



# Strategic and Financial Review

Year ended 31 December 2024



Chartered  
Insurance  
Institute

Standards. Professionalism. Trust.

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## CHAIR'S STATEMENT

*This report describes the activities and positive progress achieved by the Chartered Insurance Institute (CII) Group during the second full year of our Strategic Plan 2023-2027. Our work has benefited from the leadership brought by the appointment of our new Chief Executive, Matthew Hill, who joined the organisation in April 2024. The subsequent adoption of a new purpose-led "Public Value" approach to delivering our strategic goals has ensured our work is rooted firmly in our Royal Charter. The Strategic & Financial Review and the consolidated financial statements for our Group for the year ended 31 December 2024 provide the detail behind that activity.*

By way of brief introduction, I am delighted that the Group welcomed its first net increase in membership since 2019, taking us back above 121,000 members. As a result – and supplemented by strong sales of study texts and learning aids, as well as a significant increase in students undertaking CII exams – our consolidated operating income increased by 7% year-on-year, to £45.6 million in 2024. This represents its highest ever recorded value and shows that we have put the income challenges of the pandemic firmly behind us.

Our continued, careful stewardship of members' funds also contributed to the Group's operating surplus rising by £1.6 million year-on-year, to £3.0 million in 2024. These surpluses give us the opportunity to invest in additional products and services for members and other customers, and to advance our thought leadership initiatives to help 'secure and justify the confidence of the public'.

Our work during the year included further enhancing our membership offer by rethinking and expanding our programmes of engaging professional development events, launching interactive welcome webinars, and strengthening the way we support our volunteers across our local institute and PFS regional committee networks. We also began to embed our Professional Map throughout our membership proposition,

so it provides a 'golden thread' that can assist every professional to identify their own dedicated development pathway and relevant learning personalised to their needs.

We recognise that our professional broking, claims and underwriting communities, alongside the Society of Mortgage Professionals and the PFS POWER panels, have important roles to play in supporting the career development of individual members, shaping the future of our professions more broadly, and helping us to identify and advance our policy agenda. We started to evolve the purpose of these boards and committees during 2024, integrating them more closely into our strategic and operational planning so we can benefit further from their expertise and inform our business planning into the future.

We identified and responded to member needs around regulatory changes, advancements in new technologies and concerns around sustainability during the year by introducing specialist training, detailed good practice guides and insightful diagnostic tools to support them and their employers. We additionally held the first of what has become a series of practitioner-led roundtable discussions that are exploring ways in which we can help our members and the wider profession to meet their Consumer Duty obligations. Outputs from these discussions have included actionable White Paper recommendations, practical guidance and deeper discussions on issues such as data-sharing across our sectors. We were also delighted to be asked to continue to provide secretariat support to the All-Party Parliamentary Group on insurance and financial services following the UK general election.

We have continued to make progress on our exciting initiatives around learning and qualifications, including the launch of a project to enhance access to high-quality, centrally provided CPD content. We additionally completed a major upgrade to our corporate learning platform, sing the content most accessed by our members and improving platform functionality. We were also delighted to have begun a complete overhaul of our qualifications framework, which will ensure that members are able to access the world-class learning opportunities that the profession requires through more modern delivery approaches.

We are proud to have members in 140 countries around the world, all of whom share our ethos and mission to build public trust. We have seen particularly strong interest in our work in the Middle East during 2024, with our reputation and engagement catalysing authorities across the region to consider mandating our world-class qualifications for professionals in their jurisdictions. We were delighted that the central bank of the UAE was the first authority to do so in early 2025. Our ambition is without boundary, and we intend to grow wherever we have the potential to benefit consumers, firms and societies more generally around the world.

We take our responsibilities in relation to member data and service provision seriously and were delighted to achieve Cyber Essentials+ recognition in 2024. This certification is widely acknowledged to provide a high level of assurance with respect to cyber threat protection. The work we continued to do on our IT transformation programme also improved the availability of our web platforms, which rose to 99.5%. In addition, the decommissioning of duplicative and legacy software realised substantial financial savings that can be reinvested for member benefit.

The work outlined above benefited from a redesigned and expanded executive leadership team and associated changes in directorate authorities during the year that is helping to convert strategic ambition into purposeful action. We completed appointments to our new leadership team in early 2025, and we have begun to review whether other organisational changes may help us to further improve our organisational efficiency and effectiveness. We also made changes to the composition of the PFS Board during the reporting period, ensuring it has the necessary support and executive accountability to be able to take decisions with confidence and prioritise the benefit PFS professionals feel from being members of the CII Group.

Looking ahead to 2025 and beyond, and in addition to that which I have already outlined above, our work will include delivering a remodelled Corporate Chartered Status proposition that will focus on recognising exemplar firms in the fields of employee value proposition, exceptional customer outcomes and their commitment to upholding professional standards. We will also complete a programme of work to modernise our membership offer, helping to inspire the next generation to join and remain in our professions. We will also continue to make improvements to our IT Infrastructure, which are necessary for the sustainable delivery of our ambition.

*In conclusion, our new Public Value Model will set the foundation for our business planning for the years to come, providing clarity around how we deploy our resources and activities, prioritise what we do, and measure our impact in ways that align with our purpose, mission and strategy. More generally we expect to accelerate investment in organisational improvements and member services in 2025 in ways that will ensure an operating surplus is delivered from our core services. This will provide assurance that the Group's services remain financially sustainable.*

Once again, I would like to thank all our members and customers, our communities of local volunteers, our expert practitioners, trustees, board and committee members and, of course, the Group's committed and hard-working colleagues, for all they have done to support our organisation during 2024.

I also wish to convey, on behalf of the Board, our thanks to the service and valued contributions of our Board members whose terms of office ended during 2024: Ian Callaghan; Dominic Christian; Michael Crane; Alan Clamp; Debbie Mitchell; and Roger Sanders. I am grateful to Ian, Debbie and Michael for subsequently taking up positions on the PFS Board.

DR HELEN PHILLIPS FRSB DL  
CII Group Board Chair  
Date: 5 August 2025

# GOVERNANCE STRUCTURE

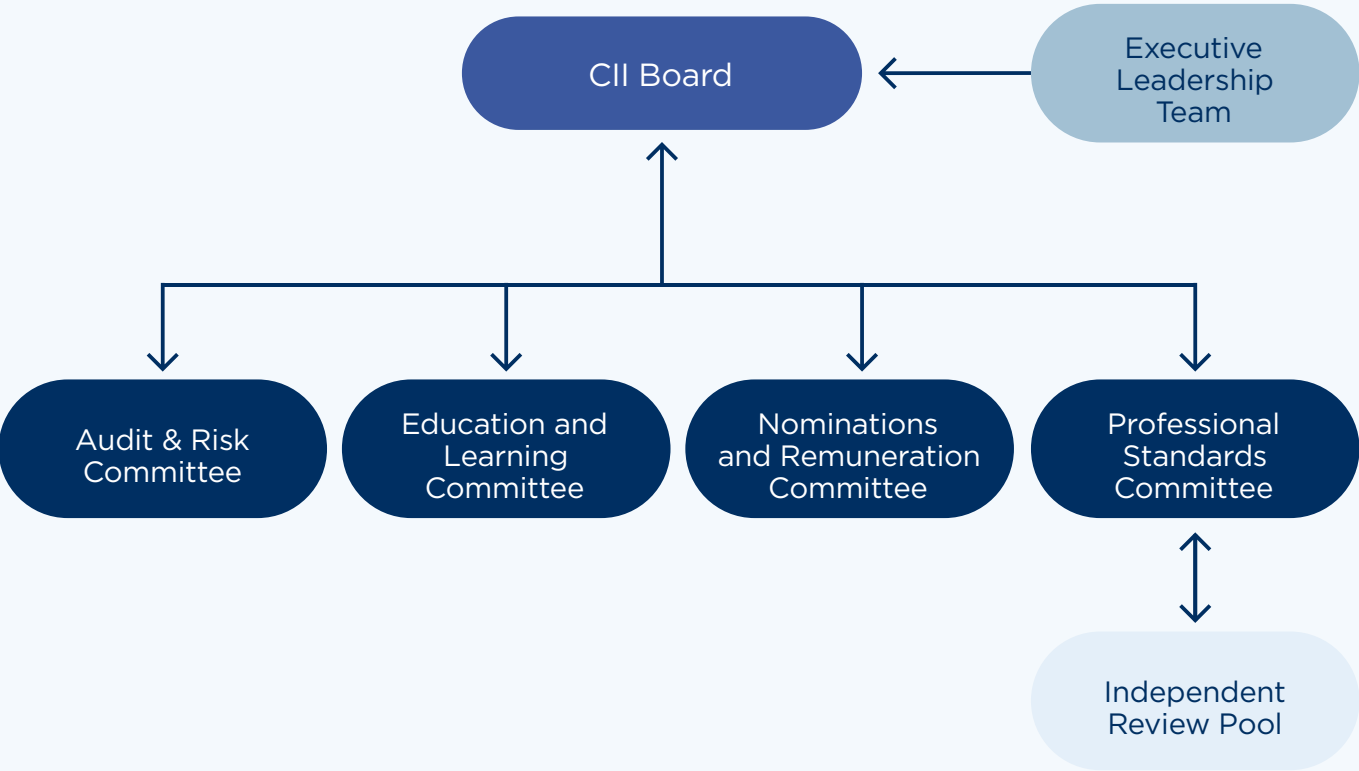
The Chartered Insurance Institute (CII or Institute) is a not-for-profit organisation that operates under the terms of its Royal Charter and Bye-laws. Our Royal Charter requires us to secure and justify the confidence of the public, as part of our purpose. Our governance structure is designed to provide accountability and safeguard the CII's long-term future, ensuring that the CII's activities are underpinned by appropriate scrutiny and delegation.

The Board is the Institute's governing body. It is responsible for leading the strategic direction of the CII and promoting, through the strategy, the CII's objectives. The Board ensures the Institute has the resources, culture and controls in place to meet its strategic objectives and ensure its long-term success.

The Board has four Standing Committees – Audit and Risk, Education and Learning, Nominations and Remuneration, and Professional Standards. Each is chaired by a Board member and includes a member appointed from the Local Institutes National Forum (LINF) and a PFS Board representative; all committee members are non-executive appointments.

The Board delegates responsibility for the day-to-day management of the CII to the Executive Leadership Team (ELT) of the Institute, which is headed by the Chief Executive Officer.

A diagram of the governance structure is set out below.



# CII BOARD REPORT

## Membership

As of 31 December 2024, there were 12 CII Board members in accordance with the CII's Bye-laws. Eleven of these were non-executive Board members: the Chair, President, Deputy President, four Engagement Board Members and the four Chairs of the Board's Standing Committees. The one executive

Board member was the Chief Executive Officer.

The composition of the Board for the year ended 31 December 2024 is set out in the table below.

The term of appointment for Alan Clamp ended in March 2024.

NAME	ROLE	START OF APPOINTMENT	END OF APPOINTMENT	MEETING ATTENDANCE*
Helen Phillips, PhD, FRSB, DL	Chair	July 2020		7 out of 7
Nicola Stacey, ACII	Deputy President (2024) President (2025)	January 2024		5 out of 7
Claire Bassett	Committee Chair	January 2023		6 out of 7
Jonathan Graham, BA (Hons), FCA, CIPFA	Committee Chair	June 2024		3 out of 4
Desmond Bermingham, PhD, MSc, MA, BA	Committee Chair	June 2024		4 out of 4
Jennette Newman, LLB Hons, Solicitor	Committee Chair	January 2020		7 out of 7
Matthew Hill	Chief Executive Officer	April 2024		5 out of 5
Yassir Albaharna, FCII, Chartered Insurer	Engagement Board Member	January 2024		6 out of 6
Roger Jackson, APFS, Chartered Financial Planner	Engagement Board Member	July 2024		4 out of 4
Susan Middleton, FCII, Chartered Insurance Broker	Engagement Board Member	July 2024		4 out of 4
Ben Rose, ACII	Engagement Board Member	July 2024		4 out of 4
Ian Callaghan, BA (Hons), FCII Chartered Insurance Broker	Deputy President (2022/2023) President (2023/2024)	January 2023	December 2024	7 out of 7
Alan Clamp, MA, PGCE, MBA, PhD	Committee Chair	January 2017	March 2024	1 out of 1
Roger Sanders, OBE, CertPFS	Committee Chair	May 2018	May 2024	3 out of 3
Alan Vallance, BA (Hons), FCA, FAICD, Hon. FKIA	Chief Executive Officer	August 2022	January 2024	0 out of 0
Dominic Christian	Engagement Board Member	January 2024	April 2024	1 out of 2
Michael Crane, ACII, Chartered Insurer	Engagement Board Member	July 2021	May 2024	3 out of 3
Debbie Mitchell, DipPFS	Engagement Board Member	April 2020	May 2024	3 out of 3

\* Number of meetings attended of those eligible to attend. The Board met 7 times during 2024 including one strategy session.

# CII BOARD REPORT CONTINUED

The term of appointment for Dominic Christian ended in April 2024, and the terms of appointment for Debbie Mitchell, Mike Crane, and Roger Sanders all ended in May 2024.

The CII requires Board members to provide details of any company directorships and other significant interests they hold on an annual basis and to declare any conflicts or interests in any item being discussed at each meeting in order that these can be managed appropriately. Members are also required to make a 'related party declaration' to confirm whether they or any party related to them has undertaken any transactions with the CII.

## Activity

The Board usually meets every 2 months to review delivery against the agreed strategy, operational performance and risks to the delivery of the objectives, with one strategy session with the Executive Leadership Team. The Board receives reports on the CII's performance and finances at each scheduled meeting.

Early in 2023, the Board approved the CII's Strategic Plan for 2023-2027, which was successfully launched in April 2023. The Strategy sets out the CII's vision and purpose, key challenges, and the high-level initiatives the CII is adopting to address them. It contains six strategic themes that place emphasis on professional standards and the value of membership supported by world-class learning and qualifications. Those strategic themes are:

1. Excellent Member Experience
2. Highest Professional Standards
3. Sector Thought Leadership
4. World-Class Learning
5. Digital First
6. Sustainable Institute

During 2024, the CII Board received regular updates on the initiatives adopted as part of the Strategic Plan. In particular it welcomed discussions around the pros and cons of Membership by Professional Experience and continues to review and consider the way in which this can be developed with a view to maintaining the highest professional standards.

Regular updates have been received on the IT transformation activity taking place across the organisation which will bring enhanced capability, while separately work continues to increase operating income and membership volume and manage organisational enabling costs. The ongoing review of the Corporate Chartered proposition was also considered by the Board throughout the year, and we look forward to a broader consultation in 2025 to take this forward.

In September, the Board was delighted to welcome the CII's International Directors and Vice Presidents focusing on the CII's role strategically and the importance of how we intend to grow beyond the UK and how insurance and Personal Finance education has the potential to benefit consumers, firms and societies more generally around the world.

Having reported previously on the decision of the Trustees of the Education and Training Trust of the Chartered Insurance Institute to transfer the assets and obligations to the Worshipful Company of Insurers (WCI) Charitable Trust, we are pleased to report that this transfer took place, and the charitable company was dissolved in January 2025.

