



CI Arb
evolving to resolve

Annual
Report
2019



CIArb is the world's leading
qualifications and professional
body for dispute avoidance,
management and resolution.

The Chartered Institute of Arbitrators

Trustees' Annual Report and Consolidated Accounts for the year ended 31 December 2019

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Trustees' Annual Report
for the year ended
31 December 2019

Trustees' Annual Report

Trustees

Africa Region

Dr David Kariuki Muigua, Ph.D, LL.M, LL.B (Hons), Nrb; Dip. Law (K.S.L), FCPS (k), FCI Arb C.Arb, *from 1 January 2019*

Americas Region

Ann Ryan Robertson, LL.M, JD Attorney, FCI Arb (USA) (*Deputy Chair 2020*)

Australasia Region

Alexander John Wakefield, BA, DipLaw, LL.M, Solicitor, FCI Arb (Australia)

East Asia Region

Paul Barrett, East Asia LL.B (Hons), FCI Arb, *from 1 January 2019*

Europe Region

Dr Axel Reeg, MCI Arb, MSI Arb (Germany)

Great Britain Region:

- Anthony Marks, LL.B (Hons), FCI Arb (England) (*Honorary Treasurer from 1 January 2019*) (c)
- Marion Smith, QC, FCI Arb (England)
- Jonathan Wood, LL.B (Hons), Solicitor, MCI Arb (England) (*Chair*)
- Lucy Greenwood, FCI Arb C.Arb, *from 1 January 2019*
- Andrew Miller QC, FCI Arb, *from 1 January 2019*

Ireland Region

Arran Dowling Hussey B.A., M.Econ.Sc., LL.M., FCI Arb., Barrister (R of Ireland)

Middle East/Indian Sub-continent Region

Prof. Dr Mohamed Abdel Wahab, MCI Arb, *from 1 January 2019*

Officers and Senior Managers of CI Arb

- Thomas D Halket, FCI Arb C.Arb (2019) (a, b)
- Francis Xavier, SC, FCI Arb (2020)

Deputy President

- Francis Xavier, SC, FCI Arb (2019)
- Ann Ryan Robertson, JD, LLM, FCI Arb

Chairman of Board of Management

Jane Gunn, FCI Arb (a, b)

Director General

- S Anthony Abrahams, TD, DL, MBA, MCI Arb, until 30 April 2020 (b)
- C Dixon, LLB (Hons), MBA, Solicitor (Non-Practicing), from 01 May 2020 (b)

Membership of Boards and Committees

(a) *Non-Voting Member of Board of Trustees (ex officio)*

(b) *Member of Board of Management (ex officio)*

(c) *Member of Audit Committee*

Principal and Registered Office

12 Bloomsbury Square, London, WC1A 2LP

Banker HSBC Bank plc.

165 Fleet Street, London EC4A 2DY

Solicitors Bircham Dyson Bell LLP

50 Broadway, London SW1H 0BL

Auditor

RSM UK Audit LLP

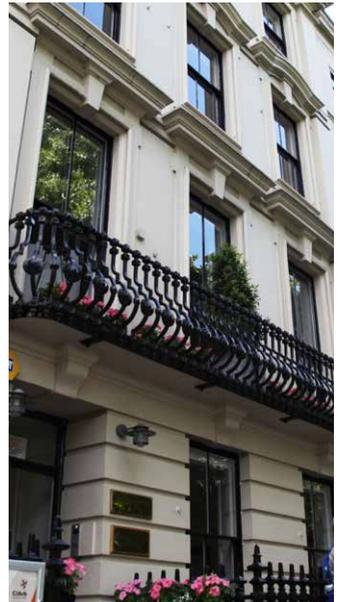
St Philips Point, Temple Row, Birmingham B2 5AF

Investment Manager

Newton Investment Management

BNY Mellon Centre, 160 Queen Victoria Street

London EC4V 4LA





CI Arb
evolving to resolve

We are
passionate
about resolving
a hard
social



Purpose of CI Arb

The Chartered Institute of Arbitrators (“CI Arb”) is a Charity and professional membership organisation which promotes and facilitates all forms of Alternative Dispute Resolution (“ADR”), that is, dispute resolution by means other than the courts. Its membership, in excess of 16,000 worldwide, comprise Arbitrators, Adjudicators and Mediators, with specialisms in a wide range of sectors, who are committed to helping people and businesses avoid, manage and resolve their differences in an efficient, cooperative and cost-effective manner.

The objectives and activities related to the above are stated on page 10 of the report.

Structure, Governance and Management

CI Arb is a registered charity, registration number 803725. It was formed in 1915, incorporated on 8th April 1923, and granted a Royal Charter on 6th February 1979. It became a charitable body on 19th July 1990. A new Royal Charter and Bye-laws were approved by members at an Extraordinary General Meeting on 28th October 2004 and became fully effective on 28th February 2005. It is managed by a Board of

Trustees constituted and organised in accordance with the Royal Charter and Bye-laws and in accordance with Regulations approved by the Board of Trustees. Membership of the Board of Trustees is by regional elections to ensure global representation.

CI Arb has 41 Branches throughout the world at the end of 2019 with further branches opening in 2020. Certain Branches which cover a large geographic area have established local Chapters to provide a focal point for members who live a long distance away from the centre of the Branch. Branches are controlled by elected Branch Committees and Branch assets mainly consist of cash deposited with banks.

The Board of Trustees is directly elected by the members of CI Arb and normally numbers not more than fourteen members of CI Arb. In 2019, it consisted of five representatives from the members living in the ‘Great Britain’ region (comprising England, Wales, Scotland, the Channel Islands and the Isle of Man) and seven representatives from the members living in each of the following regions of the world: Africa, Americas, Australasia, Europe (excluding Ireland and Great Britain as defined), East Asia, Ireland (both Northern Ireland and the Republic of Ireland) and the Middle

East/Indian sub-continent. Membership of the Board of Trustees is restricted to Fellows and Members of CI Arb. The term of office of the Trustees is four years and no Trustee may serve for more than two successive terms. Half of the elected Trustees retire by rotation every two years but may offer themselves for re-election provided that if they were re-elected they would not serve as a Trustee for more than eight continuous years. Any Trustee who has served for eight consecutive years may not offer themselves for re-election until at least two years have elapsed from the expiry of their last term of office. The President and the Chair of the Board of Management are non-voting ex officio members of the Board of Trustees.

Elections to the Board of Trustees are managed by the Executive and overseen by the Electoral Reform Society. Successful candidates assume office on 1 January in the year following their election. All new Trustees participate in an induction process to inform of the operations of CI Arb and their specific responsibilities as trustees of a charitable body. New Trustees are given an induction pack, detailing, amongst other things, their duties and responsibilities and are invited to an introductory presentation by the Executive.

The elected members of the Board of Trustees elect one of their own number, on an annual basis, to act as Chair of the Board of Trustees.

The Board of Trustees met physically twice in 2019 at 12 Bloomsbury Square, London. The Trustees were in regular contact with each other by telephone or electronic means throughout the year and decisions can be, and were, made electronically.

All the powers and the strategic policies of CI Arb are vested in the Board of Trustees. The management and control of all its affairs is exercised by it, except insofar as such management or control is required to be exercised by the members of CI Arb in General Meeting or at a Congress, or if the Board of Trustees is of the opinion that any of its functions, duties and/or responsibilities could be more efficiently carried out by delegating it to the Board of Management and/or to other Committees and/or to Executive Officers of CI Arb. It may delegate that function, duty and/or responsibility accordingly, provided that:

(a) any such delegation is in accordance with the provisions of the Bye-laws, and

(b) nothing shall be taken to permit the Board of Trustees to abrogate its functions, duties and/or responsibilities or any of its trusts.

The individual Trustees are not entitled to receive any remuneration for the performance of any duties or services or for the provision of their services as Trustees, save only for the payment of expenses properly incurred.

The Board of Trustees has the power to make, amend or revoke such Regulations and rules as it considers necessary for the governance and the efficient management of CI Arb, provided that any such Regulations or rules are consistent with the articles of the Charter and the Bye-laws.

The Board of Trustees has delegated certain powers, functions and duties to the Board of Management by means of the Regulations. The principal matters delegated to the Board of Management are:

(a) to oversee the day-to-day management of CI Arb in accordance with the policies formulated and laid down by the Board of Trustees;

(b) to ensure that CI Arb's Executive, the Committees and the Branches of CI Arb function efficiently in accordance with the said policies, provided that the Professional

Conduct Committee shall be independent from and not be subject to the control of the Board of Management, which shall nevertheless ensure that this Committee is properly supported; and

(c) to formulate all necessary Regulations, rules, protocols and procedures for approval by the Board of Trustees and, once approved, to implement and enforce them.

The Board of Management, which met four times in 2019, shall have not more than 15 members, including at least one Trustee (usually the Honorary Treasurer), a Chair appointed by the Board of Trustees, the President, the Chair of the Practice and Standards Committee, the Chair of the Education and Membership Committee, the Chair of the Panels Management Group, the Chair of the Young Members Group, the Director General and such other Trustees, members of CI Arb and Executive Officers as the Board of Trustees shall determine. In addition, the Board of Management has the power to co-opt up to three members of CI Arb to assist in its business. The minutes of all Board of Management meetings are available to the Trustees and the Chair of the Board of Management reports verbally to each physical meeting of the Board of Trustees.

The day-to-day management of CI Arb is delegated to the Executive led by the Director General, whose role is that of Chief Executive. The remuneration of the Director General is set annually each year by the Chair of the Board of Management and the Honorary Treasurer. When setting the remuneration of the other members of the Executive during the preparation of the annual budget for approval by the Board of Trustees, the Director General, the Director of Finance and IT, the Director of Governance and Legal Services and the HR Manager consult salary surveys provided by recruitment companies to ensure we offer salaries which are competitive to retain and/or recruit good quality staff.

The Board of Trustees have the power to establish, maintain and/or close Branches to benefit from members' knowledge of the area in which they practise and to improve contact with potential users of arbitration and alternative dispute resolution (ADR) processes. Details of Branch results are shown in note 20 to the accompanying financial statements. There are some jurisdictions where it is either required or beneficial for a Branch to be incorporated. These incorporated Branches appear in the Consolidated Balance Sheet but do not appear in the Parent Undertaking Balance Sheet.

In addition to the incorporated branches CI Arb has, for reasons of governance or financial efficiency, three wholly-owned subsidiaries:

- 12 Bloomsbury Square Limited: to provide facilities for ADR hearings, conferences, training and other events;
- Arbitration Services Limited: to collect sponsorship income for CI Arb events; and
- City Disputes Panel Limited: to supply conflict resolution solutions targeted to the City of London financial services industry (now dormant).





Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) observe the methods and principles in the Charities SORP;
- (c) make judgments and estimates that are reasonable and prudent;
- (d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- (e) prepare the financial statements on the going concern basis unless it

is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter and bye-laws. They are also responsible for safeguarding the assets of the charity 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 charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees have overall responsibility for ensuring that CI Arb has an appropriate system of controls, financial and otherwise, which will provide reasonable assurance that:

- (a) CI Arb is operating efficiently and effectively;

- (b) its assets are safeguarded against unauthorised use or disposition;
- (c) proper records are maintained and the financial information used within CI Arb is reliable;
- (d) CI Arb complies with relevant laws and regulations.

