB2)¹.

Creating public benefit

Project management has never been more important than it is today. We live in a volatile, uncertain, complex and ambiguous world. Change is constant and accelerating. Well-managed projects are essential for harnessing the power of change for good. We create public benefit in the following ways:

- **Setting leading standards** - In addition to our highly respected Chartered Project Professional standard, we've introduced the Major Project Leadership Specialist Certificate. This new certificate is a targeted assessment for project professionals who lead major projects, allowing them to specialise in areas reflecting their own interest and experience. Our newly refreshed Competence Framework ensures we continually lead the way in creating clear, consistent standards and setting the highest of bars.
- **Promoting and facilitating education** - We lead debate, champion innovation and challenge the status quo when doing so makes a difference. We provide the project profession with recognised qualifications, learning materials and a varied programme of events to facilitate discussion and drive improvement.
- **Raising awareness** - As the only chartered organisation in the world for the project profession, we give the profession the respect it deserves. We work to raise not only our own profile, but the profile of our members and the wider project profession. We do this by celebrating the economic and social value projects create and by capitalising on opportunities to engage with new audiences, previously unfamiliar with project management.
- **Growing the talent pipeline** - We encourage organisations to invest in the professionalisation of their employees who are managing projects, programmes and portfolios. We work with higher education institutions and professional training providers, nationally and internationally, to promote project management as a career of first choice and facilitate access to our qualifications. We've also established our qualifications as an integral part of apprenticeship programmes in England and Scotland.
- **Supporting research** - As well as commissioning our own research and thought leadership, we directly fund research from a range of educational and academic institutions, covering many aspects of project, programme and portfolio management. We also celebrate the contribution of academia and research to our profession.

In addition, we collaborate with government bodies, private sector organisations and other membership bodies to raise awareness of the importance of well-managed projects, and to advance the development of skills that enable projects to be delivered better.

Achieving these things and delivering on our objectives helps us progress towards a world in which all projects succeed and where project management is a life skill for all. The public benefit that results from this represents the fulfilment of our charitable object, creating a virtuous circle.

¹ <https://www.gov.uk/government/publications/public-benefit-running-a-charity-pb2/public-benefit-running-a-charity#part-2-carrying-out-purposes-for-the-public-benefit>

Achievement and performance

Achievements and successes in 2021/22

2021/22 has been the final year of a five-year strategic plan. We have achieved most of what we set out to do across this horizon, and much more besides, whilst also navigating one of the greatest disrupters in modern times which created challenging business and operating conditions.

The following section lists some of our major successes, achievements and impacts from the period 1 April 2021 to 31 March 2022, arranged around our five strategic themes.

Chartered standard

As the only chartered membership organisation for the project profession in the world, we were proud to make Chartered Project Professional (ChPP) status accessible to more people than ever before.

We also expanded the list of recognised assessments that count towards ChPP applications, incorporating the University of Cumbria and Robert Gordon University in Aberdeen, which became the first university in Scotland to be recognised as a route to ChPP status. Project practitioners who pass assessments that are recognised by APM are eligible to go on to apply for ChPP status.

We also welcomed our youngest ever ChPP, Stacey Bishop, who was aged 24 when she successfully applied for chartered status.

In addition to welcoming new ChPPs, over 1,600 chartered professionals chose to renew their status with us; a testament to the value placed on chartership.

Membership growth

In a challenging year, the importance of well-managed projects was placed squarely in the spotlight. This was reflected in an increase in our membership numbers.

Individual membership reached a new record high of more than 37,000. This represents an increase on membership numbers of 6% during the year.

We saw our biggest growth among student members. We offer free membership to full-time or part-time students, or apprentices aged 16 or over, who have an interest in project management. Student members gain access to many of our learning and professional development resources, so growing our student membership is an excellent way to nurture future talent within the project profession. To this end, we launched a refreshed version of our popular student guide to project management, *Project: You*. It forms the basis of school and college engagement and features case studies from a diverse range of project professionals from across sectors, providing readers with useful insight into the project profession, as well as guidance on next steps.

We also took steps to encourage more senior professionals to become members. One change was to broaden the list of accepted qualifications that count towards our 'experience and qualifications' route and 'direct entry qualifications' route to Full membership. This helped to make Full membership accessible to more people. The result was that more than 1,700 new Full members joined APM between 1 April 2021 and 31 March 2022. The number of Fellows - our most senior membership grade - also increased.

Achievement and performance (continued)

Achievements and successes in 2021/22 (continued)

Knowledge and research

CPD review

We completed a major update to our Continuing Professional Development (CPD) programme for members, which included:

- updating our definition and requirements for CPD;
- improving the user experience by presenting our existing range of CPD activities in a clearly signposted, easy-to-use and structured way to support members;
- implementing processes to monitor uptake and completion rates to measure success, including seeking feedback on our CPD provision.

We also launched a new online tool, My CPD, that lets members plan, track and reflect on every stage of their professional development. It's used by members to record completed CPD activities and track their progress towards goals. Its launch in September 2021 reflects our commitment to support the profession's ongoing development to stay ahead of the growing demand and complexity of projects.

Competence Framework 3rd edition

The third edition of our revered Competence Framework launched in January 2022 to enable the ongoing professional development of project practitioners. Our Competence Framework enables users to assess their competence level, identify strengths and areas of growth to help them progress in their careers. The process of updating the framework involved a year-long consultation to gain views from across our profession. Consequently, not only were existing competences reviewed and refreshed, but two new ones were introduced: sustainability, and diversity and inclusion. The addition of these new competences reflects their growing importance within projects. It's hoped their inclusion in the Competence Framework will help to normalise them among practitioners.

The updated edition of the framework was accompanied by the launch of an online self-assessment tool, which means that registered users can benchmark and save progress at their own pace.

APM Learning

APM Learning, our dedicated online learning platform, reached a milestone figure of 8,000 registered users.

APM Learning hosts exclusive, bespoke and interactive learning modules on topics that reflect the interests and learning needs of its users. Making these resources available to the widest possible audience is a priority.

Achievement and performance (continued)

Achievements and successes in 2021/22 (continued)

Research

Our financial year 2021/22 was a strong year for our research programme, with multiple outputs that made new contributions to the project profession's collective body of knowledge.

Key publications during the year included:

- *Detect, reflect and adapt: factors influencing critical project decisions.* As well as carrying out our own research, we operate a dedicated fund to support independent academic research that is relevant to our profession. This report, published in April 2021, was authored by Dr Natalie Marguet, Senior Lecturer at the School of Leadership and Organisational Development, Liverpool John Moores University. It built a clear picture of the ways that critical project decisions are made in practice.
- *Rethinking capabilities: lessons for policy, scholarship and practice.* This collaborative research was published in September 2021 and produced in partnership with Project X, a research collaboration between UK universities, the Cabinet Office, the IPA and professional bodies such as ourselves. It examined how capabilities are developed to improve project performance.
- *Dynamic conditions for project success.* In 2015, we published a report which sought to identify the core factors which lead to project success. In October 2021, we published a new report that builds on the findings of the original and identifies nine new dynamic conditions to help achieve project, organisational, and professional success. The report was well received, and its findings were shared with an audience of international project experts at the Strategic Project and Portfolio Management conference in February.
- *Getting started in project data.* This report was published in January 2022 in collaboration with the Major Projects Association and the Project Data Analytics Taskforce. It explains how data analytics can help projects and gives practical advice to readers on how they can integrate data analytics into their strategies and tactics.
- *Sustainability: inclusive storytelling to aid sustainable development goals.* This study utilises an inclusive storytelling research method to explore the perspectives of sustainability practitioners about how they address the sustainability agenda. It highlights the way in which inclusive storytelling is a central part of enacting responses through collective identity around a shared understanding of sustainability, and its goals and through formulating a future vision.
- *Understanding agile in project management.* 'Agile' is a prominent project management methodology. Despite its prevalence, there is a lack of credible academic research around agile. We sought to address this. The resulting report was consisted of a systematic literature review, dozens of interviews and a survey. The findings included new discoveries around how agile is being used and the competences associated with it. It also identified potential barriers to implementing agile and gave recommendations for readers who are considering using agile.