As in previous years, the Board considered standing items in accordance with the Reserved Matters which included the approval of Notice of the Annual General Meeting, approval of the Financial Statements, and Letter of Representation, and consideration and approval of policies including, Treasury Policy, Travel Expenses Policy and ESG Policy.

Good governance supports organisations in setting their tone, reinforcing the importance of and establishing appropriate oversight mechanisms across the organisation. The CII is committed to achieving excellence in governance and places a strong focus on continuous improvement in governance. During 2024, the CII designed and implemented a Governance Framework which supports the transmission of leadership throughout the organisation, the highest quality of decision-making, and drives the right behaviours enabling the CII to meet regulatory and statutory requirements. The Framework is designed with flexibility at its core, so as to manage those changes which are inevitable for any organisation, such as the CII, existing in a changing world of work. This was supported by the implementation of a Delegated Authorities Framework and a Board Code of Conduct. During 2025, the CII will be scoping an external effectiveness review to benchmark its governance practice in line with the commitment for continuous improvement.

# AUDIT AND RISK COMMITTEE (ARC)

The Audit and Risk Committee's role is to ensure that the Group operates effective processes of financial reporting and control, and of risk management, so that the Board is equipped to carry out its governance responsibilities. The Audit and Risk Committee has the authority to seek any information it requires of the CII to fulfil its duties.

## Financial Reporting

The Audit and Risk Committee monitors the financial performance of the CII Group at each meeting and interrogates the integrity of the financial statements, reviewing significant financial reporting judgements contained within them.

In 2024, the Committee scrutinised the Group Financial Statements of 2023 and recommended them for approval to the CII Board. As in previous years, particular consideration was given to accounting policies, standards, estimates, judgements including tax treatment, and the preparation of the financial statements on a going concern basis. The Audit and Risk Committee also reviewed the Business Plan and Budget for 2025 in advance of approval by the CII Board.

The Committee has oversight of the CII's treasury activities, investments and approach to pension schemes.

The Committee reviewed the performance of the CII's investments and scrutinised the investment strategy to ensure that this continues to achieve a satisfactory return without exposing the Group to undue risk. This year, the Committee undertook a tender exercise to ensure the CII is receiving the best possible service and value for money from its investment managers. The outcome of the investment manager tender exercise was recommended by the Committee to the Board and was approved in December 2024.

## Internal Controls and Risk Management

The Audit and Risk Committee monitors systems of internal control and ensures the effectiveness of the CII's approach to, and management of, business risks. The Committee also has oversight of policies and statements where these pertain to accounting and risk management. Linked to this, the Committee reviewed and endorsed several risk-focused policies for Board approval, including the CII's Health and Safety Policy and Modern Slavery Statement.

The Committee oversaw the introduction of an updated risk register which is reviewed by the Executive Leadership Team and the Committee at each of its meetings. The Committee revised the Enterprise Risk Management Policy and Risk Appetite Statement to ensure that the CII Group's approach to risk management is rigorous and robust now and into the future.

Throughout the year, the Committee has particularly focused on ensuring the risk elements of upcoming strategic projects at the CII are sufficiently considered and monitored.

## External Audit

Crowe UK LLP was reappointed as the external auditor for the Group for 2024. Crowe UK LLP conducted the audit process on the 2023 financial statements and the Committee was satisfied with the quality of the external audit and believed that the auditor was able to take a measured and diligent view of the quality of financial and other systems of reporting and control within the CII. The Committee was also satisfied that Crowe UK LLP would continue to do this as they follow through on their audit plan. At their final meeting of 2024, the Committee reviewed and approved the Group Audit Plan and fees for 2024 from Crowe UK LLP.

## Internal Audit

A tender process was conducted and reviewed by the Committee to appoint an internal auditor to ensure that the CII has appropriate systems of internal control that work effectively. The outcome of the tender process was approved by the Board in December 2024.

## Membership

All members of the Audit and Risk Committee are independent non-executives. Roger Sanders remained the Committee Chair and Board Member until May 2024. In June 2024, Jonathan Graham was appointed as Chair of the Committee and Board member. André Katz and Mike Crane joined the Committee throughout the year as independent member and representative member of the PFS Board respectively.

# AUDIT AND RISK COMMITTEE (ARC) CONTINUED

The composition and attendance of ARC during the year was as follows:

NAME	EXPERIENCE	START OF APPOINTMENT	END OF APPOINTMENT	MEETING ATTENDANCE
Roger Sanders, OBE, CertPFS	Chair, Financial Services, Pensions and Investments	May 2018	May 2024	1 out of 1
Jonathan Graham, BA (Hons), FCA, CPFA	Chair, Accounting, Audit and Risk	June 2024		4 out of 4
Prashant Amatya, FCA	Audit, Risk and Accounting	March 2020		5 out of 5
Michael Crane, ACII, Chartered Insurer	Personal Finance Board Member Representative	December 2024		2 out of 2
André Katz	Governance, Risk Management, Internal Control	June 2024		4 out of 4
Irina Kendix, MSc, MBA, CMIIA	Audit, Risk, Compliance and Governance	March 2020		4 out of 5
John McSherry, BSc (Hons), ACII	Local Institutes National Forum (LINF) Representative	May 2023		5 out of 5
Damien Régent, MA	Audit, Finance and Risk	December 2020		5 out of 5
Annie Tay, B.Eco (Act Science), MAppFin, FIA, CERA	Insurance, Strategy, Risk and Audit	November 2019		4 out of 5

Committee meetings are attended by the Chief Executive Officer, Governance Officer and/or Manager, Executive Director of People and Resources, Risk and Compliance Director, General Counsel, and Executive Director, Digital and Information. The external auditors attended to present reports in March and November.

# EDUCATION AND LEARNING COMMITTEE (ELC)

The Education and Learning Committee oversees the CII's activities in respect of building the knowledge and skills base of the profession. It ensures the relevance, accessibility and quality of the CII's learning and assessment products while providing assurance that the CII's internal processes are transparent, fair to candidates and compliant with regulatory requirements.

At the beginning of the year adjustments to the Committee's Terms of Reference were proposed and recommended to the Board for approval. The Committee also reviewed its effectiveness against activities undertaken during the year, to provide assurance to the Board that it had effectively discharged its duties.

## Awarding Organisation

One of the ELC's key responsibilities is to review the CII's Statement of Compliance as an Awarding Organisation. The Committee scrutinised the Statement of Compliance in detail before recommending its submission to the CII Board for approval in December 2024.

The Committee regularly receives reports containing updates on assessment delivery, qualification change and development, quality review activities and matters to report from the Awarding Organisation Panel and Prize Board. Reports on compliance activity were also received at each meeting, including updates on regulatory requirements, regulatory reporting and communications with regulators. The Committee was informed of developments between meetings to maintain oversight.

## Learning and Assessments

As part of regular reporting, the ELC received and considered business developments relevant to learning and assessments, looking closely at exam experience and provision, any issues that have arisen, and analysing the student impact and experience.

The Committee devoted a significant amount of time to scrutinising the plans, scope and drivers for the new qualification and assessment portfolio, CII Futures, which will be linked to the Professional Map.

The Committee also held detailed discussions on apprenticeship regulation and received information regarding Continuing Professional Development (CPD) as well as developments for the CPD strategy going forward.

The Education and Learning Committee ratified 35 academic prize winners for 2024 (based on 2023 completions).

## Membership

Alan Clamp remained the Chair of the Education and Learning Committee and member of the CII Board until March 2024. Desmond Bermingham was appointed as Chair of the Committee and Board member in June 2024.

The composition of the Committee during the year was as follows:

NAME	EXPERIENCE	START OF APPOINTMENT	END OF APPOINTMENT	MEETING ATTENDANCE
Alan Clamp, MA, PGCE, MBA, PhD	Chair	January 2017	March 2024	1 out of 1
Desmond Bermingham, PhD, MSc, MA, BA	Chair, NED, Education	June 2024		2 out of 2
Anthony Blackman, MSc, FBDO, FBCLA, MRSB, MRSPH, MinstLM, MIOD, MCIOF, FRSA	Accreditation and Professional Bodies	September 2020		3 out of 4
Melanie Jordan, BA (Hons), FCII	Local Institutes National Forum (LINF) Representation	September 2023		4 out of 4
Helen Longland, FPFS, Chartered Financial Planner	Digital Learning	September 2023		4 out of 4
Shaun Parsley, BSc, MSc, FIA, FIMA, ACII, Chartered Insurer	Higher Education	September 2022		3 out of 4
Craig Potter, CMgr, MCMI, BA (Hons)	Regulation and Further Education	September 2023		3 out of 4
Samantha Ridgewell, CIPD, ACII	Education and Learning	March 2019		2 out of 4
Clair Vincent, DipPFS	Financial Planning Market	September 2022		3 out of 4

The Executive Director, Member Engagement and Learning and the Qualifications Director attended all meetings.

# NOMINATIONS AND REMUNERATION COMMITTEE

The CII's Nominations and Remuneration Committee (NRC) oversees appointment and remuneration matters for the CII Group on behalf of the Board. This includes arrangements for the nomination and appointment of CII Board and Committee members, oversight of the governance process for appointment to the Board of subsidiary undertakings. The NRC also oversees nomination and remuneration for members of the Executive Leadership Team, as well as oversight of the CII Group's overall remuneration and staff benefits framework, People Plan and budget, and the monitoring of the impact of the CII Group's approach on equality, equity, diversity inclusion and belonging.

## Membership

The Committee is chaired by Jennette Newman and comprises seven members, all of whom are non-executives. Other CII Board members on the Committee are the CII Chair, President and Deputy President. They are joined by a nominations and remuneration specialist, a Local Institute National Forum (LINF) member and a PFS Board representative.

## Nominations

The Committee is responsible for determining and agreeing the CII's nominations policy, which sets out the guiding principles for appointments to Board and Committees, namely that appointments processes are clear and transparent, seek to attract a diverse pool of candidates, and are fair and impartial, with appointments made on merit. The Committee determines and oversees arrangements for appointments to the Board and its Committees within the policy and considers succession planning for the Board and Committees, ensuring that they have appropriate skills and expertise. It further maintains oversight of the governance process for appointments to subsidiary undertakings to ensure coherence of approach and has responsibility for considering the impact of the CII Group's approach to appointments and pay on equality, equity, diversity, inclusion and belonging.

## Remuneration

The Committee is responsible for agreeing the CII's remuneration policy, which sets out the overall approach to remuneration in line with the following principles: fairness; remuneration reflecting performance; independent oversight; strategic, enabling the CII to meet its targets; and transparency. The Committee recommends the overall People Budget to the Board for approval as part of the CII's Business Plan and CII Group budget, including any overall pay award for the CII's staff. It also makes recommendations to the Board in respect of the remuneration package for the executive Board members on appointment and reviews these annually, determines the remuneration for Board and Committee members, and the design and oversight of all staff performance-related bonus schemes.

The CII's typical remuneration package includes salary, pension and other benefits, with a small number of staff eligible for a sales incentive plan. A bonus scheme is in place for members of the Executive Leadership Team, with a Long-Term Incentive Plan (LTIP) being designed to incentivise certain members of the Executive Leadership Team to deliver the operating plan and organisation strategy over the longer term, and particularly where significant change or transition is required. The remuneration package for each role broadly reflects market practice for the role and seeks to be competitive and encourage the right behaviours – including avoiding any undue risk.

Key activities of the Committee during 2024 included:

- Overseeing the process for the identification and nomination of candidates for Board positions:
  - Chair of Audit and Risk Committee
  - Chair of Education and Learning Committee
  - Engagement Board Member (Financial Planning)
  - Engagement Board Member (Personal Lines)
  - Engagement Board Member (London Markets)
- Overseeing the processes for identifying and approving the appointment of Committee members.
- Considering nominations for Honorary Fellowships and the President’s Award, and making recommendations to the Board and President, respectively.
- Overseeing the process for recruitment of additional Institute Directors to the Personal Finance Society.
- Review and refresh of the CII Nominations Policy.
- Review and endorse the People Strategy.
- Overseeing the appointment of a Preferred Search Partner for Board and Committee Non-Executive recruitment.

Equality, Diversity & Inclusion

The Committee recognises ongoing efforts to enhance diversity and inclusion across the CII and received reports to update on this, including the diversity of volunteers. The Committee receives annual reports on gender pay gap. During 2024, the mean gender pay gap increased to 21.06% from 15.59% the previous year indicating a widening disparity in average pay between men and women while the median pay gap decreased to 6.77% from 9.96% in 2023 which shows that while there has been some improvement, there is still further work to be done, to which the CII remains committed.

The composition of NRC during the year was as follows:

NAME	ROLE	START OF APPOINTMENT	END OF APPOINTMENT	MEETING ATTENDANCE
Jennette Newman, LLB Hons, Solicitor	NRC Chair	January 2023		7 out of 7
Ian Callaghan, BA (Hons), FCII, Chartered Insurance Broker	CII President 2024	1 January 2023	December 2024	7 out of 7
Leslie Gillanders, ACII, PTPMI	Local Institutes National Forum (LINF) Representation	June 2024		3 out of 5
Jackie Mann, MSc, CIPD, BA (Hons)	Independent Member	January 2021		7 out of 7
Matthew Pyke	Local Institutes National Forum (LINF) Representation	July 2021	December 2024	5 out of 7
Helen Phillips, PhD, FRSB, DL	Chair of the Board	July 2020		7 out of 7

# PROFESSIONAL STANDARDS COMMITTEE (PSC)

The Professional Standards Committee (PSC) oversees all CII activities relating to building, promoting and protecting professional standards throughout the insurance and personal finance sectors. Its primary responsibility is to promote and support professionalism, including competence and ethical behaviour, to achieve the CII's mandate of securing and justifying public trust. The PSC oversees the CII's compliance with the FCA's Accredited Body requirements. The PSC also monitors the work of the Independent Review Pool (IRP) to provide assurance to the CII Board of the robustness of the CII's disciplinary and membership eligibility processes.

In 2024, the PSC met on four occasions, which consisted of four quarterly meetings. The PSC scrutinised and provided expertise on the work undertaken by the Professional Standards, Policy and Public Affairs, and Legal teams. Additionally, the PSC was updated on, and oversaw, the work done by the CII's internal committee, the Accredited Body Panel, as part of the biennial audit of the FCA which ensures the CII meets its obligations as an Accredited Body of the FCA. The audit was completed, and the full result will be released in 2025.

In 2024, the Professional Standards Committee approved a wide-ranging research project into the CII's Professional Standards work. Research, through surveys, a literature review, desk research and roundtable discussions and focus groups, will gain valuable insights into the member experience and consider multiple aspects of the CII's current professional standards offering – identifying gaps and areas where further support is needed.

## Membership

The PSC comprises nine members. Claire Bassett, a CII Board member, has chaired the PSC since January 2023. A full list of PSC members, including their attendance at PSC meetings, is set out below.

Edward Grant joined the PSC as a representative of the Personal Finance Society (PFS) in September 2024.