Principal Risks Identification and Management

The risk to which CI Arb are exposed are monitored on a regular basis by the Executive together with the appropriate action taken to minimise any disruption to the effectiveness of CI Arb's work. This is reported to the Board of Management and Audit Committee, who in turn report to the Board of Trustees who have ultimate responsibility for managing risk. The principal risks, uncertainties and safeguards include:

Risk or uncertainty

- Loss of reputation
- Loss in perceived value of CI Arb qualifications
- Loss of membership revenue

Safeguard

- Imposing and maintaining high professional standards

- Updating the syllabus including centralised global assessment
- Reviewing and improving the services offered to members; promoting the benefits of ADR to potential users to increase demand for our members' services.

Investments

CI Arb's Investments are managed with the objective of preserving and growing the invested capital ahead of inflation without taking undue risk whilst generating a moderate degree of income. CI Arb invests with Newton's Global Growth and Income Fund for Charities. Newton's charges are taken from the capital of the Fund. CI Arb monitors the performance of the Fund.

Objectives and Activities of CI Arb

The charitable object for which CI Arb is established and incorporated is 'to promote and facilitate worldwide the determination of disputes by arbitration and alternative means of private dispute resolution other than resolution by the court'. The main beneficiaries of the work carried out by CI Arb are the general public both in the United Kingdom and elsewhere in the world. The Trustees have had due regard to the public benefit

guidance published by the Charity Commission.

To fulfil CI Arb objectives the Trustees have established *Four Pillars of Strategy*:

1. To promote ADR and to protect the CI Arb professional standards and values by maintaining consistent and excellent high quality standards across the globe preserving and enhancing the CI Arb Brand.

2. The development of Rules Ethics and Guidance to members together with education and training in all areas of ADR in parallel with the delivery of CI Arb qualifications, higher level courses and academic courses and events.

3. To ensure that fraternity, services and products offered by CI Arb drive a virtuous circle in member partnership, networking and benefits that are relevant and valued and that bring individuals and organisations to membership of CI Arb at a sustainable and proportionate cost.

4. To examine CI Arb income streams including membership subscriptions, education, training and other sources of income so that they are best allocated across CI Arb.

In delivering its strategic aims CI Arb operates within defined Purposes and Values developed after wide consultation with members:

Purpose

CI Arb is passionate about promoting a harmonious society and helping people and organisations avoid, manage and resolve conflict through our global network of over 16,000 members.



Facilitating quick, confidential and effective dispute avoidance and dispute resolution mechanisms for both civil and commercial disputes worldwide



Upholding the highest standards in knowledge, practice and ethics across the globe



Promoting alternatives to court since 1915



Supporting individuals in developing skills and knowledge



Using resources effectively to fulfil our purpose

Loyalty and trust are the foundations upon which meaningful relationships and a sense of belonging are built

Taking responsibility for decisions so that CI Arb grows and develops



Working mutually with a clear sense of commitment, perspective and direction in the best interest of CI Arb to achieve its charitable aims

Treating all individuals with respect, valuing their contribution, and recognising the importance of diversity by the inclusion of all

In delivering its activities CI Arb relies on the technical expertise of its paid and contracted staff working in harmony with members who voluntarily give substantial amounts of their time to inter alia serve on or

advise standing committees, operate the branch network, advise on the proposed procedures of dispute resolution schemes, interview potential members and organise or speak at Branch events.



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Achievements and Performance

The achievement of promotional activities is often not ascertainable in financial terms but can be seen in the use of and reference to CIArb materials and policies. These include the Guidelines, lectures and conferences. Often CIArb activities are noted by means of press coverage and publicity engendered. Publicity is measured in part by monitoring of

social media engagement. Where it is possible to measure outcomes in financial terms, this is carried out and reviewed by the Audit Committee and Board of Management. An Action Plan with a supporting budget is set annually and outcomes measured and compared regularly.

A brief résumé of some of the activities undertaken by the CIArb during 2019, which indicate how the CIArb is working to meet its objectives, is set out below.



Membership

CIArb's global membership remained popular for those dedicated to dispute avoidance and resolution. Membership grew by 308 to 15,595 at the end of 2019 and, in particular, there was a large growth in the number of student members, which, by the year end, exceeded 6,000. This demonstrates that there is a big interest from those at the start of their careers in dispute avoidance and resolution skills and CIArb's courses will be promoted to students under its new Professional Services Department in 2020.

CIArb's international network grew in 2019. Training was delivered at a new branch in Brazil, which joined CIArb's branch network in the summer; and it was joined by the 41st branch, Sri Lanka, which also saw a large interest in and ran its first training programme in 2019. Branches continued to provide vital benefits to local members, such as training opportunities, events networking and knowledge exchange. The Membership department continued to assist members and branches with their membership enquiries, experienced practitioner route applications and Fellowship peer interviews, amongst others, and CIArb membership remained in demand.

There was also large interest from a number of groups for CIArb's services, such as training, including companies. CIArb's corporate membership offering will now be promoted through its new Department for Professional Services. The Membership and Education departments have been merged into this one department. The Department will assist individuals, corporate members and others with their membership and training needs, as well as act as a conduit to wider CIArb services from 2020.



Young Members Group (YMG)

CIArb's YMG continued to thrive in 2019 with a number of events held globally. It has a global steering committee, chaired by Ronan O'Reilly MCIArb, which was extremely active in promoting dispute avoidance and resolution amongst CIArb's young members under the age of 40 and wider ADR community. Its events were particularly aimed at assisting early career practitioners. The YMG was assisted by a number of ambassadors from around the world. Some of its

2019 events included 'International Arbitration: Legal Culture and the Prague Rules' in April 2019 in Paris, and the 'Long and Winding Roads of Arbitration' in November 2019 in Istanbul. Its annual conference was held in Edinburgh in November 2019 and this was attended by the CIArb President, Tom D. Halket C.Arb FCIArb. The keynote was delivered by Lindy Patterson QC FCIArb. CIArb's YMG membership continues to grow and will be promoted by the Department for Professional Services from 2020.



Worldwide promotion of ADR

Policy

2019 saw CIArb substantially increase its profile and influence with governments and policymakers around the world, including China and India. We have contributed to consultations by UNCITRAL and the Commonwealth, and through the “Evolution not Revolution” agenda, CIArb established itself as a leading voice on ISDS reform.

CIArb continues to provide the secretariat to the All-Party Parliamentary Group (APPG) on Alternative Dispute Resolution in the UK. We facilitated a parliamentary fact-finding trip to Singapore where we engaged with the leading decision makers, including the Chief Justice and Law Minister. Through this the APPG have developed a report for the UK government setting out practical proposals for boosting ADR and arbitration in the UK.

Our guidelines continue to be widely used, and we have made excellent progress in developing a revised “ADR in Arbitration” Guideline (due to be released in June 2020).

The Journal

This has gone from strength to strength and both the quantity and quality of submitted articles have greatly increased.

The Resolver

CIArb’s quarterly magazine has featured our key developments over 2019, provided analysis and news updates in the ADR field and new training opportunities, engaged readers through law reports and case notes, and looked to inspire young practitioners trying to build a career. Key themes in 2019 included diversity, climate change, the future of ISDS, dealing with high conflict parties, oil and mining disputes, expert witness process, and many more engaging, and thought-provoking articles.



Events

The inaugural International Women's Day event was held in March and hosted by CI Arb Corporate Member Pinsent Masons LLP in London. The first CI Arb International Women's Day Lecture: "Why I don't have a boiling tap – the effect of social conditioning on careers in the law" was delivered by Lucy Greenwood C.Arb, CI Arb Trustee.

The Roebuck Lecture entitled "The Unwavering Policy Favouring Arbitration under English Law" was delivered by distinguished arbitration scholar, lawyer and arbitrator, Professor Stavros Brekoulakis MCIArb at CI Arb's London headquarters.

The 12th annual Mediation Symposium took place in September and explored the theme 'Mediation in Times of Crises'. It was held in the London

offices of Grant Thornton LLP, one of CI Arb's Corporate Members.

The 45th Alexander Lecture, held in Hong Kong and entitled "The Search for Order within Chaos in the Evolution of ISDS", was delivered by The Honourable Ms Teresa Cheng GBS SC JP – CI Arb President in 2008 and the first woman to deliver this lecture.

The 7th Dispute Appointment Service (DAS) Convention in November delivered the theme "Alternative Dispute Resolution and the State". This was hosted by Clifford Chance LLP in London with a keynote address by The Rt. Hon. Lord Neuberger of Abbotsbury. During the reception CI Arb presented the President Prize(s) and the Student of the Year Award and the Fellows' Graduation Ceremony took place.



Digital Marketing and Social Media

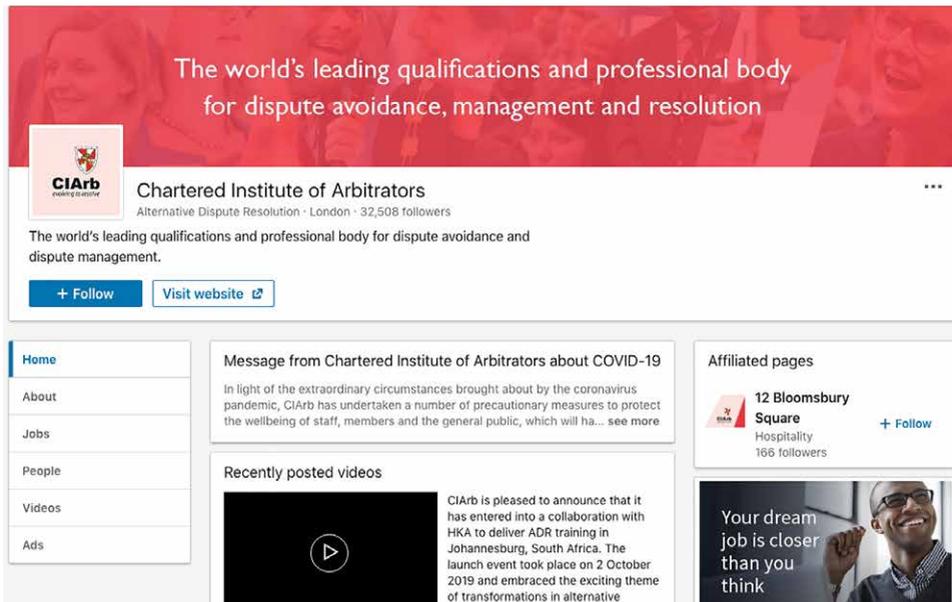
eMail marketing grew over the year driven by improvements in the use of the email marketing platform, Dotdigital and mobile responsiveness. The eSolver continued to be distributed online, along with announcements, event promotions and reminders and course promotions.

CI Arb's LinkedIn page was boosted by over 12,300 new followers for a total of 22,500 at the end of 2019, an increase of 120% year on year. Facebook followers rose 20% to 6,483 and Twitter followers by 17% to 7,000. Our Twitter account received monthly an average of 38,000 impressions and 1,500 profile visits.

The CI Arb official Instagram account was set up in February 2019 and reached by the end of the year almost 700 followers, with compelling captions of events and ads for growing and engaging the younger audience.

Our YouTube channel had over 1,200 views per month in 2019, with an average view of 3:20 minutes.

Additional improvements were made to the website in order to assist with search engine optimisation (SEO). This, alongside the implementation, management and development of the Google Search Console improves the CI Arb website's overall positioning and accuracy related to searches on the Google platform.