Our research programme also helped us to engage with global audiences. The APM Research Fund - an annual grant fund that aims to provide funding for small-scale research projects or to provide seed funding for larger research projects - received one of its highest number of submissions to date. The financial year 2021/22 also marked the first time we've received international submissions, which made up a third of all proposals. These were received from as far afield as Australia, Canada and the Middle East. Four proposals were selected for funding, with work commencing in 2022/23.

Achievement and performance (continued)

Achievements and successes in 2021/22 (continued)

Sharing knowledge at our conferences

Our annual conferences have long been a highlight of the project profession's calendar and the financial year 2021/22 proved to be no exception.

Our Power of Projects conference was held at the beginning of June and attracted over 1,500 registrations. The conference was built around themes from our Dynamic Conditions for Project Success research. Topics explored by our programme of speakers included strategic thinking, managing complex situations, technology and innovation, and risk management.

Think Differently, our week-long conference to promote diverse thinking, took place in September. It attracted over 1,200 registrations and made use of a new event platform that made it easier for delegates to join sessions and network with others online. Think Differently included our popular Women in Project Management conference, which took place over one day during the week-long event.

Both Power of Projects and Think Differently were held exclusively online to make them more accessible to people amid ongoing concern around coronavirus. As a result, we received registrations from more than 40 countries.

Collaborate and engage

Major Project Leadership Specialist Certificate

We enhanced our offering to senior project professionals with the launch of our Major Project Leadership Specialist Certificate. This targeted assessment provides assurance that those who hold it have the specific skills, behaviours and experience needed to lead on projects with significant social and economic impacts. Its creation followed calls from the profession to recognise the competences required by those spearheading major projects as they continue to grow in size and impact across the globe. We worked closely with the Major Projects Association and our corporate partners during the development and launch of this certificate. Their input ensured the Major Project Leadership Certificate met the needs of individuals and organisations working on large-scale projects.

"This will add legitimacy to my experience and strengthen my link with APM." Major Project Leadership Specialist Certificate holder

Apprenticeship qualifications in Scotland

Following close collaboration between the Scottish government and ourselves, our Project Management Qualification has been included as a core part of the Level 8 Project Management Apprenticeship in Scotland. This means all apprentices who complete their course will have gained this respected APM qualification. Gill Hancock, our Head of Qualifications and Standards Development, commented at the time: "This means that apprentices in Scotland will have the advantage of gaining a professional qualification, recognised and valued by employers, and on course to become successful project managers of the future."

Achievement and performance (continued)

Achievements and successes in 2021/22 (continued)

Collaborate and engage (continued)

Informing the project profession's view on climate change

In May, we published an insight paper about the role of the project profession in addressing climate change. Titled *Future Trends: Facing the Climate Crisis*, the paper drew from research and survey data to provide an informed view of the profession's state of readiness for facing this challenge and, ultimately, what action should be taken and how (at an individual and collective level).

COP26

Tackling climate change is a global priority. Projects will be at the forefront of this battle, providing the tools and technologies needed to protect the environment. When the United Nations Climate Change Conference, COP26, took place in Glasgow in November 2021, we seized the opportunity to put projects on the agenda. Our Chief Executive Professor, Adam Boddison, and Director of Membership, Rebecca Fox, were among the APM delegation who travelled to the summit to engage with business leaders and project experts who want to integrate net zero into their plans. They also represented APM at an official dinner organised by the Confederation of British Industry (CBI).

A poll we conducted after COP26 revealed that 77% of project professionals felt there had been or would be positive outcomes for the profession as a result of the summit.

Reaching international audiences

We have members and volunteers around the world, but we seek new opportunities to connect with people internationally wherever possible. Our Research Manager, Daniel Nicholls, represented APM at the Strategic Project and Portfolio Management Conference in February 2022. This conference was a virtual event for project professionals and academics from across Europe, with delegates joining from Switzerland, Italy, Germany, Denmark and other countries.

Daniel held a workshop that looked at the conditions that shape organisational success in projects; the effectiveness of agile in projects; and understanding the use of artificial intelligence in projects. Speaking after the event, he said: "People were very engaged and interested".

"Some of the delegates I spoke to mentioned that they regularly sought out new knowledge and insight but until now they were often unsure where and how they could access this. Professional bodies such as APM have a major role to play in funding, leading and signposting the work that is going on, not just in the UK but internationally, which was really appreciated."

Government collaboration

Working constructively with the UK government is essential to our role as the chartered membership organisation for the project profession. Many industries that have projects at their heart - construction, transport energy, aerospace and defence to name a few - are closely aligned to government. A significant amount of work was carried out in our business year 2021/22 to help build and strengthen relationships at government level.

Achievement and performance (continued)

Achievements and successes in 2021/22 (continued)

Collaborate and engage (continued)

Throughout the year, we commented on multiple government announcements including the Budget, Spring Statement, net zero, levelling up and skills development. We also improved our consultation process, allowing us to respond and contribute to more stakeholder consultations, with member contributions at the core.

In October, we welcomed Greg Smith, our local Member of Parliament, to our head office in Buckinghamshire to discuss the social and economic contributions of project work. More meetings with other members of parliament are planned for the near future, as well as within the devolved legislatures in Scotland, Wales and Northern Ireland.

Work has also been done to strengthen relationships with executive agencies and parliamentary bodies, including the National Infrastructure Commission, the IPA and the National Audit Office. This work is vitally important as it establishes dialogue and enables us to share our views and information with the right people, for the benefit of the project profession.

Beyond that, we've supported Construction Industry Council working groups on building safety, developing guidelines on project management competency, meeting with the Building Safety Alliance, Industry Safety Steering Group and Health and Safety Executive in the process. We've also started work with the Confederation of British Industry on the project management skills gap, ensuring our views feed back to the heart of government.

We continued to be actively involved in the Project X initiative in 2021/22. Aside from our report on *Rethinking capabilities: lessons for policy, scholarship and practice*, we also contributed to the Project X conference in October 2021, hosting two Project X webinars to share the research with members, and producing a series of blogs, podcasts and journal articles to aid project delivery in practice.

Major academic research conferences

We supported the next generation of project academics and professionals by helping people to attend the upcoming British Academy of Management (BAM) conference. We contributed a stipend that funded 12 additional places, which were made available to doctoral candidates and early career project researchers. We awarded prizes at both BAM and the European Academy of Management (EURAM), which were held virtually in 2021. A new Project Experiences Specific Interest Group has been launched within BAM to bring together project management academics and researchers across the UK and beyond, with our Chief Executive invited to present at the launch event in March 2022.

Dr Christine Unterhitzberger, Associate Professor in Project Management at the School of Civil Engineering at University of Leeds, helped to organise the event. She said: "Conferences are an integral part of academic development. They're an opportunity for peer-to-peer discussions that enhance the creative thinking taking place in our community. By giving more people an opportunity to attend, APM is showing its commitment to supporting the next generation of project scholars."