Adam Harper was appointed Executive Director Strategy, Advocacy and Professional Standards for the CII in December 2024. Adam will step down from his Professional Standards Committee member role and take up his post with the CII in March 2025.

The following members of the Professional Standards Committee will be forgoing or ending their term: James Daley, Brendan McCafferty, Kate Wellington and Stephen Lark.

Each PSC meeting is attended by the CII's Policy and Public Affairs Director, the CII's General Counsel and the CII's Professional Standards Manager. The Chair of the CII's Independent Review Pool also attends all PSC meetings.

The composition of PSC during the year was as follows:

NAME	EXPERIENCE	START OF APPOINTMENT	END OF APPOINTMENT	MEETING ATTENDANCE
Claire Bassett	PSC Chair	January 2023		4 out of 4
James Daley, BA (Hons), PG Dip	Independent Consumer Representative	June 2019		4 out of 4
Christopher Digby	Local Institute National Forum (LINF) Representative	May 2023		4 out of 4
Edward Grant	Personal Finance Society (PFS) Representative	September 2024		1 out of 1
Adam Harper	Higher Education Insurance Representative	June 2022		3 out of 4
Richard Hopegood	Financial Planning Representative	June 2022		3 out of 4
Stephen Lark, ACII, Chartered Insurance Broker	General Insurance Representative	March 2022		3 out of 4
Brendan McCafferty, ACMA	Life and Pensions Representative	March 2022		2 out of 4
Kate Wellington, LLB, BCL, Bec	Independent Consumer Representative	June 2019		4 out of 4

# INDEPENDENT REVIEW POOL (IRP)

The Independent Review Pool (IRP) carries out a review and tribunal service for the disciplinary and eligibility functions of the CII. It is independent of the CII. The IRP comprises members drawn from the CII's membership and independent members, several of whom are legally qualified.

## Disciplinary Decision Review Panel (DDRP)

The Disciplinary Decision Review Panel (DDRP) oversees the disciplinary process. The purpose is to ensure that the decision-making process of any disciplinary or appeal decisions made by the CII as part of any disciplinary process, including a formal hearing, is conducted in accordance with the DDRP Terms of Reference and associated rules and regulations, as well as any other applicable laws. The process exists to ensure the fairness of both the disciplinary process as well as the level and nature of any sanction. The chair and members of the DDRP are drawn from the membership of the IRP and work together on a rotational basis to ensure a balanced panel. In 2024 no matters were considered by the DDRP.

## Membership Application Sub-Committee (MASC)

The Membership Application Sub-Committee (MASC) is an external committee, made up of a mixture of Lay, CII and Legally Qualified members, that makes decisions as to the eligibility of potential members where membership is not able to be processed automatically under the CII's Delegated Authority. These applications typically involve applicants who:

- a.** have been subject to a bankruptcy or debt relief order
- b.** have entered into Individual Voluntary Arrangements (IVAs) or similar arrangements
- c.** have had a County Court Judgment(s) entered against them
- d.** have disciplinary records from the CII or other organisations such as the FCA
- e.** have CPD records outstanding with the CII but who did not reach the disciplinary stage of the CPD selection process, or
- f.** have unspent criminal convictions.

In 2024, MASC reviewed four cases, all of which were approved without conditions.

## IRP Recruitment and Training

Following the retirement of two IRP members in 2023, a recruitment process was conducted in 2024 to appoint between four and seven new members, ensuring the pool maintained a total membership of 12 to 15 members in accordance with the Terms of Reference.

Upon completing the recruitment process, a comprehensive training session was held for both new and existing IRP members. The Legal Team successfully delivered a hybrid training session on 18 September 2024, ensuring all members were well-equipped to fulfil their responsibilities effectively.

## Membership

The composition of the IRP during the year was as follows:

CURRENT IRP MEMBERS	Member Type
Professor Jane Jarman, Solicitor, Professor of Legal Practice, Nottingham Trent University (Chair)	Legally qualified
John Cush, Senior Legal Counsel, Direct Line Insurance Group plc	Legally qualified
Robert Pragnell, Solicitor, Legal Services Regulatory Manager, ICAEW	Legally qualified
Rakesh Sharma, Assessment and Investigations Manager, Association of Chartered Certified Accountants (ACCA)	Legally qualified
Peter Steel, General Counsel and Vice President Professional Standards and Conduct for the Chartered Institute of Management Accountants	Legally qualified
Surinder Bassan, Independent Pharmaceutical Consultant Associate General Pharmaceutical Council	Lay
Simon Jones, Panel Chair for UK Council of Psychotherapy, Professional Committee Member for Complementary and Natural Healthcare Council	Lay
Fiona Tankard, Tutor and part-time supply teacher, Oxfordshire & West Berkshire County Councils	Lay
Alex Hindson, Group Chief Risk & Sustainability Officer, Argo Group	CII
Zulfiqar Khan, Senior Executive Vice President, EFU General Insurance Ltd	CII
Nick Smith, Senior Vice President, Marsh Speciality	CII

# STRATEGIC AND FINANCIAL REVIEW

## BUSINESS MODEL AND STRATEGY

The Chartered Insurance Institute (the Institute) is the parent entity of a Group whose operations are structured to deliver its purpose of building and maintaining public trust in the insurance and financial planning professions. This purpose is served through the two professional membership organisations in the Group – the CII and the PFS – which support the insurance and the personal finance professions, and achieved by setting and upholding high standards of ethical conduct, technical competence and business capability for its members. The CII also focuses on providing education and learning opportunities to support professionals in the industry.

The core competency of the Group is its unparalleled expertise in supporting the insurance and personal finance professions. By exercising this core competency in our product and service offerings, delivered through the Group's 'Public Value Model' the Group is able to deliver value to the wider professions and make a positive impact to the wider society.

Our vision is that CII and PFS professionals build a world which delivers ever-greater financial resilience for individuals and societies more broadly. The Group invests in value-adding career support for members and high-quality learning opportunities to attract and retain high-calibre individuals to serve the insurance and personal finance professions both in the UK and internationally. In doing so, the Group will be able to attest to the high standards of conduct held by its professionals to serve the public, thereby remaining true to its purpose.

The CII and the PFS are working together to build a stronger future and deliver exceptional services, including:

- **Learning & Practitioner Development:** developing competent professionals through world-class qualifications, assessment and CPD, leading to exceptional outcomes for practitioners and the customers they serve.
- **Member Engagement:** creating a community of professionals that is representative of the sector and promotes professionalism, standards and trust, where members feel valued and proud of their work, and are provided with the relevant support and development they need throughout their career lifetime.
- **Thought Leadership:** driving positive influence and change in the sector through impactful research, intelligence and evidence, thought leadership, and advocacy.
- **Professional standards:** establishing and consistently upholding the highest professional standards for our members and driving accountability to ensure members always act in the best interest of the public.

- Building on the work of our practitioner advisory panels and others to drive forward our learning offering to provide modern, flexible learning opportunities, continuing professional development (CPD) and streamlined qualifications.
- Working with all Local Institutes, Committees and specialist communities to renew and strengthen the way we listen, learn and work with our volunteers and members who contribute so much to promote our professions.

The Group remains committed to safeguarding professional standards and the value of membership through world-class learning and qualifications that reflect the diversity and needs of all our stakeholders and wider society, while enabling the Institute to best serve members, learners and corporate customers in an efficient and effective manner.

The Group published its "Strategic Plan 2023-2027" in 2023, which provides further details about the Group's strategic objectives.

## AUDITED FINANCIAL STATEMENTS

The audited financial statements for the year ended 31 December 2024 are included on pages 28 to 51. These financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. The financial statements disclose the financial position of the parent entity of the Group – the Chartered Insurance Institute (the Institute) – and the consolidated financial performance and financial position of the Group. The Strategic and Financial Review includes more detailed discussion of the financial performance of the Institute to allow greater transparency of the parent entity. The organisations that comprise the Chartered Insurance Institute Group (the CII Group), which are included in the consolidated financial statements, are listed in note 11 to the financial statements on page 44.

## FINANCIAL PERFORMANCE

### Membership

At 31 December 2024, the Group's total number of professional members was 121,038 (31 December 2023: 119,609 members) across all designations. The composition of members of the Group is set out below:

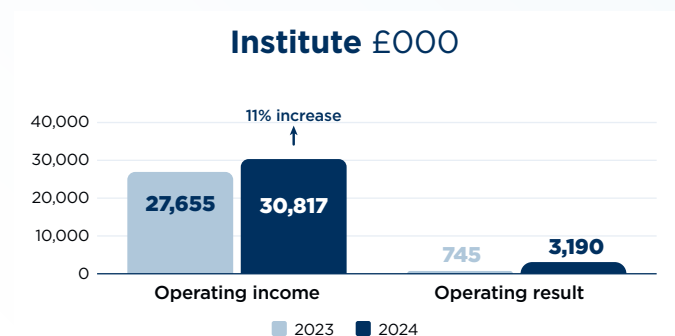
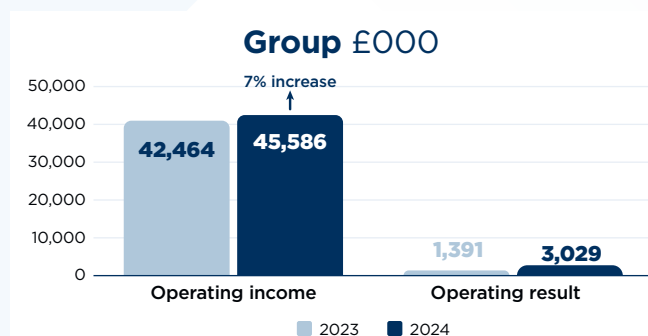
	2023	2024	Change
Members of the CII	79,944	82,335	+2,391
Members of the PFS	39,665	38,703	-962
<b>TOTAL GROUP</b>	<b>119,609</b>	<b>121,038</b>	<b>+1,429</b>

The Group welcomed its first net increase in total membership since 2019 as new and returning members were received by the Group and were able to benefit from the membership offering. CII members increased by 2,391 which represents a 3% increase in insurance professional members at 31 December 2024 to 82,335 (31 December 2023: 79,944). Overall, the Group's total membership increased by 1,429 members which represents just above 1% growth in 2024, bringing total members at 31 December 2024 to 121,038 (31 December 2023: 119,609) with an improvement in members' retention and lapse rates compared to 2023. Increases were seen in the volume of members at Ordinary, CertCII and DipCII levels. Member volumes at ACII and FCII levels both fell, impacted by retirements.

There was a reduction in PFS members of 962 or 2% in the year. While increased member volumes were recorded at both APFS and FPFS levels, those at DipPFS, CertPFS and Student levels fell. Retirement was given as the main reason why memberships lapsed in 2024, with an increase in student members leaving the sector. The PFS will be reviewing ways and initiatives to attract talent into the rewarding and distinguished profession of personal finance.

The Group continues to look forward to welcoming back past members and establishing connections with new members.

### Operating Income



# FINANCIAL PERFORMANCE CONTINUED

The Group's operating income in 2024 is reported at £45.59 million (2023: £42.46 million) and represents its highest ever recorded value. Compared to 2024 the reported operating income increased by £3.13 million or 7%. The main contributors to the increase in operating income in 2024 were qualifications income which increased by £1.38 million and learning support income which increased by £1.04 million. These increases were driven by higher volumes of study texts and learning aids sold during the year as well as a year-on-year increase in students undertaking CII exams. There were also pricing increases applied in 2024 as the CII sought to offset inflationary rises in enablement costs.

Membership subscription and services income increased by £0.67 million. This income item includes membership subscriptions and sponsorship income received from member events. The Group's sponsorship income decreased in 2024, and this was planned as a greater proportion of subsidiary resources were used to support member events. However, this decrease was more than offset by an increase in members and an adjustment applied to the membership income deferrals which had a favourable impact on membership income recorded in the income statement. A price increase was also applied to a cohort of the Group's members which allowed the Institute to increase the financial support to UK regional institutes in 2024.

The Group also reported a significant increase in learning support uptake in international markets.

The operating income of the Institute in 2024 was £30.82 million (2023: £27.67 million) which was an 11% increase from the previous year. The main components of the increase were membership, qualifications and learning support due to increased qualification participation and purchase of learning materials in the year, complemented with price increases. Qualifications operating income is recognised only when the student has taken the examination. While the qualification operating income has increased, there was also an increase in membership income in the Institute which was supported by an increase in members as well as a price increase applied in 2024.

## Operating Expenditure

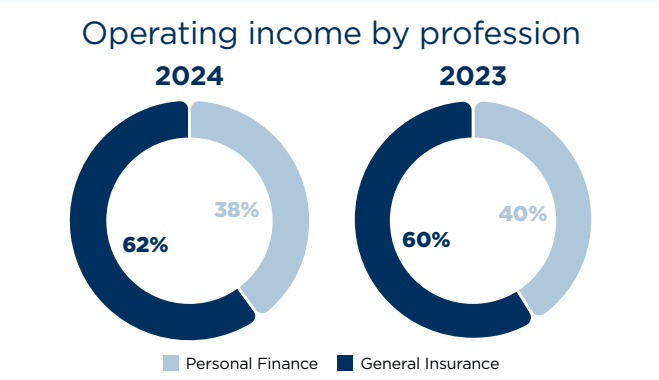
The Group's total operating expenditure for the year was £42.56 million (2023: £41.07 million) which represented an increase of £1.49 million or 3.6% in the year. Included within the total costs are non-cash amortisation and depreciation costs of £2.45 million (2023: £2.60 million). In 2024, while maintaining a focus on ensuring the highest levels of service are provided to members and students, the Group under its new leadership structure embarked on rigorous planning and mobilisation within the organisation. This included the establishment of a new Executive Leadership team with changes in directorate authorities as well as changes within the organisation's structure.

With the internal structure focus in 2024, investment in projects was deferred to 2025, which will see the Group undertake a broad programme of development in IT infrastructure and member services.

Direct product costs increased in 2024 by £0.67 million which supports the increased delivery of products and services to members in 2024. Included within this value is an increase in grants to local institutes in 2024 of £0.20 million or 16% as the Group continues to support the delivery of continuous development programme activities by local institutes across the 52 regions of the UK and Channel Islands.