PR and Brand Awareness

In 2019 we developed three overarching themes, which will build our brand profile and online visibility:

- Green Campaign – minimising our carbon footprint, generate greater environmental awareness of our operations by encouraging all our members to be more eco-conscious in their practices and become greener. The first major step was the tender process for going fully digital with both our publications.
- Diversity and Inclusion Campaign – focussing on women in Law and more specifically in the ADR community including a #CIArbWomeninADR social media campaign
- Dispute Avoidance and Management Campaign – raising awareness of the benefits of avoiding disputes, cooperating with SMEs, and the creation of projects built around a dispute avoidance and resolution process.



The facilitation of ADR

195 appointment cases were handled by DAS over the course of 2019, comprising 98 arbitration cases, 93 adjudication cases, and 4 mediation cases. Of these, 8 arbitration cases and 1 adjudication case did not proceed to an appointment, bringing the total number of appointments over the year to 186. The number of cases brought under the Pubs Code Adjudicator process was notably healthy at 59. Whilst there was some take-up of the Business Arbitration Scheme, there were only 5 appointments so there may be scope to promote this scheme more widely.

The provision of education, training and qualifications

Non-Membership Courses and Campaigns

In accordance with second pillar of strategy CIArb reshaped its current non-membership courses, including diversifying content beyond dispute resolution into dispute avoidance and widening delivery methods beyond face-to-face training.

The Expert Witness training course, held in London in Autumn 2019, was adapted to focus just on the construction sector. In 2020 this will

be further adapted on a sector basis, including specific courses for the IT and energy sectors.

eModule development took place with modules designed for 'Brand Protection Training' and 'Contract Law For Non-Lawyers'. CIArb's first audiobook was developed with the title 'Resolving Disputes Today'.

In April 2019 CIArb launched 'BespokeADR', a programme to develop customised training solutions for companies and other partners. This will generate income in 2020 through a licensing model.

Membership Courses

CIArb's 'New Pathways' framework roll out continued with transitioning at a branch level. Branches are now beginning to train under the new framework and assessments will soon be carried out under a centralised system.

Demand for CIArb's pathway and accelerated route courses remained buoyant, with 3,121 students undertaking training in 2019 including 1,163 at Headquarters. In addition, a new 9-day Diploma in International Maritime Arbitration was developed which is due to run in 2020.



Partnership and Delivery

A new partnership framework has been developed with 4 tiers – collaborative partner, accredited partner, product partner and strategic partner. Under this framework, agreements have been made with the HKA Consultancy in South Africa, Middlesex University Dubai and the Saudi Centre for Commercial Arbitration (SCCA) to deliver various courses. The SCCA agreements resulted in 139 candidates being trained in 2019 of which 15 have since gone on to membership.

Asia Pacific Office

The APAC Office has now built considerable relationships in the region which are paying off with an impressive rise in training and membership figures. The visibility at regional events and meeting with governments, judiciary and other influential bodies in ADR has contributed to this. The office deals with all aspects of CI Arb; membership & communications, education, branch matters, strategy and policy work.

Notable highlights and successes from 2019 include:

- The APAC Regional Conference held in Singapore in April, which was well received with over 200 registrations and good feedback.

The CI Arb President attended this and the IPBA and went on to give a talk to members in HK.

- Supported and took a booth at IPBA 2019 (Singapore, April), Vis East Moot (Hong Kong, March) and participated in HK Arbitration week.
- Successfully took over as Secretariat for the Singapore Branch and took a record number of training participants (nearly 200) over the year. The Office assisted the APAC branches in their planning for 2020.
- Completed training for the AFL in APAC in the new pathways courses.
- Delivered the 2019 APAC Diploma in Singapore to 41 candidates. There was excellent feedback from candidates.
- Built relationships (with a view for future partnerships) with the Shanghai Bar Association (and Shanghai University of Politics & Law) in Shanghai, FICCI in India, MIAC in Maldives BIAMC in Bali and VIAC in Vietnam.
- Continued the outreach programme to train arbitrators outside main branch areas in developing arbitration jurisdictions and held Introduction courses in Vietnam,

Myanmar, Indonesia, Philippines and the Maldives.

Equality and Inclusion

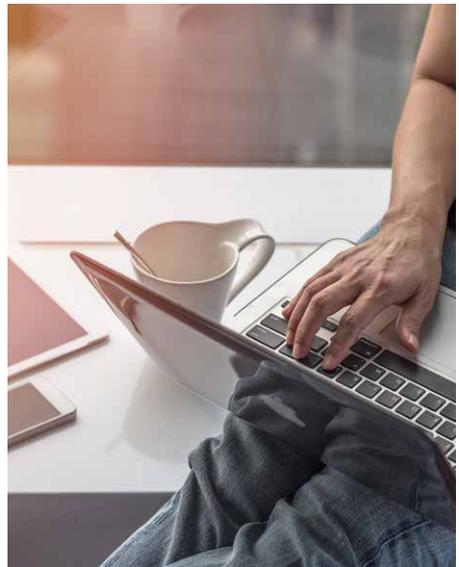
CI Arb is committed to promoting equality and diversity in all its activities to promote inclusive processes, practices and culture. We will strive to work to eliminate any unlawful or unfair discrimination including direct or indirect discrimination, discrimination by association, discrimination linked to a perceived characteristic, harassment and victimisation. We will remain proactive in taking steps to ensure inclusion and engagement for our members and for all the people who work for and with us. We will continue to strive towards a culture that is diverse and inclusive that recognises and develops the potential of all our members and our staff. We recognise the business benefits and opportunities of having a diverse community of members and staff who value one another and everyone's contribution.

Post balance sheet events

The beginning of 2020 across the world has been overshadowed by the unprecedented COVID-19 pandemic. CI Arb has taken steps to protect the health and wellbeing of its staff and volunteers, and work within the parameters set down by

the response to the outbreak of various Governments globally. The outbreak has significantly impacted the operations of CI Arb.

CI Arb's staff have been working from home since Government advice was issued to do so, and course delivery is now taking place online. In addition, the Trustees and the Executive have taken other measures to mitigate the impact. Staff working in for the room hire business have been furloughed in accordance with the UK Government's scheme and financial plans and forecasts have been adjusted, to maintain delivery of the 2020 plan in response to the crisis. CI Arb is well placed to operate throughout the affected period with available resources and performance.





Financial Review

Basis of Financial Statements

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published on 16 July 2014.

Review of transactions and financial position of CI Arb

The consolidated net assets of CI Arb increased by £563,797 to £8,233,604. The Central operations surplus includes an increase in the investment portfolio of £216,792 and trading profits from CI Arb wholly owned subsidiaries 12 Bloomsbury Square Ltd of £149,715, Arbitration Services Ltd a loss of £2,006 and a City Disputes Panel Ltd trading loss of £nil. The deficit from the branch operations includes a net translation loss of £71,375 relating to the net assets of international branches.

The Group's principal sources of funding are membership subscriptions followed by the provision of education and training. These funds are used to support the achievement of CI Arb's overall objectives. In 2019 membership subscriptions increased 4% (2018: 6% increase) to £4,128,987 while the number of members increased by 308 (2018: 120) to 15,595. Revenue from Education and Training activities remained almost unchanged on the previous year (2018: 5% increase) at £2,082,902.

Scheme administration is presented in the SOFA under 'Appointment and scheme administration fees' which also includes Presidential Appointments operated by CI Arb's Dispute Appointment Service ("DAS") and the schemes operated by certain branches. Fees from all such sources totalled £104,601 (2018: £66,126) and is made up of Headquarters £66,495 (2018: £39,281) and branches £38,106 (2018: £26,845). Total costs for this area of operations are £398,680 (2018: £268,290).

Revenue from the room hire company, 12 Bloomsbury Square Ltd, showed an increase of 12% (2018: 10% decrease) on 2018 levels to £755,729. This figure does not include the rooms hired to the parent charity for Education and Training and Governance meetings

which were valued at £108,371 (2018: £95,260).

City Disputes Panel Ltd (“CDP”) had no net movements in 2019 and is now dormant. The balance sheet for CDP shows a deficit of £95,300 and is considered by the Trustees to be in material deficit. The balance relates

entirely to a loan from CI Arb which has been fully provided for.

The consolidated surplus for the year after realised and unrealised investment losses and net translation losses, together with the accumulated balance at 31 December 2019 are as shown below:

	Consolidated surplus Year to 31 December 2019 £	Accumulated funds Year to 31 December 2018 £
Restricted funds		
Kenyan Development Funds	183,341	127,777
General funds	8,050,263	7,542,030
	<u>8,233,604</u>	<u>7,669,807</u>

The restricted funds in the Kenya branch are set aside to fund the purchase of property for the branch office.

In the consolidated Balance Sheet, tangible and intangible fixed assets decreased in the year from £6,480,296 to £6,460,703. The decrease was related to depreciation and amortisation, with an amount of additional purchases, mostly within Fixtures and Fittings and Software.

CI Arb’s investments are managed by Newton Investment Management. The investment takes the form of dividend-paying shares in the Newton Growth and Income Fund for Charities. The fund is actively managed to a benchmark which is 50% FTSE All-

share Index, 25% FTSE World (ex-UK) 20% FTSE Government All Stocks Index and 5% Cash. The market value of investments increased by 16% to £1,607,779 from £1,390,987. The performance of the investments is closely monitored to ensure returns are commensurate for the risk and the management fee – currently 0.6% – is good value for money.

Reserves policy

CI Arb’s Board of Trustees has set a reserves policy to balance the provision of sufficient liquid reserves to deal with an emergency situation without tying up CI Arb funds unnecessarily. The reserves policy is as follows:

(a) Liquid Reserves

The level of liquid reserves should be approximately three months' worth of regular expenditure, which for 2020 is budgeted as £1,631,000.

(b) Overall Reserves

The level of overall reserves should be approximately nine months' worth of regular expenditure, which for 2020 is budgeted as £4,893,000.

Liquid Reserves are made up of the investment portfolio which stood at £1,607,779 at the year end and central cash balances of £503,146 for a total of £2,110,925.

Overall Reserves are the total of the net assets excluding those of the branches (so the net assets held by head office plus the UK trading subsidiaries). These total £5,731,805.

Regular expenditure consists of the normal day to day expenditure of CI Arb and its operating subsidiaries. It excludes exceptional items such as costs relating to tribunals, international conferences and other matters which do not recur annually.

The current level of overall reserves complies with this policy. The level of Liquid Reserves including cash in hand

at the year-end was compliant with the policy.

At times in the year when the cash balances at the London Headquarters (HQ) are low, an overdraft facility is arranged with HSBC such that the London HQ has access to liquid resources (the investment portfolio + £300,000 overdraft facility) of at least three months' worth of London HQ expenditure without having to affect the cash reserves held by the overseas branches.

Plans for Future Periods

The Board of Trustees is responsible for setting the strategy of CI Arb to achieve its Charter object "to promote and facilitate worldwide the determination of disputes by arbitration and alternative means of private dispute resolution other than resolution by the court (collectively called 'private dispute resolution')". In 2020 we will do this, drawing on the market research undertaken, by explaining the benefits of ADR to potential users; corporates, small businesses, institutions and individuals. We will develop learning materials and deliver training for non-ADR users and practitioners with an interest in avoiding and resolving disputes. We will publish and disseminate thought leadership articles to influence policy

and educate dispute resolvers and the wider community to the benefits of ADR.

Assets and Obligations

The net assets of CI Arb are available and adequate to fulfil the obligations of CI Arb

Fundraising Disclosure

CI Arb does not undertake any fundraising. All fundraising income is generated by ASL and stems from professional firms sponsoring CI Arb events.