Achievement and performance (continued)

Achievements and successes in 2021/22 (continued)

Collaborate and engage (continued)

Project:Hack 13

We partnered with Projecting Success - a consultancy that specialises in advanced project data analytics, with a quest to transform how projects are delivered - to sponsor their event Project:Hack 13, which invited participants to use data to tackle real-world project challenges. The hybrid event brought together project practitioners of all career stages and specialisms, from business analysts to delivery experts and data scientists. It allowed delegates to network and learn from other subject matter experts.

Our volunteer community

We're privileged to have a thriving community of volunteers around the world who serve as ambassadors for APM and for the project profession. We currently have volunteers in the UK, Europe, Africa, the Middle East, India, Hong Kong, North America and Australia. Our volunteers give their time generously to help us achieve our goals, making them an essential part of our operation.

Our Volunteer Steering Group (VSG) helps to direct how our supporters can contribute to delivering our vision by engaging with members of the profession. Activities our volunteers are involved with include planning and delivering events (webinars and conferences), contributing to research, creating thought-leadership content for our website, mentoring, judging our awards, and much more. Our volunteers also form the backbone of our branch network and Specific Interest Groups (SIGs).

To recognise the efforts and celebrate the achievements of our volunteers, we hold the annual APM Volunteer Achievement Awards.

We're proud to hold the prestigious Investing in Volunteers (IiV) Quality Standard, the UK quality standard for excellence in volunteer management.

Links to volunteer opportunities can be found on our website at apm.org.uk/about-us/volunteers

Organisational innovation

Launch of the APM Mentoring Programme

January 2022 saw the launch of our new mentoring programme; a way for members to form professional relationships within our professional community. The programme brought together APM members who were willing to give their time to help others as mentors, as well as mentees who wanted to learn. It provided traditional mentoring as well as 'reverse mentoring' (i.e. younger professionals advising older ones).

Mentoring was previously highlighted by our members as the new feature they would most like to see as part of their membership. The creation of the programme included a substantial consultation period to ensure that the needs and views of members were taken into account.

Achievement and performance (continued)

Achievements and successes in 2021/22 (continued)

Organisational innovation (continued)

At the time of writing, the mentoring programme had 192 active mentors and 80 working pairs, exceeding targets that were set prior to launch. The programme has also been praised by those who have been involved.

“[My mentor] was resourceful and motivating, and we really bonded during our first meeting. It was also a reverse mentoring relationship as I was brought to share my experience of working full-time and doing my Master's part-time as she was also doing the same. Mentoring helped me to come out of my comfort zone and, as a result, I secured my current role.” Eliane Pony, APM mentee

More firsts achieved, virtually

We've been running virtual events for many years, but the pandemic and associated new ways of working underlined the importance of making events accessible online. We adapted our events programme with great success in the financial year 2020/21 and we carried on that success in the last financial year too. We continuously innovated to make sure our virtual events stood apart, exploring new platforms and setting clear objectives to ensure attendees received maximum value.

- We held our first virtual SIG conference in April. Designed by the APM Risk SIG in collaboration with Institute of Risk Management's Nuclear Industry SIG, the event explored risk management through the project lifecycle. There were more than 250 registrations, which exceeded expectations.
- We established ourselves on LinkedIn Live, a social media-based platform for live events. This proved to be a very successful way to engage people who follow us on social media but who are not APM members. Our first LinkedIn Live event, held in July 2021, was about the journey to becoming chartered with advice for early career professionals. In addition to live attendees, the session performed very well on-demand, being viewed more than 1,400 times within a matter of weeks. A subsequent LinkedIn Live session, on the topic of agile project management, was held in March 2022 and gained 4,600 views in less than a month.
- The 2021 APM Project Management Awards in November was our first ever hybrid event (i.e. held in-person and online simultaneously). The Awards also represented the first time we had streamed an event across all three of our main social media platforms - Twitter, Facebook and LinkedIn - as well as our website. With capacity at the in-person event still limited due to health and safety precautions, the hybrid approach enabled more people with an interest in the awards to join. More than twice as many people watched online as attended the in-person event.

“What a fantastic evening that was... The live stream was seamless and I followed activities on social media and all went well.” Online attendee

Achievement and performance (continued)

Achievements and successes in 2021/22 (continued)

Organisational innovation (continued)

Implementing cloud-based IT solutions

The pandemic has underlined the importance of technology in enabling organisations like APM to continue operating, and even to unlock new ways of working. Between April 2021 and March 2022, our IT department made significant strides in moving essential software tools from existing servers to new ones. For example, Focalpoint, one of the main tools used for our day-to-day financial processes, was formerly hosted at our head office but was migrated to servers that belong to the software provider itself. This has improved accessibility and reliability.

In April 2021 our Customer Relationship Management (CRM) system was migrated from its existing host to Microsoft's cloud-based platform Azure. This was followed in February 2022 by a successful migration to MS Azure for the service that distributes text-message renewal notifications to our members and standard holders. These migrations ensured ongoing support for the Microsoft products that help our CRM to operate, while also removing certain risk elements associated with hosting at our head office (such as the risk of fire, power cuts, etc) that could prevent them from functioning properly.

Awards and recognition

In October, we celebrated at the Association Excellence Awards where our Think Differently virtual conference 2020 was named overall winner in the 'Best Association Virtual Event (over 700 delegates)' category. Our Service Innovation team was also shortlisted in the 'Best Association Team' category.

Elsewhere, The APM Podcast and *Project*, our quarterly journal, were both shortlisted at the prestigious Memcom Excellence Awards in September.

In March, we successfully retained our 1-Star accreditation with leading employee engagement specialist Best Companies, representing 'very good' levels of employee engagement. This achievement reflected the incredible efforts of our staff over the preceding 12 months to remain connected, to support each other, our members, and to embrace the changes we experienced as an organisation.

While we're always pleased to see our hard work recognised, we also take great pride in celebrating the achievements of the profession we represent. At the annual APM Project Management Awards in November, we presented a Special Recognition award to NHS Charities Together, the national independent charity caring for the NHS.

Plans for the future

2022 will be a landmark year for us, as we celebrate our 50th anniversary. As we look back at all the organisation has achieved in the past five decades, we will also look to the future and how we'll guide our profession as it works to deliver positive change.

One of the ways we will do this will be through our new strategy, *Delivering a Better Future*, which will launch in the summer of 2022. This strategy reflects our role and responsibilities as the chartered body for the project profession. Since the introduction of our previous strategy in 2017, we've achieved many significant milestones. However, the world has also experienced unprecedented challenges. To meet the needs of a volatile, uncertain, complex and ambiguous (VUCA) world, we must continue to adapt and evolve. The new strategy will provide a roadmap for APM, showing how we will continue to innovate, adapt and build on current strengths. As an evolutionary strategy, it will build on the successes of our previous strategy.

We will continue to set the standard for the project profession. Following the successful introduction of our Major Project Leadership Specialist Certificate, we're seeking to extend the format to support the wide range of disciplines in the profession.

We're pleased to be introducing new tools and processes internally, which will enable us to work more efficiently. This will provide an even more seamless and positive experience to colleagues, members and customers. In 2022/23 we will be replacing our CRM system, which will help us better understand our stakeholders and deliver to their needs.

We will also increase our commitments to sustainability. There are two strands to this: the first is working towards our own commitment to make ourselves a net-zero organisation; the second is enabling project practitioners to understand sustainability, so that they can incorporate it into their projects that meet the needs of the current generation without compromising future generations.