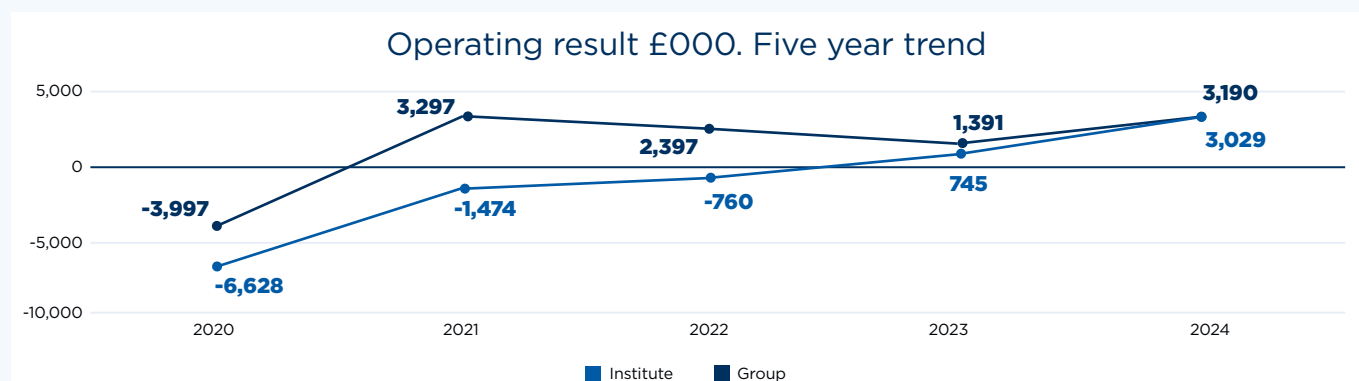
The Group also had a lower recovery of indirect (sales) taxes in 2024 due to the change of the proportion of commercial supply subject to sales taxes as compared to those products that are not. This led to a lower recovery of indirect taxes of £0.18 million in the year, and accounts for a consequential increase in operating expenditure.

The remaining £0.22 million of increased operating expenditure in the year resulted from inflationary and other increases in other departments and services including in information technology and pension administration fees.



In 2024, the general insurance profession contributed 62% (2023: 60%) of the Group's operating income with the personal finance profession contributing 38% (2023: 40%). The main driver for the shift in operating income between the professions was the reduction in event sponsorship operating income for personal finance in 2024, which translated to an overall reduction in the proportion of operating income contributed from personal finance as compared to the total operating income of the Group.

## Operating result



The Group's operating surplus for 2024 was £3.03 million (2023: £1.39 million) which is an increase of £1.64 million. The Group aims to deliver a 'Surplus For Purpose' by generating surpluses which are invested in products and services for members, as well enhancing the Group's Thought Leadership in the insurance and financial services sectors which delivers on its purpose of 'securing and justifying the confidence of the public'.

The Institute's operating result was an operating profit of £3.19 million (2023: operating profit of £0.75 million). The 2024 operating result for the Institute shows an improvement through a combination of an increase in operating income of £3.15 million and a lower net operating cost for the Institute.

### Taxation

The net taxation for the year was a credit of £1.93 million (2023: credit £1.19 million). Further disclosure on taxation is presented in note 5 of the consolidated financial statements.

The Institute has estimated total accumulated tax losses of approximately £7.46 million which may be used to offset future taxable profits. Having reviewed the recognition criteria for deferred taxation and the likelihood of future taxable profits, the Institute recognised a deferred tax asset of £1.63 million in 2024 in respect of these tax losses.

### Total Result and Net Assets

The Group reported a total result surplus for 2024 of £6.76 million (2023: £1.76 million). The Group's operating surplus was £3.03 million (2023: £1.39 million) with non-operating items and taxation totalling £3.65 million (2023: £0.49 million).

Included within non-operating items, realised and unrealised gains on investment and interest income reported in 2024 were £1.72 million (2023: £1.24 million) as the Group benefitted from improved interest rates on its investments and cash deposits compared to 2023. In 2023, the Group also recognised a £1.94 million loss on discontinued operations which represented the transfer of the net assets of a charity in the Group, and this transaction further lowered the non-operating result in 2023, compared to 2024.

The total net assets of the Group increased during the year, and as at 31 December 2024 was reported at £38.18 million (31 December 2023: £31.71 million).

Included within the Group's total net assets are the net assets of the charitable entity of the Group which totalled £0.33 million (31 December 2023: £0.33 million). These funds are segregated from the Group's operations and are used to fulfil the charitable objects of the charity, as determined by the Trustees.

The Institute reported net assets at 31 December 2024 of £16.41 million (31 December 2023: £10.71 million). The Institute held £23.23 million (31 December 2023: £17.79 million) of cash and cash equivalents in UK financial institutions of which £11.76 million represents intercompany balances held with subsidiaries. The Institute has an investment portfolio, separate to its cash and cash equivalents, which was valued at £5.09 million at the end of the year (31 December 2023: £3.53 million). The increase of the investment fund was the result of mark-to-market gains experienced during 2024 and an addition to the fund from the Institute's cash reserves. The fund continues to be invested in marketable securities, and it can be drawn upon if needed.

In planning and budgeting for its activities, the Institute considers the level of reserves it holds in order to establish a balance between the continuing development of its services and the need for prudent management of our working assets and commitments, as well as providing for contingencies.

It is the Group's objective to generate surpluses, and for operating entities to build and maintain reserves at sustainable levels, taking account of working capital requirements and key risks. The CII Group's Board has set policies which determine that the Group's and operating entities' reserves should be at least six months of operating expenditure. Where this is not achieved, an action plan must be delivered to show how the related entity expects to improve its net assets reserves to achieve six months of operating expenditure.

The CII Group's Board and management monitor the level of net asset reserves of the Group at both entity and consolidated levels.

# FINANCIAL PERFORMANCE CONTINUED

## Cash Flow

The consolidated cash and short-term deposit balances at 31 December 2024 were £36.84 million (31 December 2023: £31.96 million). Included within the Group's total cash at bank balance at the end of the year were £0.14 million (31 December 2023: £0.18 million) of cash at bank held by the Group's charity and £0.18 million (31 December 2023: £0.12 million) of cash at bank which is held in an overseas bank account by an overseas subsidiary.

The Group's net cash inflow for the year was £4.88 million (2023: £3.70 million) and includes £4.86 million net cash inflow from operating activities (2023: £4.21 million inflow). The Group's investment in intangible assets in 2024 was £nil (2023: £1.27 million) which improved the Group's 2024 net cashflow and reflects the Group's 2024 focus to mobilise internal organisational structures in 2024, to support renewed investment activity from 2025.

The Institute's cash at bank as at 31 December 2024 was £23.23 million (31 December 2023: £17.79 million).

## Investments

The Group's investment portfolio at 31 December 2024 was £5.33 million (31 December 2023: £3.75 million) comprising the Institute's investment portfolio of £5.09 million (31 December 2023: £3.53 million) and investment held by the Group's charity for its charitable objects of £0.24 million (31 December 2023: £0.22 million). The movement of the investment fund in 2024 is set out in note 10 of the financial statements.

The investment fund holds principally UK and international equities and debt securities and is managed by a reputable investment manager. The Group will onboard new investment managers in 2025 following a robust investment tender process undertaken at the end of 2024.

## Pensions

The Institute previously announced its intention to secure the future of the Chartered Insurance Institute Pension Scheme (1993) through a defined benefit pension buy-out with an insurance company. The first stage of this process occurred in 2021 with the 'buy-in'. The next stage of the process will be the 'buy-out' of the defined benefit pension plan that will result in the insurer assuming the future liabilities of the plan and individual annuity policies being issued to members of the defined benefit pension scheme to secure their pension benefits. In June 2025 the insurance company received the buy-out premium of £0.54 million.

## GOING CONCERN

The CII Group's Board has reviewed the 2024 financial performance of the Group. The CII Group's Board also reviewed and approved the 2025 business plan and considered risks associated with the delivery of the business plan and mitigating actions for possible adverse impacts. The 2025 business plan contains a comprehensive programme of activity which is geared to positioning the Institute and Group to improving the services delivered to members and students and enhancing the Group's relevance to both customers and the wider sectors of insurance and personal finance.

The Executive Leadership Team (ELT) closely monitors the financial performance of the Group, tracking actual progress against the financial and operational plans, and deploying mitigating actions where deviations are detected. The Group continues to maintain sufficient financial resources to undertake its plans in the foreseeable future.

The Group continues to progress its objectives as set out in its 2023-2027 Strategic Plan. The Business Plan for 2025 was approved by the CII Group Board and includes a number of initiatives which are aimed at setting the platform for further development of products and services in 2026 and 2027.

Over the period 2025-2027 the Group will invest in updated IT infrastructure, a relaunch of the Corporate Chartered Membership, an updated membership proposition and broadening the depth of our Thought Leadership. These initiatives will support the continued demand for the Group's services and transform the delivery of qualifications. The continued demand of the Group's services as seen in 2024 and the plans that the Group will execute over the remainder of the strategic plan period is a testament to the Group's continued relevance to the insurance and personal finance sectors, and the going concern of the Group's constituent entities.

The Institute reported an operating profit in 2024 to improve its reserves to support ongoing investment in the strategic plans of the Group, while maintaining the appropriate balance of reserves required to ensure that the Institute remains financially resilient to temporary periods of economic downturn.

The Executive Leadership Team and the Institute's Board remain of the view that there are no material uncertainties which call into doubt the Institute's ability to continue as a going concern. All of the individual financial statements which comprise the consolidated results have been prepared on the going concern basis.

## RISK MANAGEMENT AND INTERNAL CONTROLS

The CII Group's Board has overall responsibility for risk, delegating risk management activities to the Audit and Risk Committee and management. In addition, every employee has a responsibility for managing risk within their respective areas.

The leadership team directly controls day-to-day operations and has responsibility for designing, implementing and maintaining adequate systems and controls. The Audit and Risk Committee, supported by the Risk and Compliance Director, reviews and ensures that the Group complies with a proportionate and value-added risk framework ('the framework').

The objective of risk management in the Group is to ensure risks and opportunities are understood, evaluated, recorded, managed and reported effectively, within a consistent and proportional framework that aligns to, and considers, the Group's strategy, processes, people and financial resilience. An effective framework enables the Group leadership to make informed and proportionate decisions in line with the risk appetite and/or in full cognisance of the impact and effect that their decisions have.

The framework provides processes for reviewing the Group's top risks and ensures that risk is an integrated part of the business planning process and decision making. The framework includes an Enterprise Risk Management policy and a risk appetite methodology. The framework is based on the principles articulated in the ISO 31000 risk management standard.

The CII Group's Board agreed the Risk Appetite Statement, which sets out the general approach to risk. The Risk Appetite Statement affirms that the CII will make considered risk-based decisions, in line with the purpose of the Institute enshrined in our Royal Charter, to:

- promote efficiency and improvement in the practice of insurance among persons engaged or employed in that activity;
- secure and justify the confidence of the public and employers;
- promote and assist the study of any subjects bearing on any branch of insurance and personal finance;
- collect and form a body of expert opinion on the law and practice relating to all things connected with insurance and personal finance;
- exercise supervision and control over the professional standards and conduct of the members;
- provide information and advice about employment in insurance and personal finance for members and others; and
- assist members and the dependants of members or of deceased members suffering financial hardship.

We will do this by ensuring that our risks and opportunities are understood, evaluated, recorded, managed and reported effectively, within a consistent and structured framework that aligns to and considers the CII's strategy, business objectives, values, systems, processes, people and financial resilience.

As a body accredited by the Financial Conduct Authority (FCA), the Institute is also specifically required to design, implement and operate control procedures over the issuing of Statements of Professional Standing, the verification of advisers and the provision of information to the FCA as required by its rules. These control procedures are subject to an independent audit carried out in line with FCA requirements, and they are sent to the FCA and reviewed by the Professional Standards Committee on behalf of the Board.

## PRINCIPAL RISKS AND UNCERTAINTIES

The Group is affected by financial and operational risks inherent in the services, sectors and regions in which it operates.

The Group prudently manages financial risks (mainly credit, counterparty and liquidity risk) and annually reviews the Treasury Management Policy.

The most prominent challenge in 2024 was the changes in the senior leadership team which led to a period of reduced capacity at the Executive team level. The departure of the previous CEO at the end of 2023 resulted in the Executive team being reduced to two substantive postholders and the Interim PFS CEO. The new CEO was recruited and commenced his tenure in April 2024. By December 2024, the remaining vacancies at the Executive level except one had been recruited with two posts filled by internal candidates who assumed the responsibilities in June 2024, and two external candidates who took up their posts in March 2025. The Executive position of PFS CEO became vacant in the last quarter of 2024 and remains vacant as at the date of this report.

Ensuring a productive relationship continues to exist between the CII and PFS continues to take up significant management time and resource; it also contributes to the risk of membership attrition due to the media (social and mainstream) coverage that accompanies Board-related activity. Cyber risk, as with all organisations, remains a closely monitored area.

# FINANCIAL PERFORMANCE CONTINUED

Key Risk	Risk mitigation and / or management actions
<b>Group Leadership capacity</b> The departure of the CEO in December 2023 resulted in significantly diminished executive level leadership capacity in 2024.	The Chair of the Board, with the Chief Customer Officer as Acting CEO, the Chief Digital & Information Officer and Interim PFS CEO provided Executive leadership of the Group until the arrival of the new CEO in April 2024. After a short period of introduction, the new CEO established the new Executive Leadership team structure and successfully recruited to the four newly created posts.
<b>Cyber security</b> Failure to adequately manage IT and cyber security risks results in data breaches which cause financial and reputational damage to the organisation.	The Group's IT security policies and processes are constantly in operation to ensure that IT risks are mitigated as far as possible. Steps which are undertaken include: <ul style="list-style-type: none"> <li>• Regular patching procedures undertaken by our key suppliers</li> <li>• Increased monitoring of our external facing systems for nefarious activity has been implemented, alongside existing security controls</li> <li>• Scheduled plan of work to ensure all our systems are brought up to the latest level of software to mitigate known risks</li> <li>• Cyber Essentials+ certification was achieved in 2024.</li> </ul> An attempted cyber-attack in late 2024 tested the controls that had been implemented and, following an external review, it was confirmed that the controls had prevented the attack from being successful.
<b>Group governance</b> Governance concerns identified by the CII Group Board in relation to the PFS Board.	Work to address the governance concerns continued in 2024 and progress was made against the action plan. However, changes on the PFS Board including the Chair and Directors, alongside the departure of the Interim PFS CEO have impacted on progress on the action plan. This remains a closely monitored risk area.
<b>Membership attrition</b> Membership numbers fall due to natural attrition (retirement, death), perception of irrelevance of membership offer and qualifications, reputational damage due to the ongoing PFS/CII issues reported in the trade press.	Work has commenced to review and update the membership offer to ensure that prospective and current members are provided with effective professional networks and membership services that address their requirements. A complete overhaul of the qualifications framework is underway in the CII Futures programme which will ensure that members are able to access the world-class learning opportunities that the profession requires. Clear and unambiguous communication of the strategy and direction of the CII and PFS entities is provided to counter any untrue or misinformed assumptions.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) STATEMENT

An ESG approach or ESG structure refers to how businesses measure, monitor and seek to improve their practices related to these three key areas through their operations. The end goals may include, but are not limited to, reducing the impact on the environment, making a positive contribution to society and local communities, improving sustainability and ensuring a long-term approach to business decisions through effective governance.

The Institute is committed to developing, embedding and promoting key principles and demonstrable good practice in our ESG responsibilities. Our members are required by regulation to be able to demonstrate their commitment to ESG. As such, it is essential that the Group reflects the same commitment whether required by regulation or not.

The CII Group’s Code of Ethics sets out 5 core duties:

- Comply with the Code and all relevant laws and regulations
- Act with the highest ethical standards and integrity
- Act in the best interests of each client
- Provide a high standard of service

- Treat people fairly regardless of age, disability, gender reassignment, marriage/civil partnership, pregnancy/ maternity, race, religion or belief, sex and sexual orientation.