Funds held as Custodian

CI Arb holds funds from time to time on behalf of arbitrators and others as security for their fees and costs.

These funds originate from the parties involved in the arbitration and are kept by CI Arb in a separate bank account and are not mixed with its own funds.

Re-appointment of the Auditor

A resolution proposing the re-appointment of RSM UK Audit LLP as auditor to CI Arb will be put to the Trustees.

Signed on behalf of the Trustees:



Jonathan Wood
(Trustee)



Anthony Marks
(Trustee)





Independent Auditor's
Report to the Trustees
of the Chartered Institute
of Arbitrators

Independent Auditor's Report to the Trustees of the Chartered Institute of Arbitrators

Opinion

We have audited the financial statements of The Chartered Institute of Arbitrators (the 'charity') and its subsidiaries (the 'group') for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Undertaking Balance Sheets, the Consolidated and Parent Undertaking Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charity's affairs as at 31 December 2019 and of the group's 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.

Basis for opinion

We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Independent Auditor's Report to the Trustees of the Chartered Institute of Arbitrators
(continued)

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or

Independent Auditor's Report to the Trustees of the Chartered Institute of Arbitrators
(continued)

- sufficient accounting records have not been kept by the parent charity; or
- the parent charity 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 9 to 10, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error:

In preparing the financial statements, the Trustees are responsible for assessing the group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless the trustees either intend to liquidate the group or parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Independent Auditor's Report to the Trustees of the Chartered Institute of Arbitrators
(continued)

Use of this report

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

Date: 16 July 2020

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006





Consolidated Accounts
for the year ended
31 December 2019



Consolidated Statement of Financial Activities

For the year ended 31 December 2019

	Note	Funds 2019	Funds 2018
		£	£
Income from:			
Charitable Activities:			
Membership related income	3	4,950,545	4,662,152
Education and training activities		2,082,902	2,039,140
Appointment and scheme administration fees	3	104,601	66,126
Other trading activities:			
Room Hire income		682,996	662,202
Income from fundraising events		1,750	4,500
Investments	4	76,850	78,024
Total income		7,899,644	7,512,144
Expenditure on:			
Raising funds:			
Room hire expenses	5	(748,147)	(682,435)
Charitable activities:			
Membership activities	5	(3,539,643)	(3,179,655)
Education and training	5	(2,742,794)	(3,107,793)
Scheme administration and other activities	5	(398,680)	(268,290)
		(6,681,117)	(6,555,738)
Other:			
Disengagement of India branch	20	(52,000)	-
Total expenditure		(7,481,264)	(7,238,173)
Net gains / (losses) on investments	10(a)	216,792	(59,966)
Net income		635,172	214,005
Other recognised gains and losses:			
Net translation (losses) / gains relating to net assets of international branches		(71,375)	104,389
Net movement in funds		563,797	318,394
Reconciliation of fund balances			
Fund balances brought forward at 1 January		7,669,807	7,351,413
Fund balances carried forward at 31 December		8,233,604	7,669,807

None of the Group's activities were acquired or discontinued during the above two financial years. Included in the above is restricted income of £55,564 (2018: £0) and restricted expenditure of £0 (2018: £0) which has been included within unrestricted income above based on materiality. The separate disclosure of these restricted funds would not materially affect the Statement of Financial Activities and details are provided in Note 17.

Consolidated Balance Sheet

For the year ended 31 December 2019

	Note	2019		2018	
		£	£	£	£
Fixed Assets					
Tangible Assets	9(a)	6,233,918		6,279,326	
Intangible Assets	9(b)	226,785		200,970	
Investments	10	1,607,779		1,390,987	
		<u>8,068,482</u>		<u>7,871,283</u>	
Total fixed assets					
Current Assets					
Stocks	11	6,692		-	
Debtors	12	618,817		671,295	
Cash at bank and in hand		3,347,806		3,316,023	
		<u>3,973,315</u>		<u>3,987,318</u>	
Liabilities: Amounts falling due within one year	13	<u>(2,363,835)</u>		<u>(2,461,182)</u>	
Net Current Assets			1,609,480		1,526,136
			<u>9,677,962</u>		<u>9,397,419</u>
Total Assets less Current Liabilities					
Liabilities: Amounts falling due after more than one year	14		(1,444,358)		(1,727,612)
			<u>8,233,604</u>		<u>7,669,807</u>
Net assets	15				
Net assets represented by:					
Restricted Funds:					
Kenyan Development Fund	17		183,341		127,777
Unrestricted Funds:					
General fund	17		8,050,263		7,542,030
			<u>8,233,604</u>		<u>7,669,807</u>
Fund balances carried forward at 31 December 2019					

Approved by the Board of Trustees and authorised for issue on 29 June 2020 and signed on its behalf by:



Jonathan Wood
(Trustee)



Catherine Dixon
(Director General)

Parent Undertaking Balance Sheet

For the year ended 31 December 2019

	Note	2019	2018
		£	£
Fixed Assets			
Tangible Assets	9(a)	6,233,918	6,279,326
Intangible Assets	9(b)	226,785	200,970
Investments:			
Managed	10	1,607,779	1,390,987
Subsidiaries	10	3,100	3,100
Total investments		1,610,879	1,394,087
Total fixed assets		8,071,582	7,874,383
Current Assets			
Stocks	11	6,692	-
Debtors	12	528,295	668,107
Cash at bank and in hand		2,401,487	2,546,498
		2,936,474	3,214,605
Liabilities: Amounts falling due within one year	13	(2,114,478)	(2,365,917)
Net Current Assets		821,966	848,688
Total Assets Less Current Liabilities		8,893,578	8,723,071
Liabilities: Amounts falling due after more than one year	14	(1,444,358)	(1,727,612)
Net assets	16	7,449,220	6,995,459
Net assets represented by:			
Restricted Funds:			
Kenyan Development Fund	17	183,341	127,777
Unrestricted Funds:			
General fund	17	7,265,879	6,867,682

Approved by the Board of Trustees and authorised for issue on 29 June 2020 and signed on its behalf by:



Jonathan Wood
(Trustee)



Catherine Dixon
(Director General)

Consolidated Cash Flow Statement

For the year ended 31 December 2019

	2019		2018	
	£	£	£	£
Cash flows from operating activities				
Net income for the financial year	635,173		214,005	
Adjustments for:				
Depreciation and amortisation	153,822		117,548	
Loss on disposal of fixed assets	-		-	
Gains / (losses) on investments	(216,792)		59,966	
Dividends receivable	(44,497)		(40,784)	
Interest receivable	(32,353)		(37,240)	
Interest payable	67,672		76,335	
Decrease in stocks	(6,692)		7,999	
Increase in debtors	52,479		(39,945)	
(Decrease) / increase in creditors	(24,952)		413,856	
	<hr/>		<hr/>	
Cash from operations	583,860		771,740	
Interest paid	(67,672)		(76,335)	
	<hr/>		<hr/>	
Net cash generated from operating activities		516,188		695,405
Cash flows from investing activities				
Payments to acquire fixed assets	(134,913)		(236,224)	
Dividends received	44,497		40,784	
Interest received	32,353		37,240	
	<hr/>		<hr/>	
Net cash (utilised by) / generated from investing activities		(58,063)		(158,200)
Cash flows from financing activities				
Repayment of long term loans	(339,462)		(338,608)	
Repayment of hire purchase	(16,187)		(16,007)	
	<hr/>		<hr/>	
Net cash utilised by financing activities		(355,649)		(354,615)
Change in cash and cash equivalents in the reporting period		102,476		182,590
Cash and cash equivalents at the beginning of the reporting period		3,316,023		3,030,188
Change in cash and cash equivalents due to exchange rate movements		(70,693)		103,245
		<hr/>		<hr/>
Cash and cash equivalents at the end of the reporting period		3,347,806		3,316,023
		<hr/>		<hr/>
Notes to the cash flow statement				
Components of cash				
Cash at bank and in hand		3,347,806		3,316,023
		<hr/>		<hr/>

Parent Undertaking Cash Flow Statement

For the year ended 31 December 2019

	2019		2018	
	£	£	£	£
Cash flows from operating activities				
Net income for the financial year	521,310		136,519	
Adjustments for:				
Depreciation and amortisation	153,822		117,548	
Loss on disposal of fixed assets	-		-	
(Gains) / losses on investments	(216,792)		59,966	
Dividends receivable	(44,497)		(40,784)	
Interest receivable	(30,704)		(33,990)	
Interest payable	67,672		76,335	
Decrease in stocks	(6,692)		7,999	
Decrease in debtors	139,812		8,432	
(Decrease) / increase in creditors	(179,044)		415,352	
	<hr/>		<hr/>	
Cash from operations	404,887		747,377	
Interest paid	(67,672)		(76,335)	
	<hr/>		<hr/>	
Net cash generated from operating activities		337,215		671,042
Cash flows from investing activities				
Payments to acquire fixed assets	(134,913)		(236,224)	
Sale of investments	-		-	
Dividends received	44,497		40,786	
Interest received	30,704		33,989	
	<hr/>		<hr/>	
Net cash (utilised by) / generated from investing activities		(59,712)		(161,449)
Cash flows from financing activities				
Repayment of long term loans	(339,462)		(338,608)	
Repayment of hire purchase	(16,187)		(16,007)	
	<hr/>		<hr/>	
Net cash utilised by financing activities		(355,649)		(354,615)
Change in cash and cash equivalents in the reporting period		(78,146)		154,978
Cash and cash equivalents at the beginning of the reporting period		2,546,498		2,307,156
Change in cash and cash equivalents due to exchange rate movements		(66,863)		84,364
		<hr/>		<hr/>
Cash and cash equivalents at the end of the reporting period		2,401,489		2,546,498
		<hr/>		<hr/>
Notes to the cash flow statement				
Components of cash				
Cash at bank and in hand		2,401,489		2,546,498
		<hr/>		<hr/>



Notes to the Accounts

For the year ended 31 December 2019

1. General information

The Chartered Institute of Arbitrators ("CI Arb") is a charity registered in England and Wales, registration number 803725. It was formed in 1915, incorporated on 8th April 1923, and granted a Royal Charter on 6th February 1979. It became a charitable body on 19th July 1990. A new Royal Charter and Bye-laws were approved by members at an Extraordinary General Meeting on 28th October 2004 and became fully effective on 28th February 2005.

The charity is a public benefit entity and its principal activities are set out in the Trustees' Annual Report.

The Registered Office is: 12 Bloomsbury Square, London, WC1A 2LP.

2. Accounting Policies

(a) Basis of Accounting

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable

in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice. Accounting policies have been consistently applied except where noted below. The financial statements are prepared in pounds sterling and rounded to the nearest £.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

(b) Consolidation

The consolidated accounts incorporate the accounts of CI Arb and its subsidiaries made up to 31 December

Notes to the Accounts (continued) – For the year ended 31 December 2019

2019. The result is consolidated on a line-by-line basis.

A separate Statement of Financial Activities is not presented for CI Arb itself. For the year ended 31 December 2019 the income of CI Arb was £7,019,548 (2018: £6,666,766), expenditure was £6,715,031 (2018: £6,470,281), its gains on investment assets were £216,792 (2018: losses of £59,966), its translation losses were £67,548 (2018: gains of £85,509) and its net movement in funds was a surplus of £453,761 (2018: surplus of £222,026).

