



**THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**Charity No. 278104**

**THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS**

**Annual report and financial statements for the year ended 31 December 2015**

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## **THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS**

### **Annual report and financial statements for the year ended 31 December 2015**

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The Trustees present their report and the audited financial statements for the year ended 31 December 2015.

#### **1) OBJECTIVES AND ACTIVITIES OF THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS ("CIBSE"/ THE "INSTITUTION")**

##### **What we do**

The Chartered Institution of Building Services Engineers (CIBSE) is the professional body that exists for:

- 1) The promotion for the benefit of the public in general of the art, science and practice of such engineering services as are associated with the built environment and with industrial processes, such art, science and practice hereinafter called "building services engineering";  
and,
- 2) The advancement of education and research in building services engineering, and the publication of the useful results of such research.

CIBSE supports building services engineers by accrediting courses of study in further and higher education, by approving work based training programmes and providing routes to full professional Registration and Membership, including Chartered Engineer, Incorporated Engineer and Engineering Technician. Once qualified, CIBSE offers a range of services, all focussed on maintaining and enhancing professional excellence throughout a career.

CIBSE is the standard setter and authority on building services engineering. It publishes Guidance and Codes which are internationally recognised as authoritative, and sets the criteria for best practice in the profession.

The Institution speaks for the profession and so is consulted by government on matters relating to construction, engineering and sustainability. It is represented on major bodies and organisations which govern construction and engineering occupations in the UK, Europe and worldwide.

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#### President's Message

2015 has been another significant year for the building services industry, one that has made clearer the size of the task and the scale of the opportunity available to building services engineers.

With climate change taking centre stage as an issue during the year due to factors including extreme weather events and the COP21 talks in Paris, there has never been a more pressing time to examine the role of the engineer serving society in helping to combat climate change. Whilst industry and transport contribute significantly to carbon emissions, buildings account for some 40% of global emissions. Building services engineers have key knowledge and skills to make buildings comfortable, productive, and energy efficient too, making a real difference to building emissions.

I began my presidency with a commitment to encouraging collaboration both within the industry and outside it, and this past year has shown how vital this will be. Unless every profession in the built environment sector is pulling together towards the same goal of reducing emissions, and sees the financial, scientific and ethical sense behind that aim, we will struggle to reach the target, and society will be the poorer for it.

This was made clear at our second Conference and Exhibition by our keynote speaker the Rt. Hon. Lord Deben, when he said that engineers must not undervalue the contribution that they can make to society. And there can be no greater evidence of this than the Conference itself, where we heard from security experts, psychologists, engineers and entrepreneurs talking passionately about how their field of work can change the world, from boosting office productivity to solving the energy crisis. The role of the building services engineer is at the heart of this activity.

And from seeing some of the most senior engineers at the top of their fields one month, the next we were focussing on the next generation, just starting out on their careers at this exciting time. The CIBSE Young Engineers Network (YEN) trip to the inaugural YEN Global Conference in Hong Kong held in November was the first to include representatives from all the major YEN Centres worldwide. It is particularly inspiring to me not just to see the YEN team take a trip that will shape their whole careers, but also to see how much the YEN has grown and how strong it has become. The hospitality and welcome of the Hong Kong Branch for the Young Engineers was also outstanding, and a marvellous demonstration of international collaboration within the building services community. young engineers are essential to the future of engineering, and will need to be at the forefront of delivering the solutions to a changing climate for generations to come. CIBSE is determined to invest in the next generation of engineers to meet the wider needs of society and of the profession.

This report serves to sum up the important things that CIBSE has achieved in the last year, both in terms of the work it has done to support the industry as a whole, and our wider responsibility to benefit society through our activities. With the passion for better buildings that our membership bring to the fore, in time and effort given on a voluntary basis to the many regions, groups, societies and committees, we are able to achieve the success we currently enjoy and deliver a range of outcomes to promote the art and science of building services.

Incredible events like the Society of Light and Lighting's Night of Heritage Light offer stunning visual examples of what we can achieve as an Institution. This event provided a national public showcase for the work that we do, demonstrating in a highly visual way the impact of excellent building services engineering practice on both the built and natural environments. The public reaction and the level of publicity generated by this single night of lighting demonstrations was unprecedented, and has reached a global audience through our participation

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in the International Year of Light, culminating in a presentation to a global audience at the UNESCO Closing Ceremony for the Year.

Equally spectacular is the work, much of it voluntary, that goes to create and maintain the knowledge that our members use and which serves the needs of their clients and of our wider society, together with the education, training and individual development that drives the industry forward and enables it to deliver building services engineering solutions to society, not just in the UK but around the world.

We are grateful to our many volunteers, without whom the organisation would not function. It is impossible to list the achievements detailed in this report without noting the considerable time and effort that CIBSE's volunteers contribute to the Institution in many different ways; helping out with events, providing their expert knowledge, chairing groups that steer the direction of CIBSE's work and create the knowledge and information that underpins so much of what we do. With such pressure on their time from their own working lives, as well as keeping up with industry news and technological change, the time and effort that the volunteers contribute is remarkable.

We must also thank the CIBSE staff who work tirelessly to ensure that our grand plans for the Institution become a reality, working to overhaul CIBSE's IT system, delivering an ever wider range of awards, exciting events, training and technical knowledge, refreshing the Journal website to ensure another year of high quality content, and raising awareness of the Institution's work amongst a wider audience than ever before.

I hope this report helps to give you a glimpse of the huge range of work that CIBSE carries out in a year, and that it gives you a clear vision of what the next 12 months will bring.

## Strategic Themes

### **Theme 1: Improving building performance**

The improvement of building performance is one of the key functions for which CIBSE as an organisation exists. The performance of buildings in the UK and around the world affects many aspects of daily life, from the environment to the economy, and is one of the key areas in the fight against climate change. 40% of the UK's total carbon emissions are created by its building stock, and lowering this figure is key to lowering the country's overall carbon footprint.

Building performance is about more than just carbon reduction, however. Even the most efficient building possible would still be a failure if it were uncomfortable to live and work in – similarly, if other aspects of the building's life are sacrificed in favour of efficiency; such as the health of its occupants, the community in and around the building and the profits of the company that owns it, the building's performance is reduced.

CIBSE champions the continual improvement of building performance as a natural consequence of what it does day-to-day; accrediting courses, creating routes to professional registration, training, producing guides and setting standards. All of this educates engineers and society at large in the importance and practicalities of creating better performing buildings, in order to improve the UK's building performance as a whole.

### **Theme 2: Sharing engineering knowledge**

The built environment is a tremendously complex and ever-changing field that requires precision from its practitioners in order to deliver and maintain homes and businesses that run smoothly. CIBSE creates and publishes knowledge for subjects across the entire industry in order to allow engineers to keep up with the latest best practice in technology, law and regulation.

It is not just the engineers in specific fields that benefit from the publication of this research – the entire industry benefits from understanding allied professions and the wider impact that technical developments, regulations or changes in the law will have on the built environment as a sector. By advancing the education of engineers and keeping them at the forefront of building services research, wider society also benefits from the fruits of better buildings and improved building performance. By enabling engineers to improve their skills and knowledge, everyone can save on their energy bills, minimise environmental impact and live and work in more comfortable spaces.

### **Theme 3: Membership**

The building services profession is a huge community of people working in the built environment, with an immense impact on the public's everyday lives. In order to ensure that these professionals have access to the latest information and research that CIBSE produces, it is necessary to make the pool of membership as wide as possible so that it impacts the industry as a whole, and therefore the wider population.

CIBSE relies on its members to help generate the knowledge that the industry benefits from in a wide variety of fields, and countries across the world, to ensure that its scope is as broad and deep as possible. The diversity of CIBSE's membership is important in reaching the organisation's goals, as the benefit to society at large is at its greatest when the knowledge that CIBSE publishes is sourced from as large a cross-section of people and professions as possible.

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CIBSE Membership is also about recognising and accrediting expertise, so that those who are qualified can be widely and reliably recognised. By doing this, CIBSE promotes good practice and ensures that the best engineers who value good building performance highly are given due prominence in the industry. For this reason CIBSE also places a high priority on recruiting international members, to ensure that these standards are spread around the world, as well to promote the UK engineering industry abroad.

#### **Theme 4: Growing CIBSE Services**

CIBSE Services is a commercial organisation which functions to support the wider charitable aims of CIBSE, by undertaking commercial services that adhere to the aims and ethos of the organisation. Such work enables CIBSE to carry out wider charitable actions that are of benefit to society as a whole, such as running the CIBSE Technical Symposium at a cost that enables young engineers and those starting their careers to benefit from the knowledge it produces.

CIBSE Services also exists to raise the profile and status of building services engineering through the delivery of information, including training and certification; to provide a route for all suitable practitioners to deliver high quality outcomes in the areas in which they operate. Through its commercial work, CIBSE Services ensures that this information remains commercially viable, and thereby ensures its continued existence in the long term.

#### **Theme 5: Raising awareness and driving our profile**

In order to maximise the impact of all the work CIBSE does, it is necessary to demonstrate the importance of the full spectrum of building services engineering work to as wide a range of people as possible. The public benefit that the research CIBSE carries out can have is proportional to the extent that people are aware of the issues behind buildings and building performance, and appreciate the benefits of supporting building services engineers in their careers and in their task of bettering building performance.

Demonstrating the importance of good building performance and the link with good building services engineers reinforces the message that the success of the built environment is crucial to many areas in the public consciousness, from productivity to carbon emissions. Advancing the education of the public in this way then encourages the appreciation and dissemination of the research CIBSE carries out.

## **2) ACHIEVEMENTS AND PERFORMANCE**

### **Theme 1: Improving Building Performance**

Building services professionals make the places where we all live, work, learn and relax healthy, efficient, comfortable and pleasant places to be. Buildings all perform a function, and building services engineering is all about delivering better performance in our buildings for the benefit of occupiers, owners, users and society. Performance is the primary focus of all the engineering activities we undertake and, to further this aim, CIBSE produces and updates publications every year to educate engineers in the practicalities and principles of better building performance.

#### **Guide A**

A new edition of CIBSE's flagship publication, Guide A: Environmental Design was published in 2015 that comprehensively updates it and includes the latest guidance on design for high quality building environments design. It is also by far the most popular CIBSE Guide, with over 15,000 copies downloaded since its launch.

CIBSE Guide A is the premier technical/reference source for designers and installers of building services, especially low energy and environmentally sustainable buildings. As a result, it is critically important to the CIBSE goal of increasing the standards of building performance across the whole industry, and communicating the benefits of building performance to the engineering community.

By setting the basic standards of building performance in indoor environments, Guide A establishes building performance as a key benchmark against which success may be measured when designing a building and measuring its quality once built. It also establishes the principles of building performance as a holistic endeavour that considers comfort and occupant satisfaction in addition to energy efficiency.

#### **TM57 Schools Design**

School buildings, and in particular spaces for learning, have environmental requirements that are more demanding and complex than many other types of buildings. Meeting these, often conflicting, design requirements is fundamental to the occupants' sense of well-being and educational attainment. The premise behind TM57: School Design is therefore to consider the individual environmental parameters of successful learning spaces and identify the conflicts and interactions that exist when providing a holistic design solution.

Spaces for learning, where physical, visual and aural comfort, enhance communication and thinking, create inspirational buildings and enable teachers to work at their best, and children learn as well as they can. Meeting this standard of adequacy should be a minimum performance requirement in schools, and TM57 allows engineers to plan for these requirements when designing a school building.