Project professionals have always had to be adaptive, but a lot has changed in recent years. Economic changes, Brexit, the COVID-19 pandemic and geo-political uncertainty have thrown the need to be adaptable into sharp focus. Above all, we will continue to innovate, adapt and embrace change so that we can provide clear, consistent leadership and continue to help the project profession deliver better.

Principal risks and uncertainties

The board has considered several strategic risks during the year, including those below, together with possible impacts and mitigating strategies.

Risk category	Risk	Mitigating strategy/assurance/controls
Governance	Diversity in board, committee or volunteer roles is not delivered leading to a lack of diversity of thought and fresh ideas.	<p>Promotion of vacancies invites applications from diverse backgrounds and sectors and the ability to appoint three trustees provides an opportunity to target broadening diversity.</p> <p>There is a limit on the maximum term of office for trustees and committee appointments which sends the message that re-fresh and new ideas is helpful to balance continuity.</p> <p>The APM board has agreed a diversity action plan to help drive better understanding and representation across the project profession.</p>
Operational	Business continuity - an event limits APM's ability to operate. This may arise from fire, flood, adverse weather, IT failure or denial of service attack, media crisis, epidemic/pandemic, etc.	<p>Business continuity and disaster recovery plans are in place, reviewed and tested.</p> <p>Tools and approaches for remote working are embedded.</p> <p>IT controls are in place, as is standard insurance cover.</p>
Operational	IT security/GDPR - a malicious IT attack or malware infection leads to data loss. Failure of internal controls, including significant GDPR breach results in loss of personal data, leading to financial penalties and reputational damage.	<p>Annual IT security penetration testing is undertaken.</p> <p>Anti-malware is deployed, and web and email filtering are applied.</p> <p>There are mandatory operating system updates applied across end user devices and backups are in place for all systems.</p> <p>A data protection consultant has reviewed data protection approaches and policies. A data protection officer is in place. Data protection training is mandatory for staff and there has been a raised level of communication with staff to further heighten awareness whilst they work from home.</p> <p>An internal audit took place in 2022 and found significant assurance in this area.</p>
Operational	Third-party failure - a key software system or partner fails leading to financial or reputation issues.	<p>ICT systems planning and supplier management is in place.</p> <p>Disaster recovery and business continuity plans are in place.</p>

Principal risks and uncertainties (continued)

Risk category	Risk	Mitigating strategy/assurance/controls
External	<p>Economic conditions - actual or threatened recession leads to reduced investment across government and economy as a whole.</p> <p>Reduced investment in projects and/or budgets for training and memberships.</p>	<p>APM works with partners to make the case for project management being especially vital in such circumstances e.g. <i>Golden Thread</i> research.</p> <p>The Chartered standard provides confidence in delivery and use of resource.</p> <p>The Association continues to improve evidence of value for each stakeholder group.</p>
Financial	<p>There is a failure to manage reserves appropriately and maintain funds at an appropriate level. Either reserves become excessive (failure to deliver value to members) or inadequate funds limits ability to deliver the APM strategy.</p>	<p>A risk-based reserves policy is in place.</p> <p>Diversification is maintained through cash and long-term investment.</p> <p>There is regular reporting to the board to inform evidence-based decision-making.</p> <p>Business planning includes long term cash flow forecasting and reserves projections.</p>
Compliance	<p>There is a failure of systems or processes to adhere to acceptable standards and/or regulatory requirements. For example, corporate governance, financial regulations, health and safety, bribery act, IR35.</p>	<p>The policy register is regularly reviewed and there are policy controls in place.</p> <p>APM has qualified and experienced staff in place to address areas of compliance.</p> <p>The organisation is subject to external and internal audit.</p> <p>Annual board evaluation exercises are undertaken.</p> <p>There are robust regulations and board governance - delegations are clear and in operation.</p> <p>H&S practices have been updated to reflect increased home working arrangements.</p>

Financial review

Overview

The financial year saw growth for individual membership of 6% with qualification and contractual income around 20% higher than last year. There was return to a hybrid Awards ceremony later in the year but the majority of the events programme continued to be delivered virtually due to on-going restrictions and concerns over social gatherings.

Income grew by 10% to £11.2m (£10.1m prior year). The surplus for the year was £189k (deficit £114k) including an investment gain of £311k (gain £657k). Net assets at 31 March 2022 were £6.5m (£6.3m).

Income

Subscription income from individual members and corporate partners increased by 5% to £4.6m. Individual membership increased from 35,067 to 37,203 with Student member numbers growing by 18% to over 13,000 and international membership accounting for 7% of the total.

Examination and other contractual income increased from £4.9m to £5.9m, an increase of 21%. Just under 17,000 exams were delivered, higher than pre-pandemic although income is still around a million below.

A largely virtual events programme continued into a second year due to pandemic restrictions and a lack of appetite from delegates to return in person to events. The APM Project Management Awards in November was our first ever hybrid event held in-person and online simultaneously but with capacity at the venue still restricted due to health and safety precautions ticket income was curtailed.

APM invests funds not required for working capital in an investment portfolio managed by a professional investment manager. Funds are actively managed and allocated across a range of asset types designed to yield the required rate of return for an acceptable level of risk. Returns are measured over a five to seven-year term rather than on a year-on-year basis; volatility is expected within certain limits. Gains in 2021/22 were £311k, around half of that enjoyed in the previous year. The income from investments in the year and bank interest on deposits was £28k compared to £35k in the previous year.

Expenditure

The Charities Accounting Statement of Recommended Practice (SORP) requires expenditure to be analysed into the same categories as the income described above. The expenditure is detailed in note 4 on page 44. Following a review of the allocation of expenditure across charitable activities the prior year has been restated to more accurately represent the costs incurred.

Total costs grew during the year from £10.9m to £11.3m; an increase of £397k (4%).

The average in-house headcount over the year decreased from 115 to 112. We have maintained the 1-Star rating from Best Companies this year and additionally achieved a position on the Best Companies Mid-Sized Companies League table as well as the Best Not-For-Profit Body listings.

Note: Percentage variances are calculated from the full financial results rather than the rounded figures contained in this review.

Reserves policy

APM updated its reserve policy in February 2021. We use a risk-based approach to reserves whereby reserve levels are adjusted as perceptions of risk and other factors change; this is aligned with our strategic risk register.

The focus is on the short-term potential drawdown of reserves which would allow time to undertake additional mitigation activities and allow APM to adjust to changed financial circumstances. Reserves are monitored monthly.

Key risks with the potential to impact reserves as identified from the Corporate Risk Register include:

- a decline in income levels (viewed as the single most important risk to APM business continuity), with an inability to raise income having many root causes, for example:
 - competitive threats
 - economic recession
 - a reputation event affecting APM's credibility
 - third-party failure;
- inability to operate due to such events as a pandemic, adverse weather or IT failure;
- a significant GDPR breach resulting in loss of personal data, leading to financial penalties and reputational damage;
- market volatility causing a reduction in the value of the investment portfolio;
- external events such as a high-profile project failure which discredits the profession.

APM operates stringent internal financial controls but financial loss due to fraud remains an operational risk. It is considered unlikely that any single instance of fraud would be material.

Level of reserves

APM manages reserves at a total level using a risk-based approach and our policy is to maintain these within a range of £3.3m to £6.9m. Management of reserves covers designated funds, specific risk-based reserves and a buffer. Risk-based reserves and the buffer together are designed to provide adequate cover for any risks that may materialise and represent the free reserves of the organisation. Flexibility of operations is supported by the free reserves and the ability to determine future investment in defined funds.