(c) Going concern

The accounts are prepared on a going concern basis.

Whilst the COVID-19 pandemic continues to evolve and its full impact on CI Arb and its branches cannot at present be fully estimated, stress testing of CI Arb's operations and financial forecasts over eighteen months has been carried out. This stress testing has satisfied the Trustees that CI Arb is able to deal with the impact of the pandemic, by means of a combination of mitigation strategies and the utilisation, if necessary, of its financial reserves.

(d) Tangible Fixed Assets and Depreciation

Tangible fixed assets costing more than £1,000 are capitalised at cost.

Depreciation commences when an asset is brought into use and is calculated to write off the cost, less estimated residual values, of tangible fixed assets over their estimated useful lives. The annual depreciation rates and methods are as follows:

Freehold Land	Nil
Improvements to Leasehold Premises	Over the remaining period of the lease
Furniture and Fittings	10% per annum on cost
Computer and Electronic Equipment	33 1/3% per annum on cost

(e) Freehold Buildings

Freehold buildings are depreciated to the extent that the residual value is lower than the net book value, and valuations are obtained to support this.

(f) Intangible Fixed Assets and Amortisation

Intangible fixed assets costing more than £1,000 are capitalised at cost. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Amortisation commences when the asset is brought into use and is calculated to write off the cost, less estimated residual values, of intangible fixed assets over their estimated useful lives. The annual amortisation rates and methods are as follows:

Computer software	20% per annum on cost
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(g) Stock and Goods for Resale

Stock and Goods for Resale are included at the lower of cost and net realisable value.

(h) Leases

An asset and corresponding liability are recognised for leasing agreements that transfer to CIArb substantially all of the risks and rewards incidental to ownership (“finance leases”). The amount capitalised is the fair value of the leased asset or, if lower, the

present value of the minimum lease payments payable during the lease term, both determined at inception of the lease. Lease payments are treated as consisting of capital and interest elements. Any interest is charged to the Statement of Financial Activities so as to produce a constant periodic rate of interest on the remaining balance of the liability.

All other leases are operating leases and the annual rentals are charged to the Statement of Financial Activities on a straight line basis over the lease term.

(i) Branches

The activities and funds of branches established by CIArb and governed by the Branch Model Rules, but not incorporated locally are regarded as those of CIArb itself and are included by means of aggregation in the Accounts. Locally incorporated branches are treated as subsidiaries as described in note 2(m).

(j) Foreign Currency Funds and Transactions

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All

Notes to the Accounts (continued) – For the year ended 31 December 2019

differences are taken to the Statement of Financial Activities.

Assets, liabilities, and results of overseas branches are translated at the rate ruling at the balance sheet date. Exchange differences arising are recognised as other recognised gains and losses.

(k) Subscriptions, Fees and Services

Subscriptions, fees and services are included in the financial statements on the basis of amounts receivable in respect of the accounting period.

(l) Recognition of Income

Membership subscription income for the current year is recognised when received. Subscription income received in advance relating to subsequent years is deferred. Advances of subscriptions received at the time of application for membership but prior to admittance are recorded as deferred income at the year end and recognised as income in the period when the applicant is admitted as a member.

Income from administered dispute resolution schemes for case work is normally recognised either in

accordance with relevant scheme contractual specifications or on conclusion of the case, that is, when a decision is made by the appointed dispute resolver or an outcome is agreed between the parties. Income from fees paid as retainers and similar arrangements is recognised on an accruals basis.

Education and training income relating to courses is recognised when the course has started. Room hire, event admission and all other income is recognised when the activity has taken place.

(m) Investments

Investments are included in the Balance Sheet at fair value at the Balance Sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

(n) Investments in Subsidiary Undertakings

Investment in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses or impairment

Notes to the Accounts (continued) – For the year ended 31 December 2019

reversals are recognised immediately in the Statement of Financial Activities. The net asset values of the operating subsidiaries are disclosed in notes 10 (for UK subsidiaries) and 20(b) (for incorporated international branches).

Incorporated branches are treated as subsidiaries and the results of these are included within the consolidated results but not those of the parent undertaking. The results of other branches are included in both the parent undertaking and consolidated results.

(o) Impairments

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

(p) Investments in Associated Undertakings

Investment in associated undertakings is stated at cost less any impairment if events or changes in circumstances indicate that the carrying amount may not be fully recoverable or as otherwise required by relevant accounting standards. CI Arb has

made no investment in the associated undertaking during the year and the value of its investment at the year-end is £nil.

(q) Allocation of Costs

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs that are directly attributable are allocated on a departmental basis and support costs added. Head Office staff costs are apportioned to departments on an actual basis and accommodation costs according to assessed work area. Other Head Office costs, including Governance costs, are apportioned to departments on a reasonable basis. Please see note 5.

(r) Pensions

CI Arb operates a Defined Contribution Pension Scheme. Pension contributions are charged to the Statement of Financial Activities as incurred. These contributions are invested separately from CI Arb assets.

(s) Financial Instruments

The Group has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102, in full, to all of its financial instruments. All of its Financial Instruments are classified as “basic”.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price.

Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of debtors is established when there is

objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Financial Activities for the excess of the carrying value of the debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Statement of Financial Activities.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of CI Arb after deducting all of its liabilities.

Other creditors

Other creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in administration costs and reallocated across charitable activities.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(t) Critical accounting estimates and areas of judgement

Estimates and judgements are

continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no estimates and assumptions that are considered to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(u) Charitable Status

CI Arb is registered as a charity, registration number 803725, and in consequence it is exempt from taxation on income arising from and expended on its charitable activities.





Notes to the Accounts (continued) – For the year ended 31 December 2019

3. Income from charitable activities

	2019	2018
	£	£
Membership subscriptions and other income:		
Membership subscriptions	4,128,987	3,954,283
Events	319,720	69,317
Entry fees	117,548	106,119
Sundry Branch and other Income	384,290	532,433
	<hr/> 4,950,545	<hr/> 4,662,152
Appointment and scheme administration fees include:		
Administration and sundry fees	38,106	26,845
Presidential Appointments	66,495	39,281
	<hr/> 104,601	<hr/> 66,126

4. Investment Income

	2019	2018
	£	£
Bank interest received	32,353	37,240
Investment interest received	44,497	40,784
	<hr/> 76,850	<hr/> 78,024



Notes to the Accounts (continued) – For the year ended 31 December 2019

5. Charitable activities

	Direct Costs £	2019 Support costs £	Total £	Direct Costs £	2018 Support costs £	Total £
Membership activities	2,094,225	1,445,418	3,539,643	2,077,397	1,102,258	3,179,655
Scheme administration and other expenses	209,478	189,202	398,680	145,444	122,846	268,290
Education and training expenses	1,236,922	1,505,872	2,742,794	1,548,629	1,559,164	3,107,793
Total charitable activities	3,540,625	3,140,492	6,681,117	3,771,470	2,784,268	6,555,738
Room hire expenses	255,747	492,400	748,147	299,891	382,544	682,435
Disengagement of India branch	-	52,000	52,000	-	-	-
	3,796,372	3,684,892	7,481,264	4,071,361	3,166,812	7,238,173

Support costs:

Year to 31 December 2019

	Staff-related costs £	Property costs £	Depreciation/ amortisation £	Governance £	Admin £	2019 Total £
Membership activities	752,003	94,024	13,203	127,319	458,869	1,445,418
Scheme administration and other expenses	30,181	3,774	530	39,791	114,926	189,202
Education and training expenses	748,231	93,552	13,136	183,028	467,925	1,505,872
Room hire expenses	301,028	51,914	26,869	12,706	99,883	492,400
Disengagement of India branch	-	-	-	52,000	-	52,000
Total	1,831,443	243,264	53,738	414,844	1,141,603	3,684,892

Year to 31 December 2018

	Staff-related costs £	Property costs £	Depreciation/ amortisation £	Governance £	Admin £	2018 Total £
Membership activities	441,956	70,967	10,081	199,446	379,808	1,102,258
Scheme administration and other expenses	8,068	1,295	184	34,913	78,386	122,846
Education and training expenses	719,361	115,511	16,408	241,669	466,215	1,559,164
Room hire expenses	201,739	57,259	26,674	4,336	92,536	382,544
Total	1,371,124	245,032	53,347	480,364	1,016,945	3,166,812

5. Charitable activities (continued)

Allocation of costs:

Staff costs are allocated to activities based on the actual cost, including on-costs, of the staff working in each activity. Accommodation costs and Depreciation are allocated on the basis of the area occupied by each activity and Miscellaneous costs on the basis of the numbers of staff employed in each activity. Support costs are allocated on a basis which reflects the use made by the activity of each support cost centre.

6. Audit fees

	2019 £	2018 £
Audit:		
2019 audit	24,350	30,930
Prior year overruns	19,250	13,000
	<hr/> 43,600	<hr/> 43,930
Taxation services	18,250	11,788
Other services	1,087	-
	<hr/> 62,937	<hr/> 55,718

7. Staff costs

	2019 £	2018 £
Wages and salaries	2,326,206	1,990,516
Employer's national insurance	205,656	211,348
Pension costs	178,560	124,997
Other staff costs	37,538	46,702
	<hr/> 2,747,960	<hr/> 2,373,563
Total		

Included within the above is £194,883 (2018: £162,203) of costs including employer's national insurance in respect of key management personnel and £52,011 (2018: £10,821) in termination benefits. The Director General is the only member of key management personnel.

Notes to the Accounts (continued) – For the year ended 31 December 2019

7. Staff costs (continued)

The average number of employees by category during the year was:

	2019	2018
	No.	No.
Membership activities	26	25
Scheme administration and other expenses	4	3
Education and training expenses	6	7
Room hire expenses	1	1
General	33	26
	—	—
Total number of employees	70	62
	—	—

The number of employees whose emoluments fell into the following bands in excess of £60,000 was:

	2019	2018
	No.	No.
£60,000 to £69,999 per annum	2	-
£70,000 to £79,999 per annum	1	1
£80,000 to £89,999 per annum	3	1
£90,000 to £99,999 per annum	-	3
£100,000 to £109,999 per annum	2	-
£110,000 to £119,999 per annum	2	-
£150,000 to £159,999 per annum	-	1
£190,000 to £199,999 per annum	1	-
	—	—
	11	6
	—	—

Pension payments in respect of these eleven employees (2018: six) in 2019 amounted to £78,224 (2018: £32,123).