TM57 provides guidance not only for the building services engineer but also other members of the design team, including architects, contractors, client bodies and users, who have an influence on the design outcomes. Simple and clear guidance can help steer the design team and users towards creating places where our teachers, our children, and our community can become inspired.



## **Guide D**

CIBSE Guide D: Transportation Systems in Buildings is the premier reference guide for lifts and escalators. The 5<sup>th</sup> edition published in 2015 is a comprehensive review of the guide and covers the whole spectrum of issues from escalators to requirements for people with disabilities.

One of the key features of the Guide is its accessibility for engineers in related fields who nonetheless do not work directly with lifts and escalators. By publishing the Guide, CIBSE is able to spread awareness of issues related to this area of the industry and to better enable other building services professionals to understand the issues and the advice of specialists. It also gives students and young engineers a grounding in the topic, enabling them to enhance their knowledge as part of a programme of continuing professional development.

## **Theme 2: Sharing engineering knowledge**

### **Publications**

CIBSE has been the primary body defining standards of good practice in the delivery of building services engineering for decades. This information sets levels of performance which are widely relied on in the built environment sector and the wider community of building users. It is vital that CIBSE maintains and develops this resource, and promotes the guidance widely to those who should be using it to ensure that buildings and infrastructure projects are healthy, comfortable and productive places to live, work, study, be cared for or relax.

The creation and dissemination of engineering knowledge via production of publications and growth of the online Knowledge Portal (KP) resource is testament to the importance of knowledge sharing for CIBSE. We are the first professional engineering institution to make its knowledge and guidance available as a benefit of membership in this way. In 2015 we saw a significant growth in the sales of hard copy and pdf editions of guidance alongside the Knowledge Portal, emphasising its relevance.

In 2015 we worked closely with the Health and Safety Executive to develop a set of “Top Tips” promoting CIBSE guidance relevant to the requirements of the Workplace Regulations to a wide range of potential users in order to assist the HSE to achieve enhanced voluntary compliance with the legal requirements in workplaces throughout the UK.

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The Institution published a wide range of guidance in 2015, with a total of 12 new titles:

#### Published

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SLL LG8 Lighting for museums and art galleries (Published January)

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Guide A Environmental design (Published March)

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Guide A supplementary data files - held as web page data (Published March)

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TM57 Integrated school design (Published April)

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CP1 Heat networks: Code of Practice for the UK (with CHPA now ADE)  
(Published July)

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LG12 Emergency lighting design guide (Published July)

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Top Tips – series of 8 pages of web guidance related to the Workplace  
Regulations (in collaboration with HSE)

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TM58 Design & operation of modern steam systems (Published August)

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Guide D: Transportation systems in buildings (Published September)

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SLL LG7 Offices (Published September)

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AM11 Building energy modelling (Published November)

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#### Technical symposium

CIBSE's fifth technical symposium was hosted by University College London at their Institute for Environmental Design and Engineering, and took place on 16-17 April with generous sponsorship by Taylor Francis, Rinnai, and Delabie. Over 200 attendees took part in two days of presentations and discussions, in which they tackled the question, 'are simple buildings are better buildings?'

Opening the Symposium CIBSE Vice-President Tadj Oreszczyn challenged the delegates with the proposition that 'The task of making buildings nearly zero carbon is an easier challenge than to adapt to a two degree rise in global temperatures.'

The Symposium covered a range of topics relating to building performance and the 'performance gap', including:

- Sergio Fox, Architecture without Engineers, from Denmark, introduced the Symposium theme of simple buildings, better buildings
- Dane Virk described the methodology and results used to select potential new Design Summer Year locations for Manchester and Birmingham, to be incorporated into CIBSE Weather Data
- A presentation by Malcolm Hanna of the National Energy Foundation on energy labelling of buildings

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- A range of presentations exploring how Building Information Modelling (BIM) can be used to drive improvements in building performance

#### Technical Journals

CIBSE's two technical Journals, Building Services Engineering Research and Technology (BSER&T), and Lighting, Research & Technology (LR&T) continue to go from strength to strength. BSER&T is now published six times a year and LR&T has moved to eight issues per year. Total pagination of each has doubled in the past three years, responding to demand from those submitting papers and significantly increasing the role of the Institution in disseminating research to a wide audience. CIBSE members continue to benefit from online access to both Journals as a benefit of their membership package.

#### Young Engineers Awards

The engineering industry is a key component in solving many critical problems in the UK and the world at large, such as climate change, energy security, waste and productivity. However, the ability of the sector to tackle these issues is greatly dependent on the skills of the engineers that make it tick, both now and in the future. CIBSE works hard to encourage young people into engineering and to assist the growth of those already in the industry, as well as working to diversify the sector to reach untapped sources of talent.

These awards highlight the work of employers in the sector to develop those in the early stages of their career, and recognise the need to continue supporting young engineers. The Awards were held at the Institution of Mechanical Engineers in London on 8 October 2015.

Adding to the celebration of achievement, Dr Mark Skelly of Skelly and Couch, received the IMechE Construction and Building Services Division special achievement award and ASHRAE President David Underwood delivered the 2015-16 ASHRAE Presidential Address, focussing on the need for engineers to make better connections

#### CIBSE ASHRAE Graduate of the Year 2015

*Winner: Ryan Rodriguez, HurleyPalmerFlatt*

2015 was a momentous year for the Graduate of the Year Award, marking the 20<sup>th</sup> anniversary of the award and bringing together past winners for the first time.

This year's eight candidates shortlisted for the award were required to present on the theme of collaboration, and how it can be used to improve buildings and building performance. This four minute talk was given in front of the audience and judging panel, including the Presidents of CIBSE, ASHRAE, IMechE and last year's winner Emilia Targonska.

Ryan Rodriguez was awarded the Graduate of the Year prize for his presentation on how shared knowledge can be harnessed by collaboration to improve on existing ideas.

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#### **CIBSE Employer of the Year Award 2015**

*Winner: SDS Engineering Consultants*

SDS Engineering Consultants was named as the winner of the overall CIBSE Employer of the Year Award for its consistent commitment to investing in the training and education of young engineers.

The other category winners were: SDS Engineering Consultants (small), Ethos Engineering (medium) and Hoare Lea (large)

#### **Societies (Divisions)**

CIBSE operates four “Divisions” as they are defined in the by-laws. Three are called Societies, and the fourth, and newest, is the Institute of Local Exhaust Ventilation Engineers, ILEVE. All four are commonly referred to as “the Societies”:

- Society of Light and Lighting (SLL)
- Society of Public Health Engineers (SoPHE)
- Society of Façade Engineering (SFE)
- Institute of Local Exhaust Ventilation Engineers (ILEVE)

SLL represents and welcomes all those who are interested in the art, science and engineering of light, lighting and its applications, and is open to everyone with an interest in lighting. The Society offers authoritative publications, professional recognition and a wide range of learned society activities. The SLL is recognised worldwide as an authority on lighting and its applications. The SLL has an active website, Twitter account (@SLL100) and LinkedIn discussion group to allow communication with and between SLL members. The Society also organised a range of events, including the Night of Heritage Light, in which 9 UNESCO World Heritage Sites in the UK were illuminated by teams of designers to demonstrate the art and science of the lighting profession.

SoPHE aims to provide a higher profile and focus for public health engineers within CIBSE. The Society has its own classes of membership, independent of those of CIBSE, and is able to provide designatory letters to those who are suitably qualified and experienced in public health engineering. SoPHE also awards the SoPHE Graduate of the Year Award annually to focus attention on the next generation of engineers. In 2015 it was won by a team from Arup, whose proposal highlighted the financial and social benefits of using the Moringa plant to purify water in Liberia.

SFE was set up to bring people together in a forum to advance knowledge of façade engineering, promote good practice and ensure that today's increasingly complex building façades meet the many and varying requirements placed on them.

The newest division of CIBSE, ILEVE, exists to recognise competence in the practical application of local exhaust ventilation and to raise awareness of the importance of good air quality and ventilation in workplaces.

### Special interest groups

CIBSE has 18 specialist interest groups, covering a range of topics, which allow members and non-members alike to network and share knowledge about the various specialist topics covered by the Groups. By opening the Groups to participation by those who are not CIBSE Members, we are advancing discussion in these technical fields more effectively and delivering wider benefit from our activities.

#### 1. CIBSE-ASHRAE

The group was set up to foster co-operation between CIBSE and ASHRAE members, and focuses on issues with a transatlantic emphasis and inter institution activity.

#### 2. Building Simulation

The CIBSE Building Simulation Group informs and promotes best practice in using computer simulation for building related applications, to improve the accuracy of predicting their performance in practice.

#### 3. Chimneys and Flues

The Chimneys and Flues Group has been set-up to inform and promote best practice in the use of flue systems to evacuate exhaust gases for building related applications.

#### 4. CHP & District Heating

The CIBSE Combined Heat & Power (CHP) & District Heating (DH) group raises awareness and disseminates knowledge about the technical and economic aspects of CHP including conventional equipment and new developments.

#### 5. Daylight

The Daylight Group provides a forum for members and non-members of CIBSE to meet and discuss issues relating to the daylighting of buildings.

#### 6. Electrical Services

A forum for members and non-members of CIBSE to meet and discuss issues relating to the electrical services in buildings.

#### 7. Energy Performance

The group exists to improve the energy performance of buildings by increasing awareness amongst building professionals and supporting the implementation of legislation aimed at reducing carbon emissions in buildings.

#### 8. Facilities Management

The group provides the opportunity for CIBSE members and the building services industry in general to make a substantial contribution to the continuous improvement of Facilities Management.

#### 9. Healthcare

The CIBSE Healthcare Group aims to improve the performance of Healthcare buildings by increasing awareness amongst all building professionals and supporting the implementation of standards and legislation aimed at improving the effective use of Healthcare Buildings.

#### 10. Heritage

Set up by the Institution over 35 years ago to ensure that the early days of our Industry's past is recorded, from its beginnings in the industrial revolution to the Group's forthcoming activities.

#### 11. Homes for the Future

The Homes for the Future Group is aiming to inform and promote best practice in building services when constructing or renovating homes.

**12. Industry, Education and Training**

The Group was established to provide a forum for discussion, debate and promotion on matters of building services education and to provide links between the education world and building services employers. Many of the initiatives it identified are now taken forward by the CIBSE Careers Panel, CIBSE Patrons and the Education, Training and Membership Committee.

**13. Information Technology (IT) & Controls**

The Group provides a forum for ideas, discussion, and education on all aspects of the design, specification, supply, installation and servicing of IT equipment and systems and intelligent building controls equipment and systems.

**14. Intelligent Buildings**

The group emphasises the importance of the building services engineer in the design, management and operation of intelligent buildings.

**15. Lifts**

The CIBSE Lifts Group is formed of members who have an interest in vertical transportation. The group meets regularly to promote technical standards, training and education, publications and various aspects of the industry

**16. Natural Ventilation**

To ensure natural ventilation is properly considered at the design stage equally with mechanical ventilation or air conditioning, and to disseminate knowledge via seminars, publications, and the internet.

**17. Resilient Cities**

The Resilient Cities group aims to provide a focus within CIBSE to provide leadership and knowledge on the adaptability, sustainability and resilience of cities.