Reserve levels may fall outside the defined range if there is a strategy in place requiring the use of additional reserves and a plan to return the reserves back to the approved range.

Adequacy of reserves at 31 March 2022

APM had net assets of £6.5m at 31 March 2022 (2021: £6.3m) which is comfortably within the range defined in the reserves policy.

Reserves breakdown	2022/23	2021/22
Risk-based	£1.4m	£1.3m
Buffer (surplus)	<u>£3.6m</u>	<u>£3.2m</u>
Free	£5.0m	£4.5m
Designated funds	<u>£1.5m</u>	<u>£1.8m</u>
Total	£6.5m	£6.3m

Financial review (continued)

Coronavirus pandemic

The coronavirus pandemic continued through 2021/22 but had a lesser impact than in the previous year. Income has recovered significantly, although not yet to the level achieved in 2019/20. We are, however, expecting this to be reached in 2022/23.

Business planning and accurate cashflow and financial forecasting continue to assist in maintaining an appropriate level of reserves.

Throughout the pandemic, the actions taken by APM has ensured that it has sufficient reserves to enable it to continue to operate and be ready to exploit future opportunities.

Statement of trustees' responsibilities

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

Charity law 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 charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 charity will continue in business.

The trustees are responsible for keeping adequate accounting records that 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. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Buzzacott LLP has expressed its willingness to remain in office as auditor of the charity.

The trustees' annual report is approved by the trustees of the Association.

Signed on behalf of the trustees



Debbie Lewis, Board Chair

Opinion

We have audited the financial statements of Association for Project Management ('the charitable company') and its subsidiary (together, 'the group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities and its subsidiary (the 'group'), the Consolidated and Association Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 the parent charity's affairs as at 31 March 2022 and of the group's 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 Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions 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 and parent charitable company'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable parent company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 28, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and those that relate to data protection (General Data Protection Regulation).

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the company'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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Buzzacott LLP

Hugh Swainson (Senior Statutory auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 26th July 2022

Buzzacott LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Association for Project Management

Consolidated statement of financial activities For the year ended 31 March 2022

	Notes	Total funds 2022 £	Total funds 2021 £
Income:			
Income from charitable activities:			
Subscriptions		4,593,039	4,379,010
Examination and other contractual income		5,902,413	4,863,304
Publications		465,622	505,437
Income from other trading activities:			
Events		198,163	55,770
Investment income	10	27,523	35,153
Government grant		-	301,977
Total income	2	<u>11,186,760</u>	<u>10,140,651</u>
Expenditure:			
Expenditure on charitable activities	4	10,793,201	10,587,907
Expenditure on raising funds:			
Events		497,487	303,836
Investment management costs		18,342	20,369
Total expenditure		<u>11,309,030</u>	<u>10,912,111</u>
Net expenditure before gains on investments		(122,270)	(771,460)
Net gains on investment	12	311,227	657,323
Net income/(expenditure) and net movement in funds for the year	7	<u>188,957</u>	<u>(114,137)</u>
Reconciliation of funds			
Total funds brought forward		6,323,071	6,437,208
Total funds carried forward		<u>6,512,028</u>	<u>6,323,071</u>

APM has no restricted funds. All of the above results are derived from continuing activities. The group has no recognised gains or losses other than those dealt with in the statement of financial activities.

The notes on pages 37 to 55 form part of these financial statements.

Association for Project Management

Consolidated balance sheet As at 31 March 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Intangible fixed assets	11		881,552		1,112,807
Tangible fixed assets	11		649,270		720,640
Investments	12		4,782,136		4,444,086
			<u>6,312,958</u>		<u>6,277,533</u>
Current assets					
Investments	13	480,424		1,998,774	
Stocks	14	20,799		24,382	
Debtors	15	1,266,555		1,098,982	
Cash at bank and in hand		2,693,994		1,248,936	
		<u>4,461,772</u>		<u>4,371,074</u>	
Liabilities					
Creditors: amounts falling due within one year	16	(3,599,489)		(3,862,324)	
			<u>862,283</u>		<u>508,750</u>
Net current assets					
			<u>7,175,241</u>		<u>6,786,283</u>
Total assets less current liabilities					
Provisions for liabilities	17		(663,213)		(463,213)
Net assets			<u>6,512,028</u>		<u>6,323,070</u>
The funds of the charity:					
Unrestricted income fund-designated	18		1,530,822		1,833,447
Unrestricted income fund-general	19		4,981,206		4,489,623
			<u>6,512,028</u>		<u>6,323,070</u>

The notes on pages 37 to 55 form part of these financial statements.

Approved by the board of trustees on 25th July 2022 and signed on its behalf by:



Debbie Lewis, Board Chair
Incorporated by Royal Charter RC000890

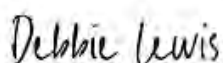
Association for Project Management

Association balance sheet As at 31 March 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Intangible fixed assets	11		881,552		1,112,807
Tangible fixed assets	11		649,270		720,640
Investments	12		4,782,136		4,444,087
			<u>6,312,958</u>		<u>6,277,534</u>
Current assets					
Investments	13	480,424		1,979,195	
Stocks	14	20,799		24,382	
Debtors	15	1,443,566		1,204,365	
Cash at bank and in hand		2,626,508		1,197,086	
		<u>4,571,297</u>		<u>4,405,028</u>	
Liabilities					
Creditors: amounts falling due within one year	16	(3,684,091)		(3,850,195)	
			<u>887,206</u>		<u>554,833</u>
Net current assets					
Total assets less current liabilities			<u>7,200,164</u>		<u>6,832,366</u>
Provisions for liabilities	17		(663,213)		(463,213)
Net assets			<u>6,536,951</u>		<u>6,369,154</u>
The funds of the charity:					
Unrestricted fund-designated	18		1,530,822		1,833,447
Unrestricted fund-general	19		5,006,129		4,535,707
			<u>6,536,951</u>		<u>6,369,154</u>

The notes on pages 37 to 55 form part of these financial statements.

Approved by the board of trustees on 25th July 2022 and signed on its behalf by:



Debbie Lewis, Board Chair
Incorporated by Royal Charter RC000890

Consolidated cash flow statement
For the year ended 31 March 2022

	Notes	2022 £	2021 £
Net cash provided by operating activities	A	461,684	910,368
Cash flows from investing activities:			
Return on investment and servicing of finance			
Investment income		27,523	35,153
Purchase of fixed assets		(535,675)	(756,374)
Acquisition of long-term investments		(868,249)	(1,601,113)
Proceeds from sale of investments and decrease in cash held within investments		841,425	1,567,682
Net cash used in investing activities		(534,976)	(754,652)
Change in cash and cash equivalents		(73,292)	155,716
Cash and cash equivalents at the beginning of the reporting period		3,247,710	3,091,994
Cash and cash equivalents at the end of the reporting period		3,174,418	3,247,710
Analysis of cash and cash equivalents:			
Cash in hand		2,693,994	1,248,936
Notice deposits		480,424	1,998,774
		3,174,418	3,247,710

Note A

Reconciliation of net incoming resources to net cash flow from operating activities

Net incoming/(outgoing) resources for the year	188,957	(114,137)
Investment income	(27,523)	(35,153)
Loss/(gains) on investment activities	(311,227)	(657,323)
Profit/(loss on disposal)/reclassification	68,666	95,076
Depreciation and amortisation	769,636	778,946
Decrease/(increase) in stock	3,583	(2,184)
(Increase)/decrease in debtors	(167,573)	873,484
(Decrease) in creditors	(62,835)	(28,341)
Net cash provided by operating activities	461,684	910,368

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Association for Project Management is a registered charity (number 1171112) and incorporated by Royal Charter (RC000890). The registered office is Ibis House, Regent Park, Summerleys Road, Princes Risborough, Buckinghamshire HP27 9LE.