8. Payments to Trustees

Members of the Board of Trustees receive no remuneration for their work as Trustees or for other work they may carry out for CI Arb. Trustees' expenses reimbursed during the year under review are as follows:

	2019 £	2018 £
Travel	40,885	52,103
Hotel Costs	12,447	7,338
	<u>53,332</u>	<u>59,441</u>
Number of Trustees reimbursed in year	<u>9</u>	<u>11</u>

9. a) Tangible Fixed Assets

Group and Parent undertaking

	Freehold land and buildings £	Improvements to leasehold premises £	Fixtures and fittings £	Computer and electronic equipment £	Total £
Cost					
As at 1 January 2019	5,981,481	8,575	729,030	346,616	7,065,702
Additions	-	-	65,061	2,457	67,518
Disposals	-	-	-	-	-
Foreign exchange	-	(293)	(2,536)	(673)	(3,502)
At 31 December 2019	<u>5,981,481</u>	<u>8,282</u>	<u>791,555</u>	<u>348,400</u>	<u>7,129,718</u>
Depreciation					
As at 1 January 2019	-	(8,575)	(530,465)	(247,333)	(786,373)
Charge for the year	-	-	(59,188)	(53,054)	(112,242)
Disposals	-	-	-	-	-
Foreign exchange	-	293	1,963	559	2,817
At 31 December 2019	<u>-</u>	<u>(8,282)</u>	<u>(587,690)</u>	<u>(299,828)</u>	<u>(895,800)</u>
At 31 December 2019	<u>5,981,481</u>	<u>-</u>	<u>203,865</u>	<u>48,572</u>	<u>6,233,918</u>
At 31 December 2018	<u>5,981,481</u>	<u>-</u>	<u>198,561</u>	<u>99,284</u>	<u>6,279,326</u>

9. a) Tangible Fixed Assets

Group and Parent undertaking (continued)

CI Arb acquired the freehold of 12 Bloomsbury Square on 30 January 2001 at a net cost of £4,248,126. It acquired the freehold of 14 Bloomsbury Square on 23 September 2011 at a net cost of £1,733,355. Depreciation of £nil is charged on listed Freehold Buildings as there is estimated to be no material difference between cost and residual value.

Included above are assets purchased under hire purchase arrangements with a net book value of £nil (2018: £16,097). Depreciation of £16,097 (2018: £16,097) was charged on these assets during the year.

9. (b) Intangible Fixed Assets

Group and Parent undertaking

	Software £	Total £
Cost		
As at 1 January 2019	207,900	207,900
Additions	67,395	67,395
Disposals	-	-
	<hr/>	<hr/>
At 31 December 2019	275,295	275,295
	<hr/>	<hr/>
Amortisation		
As at 1 January 2019	(6,930)	(6,930)
Charge for the year	(41,580)	(41,580)
Disposals	-	-
	<hr/>	<hr/>
At 31 December 2019	(48,510)	(48,510)
	<hr/>	<hr/>
At 31 December 2019	226,785	226,785
	<hr/>	<hr/>
At 31 December 2018	200,970	200,970
	<hr/>	<hr/>

10. Fixed Asset Investments

(a) Managed funds – Group and Parent Undertaking

	2019 £	2018 £
Cost		
At 1 January	1,078,519	1,078,519
Additions	-	-
Disposals	-	-
At 31 December	<u>1,078,519</u>	<u>1,078,519</u>
Fair Value		
At 1 January 2019	1,390,987	1,450,953
Disposals	-	-
Net investment (losses) / gains	- realised - unrealised	- -
	216,792	(59,966)
At 31 December 2019	<u>1,607,779</u>	<u>1,390,987</u>

The investments above are invested as follows:

	2019 £	2018 £
Newton Global Growth and Income Fund for charities	<u>1,607,779</u>	<u>1,390,987</u>

The value of these investments has reduced substantially following the year end as stock markets have felt the effect of the COVID-19 pandemic. Refer to note 25.

(b) Subsidiary Undertakings – Parent undertaking

CI Arb had thirteen 100% owned subsidiary companies at 31 December 2019 (2018: fourteen). This includes four subsidiaries incorporated in England and Wales and nine (2018: ten) incorporated international branches. Details of these branches are included in note 20. The four UK subsidiaries are:

Name	Co. Number	Principal activity
Arbitration Services Limited	01288642	Collecting sponsorship income for CI Arb events
The City Disputes Panel Limited	07121217	Dormant
12 Bloomsbury Square Limited	07057143	Provision of meeting rooms for hire
Independent Dispute Resolution Services Limited	05945475	Dormant

Notes to the Accounts (continued) – For the year ended 31 December 2019

10. Fixed Asset Investments (continued)

(b) Subsidiary Undertakings – Parent undertaking (continued)

The nine international subsidiaries are:

Name	Co. Number	Relationship
The Chartered Institute of Arbitrators (Australia) Limited	118131016	CI Arb is the Special Member with sole voting rights to amend the constitution or wind up the branch.
Chartered Institute of Arbitrators Bahamas Branch		CI Arb is the Special Member with sole voting rights to amend the constitution or wind up the branch.
Chartered Institute of Arbitrators (Canada Branch) Incorporated	1018216-8	CI Arb is the Special Member with sole voting rights to amend the constitution or wind up the branch.
Chartered Institute of Arbitrators (Caribbean Branch) Incorporated	208/2014	Assets and monies held by the branch remain under beneficial ownership of CI Arb under branch by-laws
International Group of Arbitrators Berhad	1207883-A	CI Arb is the Special Member with sole voting rights to amend the constitution or wind up the branch.
The Chartered Institute of Arbitrators (New York Branch), Inc.	5508705	CI Arb is the Special Member with sole voting rights to amend the constitution or wind up the branch.
The Chartered Institute of Arbitrators (North America Branch), Inc.	5036735	CI Arb is the Special Member with sole voting rights to amend the constitution or wind up the branch.
The Chartered Institute of Arbitrators (Qatar & QFC LLC), Inc.	00451	To operate in the Qatar Financial Centre (QFC) it was necessary to establish a limited liability vehicle (the entity governed by the Articles of Association). CI Arb (the Royal Charter body) is the sole member of this company. For the rest of Qatar, the Branch is governed by the Branch Rules which are an approved variation of the Branch Model Rules.
The Chartered Institute of Arbitrators (Singapore) Limited	201001118N	CI Arb is the Special Member with sole voting rights to amend the constitution or wind up the branch.

Notes to the Accounts (continued) – For the year ended 31 December 2019

10. Fixed Asset Investments (continued)

(b) Subsidiary Undertakings – Parent undertaking (continued)

Financial information for the year ended 31 December 2019	12 Bloomsbury Square Limited*	Arbitration Services Limited*	City Disputes Panel Limited	Independent Dispute Resolution Services Limited
	£	£	£	£
Share capital	1,000	1,000	100	1,000
Turnover	864,100	1,750	-	-
Total expenses	943,412	3,756	-	-
Profit / (loss) for the year	149,715	(2,006)	-	-
Net assets / (liabilities)	17,741	(1,006)	(95,300)	1,000

Financial information for the year ended 31 December 2018	12 Bloomsbury Square Limited*	Arbitration Services Limited*	City Disputes Panel Limited	Independent Dispute Resolution Services Limited
	£	£	£	£
Share capital	1,000	1,000	100	1,000
Turnover	757,462	4,500	-	-
Total expenses	661,407	2,681	1,168	-
Profit for the year	96,055	1,819	(1,168)	-
Net assets / (liabilities)	97,055	2,819	(95,300)	1,000

*Arbitration Services Limited declared gift aid of £1,819 (2018: £nil) and 12 Bloomsbury Square Limited declared gift aid of £132,972 (2018: £nil) to CI Arb during the year. The current year's figure includes gift aid for both 2018 and 2019, as during 2019 a Deed of Covenant was signed, to account for distributable profits in the year in which they were accrued.

Financial information related to the international subsidiaries is disclosed in note 19(c).

10. Fixed Asset Investments (continued)

(c) Investment in Joint Venture – Group

In 2012, the Irish Branch of CI Arb invested in a 50:50 joint venture with the Bar Council of Ireland, the Dublin Dispute Resolution Centre Ltd (“DDRC”). The purpose of the centre was to promote and provide dispute resolution services in Ireland. Dublin Dispute Resolution Centre Ltd had an authorised share capital of €1,000 divided into 1,000 ordinary shares of €1.00 each. The Irish Branch and Law Library Properties Ltd (the Irish Bar Council) owned 500 shares each. This investment was written down to £nil in 2014 by CI Arb and disposed of on 31 July 2015. As part of the sale in 2015 CI Arb were repaid €33,420 in part settlement of outstanding loan balances, with provision for further repayments should DDRC reach certain turnover targets within six years following the disposal date. No such contingent amounts are included in these financial statements.

(d) Investment in Associated Undertaking – Group and Parent Undertaking

CI Arb together with Solicitors Family Law Association and Family Law Bar Association has set up a not for profit company, Institute of Family Law Arbitrators Limited (IFLA). The company is limited by guarantee and all three parties are equal members in the company. The purpose of IFLA is to promote the use of family arbitration as an alternative method of dispute resolution in family proceedings in England and Wales. IFLA is currently dormant and CI Arb has made no investment in it during the year (2018: £nil).

11. Stocks

	Group		Parent undertaking	
	2019	2018	2019	2018
	£	£	£	£
Stock and goods for resale	6,692	-	6,692	-
Stock recognised as an expense	-	7,999	-	7,999

Notes to the Accounts (continued) – For the year ended 31 December 2019

12. Debtors

	Group		Parent undertaking	
	2019 £	2018 £	2019 £	2018 £
Trade debtors	122,204	243,893	-	137,219
Other debtors	272,219	268,847	263,278	233,313
Stakeholder accounts	40,587	27,044	40,587	27,044
Amounts due from subsidiaries	-	-	10,297	107,680
Prepayments	112,851	24,447	108,740	12,338
Value Added Tax	14,211	55,968	67,074	106,036
Accrued income	56,745	51,096	38,319	44,477
	<u>618,817</u>	<u>671,295</u>	<u>528,295</u>	<u>668,107</u>

Financial assets included within the above are instruments held at amortised cost of Group £451,168 (2018: £563,836) and Parent Undertaking £301,597 (2018: £415,009).

13. Liabilities: Amounts falling due within one year

	Group		Parent undertaking	
	2019 £	2018 £	2019 £	2018 £
Bank loans	339,082	411,477	339,082	411,477
Deferred income	1,158,747	1,085,710	1,115,853	1,085,710
Other creditors	180,026	345,406	78,576	289,274
Hire purchase (note 20)	16,187	14,666	16,187	14,666
Taxation and social security	98,299	97,364	98,299	97,364
Stakeholder accounts	40,587	27,045	40,587	27,045
Accruals	530,907	479,514	425,894	440,381
	<u>2,363,835</u>	<u>2,461,182</u>	<u>2,114,478</u>	<u>2,365,917</u>

Financial liabilities included within the above are instruments held at amortised cost of Group £1,066,202 (2018: £1,251,063) and Parent Undertaking £859,739 (2018: £1,155,798).

13. Liabilities: Amounts falling due within one year (continued)

Deferred income

	Group		Parent undertaking	
	2019 £	2018 £	2019 £	2018 £
At 1 January	1,085,710	785,009	1,085,710	752,466
Income deferred	1,158,747	1,085,710	1,115,853	1,085,710
Amounts released	(1,085,710)	(785,009)	(1,085,710)	(752,466)
At 31 December	<u>1,158,747</u>	<u>1,085,710</u>	<u>1,115,853</u>	<u>1,085,710</u>

Membership income related to 2020 subscriptions received in 2019 and Education and Training income related to courses taking place in 2020 received in 2019 has been deferred. Advances of subscriptions received at the time of application for membership but prior to admittance are recorded as deferred income at the year end and recognised as income in the period when the applicant is admitted as a member.

The amount noted above includes Held Funds which at 31 December 2019 stand at £75,101.

14. Liabilities: Amounts falling due after one year

Group and Parent Undertaking

	Group		Parent undertaking	
	2019 £	2018 £	2019 £	2018 £
Bank loans	1,444,358	1,711,425	1,444,358	1,711,425
Hire purchase (note 20)	-	16,187	-	16,187
	<u>1,444,358</u>	<u>1,727,612</u>	<u>1,444,358</u>	<u>1,727,612</u>

Bank loans include two loans taken out in 2001 which were in connection with the purchase of 12 Bloomsbury Square, a 2013 loan to cover lease exit fees and two loans taken out in 2014 which were in connection with the purchase of 14 Bloomsbury Square. The loans are secured on the full value of the properties. The loans are basic financial liabilities and are set out in the table below.