**18. School Design**

The CIBSE School Design Group aims to foster long-term knowledge exchange and partnership between stakeholders working on sustainable school design, construction and maintenance.

**Young Engineers Network (YEN)**

2015 saw the YEN hold the organisation's annual meeting, in Hong Kong, marking the first time that all of the major YEN centres from across the globe sent a representative to the event. The young engineers were given the opportunity to attend the YEN Conference, as well as to meet some of the world's most senior engineers and visit some of the most unique projects in both Hong Kong and Macau. This was supported with great generosity by the employers of these young graduates, Ruskin Air Movement provided sponsorship and support for the event.

**Women in Building Services Engineering (WiBSE)**

WiBSE support and encourage women to join, progress and remain in the building services industry through a programme of personal development and mentoring workshops across the UK. In 2015 these have included a leadership development event in collaboration with Women in Property North West and Arup, a peer-to-peer mentoring session on 'asking for help, and a training event on dealing with stress. WiBSE are also actively involved in traditional and social media raising awareness of women in engineering through events such as Ada Lovelace Day, National Women in Engineering Day and at the CIBSE Conference.

### **Theme 3: Developing our membership**

With over 21,000 members in more than 100 countries around the world, CIBSE is the leading professional body operating across the whole spectrum of building services engineering. CIBSE members are part of a global network that offers professional support and expertise, working in partnership with other professional bodies, construction and engineering firms worldwide to deliver excellence in the built environment to all users and occupiers.

In 2015 CIBSE Membership continued to grow, with a large number wanting to gain professional registration with the Engineering Council. 13 membership briefings were held around the UK aiming to attract new applicants from around the country. Membership webinars were launched at the end of the year to enable prospective members and those looking to upgrade their membership an opportunity to understand the requirements and process. Webinars have also allowed CIBSE to reach many members outside the UK.

CIBSE Membership launched a pilot mentoring scheme towards the end of 2015, which will enable companies that do not already have training and development programmes to participate in guiding their employees' careers forward. This enables CIBSE to ensure that the maximum benefit to the industry is realised by allocating resources to where they are most needed.

#### **UK Regions**

There are 16 regions in the UK, organised by regional committees made up of dedicated volunteers whose aim it is to promote the industry and provide technical and social events for the wider membership.

The work of the CIBSE Regions in the UK is invaluable: It enables CIBSE to draw on a much wider pool of knowledge and talent when creating knowledge and other materials, taking into account regional variations and markets. Regional committees work with local universities, colleges and schools and other professional bodies to promote the work of building services engineers.

Without this local connection with the UK, it would be much more difficult for CIBSE to raise awareness of the issue of building performance at a grassroots level and deal with issues that apply to specific areas of the country or specific local industries. In 2015, the CIBSE regions held over 200 events with a combined participation of more than 4,000 people

#### **Overseas Regions**

CIBSE has regions overseas in the Republic of Ireland; Australia and New Zealand; and Hong Kong. There are also Country Representatives in [Canada](#), [China \(Shanghai and Chongqing\)](#), [Qatar](#), [Singapore](#), [Sri Lanka](#) and [United Arab Emirates](#). These regions continue to play a major role in the Institution during 2015, delivering a programme of technical and social events for both CIBSE members and non-members alike that help to spread best practice in building services engineering and building performance around the world.

Disseminating building services guidance outside the UK has added challenges, when engineers have to navigate differing legal frameworks, climates and time zones to make sure their standards are as accurate as possible. The Australian region has been grappling with the economic slowdown in China, as well as changes in the domestic market, but held several events taking into account the differences between states' differing standards.

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The Hong Kong region has grown to become one of the largest single regions in CIBSE, and has been working with local associations in mainland China and Macau to develop joint activities.

In the Republic of Ireland, the region addressed concerns that their activities were too Dublin-centric by carrying out a range of seminars on a variety of topics across the whole country – on topics such as PCM (phase change materials) and supporting students. The region also consolidated its work on their Young Engineers Network, in its second year, by arranging networking events and awards.

#### **Volunteers**

CIBSE as an organisation relies heavily on its volunteers to allow it to carry out the wide variety of work that it does, across a range of fields within building services. Attempting to provide such in-depth knowledge for an industry as diverse as building services is an enormous undertaking, and would be impossible without the hundreds of experts who give their time and resources to the Institution and work to remain on the forefront of technology.

Carrying out a variety of roles on a voluntary basis for CIBSE, from contributing to technical papers, to serving on the board and deciding strategy, to helping at events and with media requests, the volunteers give substantial resources at a time when the industry has never been more stretched.

As a group, the volunteers also allow CIBSE to have a much greater reach – giving their time in regions all around the UK and the world to build and enhance their local building services engineering communities. By tapping into knowledge in places far from CIBSE headquarters and by offering training to local engineers, the volunteers at once allow CIBSE to benefit the UK's engineering industry and to strengthen CIBSE's own knowledge offering by engaging with it.

#### **Theme 4: Growing CIBSE Services**

In 2015 CIBSE Services appointed Rowan Crowley as its Managing Director, to begin in January 2016.

#### **Certification**

Despite significant upheaval in the field of certification caused by Government cuts to low carbon legislation and the Spending Review, CIBSE Certification has made significant progress and expanded its ability to certify to new standards.

By working with Professional Learning, CIBSE Certification has been able to rapidly build the largest register of ESOS assessors, significantly increasing the organisation's ability to provide the industry with a source of certified assessors. Figures released early in 2016 indicate that a third of all ESOS assessments were undertaken using CIBSE assessors. CIBSE Certification also successfully applied to UKAS to be accredited to certify organisations against the Energy Management Systems Standard ISO 50001. This allows the organisation to provide the industry with an avenue to ISO 50001 compliance, saving them money and making it easier to comply with ESOS regulations.

#### **Training and CPD**

CIBSE Training offers numerous continuing professional development (CPD) courses, topical one day events and energy assessor training programmes. In 2015, the CPD portfolio covered a range of different topics, such



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as electrical service, energy efficiency, facilities management, fire safety and lighting. Over 220 courses ran throughout 2015, training over 1900 delegates. In addition, 50 training courses were delivered for companies in-house for over 550 delegates. At a time of challenges in providing adequate numbers of skilled engineers for the sector, CIBSE training and CPD provides a valuable resource for maintaining and upgrading the skills of engineers already in the sector.

#### **Knowledge Portal (KP)**

The Knowledge Portal is now four years old, and is a valuable online reference tool. It is a huge resource unique to CIBSE which places the vast catalogue of knowledge that CIBSE creates in a format that is available for download. Since its launch in November 2011, CIBSE members have downloaded over 200,000 documents from the KP, with visitors coming from 198 countries.

The increased ease of access which the online Knowledge Portal has brought has allowed CIBSE to deliver its information far more widely than ever before, in an easy-to-use digital format, greatly enhancing the public benefit that the research it carries out can bring.

It offers as a benefit of CIBSE membership instant access to over 350 titles with unlimited downloads of the full portfolio of CIBSE guidance and best practice including:

- CIBSE Guides
- Applications Manuals
- Lighting Guides
- Commissioning Codes
- Technical Memoranda
- Knowledge Series
- A wealth of other CIBSE content including case studies and research papers submitted to the Technical Symposia

[www.cibse.org/knowledge](http://www.cibse.org/knowledge)

#### **CIBSE Journal**

The Journal was very successful in 2015, reinforcing its reputation as the leading magazine in our sector. It remains one of the most highly valued benefits of membership, delivering news and technical content about the building services around the world. It is also seen by a significant number of readers in senior policy and decision making roles.

The Journal supported CIBSE events and initiatives throughout the year with coverage of the Building Performance Conference,; promotion and reporting of the CIBSE Building Performance Awards and detailed case studies of the 2015 winners; reporting a wide range of CIBSE regions, groups and societies activities. It also continued to provide in-depth technical coverage of a range of topical issues such as BIM and new legislation and promoted CIBSE Certification's ESOS registration and Low Carbon Energy Assessor schemes.

It produced a Careers supplement in January, once again showcasing why our sector offers an exciting place to work, and aiming to encourage building services engineering as a career. The supplement was once again distributed to 4000 schools, colleges and universities across the UK, as well as being available at CIBSE membership and student events.

## **THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS**

### **Annual report and financial statements for the year ended 31 December 2015**

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The Journal published a further six supplements during the year, covering BIM, schools and education, hotel and leisure, products, lighting, and, for the first time, CPD.

Online the CIBSE Journal strengthened its presence by redesigning the journal website at [www.cibsejournal.com](http://www.cibsejournal.com). The new site, which is now fully optimised for mobile devices and tablets, better reflects the look and feel of the magazine, and is fully searchable, making for a better user experience.

The Journal hosted four Webinars in 2015 and feedback from sponsors and participants has remained very positive. They are one means of increasing access to the technical activities of the Institution for those who cannot easily attend meetings and events.

The CIBSE Journal jobsite also had a makeover, with the site moving to a new platform, providing added functionality for both employers and jobseekers.

#### **Theme 5: Raising awareness and driving our profile**

A key priority for CIBSE throughout the year was to raise the public profile of the Institution, in order to more effectively demonstrate the value of the work our members do and their benefit to society and to shape the debate around key issues in the built environment.

#### **Building Performance Awards**

Returning for a 9<sup>th</sup> year, the CIBSE Building Performance Award shortlist once again shone out as an example of excellence in engineering that makes a real difference to society and the future of our planet. Held at the Grosvenor House Hotel in London, the awards are a real demonstration of actual measured performance, not design intentions.

The overall Carbon Champion of 2015, M&G Real Estate, had a bumper night, also picking up the prize for Energy Management, rewarded by the judges for what they called an industry leading programme of energy performance improvements. What really impressed the panel was the long-term nature of the commitment to energy performance.

Mitch Layng, Portfolio Energy Manager at M&G Real Estate, on receiving the Carbon Champion title, said: "Winning this award was beyond our dreams; through collaboration and partnerships we have been able to develop energy assessment and reporting methodology for industry-wide use. Training and education is of vital importance when trying to reduce energy consumption, and we made sure we engaged all the building's users and occupiers to help us achieve our goal."

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The full list of 2015 Building Performance Award winners is:

#### **Carbon Champion / Energy Management Award**

[M&G Real Estate Shopping Centre Portfolio- M&G Real Estate](#)

#### **Energy Saving Product of the Year**

[TurboChill™ chiller with low GWP refrigerant R1234ze \(200-1360kW\)](#)

- [Airedale International Airconditioning](#)

#### **Lighting for Building Performance Award (Joint Winners)**

[Cundall Birmingham](#)

- [Cundall Light4](#)

[Sainsbury's Project Graphite, LED lighting programme](#)

- [Sainsbury's Supermarkets](#)

#### **Building Performance Training Programme Award**

[Data Centre Risk and Energy Reduction Programme and Data Centre Client Requirements Workshops](#)

- [Operational Intelligence / Entel Chile](#)

#### **Collaborative Working Partnership Award**

[The team behind Broadcasting House, London](#)

- [AECOM](#)

#### **Building Services Consultancy of the Year (up to 100 employees)**

[BCM \(Beverley Clifton Morris\)](#)

#### **Building Services Consultancy of the Year (over 100 employees)**

[AECOM](#)

#### **Refurbishment Project of the Year (value up to £5m)**

[Westborough Academy Zero Carbon Masterplan Refurbishment Project, Westcliff-on-Sea](#)

- [OR Consulting Engineers](#)

#### **Refurbishment Project of the Year (value over £5m)**

[Premier House, Twickenham](#)

- [Flatt Consulting](#)

#### **New Build Project of the Year (value up to £10m)**

[Stratford Library, University of East London, London](#)

- [AECOM](#)

#### **New Build Project of the Year (value over £10m)**

[The Quadrant:MK, Milton Keynes](#)

- [URS](#)

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#### **International Project of the Year**

Christchurch Airport Artesian Heating and Cooling, Christchurch, New Zealand

- Beca

#### **Facilities Management Operations Award**

International Commerce Centre (ICC), Hong Kong

- Kai Shing Management Services

#### **Building Performance Conference and Exhibition**

Returning for its second year, the CIBSE Building Performance Conference and Exhibition promised to be bigger and better, featuring more exhibitors, more speakers and more CPD sessions than 2014.