Adherence to the CII Code of Ethics underpins the commitment to ESG.

### Strategic Relevance

Sustainability and long-term thinking are key elements of the CII Strategic Plan.

### CII Strategy 2023-2027 - Environment/ Environmental:

“With the lease on our London office space expiring in 2026 there is also an opportunity to re-imagine our London presence...We will consider whether the current space is fit for the Institute’s future needs and, if not, consider relocation. A key element of this consideration will be the Institute’s carbon footprint and the goal to become net carbon zero workplace by 2030.”

**Action 2023-2027:** Update hybrid working model and future-proof workplace. (Outcome – A net zero workplace and a hybrid workspace.)

**Link to the CII's Royal Charter:**

One of the objects in our Royal Charter states that the CII exists to: "Collect and form a body of expert opinion on the law and practice relating to all things connected with insurance". While the climate crisis affects the entire world, there are specific concerns connected with the insurance industry. These range from claims arising from related natural disasters, maintaining the ability to underwrite certain types of risk in the face of the uncertainty that climate change brings and of course the impact it will have on their business model and consumers. As the professional body for the insurance profession, we should be seen to be leading by providing thought leadership to the profession on this issue.

The Group is committed to reducing our impact on the environment and encouraging others to do the same. The Group already has a relatively small carbon footprint due to its reduced office space, hybrid working, low levels of travel and predominance of digital products. As the office space is sub-let, the way the CII consumes electricity, water and other resources is largely controlled by building management, although we recognise more could be done to identify other areas of improvement such as use of paper and other consumables. From 2025, the Group's investments will also include ESG considerations.

**CII Strategy 2023-2027 - Social/Society:**

"In common with many professions and professional membership bodies, diversity and inclusivity are key challenges. There is much more to be done within our sectors to address these challenges. We will become an exemplar organisation within the insurance and personal finance sectors, acting as a role model for our professions and seeking to reflect our potential community of members."

**Action 2023-2027:** Recruit and retain a diverse staff team. (Outcome – Increased workforce diversity which better represents our community of members.)

**Link to the CII's Royal Charter:**

One of the objects in our Royal Charter states that the CII exists to: "promote efficiency and improvement in the practice of insurance among persons engaged or employed in that activity, whether Members of the Institute or not and to render the conduct of such business more effective and professional." Without a diverse range of people sharing different perspectives, experiences, ideas and opinions, we will not be able to improve the practice of insurance or make the conduct of such business more effective and professional.

The Group actively monitors equality, diversity and inclusion (EDI). We are committed to being an open professional community of members, learners and colleagues where everyone feels free to be themselves. The Group has an EDI steering group that seeks to ensure we are an inclusive organisation, by:

- Building understanding of the status of "E", "D" and "I" across the sector and organisation internally and externally (to include the sector, members, customers, PFS, Societies and Institute).
- Reviewing and acting on available data, including Employee Engagement Surveys and Gender Pay Reports.
- Improving inclusion and equality for people with protected characteristics recognised under the Equality Act, but also supporting and driving social mobility for those from different socio-economic backgrounds.

Monitoring of the membership of the CII Group Board will ensure that we are not just reflecting the membership population, but also encouraging engagement from previously under-represented groups to promote both visibility of access and opportunity for change and influence.

Social action is a key element of our ESG activity, and we encourage all colleagues to engage with charitable activities in line with our relevant policies.

**CII Strategy 2023-2027 - Governance:**

"We will hold ourselves to the highest professional standards in all that we do, mirroring the expectation we have for our members."

**Action 2023-2027:** Governance review completed and recommendations implemented. (Outcome – A contemporary governance framework which allows the Institute to best achieve its purpose as laid out in our Royal Charter.)

**Link to the CII's Royal Charter:**

One of the objects in our Royal Charter states that the CII exists to: "promote and assist the study of any subjects bearing on any branch of insurance." ESG appears in the list of high-level capability gaps which CII communities and corporates tell us need to be filled. There is no current standard by which a financial planner can judge whether they are competent to provide ESG investment advice, and consequently there is a significant risk of poor advice in the market. In general insurance there is also a wide gap between corporate ESG practice and insurance cover for corporate clients. Many in underwriting and broking roles in particular will need to have a significantly increased understanding of how the products they manage or sell might lead to negative ESG outcomes so that they can innovate.

The Group is committed to responsible business practices and good corporate governance, and we strive to comply with the relevant corporate governance codes (although we are not legally required to do so due to our status as a Royal Charter body) and implement regular ESG training across the CII Group. We intend to develop ESG learning for members and firms across the general insurance and financial services markets in due course.

# FINANCIAL PERFORMANCE CONTINUED

## CARBON AND ENERGY REPORTING

The Group has adopted three key environmental principles: Precaution, Prevention and Integration (PPI).

- **Precaution:** By recognising change is needed and required, the Group has, and continues to use, strategic procurement, responsible resourcing and partnering with innovative vendors/suppliers who display transparency through ethical behaviour.
- **Prevention:** By continuing to innovate the Group is anticipating, avoiding and educating to avoid or minimise environmental damage. The Group adheres to all environmental legislation which is key to the UK's environmental policy.
- **Integration:** By integrating environmental policies into everyday operations, we enhance promotion of sustainable development within the Group.

The Institute employs initiatives to control and minimise carbon emissions which include:

- a bike-to-work scheme, which offers loans to CII colleagues
- 'Anytime, Anywhere' employee work model, which allows employees the flexibility to work from remote locations, reducing the need for travel.

The Institute will continue to review and improve its approach to carbon and GHG reduction and this will be a key consideration in the plans for the London space.

GHG is assessed and recorded in accordance with ISO 14064 – 1:2018.

The table below summarises the Institute's GHG emissions for the reporting year 2024 and the comparative period. The analysis shows the carbon emissions for the UK office at Fenchurch Street, London only.

Scope	Activity	2024 tonnes CO <sub>2</sub>	2023 tonnes CO <sub>2</sub>	% Change on previous year
Scope 1	Site gas	19.6	28.8	-32%
Scope 2	Electricity	5.0	8.2	-39%
Scope 3	Employee travel using the Institute's travel partner	90.0	145.7	-38%
<b>TOTAL Tonnes of CO<sub>2</sub></b>		<b>114.6</b>	<b>182.7</b>	<b>-37%</b>
<b>TOTAL Tonnes of CO<sub>2</sub>e per employee</b>		<b>0.49</b>	<b>0.80</b>	<b>-39%</b>
<b>Total Energy Consumption (kWh) Scope 1 and 2</b>		<b>130,833</b>	<b>195,634</b>	<b>-33%</b>

2024 carbon emissions were derived using the energy consumption of our UK Hub provided by the landlord and converted using 2024 emission conversion factors as published by the UK's Department for Energy Security and Net Zero. Due to the lack of verifiable data for 2023, the site gas emissions were derived using internal estimates.

There was a reduction of travel by CII colleagues in 2024, particularly air travel.

The Institute employs initiatives to control and minimise carbon emissions which include:

- Bike-to-work scheme which offers loans to staff,
- 'Anytime, Anywhere' employee work model which allows employees the flexibility to work from remote locations thus reducing the need for commuting and contributes to reduced energy consumption within the offices.

The Institute will continue to review and improve its approach to carbon and GHG reduction and reporting.

## BUDGETS AND FINANCIAL REPORTING

As part of the annual planning process, detailed budgets for the Group are prepared for the approval of the CII Group Board. The 2025 CII Group budget was approved by the CII Group Board in December 2024 as part of the approval of the 2025 CII Group Business Plan.

The financial results of the Institute and Group are prepared each month and reviewed by the Executive Leadership Team. A report on the financial results is presented to the Audit and Risk Committee and the Board at every meeting, comparing actual results to the approved budget. Forecast financial performance is reported during the year to ensure that early action can be taken against emerging financial risks.

## OUR COLLEAGUES

The Institute aims to be an organisation of high performance where its colleagues enjoy working and where they feel supported and developed. Colleagues are kept fully informed of the organisation's strategy and objectives, and individual performance is reviewed throughout the year.

In December 2024, the CII Group Board approved a People Strategy which will be implemented during 2025. The People Strategy is fully integrated to CII's overall Strategy 2023-2027 and sets out objectives to be achieved under the headings of 1) Attraction and Retention, 2) Performance and Reward, 3) Engagement and Empowerment and 4) Learning and Development.

The Institute remains committed to colleague engagement which is measured periodically during the year. Engagement with CII colleagues is facilitated in varied forums throughout the year which seek to achieve a high level of awareness by all colleagues, including financial, economic and market factors impacting the Group's performance.

The Institute's recruitment and selection policy ensures that we select the best possible candidate for the job, based on the relevant skills, knowledge and behaviours, as measured against the requirements of the job, while following best practice of inclusive recruitment.

The Institute continues to report on gender pay gap, gender pay pension gap and measure achievement of all actions to improve the diversity and inclusion of all colleagues on a regular basis. In 2024, the mean average gender pay gap widened to 21.06% (2023: 15.59%), however, the median pay gap narrowed to 6.77% (2023: 9.96%). Pay gap metrics are measured at the end of tax years, i.e. April of each year. The Institute remains committed to diversity and inclusion, ensuring that these principles are embedded in policies, procedures and practice.

## FUTURE PLANS

The CII is progressing towards the objectives that were set out in the Group's published Strategic Plan which covers the five years from 2023 to 2027. The six strategic themes of the Plan are:

- Excellent Member Experience
- Highest Professional Standards
- Sector Thought Leadership
- World-Class Learning
- Digital First
- Sustainable Institute

There are several key initiatives which are being undertaken by the Group in support of the strategic themes and these include:

- A **remodelled Corporate Chartered Status proposition** that will focus on recognising exemplar firms in the fields of employee value proposition, exceptional customer outcomes and a commitment to upholding the standards of the professions.
- **CII Futures** which will transform the delivery of the learning experience to students to ensure that learning methods remain relevant and produce enhanced learning outcomes. Coupled with the latest thinking in assessment methodologies that truly tests practitioner capability.

- **Membership modernisation** which seeks to revamp membership engagement and access to communities of practice. Membership will be more tailored to an individual's changing needs, career journey and inspiring for new talent.
- **Enabling the Institute** through improvements to our Data Management, IT Infrastructure, People Strategy, and the introduction of standardised business processes embedded in best practice.

The CII Group is committed to delivering on these plans through the collective efforts and commitment of colleagues working at CII, and the continued support of CII Group's members and volunteers.

## STATEMENT OF RESPONSIBILITIES

The directors are responsible for preparing the Strategic and Financial Review Report and the financial statements in accordance with UK accounting standards, comprising FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The directors will not approve the consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the CII Group and Institute, and financial performance for the period ended 31 December 2024, and comparative period(s).

In preparing these consolidated and Institute financial statements, the directors have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and accounting estimates that are reasonable and prudent;
- stated whether applicable UK accounting standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on the going concern basis unless it is inappropriate to presume that the CII will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the CII Group's transactions and disclose with reasonable accuracy at any time the financial position of the CII. The directors are also responsible for safeguarding the assets of the CII and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Each of the directors, as at the date of this report, have taken all the steps that each director ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information. The directors are not aware of any relevant audit information of which the auditor is unaware.

# INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF THE CHARTERED INSURANCE INSTITUTE

## AUDITOR

Crowe UK LLP was reappointed as the Institute's auditor during the year and has expressed its willingness to continue in that capacity.

The Strategic and Financial Review Report was approved by the Board on 22 July 2025

**DR. HELEN PHILLIPS**  
Chair of the Board  
Date: 5 August 2025

**MATTHEW HIL**  
Chief Executive Officer  
Date: 5 August 2025

## OPINION

We have audited the financial statements of The Chartered Insurance Institute (the Institute) and its subsidiaries (the Group) for the year ended 31 December 2024 which comprise the Consolidated Statement of Comprehensive Income, Consolidated and Institute Statement of Financial Position, Consolidated and Institute Statement of Changes in Funds, Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Institute's affairs as at 31 December 2024 and of the Group's income/expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of The Chartered Insurance Institute's governing Charter & Bye-laws.

## 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 RELATED TO GOING CONCERN

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

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

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

## OTHER INFORMATION

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

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

We have nothing to report in this regard.

## RESPONSIBILITIES OF THE BOARD

As explained more fully in the Board responsibilities statement set out on page 33, the Board is 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 Board determines 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 Board is responsible for assessing the Group's and the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Institute or to cease operations, or have no realistic alternative but to do so.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We obtained an understanding of the legal and regulatory frameworks within which the Institute and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Chartered Insurance Institute's governing Charter and By-laws, together with FRS 102. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Institute's and the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Institute and the Group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulations and taxation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Board and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, review and recognition of income accounting estimates for biases, reviewing regulatory correspondence with Ofqual, the ICO and HMRC, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## USE OF OUR REPORT

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

**CROWE UK LLP**  
Statutory Auditor  
London  
Date: 6 August 2025

# FINANCIAL STATEMENTS

## Consolidated statement of comprehensive income

For the year ended 31 December 2024

	Note	2024	Group 2023
		£000	£000
<b>Operating income</b>			
Membership subscriptions and services		18,839	18,174
Qualifications		10,423	9,046
Learning support		16,286	15,244
Other income		38	-
<b>Total operating income</b>	3	<b>45,586</b>	42,464
<b>Operating expenditure</b>			
Membership services and support		(12,464)	(11,512)
Qualifications		(6,313)	(6,646)
Learning support		(7,204)	(7,266)
Central services		(16,576)	(15,649)
<b>Total operating expenditure</b>		<b>(42,557)</b>	(41,073)
<b>Total operating surplus</b>	4	<b>3,029</b>	1,391
<b>Non-operating income and costs</b>			
Loss on transfer of assets	7	-	(1,939)
Dividends and net interest		1,497	1,022
Loss on disposal of assets	8	-	(1)
Realised gain/(loss) on investments	10	38	(11)
Unrealised gain on investments	10	181	227
<b>Total net non-operating income/(cost)</b>		<b>1,716</b>	(702)
<b>Surplus before taxation</b>		<b>4,745</b>	689
Taxation credit	5	1,932	1,190
<b>Net surplus</b>		<b>6,677</b>	1,879
<b>Other comprehensive loss</b>			
Net defined benefit pension credit/(cost)		85	(85)
Foreign exchange loss arising from retranslation of overseas subsidiaries		(3)	(38)
<b>Total other comprehensive income/(loss)</b>		<b>82</b>	(123)
<b>Total comprehensive income for the year</b>		<b>6,759</b>	1,756

All income and expenditure are derived from continuing activities.  
The notes on pages 40 to 62 form part of these financial statements.