Ibis Trading Limited is a wholly owned subsidiary of the Association for Project Management and is a limited company registered in England and Wales (number 06536096). The registered office is Ibis House, Regent Park, Summerleys Road, Princes Risborough, Buckinghamshire HP27 9LE.

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.

Association for Project Management 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 note(s).

These accounts are prepared in sterling which is the functional currency of the charity and rounded to the nearest pound.

Preparation of the accounts on a going concern basis

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Association and group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the impact of the coronavirus pandemic.

COVID-19 has directly affected APM both financially and in its ability to deliver some of its charitable activities which have been reliant on face-to-face delivery. Trustees and the executive team have focused on ensuring the continued health and wellbeing of the Association's staff and stakeholders whilst enhancing its digital offer to both deliver against its charitable objects and protect its financial position. Operational changes have ensured that this approach has been successful and present an ongoing viable model. Reserves remain strong and whilst uncertainty prevails, the organisation has shown that it is able to adapt swiftly and effectively.

On this basis the trustees consider that the Association and the group have adequate resources to continue in operational existence for the foreseeable future and for this reason they continue to adopt the going concern basis in preparing the annual financial statements.

1 Accounting policies (continued)

Group financial statements

These financial statements consolidate the results of the charity and its wholly owned subsidiary Ibis Trading Limited on a line-by-line basis.

Information in respect to the charitable parent company is as follows:

	2022	2021
	£	£
Gross income	11,470,452	10,806,967
Surplus/(Deficit) for the year	<u>167,797</u>	<u>(89,225)</u>

No separate statement of financial activities has been presented for the Federation alone as permitted by Section 408 of the Companies Act 2006.

Unrestricted funds

Unrestricted funds are donations and other income resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds. All funds are unrestricted during the year and at the year end.

Designated funds

Designated funds are unrestricted funds earmarked by the board of trustees for particular purposes.

Restricted funds

Restricted funds are to be used for specific purposes as specified by the donor. Expenditure which meets these criteria is charged to the fund. The charity currently has no restricted funds.

Income (including subscriptions, examination fees, contributions, grants, donations, contractual services, Furlough grants and investment income)

Recognition of membership income: members' subscriptions are spread equally over 12 months following receipt, on the assumption that this is a fair reflection of the period over which value is provided to the member.

Subscription income represents amounts receivable during the year. Subscriptions are receivable from members annually.

Fees receivable for services are accounted for in the period in which the service is provided.

Income from delegate fees and sponsorship for events is recognised in the period in which the event occurs.

Investment income is recognised in the accounts when it is receivable.

Accounting policies (continued)

Income represents amounts receivable net of VAT and discounts.

Government grants relate to grants received under the furlough scheme and are recognised when receivable.

Voluntary income represents donations which are recognised in the accounts in the period they are received.

All income is recognised as receivable when there is legal entitlement to the income, probability of receipt and amounts can be measured reliably.

Expenditure (including allocation of expenditure)

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Resources expended include attributable VAT in the instances that it cannot be recovered.

Costs of raising funds are those costs incurred for holding a variety of events on project, programme and portfolio management and related fields.

The resources expended on charitable activities comprise direct costs associated with subscriptions, examinations and publications, together with a share of the support costs.

Support costs are the costs of central and administrative functions and governance costs, which are allocated to activity cost categories as detailed in the cost allocation note below.

Governance costs relate to the governance arrangements of the Association including the costs relating to strategic management, constitutional and statutory requirements.

Cost allocation

Overhead and support costs have been allocated on the following basis to charitable activities and cost of raising funds:

Description	Method of apportionment
Depreciation	Apportioned in relation to income
Finance	Apportioned in relation to income
Information technology	Apportioned in relation to income
Other support staff	Apportioned in relation to income/expenditure
Office costs	Apportioned in relation to income
Governance costs	Apportioned in relation to income

Accounting policies (continued)

Intangible fixed assets

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of each asset over its expected useful life as follows:

Computer software costs	33.33% straight line
Customer relationship management system	20% straight line
Publications	33.33% straight line
Qualifications and other intangible assets	33.33% straight line

Expenditure below £1,000 is written off in the year of purchase.

Intangible fixed assets include software licences, website and e-learning development costs and the costs of producing new APM qualifications and the APM Body of Knowledge 7th edition which have been capitalised on the grounds that they underpin APM's examination syllabuses, and that they have an economic life beyond 12 months. E-learning and certain website development costs are capitalised on the basis that they aid and assist members taking qualifications and as such are enduring assets which will assist in the creation of future revenue. Two thirds of the work undertaken by APM's digital partner is classified as capital expenditure, with the remainder expensed.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements and dilapidations	Over the life of the lease, straight line
Furniture and equipment	25% straight line
Computer equipment	33.33% straight line

Expenditure below £1,000 is written off in the year of purchase.

Stocks

Stocks are stated at the lower of cost and net realisable value, after making allowance for obsolete and slow-moving items.

Foreign currency

Foreign currency transactions are recorded at the exchange rate at the time of the transaction. Foreign currency balances are translated into sterling at the exchange rate at the balance sheet date. Resulting gains or losses are included in the Statement of Financial Activities (SOFA).

Operating leases

The cost of operating leases is charged to the SOFA over the period to which they relate.

Accounting policies (continued)

Finance leases

Leases which entail APM taking substantially all the risks and rewards of ownership of an asset are treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

Pension costs

APM operates a funded defined contribution pension scheme. Contributions to the scheme are charged to the SOFA in the period to which they relate. The scheme is open to all eligible APM staff.

Cash and cash equivalents

Includes cash and short-term liquid investments with a maturity date of three months or less from the date of acquisition or the opening of the deposit/investment account.

Financial instruments

APM has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Basic financial instruments are recognised initially at transaction value and subsequently at their settlement value. Financial instruments are recognised in the balance sheet when the Association becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments, deferred income and amounts due to or from HMRC, all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 15, 16 and 17 for the debtor and creditor notes.

Fixed asset investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses on revaluation and disposals throughout the year.

Judgments and key sources of estimation uncertainty

In the application of the Association's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Accounting policies (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

- Useful economic lives: the annual depreciation charge for property, plant and equipment and the annual amortisation charge for intangible assets is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.
- Allocation of membership income on a time apportioned basis which results in an estimation of deferred income carried forward at each balance sheet date.
- Dilapidations provision for leased premises due at the end of the leases.
- Provision for VAT as the result of the proposed change in method of apportionment.
- Estimation of the appropriate proportion of IT expenditure to capitalise as intangible fixed assets.
- Estimation of future income and expenditure flows for the purpose of assessing going concern.

Notes to the financial statements

2 Income

All income from charitable activities was derived from the provision of services, with the exception of income from publications of £465,622 (2021: £505,437).

Interest income received was £700 (2021: £1,720). Dividend income from investments was £26,823 (2021: £33,431). Government grants received were £0 (2021: £301,977) and last year related to furlough grants claimed.

3 Governance costs

	2022	2021
	£	£
Staff costs	181,643	188,448
Audit and legal fees	22,735	34,718
Cost of trustee meetings, travel and support	29,013	14,117
	<u>233,391</u>	<u>237,283</u>

Staff costs contain a proportion of executive time in addition to the company secretarial function.