Numbers swelled to 450 visitors and 30 exhibitors over the two day event, which was held again at the prestigious QEII Centre in Westminster, and featured a rousing keynote address from Lord Deben, chairman of the UK's independent Committee on Climate Change.

With this year's theme for the Conference matching the CIBSE President's theme of collaboration the line-up of speakers featured a healthy mix representing the breadth of the industry, together with experts from the fields of psychology, security and public health. These special guests all provided a flavour of how working with and adopting principles from other industries can benefit the built environment sector.

In all, 29 speakers across eight sessions covered: The Security of Building Systems and Networks, Using BIM in Building Operations; Lighting, Wellbeing and Comfort in Buildings, Reliability Centred Maintenance, Built for Living – Adapting the UK Building Stock to Climate Change, Legislation and Building Performance, Building Performance Evaluation – Learning from the Innovate UK Programme and Innovation and Collaboration in Building Performance.

The exhibition featured major manufacturers and suppliers from the built environment sector showcasing the latest products and innovations that demonstrably improve energy efficiency, productivity and wellbeing to deliver, and not just to promise, better building performance.

#### **Engaging with Government**

CIBSE is the professional body whose members manufacture, design, install, operate and maintain all the energy using products and systems in buildings. These engineering systems make a fundamental difference to our experience of the built environment. But they also use over 45% of UK energy, and so there are regulations covering the energy use of products and buildings, the emissions from refrigerant systems, and the use of renewable energy in buildings.

CIBSE is actively engaged with the Departments of Communities and Local Government and Energy and Climate Change, providing sound engineering advice and responding to consultations on a wide range of policies related to energy use in and emissions from buildings.

As we look forward to the adoption of Level 2 BIM for central government contracts from April 2016 we are also at the centre of the development of tools, guidance and training to enable the building services

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engineering sector to respond to this opportunity to rethink the way that we deliver our services and to deliver the digitisation of the built environment for the benefit of UK society.

#### Media relations

In 2015 CIBSE began working with a new PR agency, Ridgemount PR, who specialise in the UK construction industry. This new partnership aims to provide an increased focus on establishing CIBSE's key messaging in a wide range of industry media, and provide expert hands for technical writing.

This new expertise has enabled CIBSE to greatly increase the quality and targeting of its media work, more than doubling the value of its coverage and hosting its single largest media event; the SLL's Night of Heritage Light.

[www.cibse.org/news](http://www.cibse.org/news)

#### CIBSE website

The vision for the CIBSE website continues to be to become the first port of call for information on building services and their performance, providing unrivalled advice and support to members, their clients, those working in the built environment, students and the wider public. New features introduced during the year included a new online Directory of CPD Course Providers, a new Policy section featuring updates on legislation and further improvements to the membership section of the site to help new applicants through the application process.

2015 saw an increase in traffic to the CIBSE website with 2.3 million page views, over 400,000 users and 35% of the sessions on the website coming from outside the UK from nearly 200 countries, demonstrating the international interest in the work and knowledge of the Institution.

Work continued on the next stage of CIBSE's IT improvement programme, the implementation of a new Customer Relationship Management (CRM) system. When integrated with the website (in 2016) this will allow a much enhanced user experience for all those using the CIBSE website, whether members or other users of CIBSE services and information. It will also provide greater personalisation and an improved MyCIBSE area featuring tools for members to service their membership and connect with other users as well as additional functionality for energy and ESOS assessors and members of CIBSE Specialist Interest Groups.

#### Social media

##### *Twitter*

CIBSE's Twitter handle @CIBSE added over 2,500 new followers, reaching a total of 16,000 in 2015. @CIBSE also enjoyed its two most popular days ever on social media at the CIBSE Building Performance Conference and Exhibition, with over 200 contributors generating 500 retweets, and a reach of over 300,000 people.

The marketing team also worked with the wider CIBSE organisation to re-draft its Twitter guidelines, and to encourage closer engagement with the Twitter accounts of other CIBSE stakeholders including the Divisions, Groups and Regions. This work included collaboration with the Society of Light and Lighting's Twitter account @SLL100 on the Night of Heritage Light via #NoHL, which resulted in over 850 posts by 350 users, generating 2.5 million impressions.

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[www.twitter.com/cibse](http://www.twitter.com/cibse)

#### *LinkedIn*

LinkedIn acts as a forum for discussion of technical topics and a wide range of topical issues, from news to legislation to best practice. The CIBSE group added another 4,000 members to last year's total, pushing the number to over 21,000.

#### *Blog*

The CIBSE blog was re-launched in 2015, establishing a weekly update schedule and tripling its average monthly readership to around 2,500 readers a month. The blog discusses topical issues both for CIBSE and for the industry at large, providing commentary from industry experts and professionals to supplement CIBSE's technical analyses.

In 2015 CIBSE also established monthly updates to the President's blog, written by current CIBSE President Nick Mead. These updates provide a snapshot of life at the helm, including a top-down view of Nick's collaboration strategy in action, and the inside track on the latest high-level meetings.

Guest blog highlights included

- Coverage of the announcement that the zero carbon homes policy would be dropped (A pathway to nearly-zero energy, 24 July 2015), a personal view by Liz Peck, President of the Society of Light and Lighting, (Being 'El-Presidente', 11 December 2015) and a discussion of reliability and maintenance of business critical services by Mark Hawker, Senior Engineering Design Manager at Sainsbury's Supermarkets (A reliability problem, 4 September 2015)

[www.cibseblog.co.uk](http://www.cibseblog.co.uk)

	2015	2014
Twitter followers	16,370	13,700
Blog views	24,337	5,301
LinkedIn members	21,163	17,000

## Building Services Awards

### **CIBSE Young Engineers Awards**

- Graduate of the Year: Ryan Rodrigues
- Employer of the Year: SDS Engineering Consultants

### **Society of Light and Lighting Young Lighter of the Year Award**

- Young Lighter of the Year: Youmna Abdallah

### **President's Prize: CIBSE Undergraduate Award**

- Undergraduate Award winner: Kaitlin Allen

### **Society of Public Health Engineers Young Engineer Award**

- Winners: Alexa Bruce, Anna Cesenni and Anokhee Shah

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#### Ken Dale Travel Bursary

- Winner: Luke Ramsay

#### The 2015 Building Simulation Group Award for Best MSc Dissertation

- Winner: Eugenio Garcia

#### The Happold Brilliant Award

- Winner: Royal School of Military Engineering (RSME)

#### Honorary Fellowships

- Peter Day
- M J Holmes
- M A Humphreys
- Mike Smith

#### Napier Shaw Bronze Medal

- SG. Howieson, T. Sharpe and P. Farren

#### Carter Bronze Medal

- Associate Professor YH Yao and Dr. BT Chew

#### Bronze Medals for Services to the Region

- Phil Forrest – West Midlands
- Brian Sterling – CIBSE Ireland

#### CIBSE Silver Medal

- John Anderson
- Kevin Kelly
- Herbert Lung Wai Lam
- Chris Northey

### 3) FINANCIAL REVIEW

The Institution's Annual Accounts are presented to meet all applicable accounting standards including the Statement of Recommended Practice - Accounting and Reporting by Charities and the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP FRS 102). Investments are shown at market value and the Annual Accounts incorporate the assets, liabilities, income and expenditure of the Regions.

In 2015, total income increased by £293k from £6.4m to £6.7m largely due to a £296k increase in membership subscription income. Total expenditure increased by £373k from £6.4m to £6.8m due to increase in expenditure across the charitable activities.

There was an increase in net expenditure before gains on investments from £5k in 2014 to £84k in 2015. This increase is largely attributable to the increase in expenditure as mentioned above.

Continued volatile financial market conditions resulted in unrealised gains on investment assets of £31k in 2015 compared to a gain of £114k in 2014.

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There was an actuarial loss on the defined benefit pension scheme of £205k during 2015 compared to £208k actuarial loss during 2014.

These movements resulted in a net decrease in funds of £258k from £3.4m in 2014 to £3.1m in 2015 which is carried forward at the year end. This decrease is attributable to a surplus of expenditure of £84k and unrealised gains on investment assets of £31k offset by the actuarial loss on the defined benefit pension scheme of £205k.

The cash balance decreased by £140k from £853k in 2014 to £714k in 2015 again as a result of purchases of software fixed assets of £156k.

#### **Reserves policy**

The Institution has a reserves policy to maintain a level of funds that is sufficient to meet four months of payroll expenditure, any unplanned contingencies and to accommodate investment for new initiatives. The Board considers that the Institution's current free reserves are sufficient for these purposes.

At the year end, the Institution held free reserves of £1.1m (2014: £1.5m), being the amount of funds available for unrestricted use. This represents reserves carried forward excluding restricted and designated funds, and less reserves held as tangible fixed assets.

It is the view of the Board that any expenditure from reserves should be applied only to finance new initiatives which will make a substantial contribution to the delivery of the Institution's strategic charitable objectives, and that the cost of existing activities should be met from incoming revenues from year to year. Any decision on the use of reserves rests with the Board on the advice of the Hon. Treasurer and the Finance Sub Committee.

#### **Risk management**

It is the responsibility of the Board as the Trustees of the Institution to examine the major operational and business risks which the Institution faces and to establish appropriate systems to manage significant risks.

The Trustees have identified a loss of contact with, and relevance to the membership and failure to develop and maintain appropriate and relevant content for the Knowledge Portal, as a major operational risk to CIBSE and its subsidiary. The Knowledge Management Committee review and update content on a regular basis and communication with members through Council, Regions, Societies and Groups, election of Board and Council Members is in place to mitigate this risk so as ensure continuous provision of service and development.

Financial sustainability has been identified as a principal financial risk for both the charity and its subsidiary company. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital.

Attention has also been focussed on non-financial risks arising from processing online payment transactions, fire, health and safety of employees and members. These risks are managed by ensuring accreditation is up to date, having robust compliance policies and procedures in place, and regular awareness training for staff.

Risk is assessed as part of the consideration of all new projects, and the Finance Sub Committee is charged with the detailed examination of the Institution's Risk Register and the presentation of an annual review of the Institution's overall risk profile for the Board's consideration. This review has identified and assessed the major risks faced by the Institution, and confirmed that appropriate control systems have been established to



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manage those risks. The Board will continue to review the overall risk profile on an annual basis, and to consider specific and substantial risks as they arise.