# Consolidated and Institute statement of financial position

For the year ended 31 December 2024

	Note	Group		Institute	
		2024	2023	2024	2023
		£000	£000	£000	£000
<b>Non-current assets</b>					
Tangible fixed assets	8	459	457	445	444
Intangible fixed assets	9	3,039	5,369	3,039	5,369
Investments	10	5,326	3,746	5,087	3,526
Investments in subsidiaries	11	-	-	5	5
Net deferred tax asset	12	1,859	-	1,633	-
<b>Total non-current assets</b>		<b>10,683</b>	<b>9,572</b>	<b>10,209</b>	<b>9,344</b>
<b>Current assets</b>					
Stocks – course books		46	51	46	51
Debtors	13	8,280	7,622	7,254	6,770
Cash at bank and short-term deposits	14	36,835	31,955	23,230	17,792
<b>Total current assets</b>		<b>45,161</b>	<b>39,628</b>	<b>30,530</b>	<b>24,613</b>
<b>Current liabilities</b>					
Creditors:					
Amounts falling due within one year	15	(17,357)	(17,152)	(24,023)	(22,900)
<b>Net current assets/(liabilities)</b>		<b>27,804</b>	<b>22,476</b>	<b>6,507</b>	<b>1,713</b>
<b>Non-current liabilities:</b>					
Net deferred tax liability	12	-	(80)	-	(82)
Provisions for liabilities and charges	17	(307)	(261)	(306)	(261)
<b>Total non-current liabilities</b>		<b>(307)</b>	<b>(341)</b>	<b>(306)</b>	<b>(343)</b>
<b>Net assets</b>		<b>38,180</b>	<b>31,707</b>	<b>16,410</b>	<b>10,714</b>
<b>Accumulated funds</b>					
<b>General</b>	18	<b>37,850</b>	<b>31,378</b>	<b>16,410</b>	<b>10,714</b>
<b>Charitable</b>	18	<b>330</b>	<b>329</b>	<b>-</b>	<b>-</b>
<b>Total funds</b>		<b>38,180</b>	<b>31,707</b>	<b>16,410</b>	<b>10,714</b>

The financial statements on pages 32 to 51 were approved and authorised by the board on the 22 July 2025.

**DR HELEN PHILLIPS FRSB DL**  
Chair of the Board  
Date: 5 August 2025

**MATTHEW HILL**  
Chief Executive Officer  
Date: 5 August 2025

# FINANCIAL STATEMENTS CONTINUED

## Consolidated and Institute statement of changes in funds

For the year ended 31 December 2024

Group	Charitable funds	General reserves	Total funds
	£000	£000	£000
1 January 2024	329	31,378	31,707
Net surplus for the year	1	6,676	6,677
Net defined benefit pension cost	-	85	85
Foreign exchange loss arising from retranslation of overseas subsidiaries	-	(3)	(3)
Other reserve movement	-	(286)	(286)
<b>At 31 December 2024</b>	<b>330</b>	<b>37,850</b>	<b>38,180</b>
1 January 2023	3,571	27,068	30,639
Net (deficit)/surplus for the year	(3,242)	5,121	1,879
Net defined benefit pension cost	-	(85)	(85)
Foreign exchange gain arising from retranslation of overseas subsidiaries	-	(38)	(38)
Other reserve movement	-	(688)	(688)
<b>At 31 December 2024</b>	<b>329</b>	<b>31,378</b>	<b>31,707</b>

Institute	General reserves	Total funds
	£000	£000
1 January 2024	10,714	10,714
Net surplus for the year	5,696	5,696
<b>At 31 December 2024</b>	<b>16,410</b>	<b>16,410</b>
1 January 2023	9,550	9,550
Net surplus for the year	1,164	1,164
<b>At 31 December 2024</b>	<b>10,714</b>	<b>10,714</b>

Other reserve movements in the Group's 2024 statement of changes in funds represent the derecognition of that part of the Group's 2023 consolidation adjustment which formed part of the asset transfer during 2024. The nature of the asset transfer is disclosed in note 7 of these financial statements.

The notes on pages 32 to 51 form part of these financial statements.

# Consolidated statement of cash flows

For the year ended 31 December 2024

	Note	2024	Group 2023
		£000	£000
<b>Cash flows from operating activities</b>			
Surplus before taxation		4,745	689
Adjustments for:			
Depreciation, amortisation and impairment charges	8,9	2,447	2,598
Unrealised investment gain	10	(181)	(227)
Realised investment (gain)/loss	10	(38)	11
Loss on disposal of tangible fixed assets		-	1
Net interest receivable		(1,497)	(942)
Non-cash other comprehensive (income)/loss items		82	(123)
(Increase)/Decrease in trade and other debtors		(628)	1,234
Decrease/(Increase) in stock		5	7
Increase/(Decrease) in trade creditors		94	(62)
Increase/(Decrease) in deferred income		1,526	1,432
(Decrease)/Increase in other creditors		(1,381)	351
(Decrease)/Increase in provisions		46	41
Other non-cash movement		(286)	(688)
<b>Cash provided by operations</b>		4,934	4,322
Taxation paid		(71)	(112)
<b>Net cash provided by operating activities</b>		4,863	4,210
<b>Cash flows from investment activities</b>			
Purchases of tangible fixed assets	8	(119)	(173)
Purchase of intangible assets	9	-	(1,272)
Interest & dividends received		1,497	827
Purchase of investments	10	(1,614)	(1,422)
Proceeds from sale of investments	10	253	1,529
<b>Net cash increase/(used) in investing activities</b>		17	(511)
<b>Net increase in cash and cash equivalents</b>		4,880	3,699
<b>Cash and cash equivalents at the beginning of the year</b>		31,955	28,256
<b>Cash and cash equivalents at the end of the year</b>		36,835	31,955

The Group has no external debt as at 31 December 2024 and 31 December 2023. As a result, no net debt reconciliation is presented.

The notes on pages 32 to 51 form part of these financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. ACCOUNTING POLICIES

### a) Basis of preparation

The Chartered Insurance Institute (CII, parent company or Institute) is a body incorporated by Royal Charter. The address of the registered office is given in the Reference and Administrative Details page which follows the notes to the financial statements. The operations and principal activities of the Institute are set out in the Strategic and Financial Review report.

The consolidated financial statements are prepared under the historical cost convention with the exception of investments carried at fair value in accordance with applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102, applicable in the United Kingdom and the Republic of Ireland.

The preparation of the consolidated financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies. Details of significant judgements and estimates are provided in note 1(s).

#### Parent company disclosure exemptions

In preparing the financial statements of the parent company, a cash flow statement was not presented applying the disclosure exemption allowed under FRS 102.

### b) Going concern

In assessing going concern, the directors considered the impact of significant macroeconomic factors such as the crises in Ukraine and the Middle East, as well as global geopolitical developments. The directors approved the 2025 business plan and reviewed scenarios of downside risk and mitigating actions which are available to the Institute and Group. The directors have also reviewed a financial trajectory for later years which will be underpinned by a more detailed strategic plan which was published in 2023. The directors have concluded that the going concern principle remains appropriate for the preparation of these financial statements.

The following principal accounting policies have been applied.

### c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the CII and all of the entities considered by the CII to be subsidiary undertakings (the CII Group or the Group, see note 11). All subsidiary financial statements have been prepared to 31 December 2024. In preparing consolidated financial statements, the financial statements of the parent and its subsidiaries are combined on a line-by-line basis, fully eliminating any intragroup balances and transactions.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the

acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

### d) Revenue recognition

#### Membership services and subscriptions

##### Subscriptions

Membership subscriptions are credited in the statement of comprehensive income in the period in which they are received to the extent of the proportion of the subscription year earned. The difference between the amount received and the amount credited in the period is credited to the statement of financial position as deferred income in the period, to be released to the statement of comprehensive income in the following period.

##### Examinations

##### Examinations & Accreditation

Examination and accreditation fees are credited in the statement of comprehensive income of the period in which the examinations and accreditations take place.

##### Educational activities

##### Coursework & Continuous Assessment

Income from study options involving coursework submission or continuous assessment is credited to the statement of income on a straight-line basis over the length of the study period taken.

##### Publications and learning materials

Sales of hard and soft copy publications and learning materials are recognised as income in the month of purchase.

##### E-learning/Licence Fees

Assess licence are recognised in the statement of income over the period that the licence is provided. Assess licence fees are credited in the statement of comprehensive income in the period in which they are received to the extent of the proportion of the licence fee period earned. The difference between the amount received and the amount credited in the period is credited to the statement of financial position as deferred income in the period, to be released to the statement of comprehensive income in the following period.

Revision aids are recognised as revenue for the full invoiced value at the point that the product is sold to the learner.

##### Training courses, events and conferences

Income from sales of training courses, events or conferences are recognised in the period when the course, event or conference takes place. Amounts received in advance are credited to the statement of financial position as deferred income, to be released to the statement of income in the period in which the event takes place.

**Other income****Dividends and interest receivable**

Dividends and interest receivable are included in the statement of comprehensive income in the period in which they are receivable. Interest is receivable from investments and short-term, fixed-rate deposits.

**e) Expenditure recognition**

Expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category. This includes interest incurred on any outstanding creditor balances which is disclosed as part of the "Net interest receivable or payable" in the consolidated statement of comprehensive income.

**f) Tangible fixed assets**

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Purchases of tangible fixed assets are capitalised and depreciated over their estimated useful lives as follows:

Computer equipment	3-5 years
Equipment	5 years
Fixtures and fittings	10 years
Furniture	8 years

**g) Intangible fixed assets**

Intangible fixed assets are stated at historical cost less accumulated amortisation and any accumulated impairment.

Intangible fixed assets are capitalised and amortised over their estimated useful lives as follows:

Computer software	3-9 years
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**Assessment of estimated useful life**

At each reporting date, the carrying amounts of fixed assets are reviewed against the assets' estimated useful lives to determine whether the estimated useful lives may be revised or if there is any indication that those assets have suffered an impairment loss.

Any changes to the estimated useful lives of assets are treated as changes in accounting estimates and are recognised in the statement of comprehensive income in the period in which the changes are made. No prior period adjustment is required.

If there are indicators of impairment, the recoverable amount of the asset is estimated and the carrying amount of the asset is reduced to the recoverable amount. Impairment losses are recognised in the statement of comprehensive income in the period that that impairment loss is discovered.

**h) Investments**

All investments are stated at fair value which is determined with reference to quoted market prices at the end of the reporting period. Gains and losses on remeasurement or disposal are recognised in the statement of income for the period.

**i) Investment in subsidiaries**

Investments in subsidiary entities are held at cost less impairment.

**j) Cash at bank and short-term deposits**

Cash at bank and short-term deposits comprise cash balances with banks and deposits with a maturity not exceeding 95 days from when notice is given. These balances are considered to have an insignificant risk to a change in its value.

It also includes cash which is held by the Group's investment managers for investing as the Group is able to access this cash for other purposes at short notice and without penalty.

**k) Current trade debtors and trade creditors**

Trade debtor and trade creditor balances included within current assets and current liabilities, respectively, comprise items recognised at their transaction price and measured at the reporting date at the undiscounted amount of cash or other consideration expected to be received or paid.

When there are indicators of a risk to the recoverability of trade debtors, a provision is made for specific customers where the risk has been assessed. Risk to recoverability of trade debtors may occur where a customer is experiencing financial hardship or where trade debtor balances have been outstanding for a significant period of time. The decision to make a provision for doubtful debt is a matter of judgement made by directors. Provisions for doubtful debts are netted against trade debtor balances in the statement of financial position and the movement in the provision is recognised in the statement of comprehensive income.

**l) Foreign currencies**

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

On consolidation, the results of overseas operations are translated into pounds sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

## 1. ACCOUNTING POLICIES CONTINUED

### m) Tax

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the reporting date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the reporting date. Timing differences are differences between the entity's taxable operating surplus and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse; based on tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax is measured on an undiscounted basis.

### n) Operating leases

Operating lease rentals are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

### o) Employee benefits

The Group provides a range of benefits to employees, including quarterly and annual bonus arrangements, paid holiday arrangements and defined benefit and defined contribution pension plans.

#### (i) Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the statement of comprehensive income in the period in which the service is received.

#### (ii) Quarterly and annual bonus plans

The Group operates quarterly and annual bonus plans for certain employees. An expense is recognised in the statement of comprehensive income when the Group has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

### p) Retirement benefits

The CII operates two types of pension schemes: a defined contribution plan and a defined benefit plan, both of which require contributions to be made to separately administered funds.

#### Defined contribution scheme

For the defined contribution scheme, the amount

charged to the statement of comprehensive income in respect of pension costs and other post-retirement benefits is the contributions payable in the year.

Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the statement of financial position.

#### Defined benefit plan

The Chartered Insurance Institute Pension Scheme (1993), a defined benefit scheme for staff, was closed to new members in 2001 and to further service accrual in 2006. Contributions are made to the scheme at rates set by the scheme actuary and as advised by the scheme administrator. Interest cost, return on assets and actuarial gains or losses are recognised as part of non-operating activities.

For defined benefit schemes the amounts charged in operating expenditure are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the income and expenditure account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of comprehensive income. Where an insurance policy is acquired to fund employee benefits relating to current and past service of members of the defined benefit scheme, a settlement would have occurred unless the Institute's liability to the defined benefit pension scheme is not completely discharged. Where the Institute's liability has not been fully discharged amounts associated with acquiring the insurance policy will be recognised in the statement of comprehensive income. Where the pension scheme liabilities are fully insured, the scheme assets are represented as the value of the scheme liabilities.

Defined benefit schemes are funded with the assets of the scheme. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each reporting date. The resulting defined benefit asset or liability, net of the related deferred tax asset or liability, is presented separately after other net assets on the face of the statement of financial position once the recognition criteria has been met.

### q) Stocks

Stocks are valued on a 'first in, first out' basis at the lower of cost and net realisable value.

## r) Fund accounting

General funds are funds which are available for use at the discretion of the Board for the activities of the Institute. Charitable funds comprise unrestricted funds, available for the use of The Education and Training Trust of the Chartered Insurance Institute in furtherance of its charitable objectives, and restricted funds, available for the use of The Chartered Insurance Institute Prize and Educational Funds in furtherance of its charitable objectives.

## s) Critical accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and assumptions which have the most significant risk of causing material adjustment to the carrying amount of assets and liabilities are:

### 1) Retirement benefits

The Institute accounts for retirement benefits in accordance with Financial Reporting Standard 102 Section 28.9 to 28.28, 'Post-employment benefits'. In determining the pension cost and obligation of the defined benefit pension scheme, a number of assumptions are used including: discount rate, inflation, salary increases, mortality rates and expected returns on investments. Further details are provided in note 19 to the financial statements.

### 2) Provisions for liabilities and charges

In accordance with Financial Reporting Standard 102 section 21, 'Provisions and Contingencies', provision is made where the Group believes that, at the reporting date, it has an obligation that may require settlement at a future date. The Group is required to estimate the likely future settlement amount based on management's best view of the most likely outcome. Further details are provided in note 17 to the financial statements.

### 3) Provision for doubtful debts

The Group has made an accounting provision for outstanding credit sales balances which have been assessed and may be at risk of recovery. The determination of the provision requires the application of judgement. The actual outcome of recovery efforts may differ from the outcome which is assessed at 31 December 2024.

## 2. CONSOLIDATED ENTITIES

The Group has elected to present the main components of the consolidated financial result.