14. Liabilities: Amounts falling due after one year (continued)

Group and Parent Undertaking

	Initial term	Rate	Original loan amount	Loan balance	
	Yrs		£	2019 £	2018 £
2001 fixed rate loan	20	Base + 1.25%	1,150,150	62,111	150,023
2001 variable rate loan	20	Base + 1.25%	1,150,150	74,732	148,721
2013 variable rate loan	10	Base + 3.25%	875,000	304,145	396,262
2014 fixed rate loan	17	3.81%	902,000	688,504	732,780
2014 variable rate loan	17	Base + 2.5%	902,000	677,088	723,856
				<u>1,806,580</u>	<u>2,151,642</u>
Less: Amounts falling due within one year				(339,082)	(411,477)
				<u>1,467,498</u>	<u>1,740,165</u>
Less: loan arrangement fee				(23,140)	(28,740)
				<u>1,444,358</u>	<u>1,711,425</u>



Notes to the Accounts (continued) – For the year ended 31 December 2019

15. Group Funds Summary

	General funds	2019 Total Unrestricted funds	Restricted funds	Total funds
	£	£	£	£
Group funds balance	8,050,263	8,050,263	183,341	8,233,604
Fund balances are represented by:				
Fixed assets	6,460,703	6,460,703	-	6,460,703
Fixed asset investments	1,607,779	1,607,779	-	1,607,779
Net current assets	1,426,139	1,426,139	183,341	1,609,480
Long term liabilities	(1,444,358)	(1,444,358)	-	(1,444,358)
Total net assets	8,050,263	8,050,263	183,341	8,233,604

	General funds	2018 Total Unrestricted funds	Restricted funds	Total funds
	£	£	£	£
Group funds balance	7,542,030	7,542,030	127,777	7,669,807
Fund balances are represented by:				
Fixed assets	6,480,296	6,480,296	-	6,480,296
Fixed asset investments	1,390,987	1,390,987	-	1,390,987
Net current assets	1,398,358	1,398,358	127,777	1,526,135
Long term liabilities	(1,727,612)	(1,727,612)	-	(1,727,612)
Total net assets	7,542,030	7,542,030	127,777	7,669,807

Reconciliation of unrealised gains on investment assets included above:

	2019 £	2018 £
Unrealised gains at 1 January	270,380	330,346
Gains realised during the year	-	-
Net (losses) / gains arising on revaluations in year	216,792	(59,966)
	<u>487,172</u>	<u>270,380</u>

Notes to the Accounts (continued) – For the year ended 31 December 2019

16. Parent Funds Summary

	General funds	2019 Total Unrestricted funds	Restricted funds	Total funds
	£	£	£	£
Parent funds balance	7,265,879	7,265,879	183,341	7,449,220
Fund balances are represented by:				
Fixed assets	6,460,703	6,460,703	-	6,460,703
Fixed asset investments	1,610,879	1,610,879	-	1,610,879
Net current assets	638,655	638,655	183,341	821,996
Long term liabilities	(1,444,358)	(1,444,358)	-	(1,444,358)
Total net assets	7,265,879	7,265,879	183,341	7,449,220

	General funds	2018 Total Unrestricted funds	Restricted funds	Total funds
	£	£	£	£
Parent funds balance	6,867,682	6,867,682	127,777	6,995,459
Fund balances are represented by:				
Fixed assets	6,480,296	6,480,296	-	6,480,296
Fixed asset investments	1,394,087	1,394,087	-	1,394,087
Net current assets	720,911	720,911	127,777	848,688
Long term liabilities	(1,727,612)	(1,727,612)	-	(1,727,612)
Total net assets	6,867,682	6,867,682	127,777	6,995,459

Reconciliation of unrealised gains on investment assets included above:

	2019 £	2018 £
Unrealised gains at 1 January	270,380	330,346
Gains realised during the year	-	-
Net (losses) / gains arising on revaluations in year	216,792	(59,966)
	487,172	270,380

Notes to the Accounts (continued) – For the year ended 31 December 2019

17. Fund movements

Group

	At 1 January 2019	Income	Expenditure	Transfers	Gains / (losses)	At 31 December 2019
	£	£	£	£	£	£
Unrestricted funds						
General funds:						
Headquarters	4,847,970	5,791,880	(5,297,922)	-	238,242	5,580,170
Branches	2,694,060	2,052,200	(2,183,342)	-	(92,825)	2,470,093
	<u>7,542,030</u>	<u>7,844,080</u>	<u>(7,481,264)</u>	<u>-</u>	<u>145,417</u>	<u>8,050,263</u>
Designated funds	-	-	-	-	-	-
Total unrestricted funds	7,542,030	7,844,080	(7,481,264)	-	145,417	8,050,263
Restricted funds						
Kenyan Development fund	127,777	55,564	-	-	-	183,341
Total funds	<u>7,669,807</u>	<u>7,899,644</u>	<u>(7,481,264)</u>	<u>-</u>	<u>145,417</u>	<u>8,233,604</u>
	At 1 January 2018	Income	Expenditure	Transfers	Gains / (losses)	At 31 December 2018
	£	£	£	£	£	£
Unrestricted funds						
General funds:						
Headquarters	4,782,987	5,236,779	(5,123,730)	-	(48,066)	4,847,970
Branches	2,440,649	2,275,365	(2,114,443)	-	92,489	2,694,060
	<u>7,223,636</u>	<u>7,512,144</u>	<u>(7,238,173)</u>	<u>-</u>	<u>44,423</u>	<u>7,542,030</u>
Designated funds	-	-	-	-	-	-
Total unrestricted funds	7,223,636	7,512,144	(7,238,173)	-	44,423	7,542,030
Restricted funds						
Kenyan Development fund	127,777	-	-	-	-	127,777
Total funds	<u>7,351,413</u>	<u>7,512,144</u>	<u>(7,238,173)</u>	<u>-</u>	<u>44,423</u>	<u>7,669,807</u>

Notes to the Accounts (continued) – For the year ended 31 December 2019

17. Fund movements (continued)

Parent Undertaking

	At 1 January 2019	Income	Expenditure	Transfers	Gains / (losses)	At 31 December 2019
	£	£	£	£	£	£
Unrestricted funds						
General funds:						
Headquarters	4,777,026	5,938,856	(5,355,261)	-	215,678	5,576,299
Branches	2,090,656	1,025,128	(1,359,770)	-	(66,434)	1,689,580
	<u>6,867,682</u>	<u>6,963,984</u>	<u>(6,715,031)</u>	<u>-</u>	<u>149,244</u>	<u>7,265,879</u>
Designated funds	-	-	-	-	-	-
Total unrestricted funds	6,867,682	6,963,984	(6,715,031)	-	149,244	7,265,879
Restricted funds						
Kenyan Development fund	127,777	55,564	-	-	-	183,341
Total funds	<u>6,995,459</u>	<u>7,019,548</u>	<u>(6,715,031)</u>	<u>-</u>	<u>149,244</u>	<u>7,449,220</u>
	At 1 January 2018	Income	Expenditure	Transfers	Gains / (losses)	At 31 December 2018
	£	£	£	£	£	£
Unrestricted funds						
General funds:						
Headquarters	4,798,081	5,069,008	(5,030,098)	-	(59,966)	4,777,026
Branches	1,847,575	1,597,758	(1,440,183)	-	85,509	2,090,656
	<u>6,645,656</u>	<u>6,666,766</u>	<u>(6,470,281)</u>	<u>-</u>	<u>25,543</u>	<u>6,867,682</u>
Designated funds	-	-	-	-	-	-
Total unrestricted funds	6,645,656	6,666,766	(6,470,281)	-	25,543	6,867,682
Restricted funds						
Kenyan Development fund	127,777	-	-	-	-	127,777
Total funds	<u>6,773,433</u>	<u>6,666,766</u>	<u>(6,470,281)</u>	<u>-</u>	<u>25,543</u>	<u>6,995,459</u>

Members of and donors to the Kenyan branch have been contributing to a development fund to acquire accommodation for branch activities. The equivalent of approximately £183,000 (2018: approximately £128,000) is ring-fenced for this purpose and is therefore shown as restricted funds in the accounts. Headquarters above relates to the UK Head Office and the UK subsidiaries as per note 10b. Branches includes the international subsidiaries.

Notes to the Accounts (continued) – For the year ended 31 December 2019

18. Reconciliation of movement in net debt

Group

	At 1 January 2019	Cash flows	Other non-cash changes	At 31 December 2019
	£	£	£	£
Cash and cash equivalents:				
Cash	3,316,023	102,475	(70,692)	3,347,806
	<hr/>	<hr/>	<hr/>	<hr/>
Borrowings:				
Debt due within one year	(411,477)	345,062	(272,667)	(339,082)
Debt due after more than one year	(1,740,165)		272,667	(1,467,498)
	<hr/>	<hr/>	<hr/>	<hr/>
	(2,151,642)	345,062	-	(1,806,580)
	<hr/>	<hr/>	<hr/>	<hr/>
Total	1,164,381	447,537	(70,692)	1,541,226
	<hr/>	<hr/>	<hr/>	<hr/>
	At 1 January 2018	Cash flows	Other non-cash changes	At 31 December 2018
	£	£	£	£
Cash and cash equivalents:				
Cash	3,030,188	182,590	103,245	3,316,023
	<hr/>	<hr/>	<hr/>	<hr/>
Borrowings:				
Debt due within one year	(328,910)	328,910	(411,477)	(411,477)
Debt due after more than one year	(2,161,340)	9,698	411,477	(1,740,165)
	<hr/>	<hr/>	<hr/>	<hr/>
	(2,490,250)	338,608	-	(2,151,642)
	<hr/>	<hr/>	<hr/>	<hr/>
Total	539,938	521,198	103,245	1,164,381
	<hr/>	<hr/>	<hr/>	<hr/>

Notes to the Accounts (continued) – For the year ended 31 December 2019

18. Reconciliation of movement in net debt (continued)

Company

	At 1 January 2019	Cash flows	Other non-cash changes	At 31 December 2019
	£	£	£	£
Cash and cash equivalents:				
Cash	2,546,498	(78,146)	(66,863)	2,401,489
	<u>2,546,498</u>	<u>(78,146)</u>	<u>(66,863)</u>	<u>2,401,489</u>
Borrowings:				
Debt due within one year	(411,477)	345,062	(272,667)	(339,082)
Debt due after more than one year	(1,740,165)		272,667	(1,467,498)
	<u>(2,151,642)</u>	<u>345,062</u>	<u>-</u>	<u>(1,806,580)</u>
Total	394,856	266,916	(66,863)	594,909
	<u>394,856</u>	<u>266,916</u>	<u>(66,863)</u>	<u>594,909</u>
	At 1 January 2018	Cash flows	Other non-cash changes	At 31 December 2018
	£	£	£	£
Cash and cash equivalents:				
Cash	2,307,156	154,978	84,364	2,546,498
	<u>2,307,156</u>	<u>154,978</u>	<u>84,364</u>	<u>2,546,498</u>
Borrowings:				
Debt due within one year	(328,910)	328,910	(411,477)	(411,477)
Debt due after more than one year	(2,161,340)	9,698	411,477	(1,740,165)
	<u>(2,490,250)</u>	<u>338,608</u>	<u>-</u>	<u>(2,151,642)</u>
Total	(183,094)	493,586	84,364	394,856
	<u>(183,094)</u>	<u>493,586</u>	<u>84,364</u>	<u>394,856</u>

19. Capital Commitments and Contingent Liabilities

As of 31 December 2019, CI Arb had capital commitments of £73,000 for intangible assets in relation to the CRM system and website development (2018: none).