#### 4) STRUCTURE, GOVERNANCE AND MANAGEMENT

The Chartered Institution of Building Services Engineers is governed by its Royal Charter and By-Laws, which were awarded in 1976 and last amended in 2010, when they were substantially streamlined by the removal of many former By-Laws into a new set of Regulations.

The members of the Board of the Institution are the Trustees of the Charity. The Board is composed of the Officers of the Institution (the President, the President Elect, the three Vice Presidents, the Honorary Treasurer and the Immediate Past President) and five additional members who are elected for a three year term of office. Apart from the office of President, which is filled automatically by the previous year's President Elect, all positions are directly elected by and from the membership of the Institution according to rules set out in the Royal Charter, By-Laws and Regulations.

The Board is required to nominate candidates each year for all forthcoming vacancies, which it does in the light of advice received from its Nominations Committee. All newly appointed Trustees are provided with an information pack containing relevant information on their role, including Charity Commission guidance on Trustees' responsibilities. In addition, training on Trustees' responsibilities is carried out annually.

The Board meets every two months to direct the business of the Institution and is assisted by the House Sub Committee (which deals with terms and conditions of employment of the Chief Executive and senior staff and ad hoc issues) and the Finance Sub-Committee (which deals with budgeting, management and financial accounts, audit, risk and governance issues). The Standing Committees of the Institution (the Education, Training & Membership Committee, Technology Committee, Professional Practices Committee, Publications & Research Outputs Delivery Committee and the Regional Liaison Committee) report to the Board and have delegated authority within their spheres of activity. The Board also receives reports from the Chairman of CIBSE Services Limited.

#### Key management personnel remuneration

The Trustees consider that the Board of Trustees is responsible for the governance and overall control of the Institution. The Chief Executive conducts the business of the Institution on a day to day basis under the direction of the Board of Trustees, supported by the senior management staff of the Institution.

All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in Note 6 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and in accordance with the Institution's policy withdraw from decisions where a conflict of interest arises.

The pay of the charity's Chief Executive and senior management staff is reviewed annually by the House Sub Committee, which is a sub-committee of the Board of Trustees comprising the President, President-Elect, Immediate Past President and Honorary Treasurer. Authority is delegated to the House Sub Committee to appraise the performance of the Chief Executive and to approve any increase to the remuneration of the Chief Executive and of the senior management staff. A range of factors are considered in this process, including job performance, price and earnings inflation, market conditions and comparisons with other professional institutions.

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#### Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

#### 5) REFERENCE AND ADMINISTRATIVE DETAILS

The Institution is a Registered Charity, under charity registration no. 278104. Its principal office is at 222 Balham High Road, London SW12 9BS.

#### Investment powers

The Institution has powers contained within its Royal Charter and By-Laws which provide for investment of funds in such manner as the Board thinks fit, subject to any requirements of law.

The investment objective is to generate a stable income stream to support the on-going activities of the Institution whilst achieving capital growth over the long term. The Institute seeks to produce the best financial return within an acceptable level of risk.

#### Trustees

The following were members of the Board and thus Trustees of the Charity during the whole year, unless otherwise stated:

- George Adams (resigned on 7 May 2015)
- Janet Beckett (appointed on 7 May 2015)
- Paddy Conaghan (appointed on 7 May 2015)
- John Field
- Peter Kinsella
- Gay Lawrence Race (resigned on 30 November 2015)
- Stephen Lisk (resigned on 7 May 2015)
- Stuart MacPherson
- Nick Mead
- Geraldine O'Farrell (resigned on 7 May 2015)
- Tadj Oreszczyn
- John Packer (appointed on 7 May 2015)
- David Pepper
- Andrew Saville
- Catherine Simpson

#### Chief Executive Officer

Stephen Matthews

#### Members of the Consultative Council

- All members of the Board
- **Past Presidents:**
  - David Fisk
  - George Adams
- **Elected Members:** Peter Sutcliffe, David Palmer, Peter Raynham, Colin Ashford, Derek Mowlds, David Cooper, Farah Naz, Mariana Trusson, Geraldine O'Farrell

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- **Co-opted Members:** None
- **Patrons Representative:** David Fitzpatrick
- **Society Representatives:**
  - Liz Peck (SLL)
  - Steve Vaughan (SoPHE)
  - Graham Dodd (SFE)
  - Wally Gilder (ILEVE)
- **Young Engineers Network:** Carla Bartholomew
- **YEN Mentor:** Andrew Saville
- **WiBSE:** Laura Dunlop
- **REHVA:** Andy Ford, David Fisk
- **Fellows Network:** Geoff Prudence
- **EC(UK) Board Rep:** George Adams
- **Standing Committee Chairs:**
  - **Communications Committee** Tim Dwyer
  - **Education Training and Membership** Laurence Aston
  - **Knowledge Management Committee** David Hughes
  - **Professional Practices Committee** Adrian Catchpole
  - **Regional Liaison Committee** John Armstrong
  - **Technology Committee** Bryan Franklin
- **Group Representatives:**
  - **ASHRAE** Tim Dwyer
  - **Building Simulation** Hazim B. Awbi
  - **Chimneys and Flues** TBC
  - **CHP/DH** Phil Jones
  - **Day Lighting** John Mardaljevic
  - **Electrical Services** Tony Sung
  - **Energy Performance** Phil Jones
  - **Facilities Management** Geoff Prudence
  - **Healthcare** Richard Knight
  - **Heritage** Neil Sturrock
  - **Homes for the Future** Ashley Bateson
  - **Industry, Education & Training** Nick Mead
  - **Intelligent Buildings** Derek Clements-Croome
  - **IT & Controls** Peter Warburton
  - **Lifts** John Bashford
  - **Natural Ventilation** Martin Liddament
  - **School Design** John Palmer
- **Regional representatives**
  - **Australia and New Zealand** Ian Small
  - **North West** Robert Ferry
  - **East Anglia** Jonathan Page
  - **Northern Ireland** John Davidson

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- **East Midlands** Adam Keightley
- **CIBSE Ireland** David Doherty
- **Home Counties North East** James Bourne
- **Scotland** Jerry Brannigan
- **Home Counties North West** Chris Jones
- **South Wales** Gerald Israel
- **Home Counties South East** Richard Davies
- **South West** James Outram
- **Home Counties South West** Dave Wigley
- **Southern** Steve Hall
- **Hong Kong** CM Chung
- **West Midlands** Eric Roberts
- **Merseyside/North Wales** Derek King
- **Yorkshire** Mark Connor
- **North East** Gerald Horsford

#### **Principal bankers**

National Westminster Bank Plc  
128 Balham High Road  
London SW12 9AE

#### **Auditor**

Moore Stephens LLP  
150 Aldergate Street  
London, EC1A 4AB

#### **Principal solicitors**

Beale & Company  
Garrick House  
27-32 King Street  
Covent Garden  
London WC2E 8JD

#### **Investment advisors**

CCLA Investment Management Limited  
80 Cheapside  
London  
EC2V 6DZ

#### **Trustees' responsibilities**

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Institution and the Group and of the incoming resources and application of resources of the Institution and the Group for that period. In preparing these financial statements, the Trustees are required to:

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

## THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

### Annual report and financial statements for the year ended 31 December 2015

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The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Institution's transactions and that disclose with reasonable accuracy at any time the financial position of the Institution and the Group and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Institution and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the Board of Trustees and signed on its behalf by:



Nick Mead

**President**

24 March 2016

## **THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS**

### **Independent auditor's report for the year ended 31 December 2015**

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#### **Independent auditor's report to members of The Chartered Institution of Building Services Engineers**

We have audited the financial statements of The Chartered Institution of Building Services Engineers for the year ended 31 December 2015 which comprise the Consolidated Statement of Financial Activities, the Institution and Consolidated Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Institution's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Institution's Trustees 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 Institution and the Institution's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of Trustees and Auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 27, the Trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Institution's and the Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and nonfinancial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Institution's and the Group's affairs as at 31 December 2015, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS**

**Independent auditor's report for the year ended 31 December 2015**

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**Matters on which we are required to report by exception**

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



**Moore Stephens LLP**  
Chartered Accountants and Statutory Auditor

.....15/4/2016.....

150 Aldersgate Street  
London  
EC1A 4AB

Moore Stephens is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Restated Unrestricted Funds £	Restricted Funds £	Restated Total 2014 £
<b>INCOME FROM:</b>							
<b>Charitable activities</b>							
Members' subscriptions		3,036,880	45,353	<b>3,082,233</b>	2,745,594	40,708	<b>2,786,302</b>
Fees receivable for charitable services		722,829	13,255	<b>736,084</b>	620,713	10,230	<b>630,943</b>
<b>Other trading activities</b>							
Trading subsidiary companies		2,814,510	-	<b>2,814,510</b>	2,915,431	-	<b>2,915,431</b>
<b>Investments</b>							
Investment income	2	98,834	-	<b>98,834</b>	105,137	-	<b>105,137</b>
<b>Total income</b>		<b>6,673,053</b>	<b>58,608</b>	<b>6,731,661</b>	<b>6,386,875</b>	<b>50,938</b>	<b>6,437,813</b>
<b>EXPENDITURE ON:</b>							
<b>Raising funds</b>							
Trading subsidiary companies		2,758,871	-	<b>2,758,871</b>	2,889,423	-	<b>2,889,423</b>
IT infrastructure investment		97,974	-	<b>97,974</b>	28,142	-	<b>28,142</b>
<b>Charitable activities</b>							
Membership		1,407,380	-	<b>1,407,380</b>	1,312,997	-	<b>1,312,997</b>
Publications		469,314	-	<b>469,314</b>	382,640	-	<b>382,640</b>
Technical		525,957	54,464	<b>580,421</b>	460,391	63,030	<b>523,421</b>
Regional & special interest groups		1,060,424	-	<b>1,060,424</b>	981,189	-	<b>981,189</b>
Research		314,358	-	<b>314,358</b>	233,962	-	<b>233,962</b>
IT infrastructure investment		126,878	-	<b>126,878</b>	90,670	-	<b>90,670</b>
<b>Total expenditure</b>	3	<b>6,761,156</b>	<b>54,464</b>	<b>6,815,620</b>	<b>6,379,414</b>	<b>63,030</b>	<b>6,442,444</b>
<b>Net (expenditure)/income before gains on investments</b>		<b>(88,103)</b>	<b>4,144</b>	<b>(83,959)</b>	<b>7,461</b>	<b>(12,092)</b>	<b>(4,631)</b>
Net gains on investments	10	30,827	-	<b>30,827</b>	114,143	-	<b>114,143</b>
<b>Net (expenditure)/income</b>		<b>(57,276)</b>	<b>4,144</b>	<b>(53,132)</b>	<b>121,604</b>	<b>(12,092)</b>	<b>109,512</b>
<b>Other recognised losses</b>							
Actuarial loss on defined benefit pension scheme	18	(205,000)	-	<b>(205,000)</b>	(208,000)	-	<b>(208,000)</b>
<b>Net movement in funds</b>		<b>(262,276)</b>	<b>4,144</b>	<b>(258,132)</b>	<b>(86,396)</b>	<b>(12,092)</b>	<b>(98,488)</b>
Fund balances brought forward at 1 January 2015		3,317,241	86,755	<b>3,403,996</b>	3,403,637	98,847	<b>3,502,484</b>
<b>Fund balances carried forward at 31 December 2015</b>		<b>3,054,965</b>	<b>90,899</b>	<b>3,145,864</b>	<b>3,317,241</b>	<b>86,755</b>	<b>3,403,996</b>

All amounts relate to continuing activities.