The costs of £233k (2021: £237k) above are representative of total governance costs of which £4,147 (2021: £1,350) were apportioned to raising funds. The remainder were apportioned to charitable activities (note 6).

Notes to the financial statements

4 Breakdown of cost of charitable activities

	Activities undertaken directly	Support costs	Total
2022	£	£	£
Membership subscriptions	2,229,386	2,382,259	4,611,645
Examination and other fees	1,938,955	3,061,389	5,000,344
Publications	547,575	241,502	789,077
Research & development projects	392,135	-	392,135
	<u>5,108,051</u>	<u>5,685,150</u>	<u>10,793,201</u>
		(Note 6)	
2021			
Membership subscriptions	2,036,058	2,535,644	4,571,702
Examination and other fees	1,934,733	2,816,072	4,750,805
Publications	707,836	292,671	1,000,507
Research & development projects	264,893	-	264,893
	<u>4,943,520</u>	<u>5,644,387</u>	<u>10,587,907</u>
		(Note 6)	

5 Total support cost breakdown by activity

	Staff costs	Other costs	Total
2022	£	£	£
Cost of raising funds	47,882	54,899	102,781
Charitable activities	2,648,496	3,036,654	5,685,150
	<u>2,696,378</u>	<u>3,091,553</u>	<u>5,787,931</u>
2021			
Cost of raising funds	15,484	16,810	32,294
Charitable activities	2,706,232	2,938,155	5,644,387
	<u>2,721,716</u>	<u>2,954,965</u>	<u>5,676,681</u>

6 Support cost apportionment

Charitable activities

	Membership subscriptions	Examination and other fees	Publications	Total
2022	£	£	£	£
Depreciation	308,825	396,864	31,307	736,996
Finance	249,576	320,724	25,301	595,601
Information technology	406,512	522,400	41,210	970,122
Support staff costs	1,109,804	1,426,185	112,507	2,648,496
Office costs	211,480	271,769	21,439	504,688
Governance costs	96,062	123,447	9,738	229,247
Total	2,382,259	3,061,389	241,502	5,685,150
	(Note 4)	(Note 4)	(Note 4)	(Note 4)
2021				
Depreciation	347,937	386,417	40,160	774,514
Finance	265,046	294,358	30,592	589,996
Information technology	323,522	359,302	37,342	720,166
Support staff costs	1,215,728	1,350,180	140,322	2,706,230
Office costs	277,422	308,104	32,021	617,547
Governance costs	105,989	117,711	12,234	235,934
Total	2,535,644	2,816,072	292,671	5,644,387
	(Note 4)	(Note 4)	(Note 4)	(Note 4)

Comparative figures have been restated to more accurately represent the costs incurred.

7 Net income/(expenditure) for the year

This is stated after charging:

	2022 £	2021 £
Depreciation and amortisation of fixed assets	769,634	778,946
Operating lease payments - premises	187,580	187,057
Auditor's remuneration - current year	20,000	19,900
Auditor's remuneration - prior year under provision	2,624	3,500
Auditor's remuneration for non-audit services	1,250	2,620

Notes to the financial statements

8 Staff costs and numbers

	2022	2021
	£	£
Wages and salaries	4,559,230	4,817,083
Social security costs	388,455	415,285
Pension costs	335,650	367,881
Private medical insurance	41,040	45,778
Group life assurance	14,466	19,300
	<u>5,338,841</u>	<u>5,665,327</u>

There were no redundancy and termination payments in the year (2021: £89,153).

The number of employees whose emoluments fell into the following bands were:

	2022	2021
£60,001 - £70,000	5	2
£70,001 - £80,000	6	5
£80,001 - £90,000	4	5
£110,000 - £120,000	1	1
£120,001 - £130,000	-	1

The above staff have retirement benefits accruing under defined contribution schemes at a cost of £102,941 (2021: £102,004) to APM.

Key management personnel are deemed to be the Chief Executive, the Deputy Chief Executive (replacing the position of Chief Financial Officer in year), as well as the trustees who are not remunerated.

Pay and benefits including pension and employer national insurance contributions to key management personnel who have held the positions in the year amounted to £260,134 (2021: £267,996).

Average employee numbers:	2022	2021
Business development and marketing	48	52
Customer services	28	26
Office and administration	36	37
	<u>112</u>	<u>115</u>

9 Taxation

The activities of the charity and its trading subsidiary are exempt from corporation taxation under section 505 of the Income and Corporation Taxes Act 1988 to the extent that they are applied to the organisation's charitable objects. The trading subsidiary does not pay UK corporation tax as its taxable profits are paid to its charitable holding company as gift aid.

10 Investment income

	2022	2021
	£	£
Bank interest	700	1,722
Income from investments	26,823	33,431
	<hr/>	<hr/>
	27,523	35,153
	<hr/> <hr/>	<hr/> <hr/>

11 Fixed assets

Intangible fixed assets - group and Association

	Computer software	Customer relationship management system	Publications	Qualifications	Total
	£	£	£	£	£
Cost					
At 1 April 2021	1,698,579	378,830	598,719	824,076	3,500,204
Additions	433,255	4,600	23,693	29,564	491,112
Reclassification	(88,000)	-	-	-	(88,000)
At 31 March 2022	2,043,834	383,430	622,412	853,640	3,903,316
Amortisation					
At 1 April 2021	1,000,700	345,849	524,791	516,057	2,387,397
Charge for the year	379,866	32,854	57,187	183,794	653,701
Reclassification	(19,334)	-	-	-	(19,334)
At 31 March 2022	1,361,232	378,703	581,978	699,851	3,021,764
Net book value					
At 31 March 2022	682,602	4,727	40,434	153,789	881,552
At 31 March 2021	697,879	32,982	73,927	308,019	1,112,806

Tangible fixed assets - group and Association

	Leasehold improvements & dilapidations	Furniture & computer equipment	Total
	£	£	£
Cost			
At 1 April 2021	863,552	606,379	1,469,931
Additions	-	44,564	44,564
At 31 March 2022	863,552	650,943	1,514,495
Depreciation			
At 1 April 2021	193,643	555,647	749,290
Charge for the year	89,278	26,657	115,935
At 31 March 2022	282,921	582,304	865,225
Net book value			
At 31 March 2022	580,631	68,639	649,270
At 31 March 2021	669,909	50,732	720,641

12 Fixed asset investments

Movement in fixed asset investments

	2022	2021
	£	£
<u>Investment portfolio</u>		
Market value brought forward	4,435,213	3,718,287
Acquisitions at cost	868,249	1,601,113
Less disposal proceeds	(914,671)	(1,541,510)
Realised gains/(loss) on disposal	32,243	131,255
Unrealised gains/(losses) on investments	278,984	526,068
	4,700,018	4,435,213
<i>Historical costs</i>	<i>4,051,173</i>	<i>4,130,955</i>
Geographical analysis		
United Kingdom investments	1,249,265	1,468,943
Overseas investments	3,450,753	2,966,270
	4,700,018	4,435,213
Total investments		
Listed investments	4,700,018	4,435,213
Cash held by investment fund manager	82,118	8,873
	4,782,136	4,444,086
Asset allocation	2022	2021
Equity	58%	57%
Bonds	9%	9%
Other	27%	30%
Fund cash (includes cash held within investments)	6%	4%

Cash is held for investment pending suitable market conditions.