2024	£000						
	The Institute	The Personal Finance Society	C.I.I. Enterprises	Charities	International entities	Intergroup eliminations	Total Group
Operating income	30,817	8,705	5,714	6	1,421	(1,077)	<b>45,586</b>
Operating expenditure	(27,627)	(10,156)	(4,653)	(38)	(1,161)	1,077	<b>(42,557)</b>
Operating result	3,190	(1,450)	1,061	(32)	260	-	<b>3,029</b>
Non-operating items and taxation	2,506	961	182	33	49	-	<b>3,730</b>
<b>Total result</b>	<b>5,696</b>	<b>(490)</b>	<b>1,243</b>	<b>1</b>	<b>309</b>	<b>-</b>	<b>6,759</b>

2023	£000						
	The Institute	The Personal Finance Society	C.I.I. Enterprises	Charities	International entities	Intergroup eliminations	Total Group
Operating income	27,665	8,633	5,952	3	1,463	(1,252)	<b>42,464</b>
Operating expenditure	(26,920)	(8,960)	(4,837)	(102)	(1,220)	966	<b>(41,073)</b>
<b>Operating result</b>	<b>745</b>	<b>(327)</b>	<b>1,115</b>	<b>(99)</b>	<b>243</b>	<b>(286)</b>	<b>1,391</b>
Non-operating items and taxation	419	2,148	24	(1,886)	(39)	(301)	<b>365</b>
<b>Total result</b>	<b>1,164</b>	<b>1,821</b>	<b>1,139</b>	<b>(1,985)</b>	<b>204</b>	<b>(587)</b>	<b>1,756</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

## 3. OPERATING INCOME

		Group
	2024	2023
	£000	£000
<b>a) Membership subscriptions and services</b>		
Membership subscriptions	17,728	16,700
Conferences and event income	1,048	1,427
Other services	63	47
	18,839	18,174
<b>b) Qualifications</b>		
Examinations income	10,423	9,046
	10,423	9,046
<b>c) Learning support</b>		
Publications	7,898	6,928
Other learning materials	6,069	6,166
Training courses	1,321	1,243
Other educational activities	998	907
	16,286	15,244
<b>d) Other income</b>		
Insurance proceeds	38	-
	38	-
<b>Total operating income</b>	<b>45,586</b>	<b>42,464</b>

## 4. OPERATING SURPLUS

The operating surplus of £3,029,000 (2023: £1,391,000) is stated after charging:

	Group	
	2024	2023
	£000	£000
<b>a) Auditor's remuneration</b>		
Audit fees:		
Audit of the Group's financial statements	130	130
Audit of the Group's subsidiaries	24	23
Taxation and other fees	-	-
	154	153
<b>b) Salaries and related costs</b>		
Total salaries and related costs	14,884	14,940
Further analysis of staff and related costs is provided in note 6(a)		
<b>c) Depreciation, amortisation and impairment charges</b>		
Depreciation, amortisation and impairment charges of fixed assets	2,447	2,598
<b>d) Amounts payable under operating leases</b>		
Building	564	595
Equipment	52	59
	616	654

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

## 5. TAXATION

The CII bears tax on its revenue generating activities and investment income.

	Group	
	2024	2023
	£000	£000
<b>Taxation charge on ordinary activities</b>		
Corporation tax at 25%* (2023: 23.5%)	(7)	(46)
Deferred tax	1,939	(492)
Adjustment in respect of previous periods	-	1,728
<b>Tax charge for period</b>	<b>1,932</b>	<b>1,190</b>
The differences between the tax charge recognised in the statement of comprehensive income and the tax charge at the standard rate of tax are explained below:		
<b>Surplus on ordinary activities before tax</b>	<b>4,745</b>	689
Tax charge on the surplus on ordinary activities before tax calculated at the standard rate of corporation tax in the UK of 25%* (2023: 23.5%)	(1,186)	(162)
<b>Effects of:</b>		
Differences on fixed assets	(2)	(164)
Short-term timing differences	-	60
Disallowed expenses	(252)	-
Effect of non-taxable items	82	12
Effect of tax losses and other deductions	-	-
Charitable exemptions	-	(465)
Movement in deferred tax not recognised	3,262	179
Adjustment in respect of previous periods	-	1,728
Effect of other tax charges/credits	28	2
<b>Tax charge for period</b>	<b>1,932</b>	<b>1,190</b>

(\*) The standard rate of corporation tax was pro-rated as the corporation tax rate of 25% became effective in April 2023.

The 'adjustment in respect of previous periods' reflects the updated tax liability following the closure of the historical matters which the CII and PFS had been engaged with the tax authority.

## 6. REMUNERATION

	Group	
	2024	2023
	£000	£000
<b>a) Group salaries and related costs</b>		
Wages and salaries	12,424	12,556
Employer's social security costs	1,279	1,257
Employer's pension costs	1,181	1,160
	14,884	14,973
<b>b) Group average number of staff employed during the year</b>		
Total number of employees	233	228
Total number of full-time equivalents	224	221

A defined contribution pension scheme is operated by the Institute on behalf of employees of the Group. The assets of the scheme are held separately from those of the Group in an independently administered fund. The total expense recognised in the consolidated statement of comprehensive income representing the Group's contribution to the employee defined contribution pension plan in 2024 is £1.2 million (2023: £1.2 million). During the year ended 31 December 2024, the Group incurred termination payments totalling £135,000 (2023: £253,000) relating to organisational restructuring and redundancy programmes across various departments. No further termination obligations exist as at 31 December 2024.

There were no significant contributions payable or prepaid in the consolidated statement of financial position as at 31 December 2024 (31 December 2023: no significant contributions).

	Group	
	2024	2023
	£000	£000
<b>c) Group Board and Committee remuneration</b>		
Honorariums (Non-executives)	366	309

In 2024, eleven non-executive Group Board members (2023: ten non-executive Group Board members) received honorarium payments for attendance at both Board and committee meetings.

A further sixteen Group committee and subsidiary Board members (2023: thirteen committee members) received honorarium payments for attendance at Group committee and subsidiary Board meetings.

Honorarium payments are made in accordance with the following scale, which includes preparation for the meetings attended and any outputs required as a result:

Board members: up to £90,000 per annum (variable within the range depending on the Board member's role).  
Committee members: not exceeding £1,000 per meeting.

Honorarium payments are agreed and reviewed by the Nominations and Remuneration Committee and reflect each member's role, their responsibilities and requirements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

## 6. REMUNERATION CONTINUED

### d) Executive compensation

The Group's executive team comprises the CEO of the Institute and his direct reports (collectively, the Executive Leadership Team or ELT). The ELT also included the role of CEO of The Personal Finance Society who also reports into the Board of the Personal Finance Society and in 2024 had one direct report who is not an executive (2023: one direct report who is a non-executive).

The total remuneration of the ELT is summarised in the table below.

	Group	
	2024	2023
	£000	£000
<b>Salaries, separation and short-term benefits<sup>(^)</sup></b>	<b>1,180</b>	<b>1,611</b>
Employer's social security costs	146	194
Employer's pension costs	111	116
Long-term benefits	37	37
	<b>1,474</b>	<b>1,958</b>

(<sup>^</sup>) In 2023, the salaries, separation and short-term benefits includes the remuneration of those executives who were paid for full in 2023 but in part for 2024. Those executives who received a full year's compensation in 2023 but not in 2024 were D. MacIntyre, A. Vallance and A. Kamarulzaman.

During the year ended 31 December 2024, the Group incurred termination payments to executives totalling £20,000 (2023: £195,000). No further termination obligations exist as at 31 December 2024.

The Institute provides the following benefits to all the members of the ELT:

- Private healthcare (single cover)
- Critical illness cover
- Life insurance
- Dependants' pension scheme (only for those who joined the CII prior to 01/01/2014).

### Changes to ELT in 2024

M. Hill joined the organisation as the CEO of the CII Group in April 2024.

A. Vallance (former CII Group CEO) and D. MacIntyre (former PFS CEO) left the organisation in January 2024 and October 2024 respectively.

L. Russell and T. Edwards as existing employees of the CII Group joined the ELT in June 2024.

The number of members, while serving in their capacity in their ELT role, within bands of base salaries received in the reported periods (excluding allowances, benefits and bonuses) are shown below:

	2024	2023
> £200,000	1	1
£150,000 - £200,000	3	3
< £150,000	5	5

## 7. TRANSFER OF ASSETS

On 3 November 2023, a deed of transfer was approved by The Education and Training Trust of the CII (EATT) and The Worshipful Company of Insurers Charitable Trust (WCI) to transfer the assets and obligations of EATT to WCI for £nil consideration. The transfer enhances the resources available to the WCI to support activities within the insurance profession and beyond. As a result of the transfer, EATT has discontinued its grant-giving activity and was deregistered in 2025.

The assets and obligations of EATT were transferred at fair value. The book values approximated the fair values of the assets and obligations at the date of transfer. As at 31 December 2023, all obligations were transferred to WCI and £1.05 million of assets of EATT were still held by EATT but a liability was recognised as at 31 December 2023 for the transfer of those assets to WCI. The remaining assets agreed to be transferred and held by EATT at the end of December 2023 were transferred to WCI in February 2024.

	2024	2023
	£000	£000
Fair value of assets transferred	-	3,043
Fair value of obligations transferred	-	(1,104)
<b>Fair value of net assets transferred</b>	-	1,939
Consideration received	-	-
<b>Loss on transfer of assets</b>	-	1,939

## 8. TANGIBLE FIXED ASSETS

	Fixtures and fittings, furniture and equipment	Computer equipment	Total Institute	Subsidiary furniture and equipment	Total Group
	£000	£000	£000	£000	£000
<b>Cost or valuation</b>					
<b>1 January 2024</b>	866	939	<b>1,805</b>	16	<b>1,821</b>
Additions	3	114	<b>117</b>	2	<b>119</b>
Disposals	-	(99)	<b>(99)</b>	-	<b>(99)</b>
<b>31 December 2024</b>	869	954	<b>1,823</b>	18	<b>1,841</b>
<b>Depreciation</b>					
<b>1 January 2024</b>	592	769	<b>1,361</b>	3	<b>1,364</b>
Charge for year	50	66	<b>116</b>	1	<b>117</b>
Disposals	-	(99)	<b>(99)</b>	-	<b>(99)</b>
<b>31 December 2024</b>	642	736	<b>1,378</b>	4	<b>1,382</b>
<b>Net book value</b>					
<b>31 December 2024</b>	227	218	<b>445</b>	14	<b>459</b>
31 December 2023	274	170	<b>444</b>	13	<b>457</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

## 9. INTANGIBLE FIXED ASSETS

### Computer software

	Group and Institute
	£000
<b>Cost or valuation</b>	
<b>1 January 2024</b>	<b>16,841</b>
Additions	-
<b>31 December 2023</b>	<b>16,841</b>
<b>Amortisation</b>	
<b>1 January 2024</b>	<b>11,472</b>
Charge for year	1,359
Accelerated amortisation	971
<b>31 December 2024</b>	<b>13,802</b>
<b>Net book value</b>	
<b>31 December 2024</b>	<b>3,039</b>
31 December 2023	5,369

## 10. INVESTMENTS

Group	Fixed interest	Equities & unit trusts	Total
	£000	£000	£000
Investments at fair value at 1 January 2024	862	2,884	3,746
Additions	676	938	1,614
Disposals	(77)	(176)	(253)
Gain on disposal	-	38	38
Revaluation to fair value	(117)	298	181
<b>Investments at fair value at 31 December 2024</b>	<b>1,344</b>	<b>3,982</b>	<b>5,326</b>
On an historical cost basis, the comparable amounts of investments are:	1,364	3,368	4,732
Institute			
Investments at fair value at 1 January 2024	767	2,759	3,526
Additions	676	935	1,611
Disposals	(77)	(176)	(253)
Gain on disposal	-	38	38
Revaluation to fair value	(117)	282	165
<b>Investments at fair value at 31 December 2024</b>	<b>1,249</b>	<b>3,838</b>	<b>5,087</b>
On an historical cost basis, the comparable amounts of investments are:	1,364	3,161	4,525
Group	Fixed interest	Equities & unit trusts	Total
	£000	£000	£000
Investments at fair value at 1 January 2023	766	2,871	3,637
Additions	346	1,076	1,422
Disposals	(290)	(1,239)	(1,529)
Gain on disposal	1	(12)	(11)
Revaluation to fair value	39	188	227
<b>Investments at fair value at 31 December 2023</b>	<b>862</b>	<b>2,884</b>	<b>3,746</b>
Institute			
Investments at fair value at 1 January 2023	645	2,577	3,222
Additions	249	342	591
Disposals	(172)	(359)	(531)
Gain on disposal	1	(12)	(11)
Revaluation to fair value	44	211	255
<b>Investments at fair value at 31 December 2022</b>	<b>767</b>	<b>2,759</b>	<b>3,526</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

## 11. INVESTMENTS IN SUBSIDIARIES

Institute only	Total
	<b>£000</b>
Investment in subsidiaries at cost at 1 January 2024	87
Disposal of subsidiaries	(82)
<b>Investments at cost at 31 December 2024</b>	<b>5</b>

Name of company	Principal activity	Country of incorporation	Company/Charity number	Beneficial holding
CII Enterprises Limited	E-learning and commercial activities	United Kingdom	01953478	Ordinary shares
The Education and Training Trust of the Chartered Insurance Institute	Education and training	United Kingdom	Dissolved	Incorporated charity
The Chartered Insurance Institute Prize Funds	Awarding prizes	United Kingdom	216054	Charitable trust
The Personal Finance Society	Professional body for financial advisers and related roles	United Kingdom	05084125	Limited by guarantee
The Chartered Insurance Institute Hong Kong Limited	Sale and promotion of the Chartered Insurance Institute products	Hong Kong	1396471	Ordinary shares
Chartered Insurance Institute Middle East	Sale and promotion of the Chartered Insurance Institute products	United Arab Emirates	4495	Ordinary shares
The Society of Financial Advisers	Non-trading	United Kingdom	02579617	Limited by guarantee
The European Financial Planning Association (UK) Limited	Dormant	United Kingdom	04627247	Limited by guarantee

The ultimate parent company of all the above subsidiaries is the Chartered Insurance Institute.

In January 2025 the Charity Commission confirmed the removal of the charitable company, The Education and Training Trust of the Chartered Insurance Institute, from the Central Register of Charities.

## 12. DEFERRED TAX

Deferred tax (liability)/asset	Group			Net
	Timing difference on fixed assets	Temporary timing differences	Losses and other deductions	
	£000	£000	£000	£000
1 January 2024	(587)	507	-	(80)
Amounts charged to the income statement	258	(407)	2,088	1,939
<b>31 December 2024</b>	<b>(329)</b>	<b>100</b>	<b>2,088</b>	<b>1,859</b>

Deferred tax (liability)/asset	Institute			Net
	Timing difference on fixed assets	Temporary timing differences	Losses and other deductions	
	£000	£000	£000	£000
1 January 2024	(587)	505	-	(82)
Amounts charged to the income statement	258	(330)	1,787	1,715
<b>31 December 2024</b>	<b>(329)</b>	<b>175</b>	<b>1,787</b>	<b>1,633</b>

As at 31 December 2024, the Institute accumulated unutilised tax losses of approximately £7.5 million which is available to offset against future taxable profits. The Institute has performed an assessment of the probability of future taxable profits and recognised a deferred tax asset in respect of unutilised tax losses arising from prior years, to the extent that it is probable that future taxable profits will be available against which the losses will be utilised (FRS 102 Section 29.14).