The notes on pages 31 to 52 form part of these financial statements.





THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

CONSOLIDATED AND INSTITUTION BALANCE SHEETS AS AT 31 DECEMBER 2015

	Note	Group		The Institution	
		2015 £	Restated 2014 £	2015 £	2014 £
<b>Fixed assets</b>					
Intangible assets	8	-	-	-	-
Tangible assets	9	748,250	683,237	495,031	481,787
Investments	10	2,519,980	2,489,153	2,519,982	2,489,155
<b>Total fixed assets</b>		<u>3,268,230</u>	<u>3,172,390</u>	<u>3,015,013</u>	<u>2,970,942</u>
<b>Current</b>					
Stocks of publications		68,127	65,947	68,127	65,947
Debtors	11	748,686	800,859	437,649	449,251
Cash at bank and in hand		713,791	853,430	388,566	465,846
<b>Total current assets</b>		<u>1,530,604</u>	<u>1,720,236</u>	<u>894,342</u>	<u>981,044</u>
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	12	(1,734,970)	(1,658,630)	(1,113,276)	(905,164)
<b>Net current (liabilities)/assets</b>		<u>(204,366)</u>	<u>61,606</u>	<u>(218,934)</u>	<u>75,880</u>
<b>Net assets excluding pension scheme asset</b>		<u>3,063,864</u>	<u>3,233,996</u>	<u>2,796,079</u>	<u>3,046,822</u>
Defined benefit pension scheme asset	18	82,000	170,000	82,000	170,000
<b>Total net assets</b>		<u>3,145,864</u>	<u>3,403,996</u>	<u>2,878,079</u>	<u>3,216,822</u>
<b>The funds of the charity</b>					
Restricted Funds	13	90,899	86,755	90,899	86,755
<b>Unrestricted funds</b>					
General fund	14	1,884,015	2,201,158	1,616,230	2,013,984
Designated funds	14	1,170,950	1,116,083	1,170,950	1,116,083
<b>Total charity funds</b>	17	<u>3,145,864</u>	<u>3,403,996</u>	<u>2,878,079</u>	<u>3,216,822</u>

Approved and authorised for issue on behalf of the Board of Trustees on 24 March 2016

  
N Mead  
President

  
S MacPherson  
Honorary Treasurer

The notes on pages 31 to 52 form part of these financial statements.

THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	Restated 2014 £
<b>Cash flows from operating activities</b>			
<b>Net cash used in operating activities</b>	I	34,988	(12,961)
Income from investments		98,834	105,137
Increase in pension asset		(117,000)	(194,000)
Purchase of property, plant and equipment	II	(156,461)	(268,747)
Decrease in cash		(139,639)	(370,571)
<b>Reconciliation of net cash flow to movement in net funds</b>			
Decrease in cash	III	(139,639)	(370,571)
Change in net cash funds resulting from cash flows		(139,639)	(370,571)
Net cash funds at 1 January 2015		853,430	1,224,001
Net cash funds at 31 December 2015		713,791	853,430
<b>Notes to the cash flow statement</b>			
<b>I. Reconciliation of net income to net cash flow from operating activities</b>			
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)		(53,132)	109,512
Gains on investments		(30,827)	(114,143)
Investment income		(98,834)	(105,137)
Depreciation charges		91,448	72,465
(Increase)/decrease in stocks of publications		(2,180)	12,641
Decrease/(increase) in debtors		52,173	(201,514)
Increase in creditors		76,340	213,215
Net cash used in operating activities		34,988	(12,961)
<b>II. Purchase of fixed assets</b>			
Payments to acquire tangible fixed assets		(156,461)	(268,747)
		(156,461)	(268,747)
<b>III. Analysis of changes in net funds excluding term deposits</b>			
	At 01/01/2015 £	Cash Flows £	At 31/12/2015 £
Short term deposits ( <i>deposited on 24 hours notice</i> )	685,610	(148,228)	537,382
Cash at bank and in hand	167,820	8,589	176,409
<b>Total cash and cash equivalents</b>	<b>853,430</b>	<b>(139,639)</b>	<b>713,791</b>

The notes on pages 31 to 52 form part of these financial statements.

## THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

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#### 1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently during the year:

##### **(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these financial statements. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) and the Charities Act 2011.

The Chartered Institution of Building Services Engineers meets the definition of a public benefit entity under FRS 102.

The Trustees consider that there are no material uncertainties about the Institution's ability to continue as a going concern. The most significant areas of judgement and key assumptions that affect the items in the financial statements relate to the estimation of the defined benefit pension scheme's assets and liabilities (see Note 1(o) and Note 18).

##### **(b) Financial statements of the Institution and its trading subsidiaries**

The financial statements include the consolidation of CIBSE Services Limited and The Chartered Institution of Building Services Engineers Hong Kong Limited (CIBSE Hong Kong Limited), both wholly owned subsidiaries of the Institution.

##### **(c) Funds**

The Institution has divided its funds into categories according to their nature and purpose as follows:

##### ***Unrestricted funds***

Funds available for the Institution to pursue all of its objectives under its Royal Charter and comprise:

##### General fund

This represents the undesignated accumulated surpluses from funds available for the general objectives of the Institution.

##### Designated fund

Funds designated to pursue a particular objective or group of objectives under the Royal Charter and comprise:

##### *Research Fund*

This fund has the objectives of raising and designating funds for the purpose of enabling research to advance the art, science and practice of building services engineering.

##### *Education Fund*

CIBSE established this fund with the objective of raising and designating funds to enable CIBSE to further education in the art, science and practice of building services engineering.

##### *Richard Tully Family Publication Fund*

This fund was established by the designation of a gift from Richard E J Tully, with the objective of funding awards to encourage the continued publication of good engineering practice in the profession of building services engineering.

##### *Domestic Building Services Panel Fund*

This fund has the objectives of raising and designating funds for the purpose of enabling research to advance the art, science and practice of building services engineering for Domestic Heating publications.

## THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

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#### 1 ACCOUNTING POLICIES (*continued*)

##### *Society of Light and Lighting Fund*

This fund has the objective of funding the operations of the Society of Light and Lighting Fund.

##### *Ken Dale Fund*

This fund was established following receipt of a legacy from past president Ken Dale designated to advance the art, science and practice of building services engineering in his name.

##### **Restricted funds**

These funds have been received by the Institution with specific restrictions on their use within the objectives of its Royal Charter and comprise:

##### *Patrons Fund*

This fund was formed to provide a base for financing activities of concern to the building services industry as a whole, for which adequate funds were not available within the unrestricted funds of the Institution, and to provide liaison between the Institution and its members with the commercial organisations involved in building services engineering.

##### **(d) Branches, groups and regions**

The activities of branches, groups and regions, together with their assets and liabilities are incorporated within these accounts.

##### **(e) Income**

##### **Subscriptions**

Subscriptions due are treated as income when received. Subscriptions received in respect of future years are carried forward in the financial statements as deferred income until the relevant subscription year.

##### **Legacies**

Legacies are included in the Statement of Financial Activities where probate was granted prior to the balance sheet date and a distribution is considered probable and the amount can be reliably estimated.

##### **Donations and grants**

Donations and grants are included in the financial statements when receivable.

##### **Volunteers**

CIBSE as an organisation relies heavily on its volunteers to allow it to carry out the wide variety of work that it does, across a range of fields within building services. Attempting to provide such in-depth knowledge for an industry as diverse as building services is an enormous undertaking, and would be impossible without the hundreds of experts who give their time and resources to the Institution and work to remain on the forefront of technology.

Carrying out a variety of roles on a voluntary basis for CIBSE, from contributing to technical papers, to serving on the board and deciding strategy, to helping at events and with media requests, the volunteers give substantial resources at a time when the industry has never been more stretched.

However, as it is impractical to place a monetary value on the volunteers' contribution due to the absence of a reliable measurement basis, the contribution of volunteers are not included as income in the financial statements.

##### **Fees received for charitable services**

These represent amounts receivable in respect of goods or services during the year.

##### **Investment income and gains**

Investment income, including any tax recoverable thereon, is included in the financial statements in the year in which they are receivable. Investment gains and losses are incorporated in the financial statements as they occur. Unrealised gains and losses arising from the valuation of investments, together with any movements in such gains are separately identified within the financial statements.

## THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

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#### 1 ACCOUNTING POLICIES *(continued)*

##### **(f) Expenditure**

Expenditure is accounted for on an accrual basis and is recognised where there is a legal and constructive obligation to pay for the expenditure.

Charitable expenditure comprises expenses incurred on the defined charitable purposes of the Institution. Cost of raising funds comprises expenses incurred in enhancing and maintaining the public image of the Institution and expenditure incurred in trading activities that raise funds.

Governance costs comprise expenses incurred in the governance of the Institution and its assets and are primarily associated with constitutional and statutory requirements.

Each category includes direct expenses and staff costs, together with an allocation of overhead costs based on a combination of direct staff costs and activity levels.

##### **(g) Intangible fixed assets**

Goodwill arising on an acquisition of trade and assets represents the difference between the fair value of the consideration paid and the fair value of the net assets acquired. It is capitalised and amortised through the profit and loss account over the estimate of its useful economic life of three years.

Goodwill is amortised on cost at 50% in the first year and, 30% & 20% over the next two years after consideration of its estimated useful life of 3 years.

##### **(h) Tangible fixed assets**

Tangible fixed assets are stated at historical cost less depreciation. Equipment renewals due to technological changes are charged to the Statement of Financial Activities as incurred. Depreciation is provided at rates calculated to write off the cost less estimated residual value on a straight-line or reducing balance basis over their estimated useful lives as follows:

Freehold land	No depreciation
Freehold buildings	2% per annum on cost or subsequent valuation
Computer equipment	33%- 50% per annum on cost
Furniture and equipment	20% per annum on written-down value or cost

##### **(i) Investments**

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Unlisted investments comprise investments in subsidiaries which are measured at cost less impairment.

##### **(j) Stocks**

Finished stocks relate to technical publications and are stated at the lower of cost and net realisable value. Cost comprises the price of purchasing, printing, binding and compilation.

##### **(k) Debtors**

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

##### **(l) Cash at bank and in hand**

Cash at bank and in hand include cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit.

**1 ACCOUNTING POLICIES (continued)**

**(m) Creditor**

Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**(n) Holiday pay accrual**

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

**(o) Pension contributions**

The Institution operates a non-contributory pension scheme providing benefits based on final pensionable salary. The assets of the scheme are invested with an insurance company and are totally separate from those of the Institution. This scheme was closed to new members in 1999. The Institution has fully adopted the disclosures set out in section 28 of FRS 102. The difference between the fair value of the assets held in the Institution's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the Institution's Balance Sheet as a pension scheme asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the Institution is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contributions by the Institution are charged to the Statement of Financial Activities in accordance with section 28 of FRS 102. The Institution contributes to a stakeholder pension scheme operated by Aviva and is open to all employees. The annual contribution payments are charged to the Statement of Financial Activities.