At 14 June 2022, the portfolio value was £4,542,416 a loss of £157,602 since year-end due to the volatility in the global stock markets.

Fixed asset investments (continued)

The following investments comprise significant holdings in the portfolio:

Investments	Holding (units)	Value £	%
Findlay Park	2,580	352,920	7.4
Fundsmith Equity	57,415	351,551	7.4
Guardcap Global Equity	23,597	349,431	7.3
Liontrust Special Situations	69,691	338,020	7.1
MW Tops	1,668	304,333	6.4
TB Evenlode	122,277	297,830	6.2
Trojan Funds	77,578	249,786	5.2
CG Absolute Return	1,666	236,516	4.9

Investment in subsidiary

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Ibis Trading Limited	-	-	1	1
	-	-	1	1

The Association owns all of the issued share capital of Ibis Trading Limited, a company registered in England and Wales. The subsidiary is used for sponsorship and made a profit of £21k (2021: loss of £23k) on income of £95k (2021: £54k). Ibis Trading was incorporated on 17 March 2008 and commenced trading on 27 July 2009. All activities have been consolidated line by line in the SOFA. The total net liabilities were £24,922 (2021: £46,082).

13 Current asset investments

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Notice deposits less than three months	378,414	378,070	378,414	378,070
Notice deposits more than three months	102,010	1,620,704	102,010	1,601,125
	480,424	1,998,774	480,424	1,979,195

Notes to the financial statements

14 Stocks

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Publication materials and sundry sale items	20,799	24,382	20,799	24,382

15 Debtors: amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	696,727	671,570	696,727	642,949
Prepayments and accrued income	554,634	408,973	554,634	370,652
Other Debtors	15,194	18,439	15,194	18,439
Amounts owed by group undertakings	-	-	177,011	172,325
	<u>1,266,555</u>	<u>1,098,982</u>	<u>1,443,566</u>	<u>1,204,365</u>

16 Creditors: amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade creditors	566,414	631,384	570,296	629,153
Accruals and deferred income	2,715,690	2,863,941	2,793,302	2,840,673
Other creditors	2,029	116	3,252	-
Other taxes and social security	315,356	366,883	317,241	380,370
	<u>3,599,489</u>	<u>3,862,324</u>	<u>3,684,091</u>	<u>3,850,195</u>

Deferred income

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Brought forward as at 1 April 2021	1,983,856	1,935,527	1,983,971	1,935,643
Income deferred in year	2,099,135	2,468,163	2,097,396	2,468,165
Brought forward funds released in year	<u>(1,983,191)</u>	<u>(2,419,834)</u>	<u>(1,983,191)</u>	<u>(2,419,837)</u>
Carried forward as at 31 March 2022	<u>2,099,800</u>	<u>1,983,856</u>	<u>2,098,176</u>	<u>1,983,971</u>

Notes to the financial statements

17 Provisions for liabilities

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Dilapidation provision for leased premises	463,213	463,213	463,213	463,213
VAT provision	200,000	-	200,000	-
	<u>663,213</u>	<u>463,213</u>	<u>663,213</u>	<u>463,213</u>

A provision of £200k has been made following a recent VAT internal audit which identified a potential adjustment required in light of a change in the method of apportionment for partial VAT exemption purposes. This is expected to result in an amount due to HMRC in the 2022/23 financial year.

18 Designated funds

2022	At 1 April 2021 £	Incoming £	Outgoing £	Transfers £	At 31 March 2022 £
Group and Company					
Fixed asset fund	1,833,447	-	-	(302,625)	1,530,822
	<u>1,833,447</u>	<u>-</u>	<u>-</u>	<u>(302,625)</u>	<u>1,530,822</u>
2021	At 1 April 2020 £	Incoming £	Outgoing £	Transfers £	At 31 March 2021 £
Group and Company					
Fixed asset fund	1,951,096	-	-	(117,649)	1,833,447
	<u>1,951,096</u>	<u>-</u>	<u>-</u>	<u>(117,649)</u>	<u>1,833,447</u>

The fixed asset fund of £1,530,821 represents tangible and intangible fixed assets.

Notes to the financial statements

19 Unrestricted general funds

2022	At 1 April 2021	Incoming	Outgoing	Gain on investments	Transfer from designated funds	At 31 March 2022
	£	£	£	£	£	£
Group						
Retained fund	4,489,623	11,186,760	(11,309,030)	311,227	302,625	4,981,206
Company						
Retained fund	4,535,707	11,091,933	(11,235,363)	311,227	302,625	5,006,129
2021	At 1 April 2020	Incoming	Ongoing	(Loss) on investments	Transfer from designated funds	At 31 March 2021
	£	£	£	£	£	£
Group						
Retained fund	4,486,112	9,483,329	(10,254,789)	657,323	117,649	4,489,623
Company						
Retained fund	4,508,951	10,806,967	(11,555,183)	657,323	117,649	4,535,707

Notes to the financial statements

20 Net assets by fund

2022	Designated	General	Total
	£	£	£
Intangible fixed assets	881,552	-	881,552
Tangible fixed assets	649,270	-	649,270
Investments	-	4,782,136	4,782,136
Current assets	-	4,461,772	4,461,772
Current liabilities	-	(3,599,489)	(3,599,489)
Creditors due in over one year	-	(663,213)	(663,213)
	<u>1,530,822</u>	<u>4,981,206</u>	<u>6,512,028</u>
2021	Designated	General	Total
	£	£	£
Intangible fixed assets	1,112,807	-	1,112,807
Tangible fixed assets	720,640	-	720,640
Investments	-	4,444,086	4,444,086
Current assets	-	4,371,074	4,371,074
Current liabilities	-	(3,862,324)	(3,862,324)
Creditors due in over one year	-	(463,213)	(463,213)
	<u>1,833,447</u>	<u>4,489,623</u>	<u>6,323,070</u>

21 Trustee remuneration and expenses

The trustees neither received nor waived any emoluments during the year (2021: £0). The reimbursement to 5 (2021: 0) trustees of expenses for travel and subsistence incurred on behalf of the Association totalled £1,140 (2021: £0) during the year. The Association receives subscriptions from the trustees and provides examination services to some trustees on the same basis as any other member.

22 Financial commitments

The total amounts payable over the lease term are shown below, analysed according to when the payments are due.

Operating leases:	Land and buildings	
	2022	2021
	£	£
Due:		
Within one year	171,371	171,371
Between two and five years	685,484	685,484
After five years	255,031	426,402
	1,111,886	1,283,257
	1,111,886	1,283,257

Operating leases:	Office equipment	
	2022	2021
	£	£
Due:		
Within one year	4,539	4,763
Between two and five years	5,744	6,435
	10,283	11,198
	10,283	11,198

23 Related party transactions

Other than as disclosed in note 21, during the year the charity had no related party transactions with trustees (2021: £0).

Intercompany transactions between the charity and its wholly owned subsidiary, Ibis Trading Limited were £0 (2021: £3,837) and £67,292 (2021: £63,328) for shared resources. Amounts owed by Ibis Trading Limited to the charity at the balance sheet date were £177,010 (2021: £172,325).

The services referred to above were conducted at arm's length.

24 Post balance sheet events

As at 14 June 2022, the investment portfolio had fallen in value by £157,602 due to continuing volatility in the market due to the current economic climate.

Association for Project Management

Ibis House, Regent Park,
Summerleys Road,
Princes Risborough,
Buckinghamshire HP27 9LE

Tel (UK) 0845 458 1944
Tel (Int) +44 1844 271 640
Email info@apm.org.uk
Web apm.org.uk