Deferred tax balances are calculated at the rate of 25%.

## 13. DEBTORS

	Group		Institute	
	2024	2023	2024	2023
	£000	£000	£000	£000
Amounts owed by subsidiary undertakings	-	-	173	370
Trade debtors	6,455	6,047	5,446	5,108
Prepayments	1,151	1,190	1,046	1,056
Other debtors	607	215	589	205
Accrued income	37	170	-	31
Corporation tax	30	-	-	-
<b>31 December</b>	<b>8,280</b>	<b>7,622</b>	<b>7,254</b>	<b>6,770</b>

At 31 December 2024, the Institute and Group held a provision for doubtful debts for certain customer balances which are more than one year old. The value of the provision was £650,000 (31 December 2023: £267,000). The provision is recognised as part of the 'Trade debtors' balance.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

## 14. MOVEMENT IN CASH AND SHORT-TERM DEPOSITS

	Group		Institute	
	2024	2023	2024	2023
<b>Cash</b>	<b>£000</b>	£000	<b>£000</b>	£000
1 January	<b>21,634</b>	18,533	<b>8,487</b>	6,575
(Decrease)/increase in cash	<b>(5,664)</b>	3,101	<b>(1,838)</b>	1,912
<b>31 December</b>	<b>15,970</b>	21,634	<b>6,649</b>	8,487

Cash balances include £135,545 (2023: £180,207) of cash held by The Chartered Insurance Institute Prize and Educational Funds, the use of which is restricted. The prior year included cash held by the Education and Training Trust of the Chartered Insurance Institute charity which was transferred to the Worshipful Company of Insurers charity during 2023.

	Group		Institute	
	2024	2023	2024	2023
<b>Short-term deposits</b>	<b>£000</b>	£000	<b>£000</b>	£000
1 January	<b>10,321</b>	9,723	<b>9,305</b>	7,720
Withdrawals	<b>(1,289)</b>	(10,902)	<b>(257)</b>	(9,915)
New deposits placed	<b>11,833</b>	11,500	<b>7,533</b>	11,500
<b>31 December</b>	<b>20,865</b>	10,321	<b>16,581</b>	9,305

Short-term deposits are held at varying maturities not exceeding 95 days.

	Group		Institute	
	2024	2023	2024	2023
<b>Total cash at bank and short-term deposits</b>	<b>£000</b>	£000	<b>£000</b>	£000
Cash at bank	<b>15,970</b>	21,634	<b>6,649</b>	8,487
Short-term deposits	<b>20,865</b>	10,321	<b>16,581</b>	9,305
<b>Total cash at bank and short-term deposits</b>	<b>36,835</b>	31,955	<b>23,230</b>	17,792

## 15. CREDITORS

	Group		Institute	
	2024	2023	2024	2023
Amounts falling due within one year:	<b>£000</b>	£000	<b>£000</b>	£000
Trade creditors	<b>443</b>	349	<b>443</b>	349
Corporation tax	-	34	-	-
Amounts owed to subsidiary undertakings	-	-	<b>11,787</b>	11,391
Other creditors	<b>334</b>	1,174	<b>334</b>	364
Accruals	<b>1,516</b>	2,057	<b>1,154</b>	1,715
Deferred income (note 16)	<b>15,064</b>	13,538	<b>10,305</b>	9,081
<b>31 December</b>	<b>17,357</b>	17,152	<b>24,023</b>	22,900

## 16. DEFERRED INCOME

	Group		Institute	
	2024	2023	2024	2023
	£000	£000	£000	£000
Member subscriptions	7,547	6,963	5,138	4,545
Examination fees	3,882	3,472	3,882	3,472
Assess licences	2,243	1,959	-	-
Other	1,392	1,144	1,285	1,064
<b>31 December</b>	<b>15,064</b>	<b>13,538</b>	<b>10,305</b>	<b>9,081</b>

All amounts deferred at the end of the 2023 financial year were released during 2024.

## 17. PROVISION FOR LIABILITIES AND CHARGES

Group and Institute	Property	LTIP	Total
	£000	£000	£000
<b>At 1 January 2024</b>	<b>135</b>	<b>126</b>	<b>261</b>
Provided during the year	4	42	46
Utilised during the year	-	-	-
Released during the year	-	-	-
<b>At 31 December 2024</b>	<b>139</b>	<b>168</b>	<b>307</b>

Provision for property costs represents the dilapidation provision on the Institute's leased property. Costs are based on best estimates of the restoration costs for the property.

As at 31 December 2024, the provision for the Long-Term Incentive Plan (LTIP) bonus award represented the amount accrued for one member (31 December 2023: one member) of the Executive Leadership Team for achievements which are measured over a five-year period, ending in 2024.

## 18. ACCUMULATED FUNDS OF THE GROUP

Group	General funds	Charitable funds	2024	2023
		Restricted	Total	Total
	£000	£000	£000	£000
At 1 January	31,378	329	31,707	30,639
Net surplus/(deficit) for the year after taxation (net of intergroup eliminations)	6,676	1	6,677	1,879
Net defined benefit pension cost	85	-	85	(85)
Foreign exchange (loss)/gain	(3)	-	(3)	(38)
Other reserve movement	(286)	-	(286)	(688)
<b>At 31 December</b>	<b>37,850</b>	<b>330</b>	<b>38,180</b>	<b>31,707</b>

General funds include those of the Institute, CII Enterprises Limited, The Personal Finance Society, Chartered Insurance Institute Hong Kong Limited, and Chartered Insurance Institute Middle East Limited.

Restricted charitable funds are those of The Chartered Insurance Institute Prize and Educational Funds.

The 'Net surplus for the year' includes the effect of consolidation adjustments which have been allocated to reserve segments.

The movement in general funds of the Institute is disclosed in the statement of Changes in Funds on page 30.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

## 19. PENSION FUND

The Institute operated a multi-employer, defined benefit pension scheme which was closed on 30 June 2001. The CII is the majority employer of the scheme with the Insurance Institute of London, Insurance Institute of Manchester and The Insurance Charities being the other participating members of the scheme. The CII recognises 96.11% of the scheme. The scheme is funded in advance by contributions at rates assessed by the scheme actuary in regular funding reviews. The scheme assets are held separately from the CII in trustee-administered funds.

Following the actuarial valuation at 30 June 2005, the CII agreed with the Trustees to cease accruing for future service with effect from 30 June 2006 and transfer all active members into the CII's stakeholder defined contribution scheme. The CII makes contributions into the stakeholder scheme at rates between 10% and 20% of basic salary. The actuarial valuation at 30 June 2017 showed a shortfall of £3.0 million, a funding level of 93%. In addition to a contribution of £3.0 million paid in to correct the shortfall, the CII and the Trustees agreed for the payment of further contributions of £1.0 million in each of the years 2019 and 2020 into the pension scheme.

In April 2021, the Trustees entered into an agreement with an insurance company (i.e. a buy-in arrangement) to acquire a policy which funds the benefit obligations of members of the Scheme. The sum of £6.5 million was transferred to the insurer by the Institute to settle the initial premium. A further £0.1 million benefit obligation was settled by the Institute in the year bringing total cost in 2021 to £6.6 million. The buy-in does not fully discharge the Institute of all liabilities in respect of the plan until such time as Trustees can progress the transaction to a buy-out arrangement. The buy-in was recognised in the statement of comprehensive income in 2021. The buy-out was completed in June 2025.

Benefit obligations are estimated by a qualified actuary using the projected unit credit method based on results from the statutory funding valuation report at 30 June 2020. As the defined benefit pension scheme is now fully insured, following the buy-in in 2021, the reported scheme assets were matched to the scheme liabilities. The buy-out of the scheme was completed in June 2025 for £0.5 million.

The actuarial valuation described above has been updated at 31 December 2024 by a qualified actuary using revised assumptions that are consistent with the requirements of FRS 102. Investments have been valued for this purpose at fair value.

The major assumptions used for the FRS 102 actuarial benefit obligation were:

	2024	2023
<b>Weighted-average assumptions to determine the defined benefit obligation</b>		
Discount rate	<b>5.55%</b>	4.80%
Pensions in payment (RPI 5%)	<b>2.95%</b>	2.80%
Deferred revaluation (CPI linked; RPI linked)	<b>2.60%/3.10%</b>	2.40%/3.00%
Post-retirement mortality assumption	<b>93%/89% (M/F) of S3PA (middle for females) CMI 2020 (1.5%) for non-pensioners 87%/85% (M/F) for S3PA (middle for females) CMI 2020 with (1.5% for pensioners)</b>	93%/89% (M/F) of S3PA (middle for females) CMI 2020 (1.5%) for non-pensioners 87%/85% (M/F) for S3PA (middle for females) CMI 2020 with (1.5% for pensioners)

	2024	2023
	£000	£000
<b>Change in benefit obligation</b>		
Benefit obligation at beginning of year	27,038	26,861
Interest cost	1,277	1,304
Actuarial gain – effects of changes in assumptions	(1,842)	416
Actuarial loss/(gain) – effect of experience adjustments	80	116
Benefits paid	(940)	(1,659)
<b>Benefit obligation at end of year</b>	<b>25,613</b>	<b>27,038</b>
<b>Analysis of defined benefit obligation</b>		
Plans that are wholly or partly funded	25,613	27,038
<b>Total</b>	<b>25,613</b>	<b>27,038</b>

	2024	2023
	£000	£000
<b>Change in plan assets</b>		
Fair value of plan assets at beginning of year	27,381	27,441
Interest income on plan assets	1,273	1,312
Remeasurement loss	(1,665)	287
Benefits paid	(940)	(1,659)
<b>Plan assets at end of year</b>	<b>26,049</b>	<b>27,381</b>
Funded status	436	343
Effect of surplus cap	(436)	(343)
<b>Net amount recognised</b>	<b>-</b>	<b>-</b>

	2024	2023
	£000	£000
<b>Components of pension cost</b>		
Interest cost	1,277	1,304
Interest income on plan assets	(1,273)	(1,312)
Interest expense on effect of asset ceiling	(4)	8
<b>Total pension cost recognised in the income and expenditure account</b>	<b>-</b>	<b>-</b>
Actuarial losses immediately recognised	(92)	85
Effect of surplus cap	7	-
<b>Total pension cost recognised in other comprehensive income</b>	<b>(85)</b>	<b>85</b>
<b>Cumulative actuarial losses immediately recognised</b>	<b>(10,765)</b>	<b>(10,850)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

## 19. PENSION FUND CONTINUED

	2024	2023*
	£000	£000
<b>Plan assets</b>		
Cash & cash equivalents	400	316
Other	25,649	27,065
<b>Benefit obligation at end of year</b>	<b>26,049</b>	<b>27,381</b>

In April 2021, the Trustees of the defined benefit scheme entered into an agreement which insures the Trustees in respect of the defined benefit obligations of the scheme. In accordance with FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland, the fair value of the plan assets in respect of insured plans may be considered to be the present value of the related benefit obligation. As such the fair value of the plan assets classed as “Other” represents the value of the insured annuities less an amount in the Trustee bank account which is classified as “Cash & cash equivalents”.

(\*) The prior year comparative has been restated to amend the disclosure of the total plan assets for 2023 to agree with total plan assets disclosed earlier in the note. This change had no impact on amounts recognised in the statement of financial position or the statement of income.

Five-year history	2024	2023	2022	2021	2020
	£000	£000	£000	£000	£000
Benefit obligation at end of year	(25,613)	(27,038)	(26,861)	(41,152)	(41,756)
Fair value of plan assets at end of year	26,049	27,381	27,441	41,897	50,402
<b>Surplus</b>	<b>436</b>	<b>343</b>	<b>580</b>	<b>745</b>	<b>8,646</b>
Difference between expected and actual return on scheme assets:					
Amount	1,665	(287)	13,985	15,061	(4,567)
Percentage of scheme assets	6%	(1%)	51%	36%	(9%)
Experience (losses) and gains on scheme liabilities:					
Amount	(80)	(116)	(1,772)	12	(908)
Percentage of scheme liabilities	(>1%)	(>1%)	7%	>1%	(2%)

## 20. RELATED PARTY TRANSACTIONS

The CII has taken advantage of the exemption under Financial Reporting Standard 102 section 33, Related Party Disclosures, not to disclose transactions between Group entities that have been eliminated on consolidation in these financial statements. There are no other related party transactions.

Key management personnel in the Group which comprises the remuneration received by the Board and Executive Leadership Team and CEO of The PFS is disclosed in note 6.

The Group engaged transactions with related parties in which two directors have significant influence. The value of sales transactions with the Group was £60,000 (2023: £nil). Of the two directors, one is a director of the Institute. The value of sales transactions with the Institute was £47,000 (2023: £nil). All transactions were undertaken on an arm's-length basis.

## 21. OPERATING LEASES

At 31 December the Group and the Institute had total commitments under non-cancellable operating leases of:

	2024	2023
	£000	£000
<b>Buildings</b>		
Less than 1 year	548	529
2 - 5 years	124	566
	672	1,095
<b>Equipment</b>		
Less than 1 year	48	44
2 - 5 years	64	59
	112	103

## 22. EVENTS AFTER THE BALANCE SHEET DATE

### Pensions

In 2021, the Institute entered into a buy-in of the Chartered Insurance Institute Pension Scheme (1993) (the defined benefit pension plan) with an insurance company.

In June 2025, the institute remitted £0.3 million to complete the buy-out of the defined pension scheme. The total buy-out premium for the scheme was £0.5 million, and the difference in the buy-out premium was funded by proceeds from the Trustees' funded account.

# REFERENCE AND ADMINISTRATIVE DETAILS

**Company number**

Incorporated by Royal Charter: RC000104

**Principal office**

3rd Floor  
20 Fenchurch Street  
London  
EC3M 3BY

**Auditor**

Crowe UK LLP  
55 Ludgate Hill  
London  
EC4M 7JW

**Principal bankers**

HSBC  
62-76 Park Street  
London  
SE1 9DZ

**Investment manager**

Quilter Cheviot Investment Management  
1 Kingsway  
London  
WC2B 6AN

**Company Secretary**

Claire Robson

**Executive Leadership Team**

Chief Executive Officer	Matthew Hill	(effective 8 April 2024)
Executive Director, Member Engagement & Learning	Gill White	
Executive Director, Resources & People	Trevor Edwards	(effective 1 June 2024)
General Counsel	Liam Russell	(effective 1 June 2024)
Executive Director, Strategy, Advocacy & Professional Standards	Adam Harper	(effective 3 March 2025)
Executive Director, Markets & Opportunities	Holly Porter	(effective 3 March 2025)
Interim Executive Director, Business Solutions & Programme Delivery	Kimberly Lovegrove	(effective 1 April 2025)
Executive Director, Digital & Information	Mathew Mallett	(resigned 4 April 2025)