**(p) Foreign currencies**

Transactions in foreign currency are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

**(q) Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP (FRS 102) the restatement of comparative items was required.

- (1) At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for short-term compensated absence arising from employee entitlement to paid annual leave. The initial liability recognised at the date of transition was for the holiday entitlement carried forward and for the entitlement arising in the year which was due but not taken. The initial liability was for £24,527.
- (2) In respect of the defined benefit pension obligations under FRS 102, the expected return on assets assumption has been removed and replaced by actual return on plan assets (including interest income). The transition effect was an increase of £40,000 in defined benefit pension costs.
- (3) Furthermore, in accordance with the requirements of FRS 102, the net income for the year is provided with the net income under previous GAAP adjusted for the presentation of unrealised gains/losses on investment as a component of reported net income.
- (4) An error was identified in the financial statements as previously issued for the year ended 31 December 2014. In the prior year financial statements, the closing group fund balances were understated by £10,635 due to the closing funds of CIBSE Hong Kong Limited being incorrect. As this is the first year of application of FRS 102, the correction of the error is shown in the transition reconciliation, separately identified as an error under the previous GAAP.

THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

1 ACCOUNTING POLICIES (continued)

<b>Reconciliation of reported income</b>	<b>Note</b>	<b>31 Dec 2014</b>
		<b>£</b>
Total income as previously stated under previous GAAP		6,427,178
Prior year adjustment - correction of error	<b>(4)</b>	10,635
		-----
Total income as restated under previous GAAP		6,437,813
		-----
<b>Reconciliation of reported expenditure</b>		<b>£</b>
Total expenditure as previously stated under previous GAAP		6,377,917
Adjustment for staff unpaid holiday accrual	<b>(1)</b>	24,527
Increase in pension costs	<b>(2)</b>	40,000
		-----
Total expenditure as restated under new Charities SORP (FRS 102)		6,442,444
		-----
<b>Reconciliation of reported net income</b>		<b>£</b>
Net income as previously stated under previous GAAP		49,261
Prior year adjustment - correction of error	<b>(4)</b>	10,635
		-----
Net income as restated under previous GAAP		59,896
Adjustment for staff unpaid holiday accrual	<b>(1)</b>	(24,527)
Increase in pension costs	<b>(2)</b>	(40,000)
Adjustment for gains on investments now treated as a component of net income	<b>(3)</b>	114,143
		-----
Net income as restated under new Charities SORP (FRS 102)		109,512
		-----
<b>Reconciliation of reported actuarial gain/(loss) on defined benefit pension scheme</b>		<b>£</b>
Actuarial gain/(loss) on defined benefit pension scheme, as previously stated under previous GAAP		(248,000)
Adjustment relating to actual returns on net plan assets	<b>(2)</b>	40,000
		-----
Actuarial gain/(loss) on defined benefit pension scheme, as restated under new Charities SORP (FRS 102)		(208,000)
		-----
<b>Reconciliation of group funds balances</b>		<b>£</b>
Fund balances as previously stated under previous GAAP		3,417,888
Prior year adjustment - correction of error	<b>(4)</b>	10,635
		-----
Fund balances as restated under previous GAAP		3,428,523
Adjustment for staff unpaid holiday accrual	<b>(1)</b>	(24,527)
		-----
Fund balances as restated under new Charities SORP (FRS 102)		3,403,996
		-----

THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

2 INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	Total 2015 £
Investment income for the year is derived from:			
Listed investments	97,038	-	97,038
Cash deposits	1,796	-	1,796
	<u>98,834</u>	<u>-</u>	<u>98,834</u>

	Unrestricted funds £	Restricted funds £	Total 2014 £
Investment income for the year is derived from:			
Listed investments	103,636	-	103,636
Cash deposits	1,501	-	1,501
	<u>105,137</u>	<u>-</u>	<u>105,137</u>

3 EXPENDITURE

	Staff Direct Costs £	Other Direct Costs £	Staff Support Cost £	Other Support Cost £	2015 Total £	2014 Total £
<b>Expenditure on raising funds</b>						
Trading subsidiary companies	675,625	2,083,246	-	-	2,758,871	2,889,423
IT infrastructure investment	-	97,974	-	-	97,974	28,142
<b>Expenditure on charitable activities</b>						
Membership	393,852	207,899	502,388	303,241	1,407,380	1,312,997
Publications	95,455	131,388	151,204	91,267	469,314	382,640
Technical	226,436	119,335	146,327	88,323	580,421	523,421
Regional & special interest groups	180,134	528,316	219,490	132,484	1,060,424	981,189
Research	54,408	181,733	48,776	29,441	314,358	233,962
IT infrastructure investment	879	125,999	-	-	126,878	90,670
	<u>1,626,789</u>	<u>3,475,890</u>	<u>1,068,185</u>	<u>644,756</u>	<u>6,815,620</u>	<u>6,442,444</u>



THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

4 SUPPORT COSTS

The support costs have been allocated on the following basis:

<b>Support cost</b>	<b>Basis of allocation</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
Administration staff and welfare	Staff time	1,068,184	1,041,317
Temporary staff, recruitment & consultants	Direct allocation to projects	73,695	44,133
Meeting costs	Direct allocation to projects	14,660	21,486
Office costs	Total number of employees	76,527	74,465
Premises	Area occupied basis	50,497	52,692
IT	Direct allocation to projects	108,922	108,135
Legal & professional fees	Direct allocations to project	41,102	59,579
Depreciation	Direct allocation to projects	17,997	13,907
Bad debt	Actual	13,473	492
Marketing	Direct allocation to projects	189,163	228,271
		<u>1,654,220</u>	<u>1,644,477</u>
<b>Governance costs</b>	<b>Basis of allocation</b>		
Auditor's remuneration - statutory audit	Direct allocation to projects	17,931	16,544
Auditor's remuneration - non-audit services	Direct allocation to projects	1,921	486
AGM & annual report cost	Direct allocation to projects	7,536	6,962
Board ballot costs	Direct allocation to projects	17,289	-
Trustees expenses	Direct allocation to projects	14,044	20,622
		<u>58,721</u>	<u>44,614</u>

THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

5 STAFF COSTS

	2015	2014
	£	£
Wages and salaries	2,196,937	2,106,141
Social security costs	235,430	226,224
Pension costs:		
Defined contribution pensions	93,434	83,298
Defined benefit pensions	26,000	23,000
	<u>2,551,801</u>	<u>2,438,663</u>

The average number of employees during the year, who were all engaged in the activities of the Institution and its subsidiaries, was:

59	58
----	----

All Trustees give of their time freely and no Trustee remuneration was paid in the year (2014: £Nil).

The key management personnel of the parent charity, the Institution, comprise the Trustees, the Chief Executive Officer and the senior management team. Total employee benefits of key management personnel for the year under review, excluding the Trustees were £658,406 (2014: £621,861).

Neither of the Institution's wholly-owned subsidiaries employ staff directly. As a result, the key management personnel and their aggregate employee benefits for the group is the same as the Institution as disclosed above.

The number of employees earning total emoluments of £60,000 or more:

£70,001 to £80,000	2	3
£80,001 to £90,000	1	-
£90,001 to £100,000	1	1
£100,001 to £110,000	1	-
£110,001 to £120,000	-	1
£170,001 to £180,000	-	1
£180,001 to £190,000	1	-

Contributions in the year for provision of the pension schemes in respect of the above higher paid employees amounted to £54,445 for 5 staff (2014: £50,295 for 5 staff).

**THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)**

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**6 TRANSACTIONS WITH TRUSTEES AND RELATED PARTY TRANSACTIONS**

The Trustees of the Institution are the members of Board, who are drawn, from time to time, from the membership of the Institution. No member of Board received any remuneration or benefits-in-kind for their duties as Trustees (2014: Nil).

Members of the Board of Trustees are reimbursed for travelling and other expenses whilst engaged on the activities of the Institution.

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Reimbursements were made as follows:		
Reimbursed In 2015 to 9 Trustees	16,876	-
Reimbursed In 2014 to 10 Trustees	-	20,622
	<u>                    </u>	<u>                    </u>

Under the terms of the Royal Charter & Bylaws, the Institution is empowered to make reasonable and proper payments to members for services actually rendered to the Institution. This power includes Trustees, in their capacity as members of the Institution. In their capacity as members of the Institution, Trustees are obliged to pay annual subscriptions due to the Institution and are entitled to take advantage of the services offered by the Institution and its subsidiary company, on the same terms offered to all members, or to the general public. Where members or their connections provide services to, or utilise any other services or facilities of the Institution, the amounts paid to or charged by the Institution are based on either:

- Standard rates paid by the Institution to members and non-members alike, for services such as lecturing or interviewing of candidates; or
- Rates negotiated on behalf of the Institution, independently of the member involved, by the Board, or their delegated committee, based on competitive tenders or general commercial rates.

During the year, the Institution is aware that payments have been made by the Institution for commercial services provided to it, or charges made by the Institution for utilising other services or facilities of the Institution, by certain Members of the Board of Trustees, or their connections, as follows:

Payments made by the Institution for speaker costs and interview fees:

<b>Board member</b>	<b>Amount</b>
	<b>£</b>
G O'Farrell	446
	<u>                    </u>

THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

7 INTANGIBLE FIXED ASSETS

Group	Goodwill £
<b>Cost or valuation</b>	
Balance at 1 January 2015 and at 31 December 2015	155,572
<b>Accumulated Amortisation</b>	
Balance at 1 January 2015 and at 31 December 2015	155,572
<b>Net Book value</b>	
At 31 December 2014 and at 31 December 2015	-

8 TANGIBLE FIXED ASSETS

Group	Freehold Property £	Computer Equipment £	Furniture & Equipment £	Total £
<b>Cost</b>				
Balance at 1 January 2015	426,000	614,497	295,638	1,336,135
Additions	-	143,694	12,767	156,461
Balance at 31 December 2015	426,000	758,191	308,405	1,492,596
<b>Accumulated depreciation</b>				
Balance at 1 January 2015	102,256	292,660	257,982	652,898
Charge for the year	5,680	73,474	12,294	91,448
Balance at 31 December 2015	107,936	366,134	270,276	744,346
<b>Net book value</b>				
At 31 December 2015	318,064	392,057	38,129	748,250
At 31 December 2014	323,744	321,837	37,656	683,237

THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

9 TANGIBLE FIXED ASSETS *(continued)*

Institution	Freehold Property £	Computer Equipment £	Furniture & Equipment £	Total £
<b>Cost</b>				
Balance at 1 January 2015	426,000	195,809	293,518	915,327
Additions	-	31,610	11,628	43,238
Balance at 31 December 2015	<u>426,000</u>	<u>227,419</u>	<u>305,146</u>	<u>958,565</u>
<b>Accumulated depreciation</b>				
Balance at 1 January 2015	102,256	75,421	255,863	433,540
Charge for the year	5,680	12,250	12,064	29,994
Balance at 31 December 2015	<u>107,936</u>	<u>87,671</u>	<u>267,927</u>	<u>463,534</u>
<b>Net book value</b>				
At 31 December 2015	<u>318,064</u>	<u>139,748</u>	<u>37,219</u>	<u>495,031</u>
At 31 December 2014	<u>323,744</u>	<u>120,388</u>	<u>37,655</u>	<u>481,787</u>

THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

10 FIXED ASSETS INVESTMENTS

	Group		The Institution	
	2015	2014	2015	2014
	£	£	£	£
Market value 1 January 2015	2,489,153	2,375,010	2,489,155	2,375,012
Net gain on revaluation at 31 December 2015	30,827	114,143	30,827	114,143
Market value 31 December 2015	<u>2,519,980</u>	<u>2,489,153</u>	<u>2,519,982</u>	<u>2,489,155</u>

Investments are made up of:

Listed investments	2,519,980	2,489,153	2,519,980	2,489,153
<b>Trading subsidiaries:</b>				
100% interest in CIBSE Services Limited	-	-	2	2
100% interest (100% Group / 50% The Institution) in The Chartered Institution of Building Services Engineers Hong Kong Limited	-	-	-	-
	<u>2,519,980</u>	<u>2,489,153</u>	<u>2,519,982</u>	<u>2,489,155</u>

The historical cost of fixed asset investments are:

Listed investments	1,962,837	1,962,837	1,962,839	1,962,839
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The listed investments are managed on behalf of the Institution by CCLA Investment Management Limited.

Investments within the portfolio which amount to more than 5% of the total values are:

	Group		The Institution	
	2015	2014	2015	2014
	£	£	£	£
Listed investments:				
COIF Charities Investment Fund	<u>2,519,981</u>	<u>2,489,153</u>	<u>2,519,981</u>	<u>2,489,153</u>
	<u>2,519,981</u>	<u>2,489,153</u>	<u>2,519,981</u>	<u>2,489,153</u>

The significance of financial instruments to the ongoing financial sustainability of the Institution is considered in the investment powers section of the Trustees' Annual Report. The basis of fair value for listed investments is equivalent to the market value, using the mid-market price.

THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

11 DEBTORS

	Group		The Institution	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	487,542	426,686	124,258	143,984
Amounts owed by group undertakings	-	-	120,815	82,541
Prepayments and accrued income	192,526	187,456	123,958	118,130
Other debtors	68,618	186,717	68,618	104,596
	<u>748,686</u>	<u>800,859</u>	<u>437,649</u>	<u>449,251</u>

12 CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	Group		The Institution	
	2015	2014	2015	2014
	£	£	£	£
Trade creditors	346,587	278,951	170,574	69,542
Accruals	147,909	154,707	133,657	113,647
Deferred income: amounts received in advance for subscriptions & services	1,001,456	950,114	660,434	592,546
Taxation and social security	124,488	165,805	77,665	86,757
Other creditors	114,530	109,053	70,946	42,672
	<u>1,734,970</u>	<u>1,658,630</u>	<u>1,113,276</u>	<u>905,164</u>
<b>Deferred income</b>				
At 1 January 2015	950,114	942,312	592,546	619,426
Amounts released to income	(950,114)	(942,312)	(592,546)	(619,426)
Amount deferred in the year	1,001,456	950,114	660,434	592,546
	<u>1,001,456</u>	<u>950,114</u>	<u>660,434</u>	<u>592,546</u>
At 31 December 2015	1,001,456	950,114	660,434	592,546

THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

13 RESTRICTED FUNDS – Group and Institution

	Balance at 31 December 2014 £	Movement in Funds		Balance at 31 December 2015 £
		Income £	Expenditure £	
Patrons Fund	86,755	58,608	(54,464)	90,899
	<u>86,755</u>	<u>58,608</u>	<u>(54,464)</u>	<u>90,899</u>

See note 1 (c) for description of funds

14 UNRESTRICTED AND DESIGNATED FUNDS – Group

	Balance at 31 December 2014 £	Movement In Funds			Balance at 31 December 2015 £
		Income £	Expenditure £	Transfers from General Fund £	
Research Fund	537,330	266,397	(236,141)	-	567,586
Education Fund	61,370	1,394	(9,726)	-	53,038
Richard Tully Family Publication Fund	106,596	2,971	-	-	109,567
Domestic Building Services Panel Fund	140,363	44,163	(25,093)	-	159,433
Society of Light and Lighting	167,344	264,757	(252,653)	-	179,448
Ken Dale Fund	103,080	3,056	(4,258)	-	101,878
	<u>1,116,083</u>	<u>582,738</u>	<u>(527,871)</u>	<u>-</u>	<u>1,170,950</u>
Designated Funds	1,116,083	582,738	(527,871)	-	1,170,950
General Fund	2,201,158	6,257,676	(6,574,819)	-	1,884,015
	<u>3,317,241</u>	<u>6,840,414</u>	<u>(7,102,690)</u>	<u>-</u>	<u>3,054,965</u>

See note 1 (c) for description of funds

15 RESULTS OF THE INSTITUTION

	2015 £	2014 £
Total income	3,854,205	3,456,486
Total expenditure	(4,018,774)	(3,515,234)
Net expenditure before gains on investments	(164,569)	(58,748)
Gains on investments	30,827	114,143
Net (expenditure)/income before gains on investments	(133,742)	55,395
Actuarial loss on defined benefit pension scheme	(205,000)	(248,000)
Net movement in funds	(338,742)	(192,605)



**THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)**

**16 TRADING SUBSIDIARIES**

The Group has two wholly owned subsidiaries, CIBSE Services Limited (company registered no. 03645473), which is incorporated in the UK and The Chartered Institution of Building Services Engineers Hong Kong Limited, which is incorporated in Hong Kong. CIBSE Services Limited carries out various activities in pursuance of the charitable aims of the Institution and operates various commercial activities. CIBSE Services Limited donates its taxable profit to the Institution. The principal activities of The Chartered Institution of Building Services Engineers Hong Kong Limited are the provision of conferences and exhibition services.

A summary of the trading results and net assets of the subsidiaries for 2015 are shown below. Audited accounts for both subsidiaries are filed with their respective Registrars.

	<b>CIBSE Services Limited</b>	<b>CIBSE HK Limited</b>
	<b>£</b>	<b>£</b>
Turnover	2,920,720	92,849
Cost of sales	(2,280,238)	(79,586)
Administration expenses	(497,020)	
Operating profit	143,462	13,263
Interest receivable	417	-
Net profit before gift aid	143,879	13,263
Amount donated to the Institution	(76,531)	-
Amount retained by the subsidiary	67,348	13,263
The aggregate of the assets, liabilities and funds was:		
Fixed assets	252,306	913
Net current (liabilities)/assets	(82,802)	97,372
Net assets	169,504	98,285
<b>Funds</b>		
Called up share capital	2	-
Reserves	169,502	98,285
	169,504	98,285

THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

17 ANALYSIS OF CONSOLIDATED NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2015 £
<b>Fund balances at 31 December 2015</b>			
Fixed assets	748,250	-	748,250
Investments	2,519,980	-	2,519,980
Current assets	1,439,705	90,899	1,530,604
Current liabilities	(1,734,970)	-	(1,734,970)
<b>Net Assets excluding pension scheme asset</b>	<u>2,972,965</u>	<u>90,899</u>	<u>3,063,864</u>
<b>Defined benefit pension scheme asset</b>	<u>82,000</u>	<u>-</u>	<u>82,000</u>
<b>Net assets including pension scheme asset</b>	<u>3,054,965</u>	<u>90,899</u>	<u>3,145,864</u>

**18 CIBSE PENSION SCHEMES**

CIBSE operates both a defined contribution and a defined benefit pension scheme which require contributions to be made separately to administered funds for the benefit of the employees. The defined contribution scheme was opened in November 2001 and employer contribution commenced in April 2007.

**Final salary pension scheme**

The defined benefit scheme has been reported under section 28 of FRS 102. The most recent valuation was at 1 April 2015. The assumptions which had most significant effect on that valuation were:

- (i) future long term average salary increases pre-retirement of 5.1% per annum.
- (ii) future long term average salary increases post-retirement of 3.5% per annum.

This actuarial valuation showed that the market value of the scheme's assets was £3,454,000 and that their actuarial value was 92% of the benefits that had accrued to members after allowing for expected future salary increases. The actuarial valuation recommended that the rate of contributions be increased to 33.9%. The Trustees and the Employer agreed to additional Employer contributions of £108,000 p.a. from 1 April 2014 until the Funding Valuation shortfall is addressed. The actuarial valuation calculated the Funding Valuation shortfall is expected to be addressed over 3 years from 1 April 2014 until 28 February 2017. The payments are payable by the last day of February each year and are due to remain the same over the period.

Based on the current schedule of contributions the estimated contribution to be paid over to the scheme in 2016 is at least 33.9% p.a of the pensionable salary roll, on a monthly basis.

The number of employees in the scheme at 31 December 2015 were:

	<b>2015</b>	<b>2014</b>
Active employees	3	3
Deferred pensioners	24	24
Pensioners	7	7

The financial assumptions used by the actuary to calculate the scheme liabilities under FRS 102 were as follows:

	<b>2015</b>	<b>2014</b>
Rate of increase in salaries	4.00%	4.20%
Rate of increase in pensions in payments accrued before 6 April 1997	3.00%	3.00%
Rate of increase in pensions in payments accrued after 6 April 1997	3.00%	3.00%
Discount rate	3.60%	3.50%
Retail price inflation	2.80%	3.00%

THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

18 CIBSE PENSION SCHEMES (*continued*)

	2015 £'000	2014 £'000
<b>Analysis of the amount charged to expenditure</b>		
Current service cost	(35)	(35)
Total service cost	(35)	(35)
<b>Net interest costs</b>		
Interest income on plan assets	130	148
Interest expense on defined benefit obligation	(121)	(136)
Net return	9	12
Total pension costs charged to the Statement of Financial Activities	(26)	(23)
<b>Analysis of the actuarial gain/(loss) recognised in the Statement of Financial Activities</b>		
Actual return on plan assets, excluding interest income	(109)	18
Experience gains and losses arising on the scheme liabilities	33	152
Changes in assumptions underlying the present value of the scheme liabilities	(129)	(378)
Total actuarial gains/(losses) recognised in the Statement of Financial Activities	(205)	(208)
<b>Analysis of the pension accounting information under FRS 102 is shown below</b>		
<b>Amount recognised in the Balance Sheet</b>		
Present value of defined benefit obligation	(3,658)	(3,447)
Fair value of plan assets	3,740	3,617
Net defined benefit asset	82	170
<b>Change in defined benefit obligation</b>		
Defined benefit obligation at beginning of period	(3,447)	(3,095)
Current service costs	(35)	(35)
Interest expenses	(121)	(136)
Remeasurement arising from changes in assumptions	(129)	(378)
Remeasurements arising from experience	33	152
Benefits paid	41	45
	(3,658)	(3,447)

THE CHARTERED INSTITUTION OF BUILDING SERVICES ENGINEERS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

18 CIBSE PENSION SCHEMES (*continued*)

	2015 £'000	2014 £'000
<b><i>Change in defined benefit obligation</i></b>		
Defined benefit obligation at beginning of year	(3,447)	(3,095)
Current service costs	(35)	(35)
Interest expenses	(121)	(136)
Remeasurement arising from changes in assumptions	(129)	(378)
Remeasurements arising from experience	33	152
Benefits paid	41	45
Defined benefit obligation at end of year	<u>(3,658)</u>	<u>(3,447)</u>
<b><i>Change in plan assets</i></b>		
Assets at beginning of year	3,617	3,279
Interest income	130	148
Actual return on plan assets, excluding interest income	(109)	18
Employer contributions	143	217
Benefits paid	(41)	(45)
Assets at end of year	<u>3,740</u>	<u>3,617</u>
Actual return on assets	21	166
<b>Asset class split</b>		
	<b>2015</b>	<b>2014</b>
Equities	63%	63%
Gilts	37%	37%
	<u>100%</u>	<u>100%</u>