There is a cross guarantee of £15,288 (2018: £50,068 in favour of HMRC) in favour of HM Revenue and Customs in respect of CI Arb's membership of the Chartered Institute of Arbitrators VAT group.

20. Branch Results

(a) England and Wales branches

	2019			2018		
	Grants from central funds	Income	Expenditure	Grants from central funds	Income	Expenditure
	£	£	£	£	£	£
East Anglia	-	5,456	(8,786)	4,712	2,156	(364)
East Midlands	-	450	(3,110)	2,000	-	(725)
London	591	1,959	(10,836)	13,448	1,613	(9,367)
North East	6,160	1,991	(2,564)	3,544	3,675	(8,255)
North West	1,641	10,824	(11,678)	3,856	7,421	(15,140)
South East	2,384	10	(1,955)	4,992	1,356	(3,709)
Southern	2,119	1,733	(4,630)	2,256	377	(3,227)
Thames Valley	-	4	(988)	2,864	87	(3,956)
Wales	-	-	-	1,408	-	-
Western Counties	157	88	(1,808)	2,960	-	(1,758)
West Midlands	4	204	(3,034)	2,800	(40)	(303)
	<u>13,056</u>	<u>22,719</u>	<u>(49,389)</u>	<u>44,840</u>	<u>16,645</u>	<u>(46,804)</u>



20. Branch Results (continued)

(b) Scotland and international branches

	2019		2018	
	Income £	Expenditure £	Income £	Expenditure £
Bahrain*	-	-	-	-
Bermuda*	-	-	11,124	(8,879)
Brazil	-	-	-	-
Channel Islands*	150	-	-	-
Cyprus	-	(1,007)	5,960	(1,374)
East Asia	108,770	(128,495)	284,672	(158,432)
Egypt	9,815	(9,567)	23,607	(15,977)
Europe	18,620	(27,719)	45,991	(20,600)
Ireland	55,661	(70,522)	81,720	(106,888)
Kenya	292,896	(271,417)	384,176	(394,622)
Lebanon*	-	-	-	-
Mauritius	7,720	(12,004)	26,071	(32,108)
Nigeria	336,808	(446,347)	359,887	(320,080)
Scotland	18,758	(53,432)	49,238	(46,468)
South Africa	1,070	(3,102)	6,797	(6,550)
Sri Lanka**	-	-	-	-
Thailand	4	(1,953)	4,037	(11,580)
UAE	136,789	(234,042)	180,289	(206,995)
Zambia	57,856	(50,775)	75,781	(62,826)
Zimbabwe*	-	-	-	-
	<u>1,044,917</u>	<u>(1,310,382)</u>	<u>1,539,350</u>	<u>(1,393,379)</u>



20. Branch Results (continued)

(c) Scotland and international branches (continued)

*The financial statements for Bahrain, Bermuda, Channel Islands, Lebanon and Zimbabwe had not been received in time to be included in the aggregated Statement of Financial Activities or Cash flow Statement for CI Arb. These are not considered material to the final position on aggregation and consolidation. Their net assets as last reported are included as appropriate in the Consolidated and Parent Undertaking balance sheet. The results of Bahrain, Channel Islands, Lebanon and Zimbabwe were not included in last year's accounts.

**Sri Lanka branch opened in late 2019 and all financial transactions up to the end of 2019 were made through CI Arb HQ.



Notes to the Accounts (continued) – For the year ended 31 December 2019

20. Branch Results (continued)

(d) International subsidiaries (see note 10b)

	2019			Net assets as at 31 December
	Income	Expenditure	Surplus / (deficit) for the year	
	£	£	£	£
Australia	179,631	(137,271)	42,360	153,053
Bahamas	724	(9,907)	(9,183)	16,832
Canada	72,548	(28,098)	44,450	70,862
Caribbean	87,286	(73,456)	13,830	17,330
India	-	(52,000)	(52,000)	-
Malaysia	117,347	(78,287)	39,060	73,253
New York	96,478	(95,158)	1,320	94,291
North America	91,300	(94,081)	(2,781)	44,053
Qatar	26,142	-	26,142	27,379
Singapore	355,616	(255,314)	100,302	283,462
	<u>1,027,072</u>	<u>(823,572)</u>	<u>203,500</u>	<u>780,515</u>

	2018			Net assets as at 31 December
	Income	Expenditure	Surplus / (deficit) for the year	
	£	£	£	£
Australia	138,161	(207,228)	(69,067)	115,360
Bahamas	-	-	-	27,048
Canada	44,664	(19,928)	24,736	26,089
Caribbean	40,018	(33,367)	6,651	9,713
India	37,928	(21,369)	16,559	55,378
Malaysia	123,875	(94,529)	29,346	35,187
New York	109,692	(83,822)	25,870	96,667
North America	67,278	(90,192)	(22,914)	48,696
Qatar	12,340	(11,054)	1,286	1,286
Singapore	103,651	(112,771)	(9,120)	187,981
	<u>677,607</u>	<u>(674,260)</u>	<u>3,347</u>	<u>603,405</u>

Grants from central funds are not included in the amounts shown as income in the above table but are included in income in note 17. Branch Income and Expenditure above excludes any translation gains or losses.

20. Branch Results (continued)

(e) International subsidiaries (continued)

Chartered Institute of Arbitrators (India) (“CI Arb India”) was incorporated in India in 2009 and had been included since 2010 within the consolidated results along with other branches. The adoption of Charities SORP (FRS 102) clarified how incorporated branch entities are accounted for and disclosed within financial statements. A review of the Memorandum and Articles of Association of CI Arb (India) concluded that there are no conclusive provisions constituting control by CI Arb. The inclusion in prior years was on the basis that CI Arb India had acted at all times as if it were a branch, had submitted branch plans and financial results for consolidation in accordance with CI Arb instructions, had deployed funding in accordance with the wishes of CI Arb Trustees, and its results and net assets were not material to the consolidated financial statements. In 2019, in order to maintain consistency with treatment of other branch entities the Trustees have elected to disaggregate CI Arb India from the consolidated financial statements.

Branch Assets/(Liabilities):

As at 31 December 2019	England and Wales branches	Scotland and International branches	International subsidiaries	2019 Total
	£	£	£	£
Fixed assets	-	38,689	-	38,689
Cash at bank and in hand	187,252	1,711,091	892,242	2,790,585
Debtors	11,022	102,111	37,962	151,095
Creditors	(1,986)	(175,257)	(149,689)	(326,932)
	<u>196,288</u>	<u>1,676,634</u>	<u>780,515</u>	<u>2,653,437</u>
As at 31 December 2018	England and Wales branches	Scotland and International branches	International subsidiaries	2018 Total
	£	£	£	£
Fixed assets	-	20,518	-	20,518
Cash at bank and in hand	209,772	1,965,179	620,506	2,795,457
Debtors	770	218,402	39,666	258,838
Creditors	(640)	(195,567)	(56,767)	(252,974)
	<u>209,902</u>	<u>2,008,532</u>	<u>603,405</u>	<u>2,821,839</u>

Branch assets and liabilities have been aggregated, or consolidated, within the main balance sheet headings.

Notes to the Accounts (continued) – For the year ended 31 December 2019

20. Branch Results (continued)

(f) Analysis of branch income and expenditure by category

Year to 31 December 2019	England and Wales branches	Scotland and International branches	International subsidiaries	2019 Total
	£	£	£	£
Income				
Subscriptions	-	43,452	111,443	154,895
Meetings and seminars	15,112	151,162	121,535	287,809
Income from courses	5,297	579,333	713,511	1,298,141
Scheme income	-	38,106	-	38,106
Bank interest receivable	138	29,249	1,649	31,036
Other income	2,173	203,615	78,934	284,722
	<u>22,720</u>	<u>1,044,917</u>	<u>1,027,072</u>	<u>2,094,709</u>



20. Branch Results (continued)

(g) Analysis of branch income and expenditure by category (continued)

	England and Wales branches	Scotland and International branches	International subsidiaries	2019 Total
	£	£	£	£
Expenditure				
Branch office and administration expenditure	(12,220)	(275,617)	(165,936)	(453,773)
Travel and transport	(20,213)	(106,478)	(29,911)	(156,602)
Branch meetings and ancillary costs	(10,436)	(283,330)	(115,400)	(409,166)
Course expenses	(4,172)	(345,931)	(376,713)	(726,816)
Scheme expenses	-	(1,856)	(48,686)	(50,542)
Other expenses	(2,348)	(297,170)	(86,926)	(386,444)
	<u>(49,389)</u>	<u>(1,310,382)</u>	<u>(823,572)</u>	<u>(2,183,343)</u>

Year to 31 December 2018

	England and Wales branches	Scotland and International branches	International subsidiaries	2018 Total
	£	£	£	£
Income				
Subscriptions	-	281,393	89,420	370,813
Meetings and seminars	9,626	26,726	39,277	75,629
Income from courses	3,701	795,188	496,349	1,295,238
Scheme income	-	26,845	-	26,845
Bank interest receivable	28	32,768	3,250	36,046
Other income	3,290	376,430	49,311	429,031
	<u>16,645</u>	<u>1,539,350</u>	<u>677,607</u>	<u>2,233,602</u>
Expenditure				
Branch office and administration expenditure	(6,942)	(446,037)	(92,271)	(545,250)
Travel and transport	(2,153)	(35,810)	(33,456)	(71,419)
Branch meetings and ancillary costs	(22,193)	(252,103)	(24,699)	(298,995)
Course expenses	(330)	(367,580)	(385,044)	(752,954)
Scheme expenses	(4,190)	(12,159)	-	(16,349)
Other expenses	(10,996)	(279,690)	(138,790)	(429,476)
	<u>(46,804)</u>	<u>(1,393,379)</u>	<u>(674,260)</u>	<u>(2,114,443)</u>

The above figures for England and Wales do not include grants from central funds made during the year. Figures for Scotland and International Branches and subsidiaries do not include the effect of net translation gains.

21. Finance Leases

CI Arb has entered into a finance lease contract for the hire purchase of office equipment. At 31 December CI Arb was committed to total future minimum payments as follows:

	2019 £	2018 £
In less than one year	16,187	14,666
Between one and five years	-	16,187
	<hr/> 16,187	<hr/> 30,853

This liability is secured on the related assets disclosed in note 9(a).

22. Pension Obligations

CI Arb and its subsidiary companies make contributions to employee defined contribution pension schemes. Contributions in the year amounted to £171,086 (2018: £124,997). At the year-end there were no prepaid contributions (2018: £nil). However outstanding pension contributions, included within other creditors, were £22,783 (2018: £7,796). The assets of the schemes are invested and managed independently of the finances of CI Arb.

23. Indemnity Insurance

CI Arb paid a premium during the year of £9,500 (2018: £7,796) under a professional indemnity and trustee indemnity insurance policy to protect CI Arb and its Trustees against loss arising from the neglect or default of its Trustees, agents or employees, arising in the course of CI Arb's business.

24. Related party transactions

Related party transactions with the subsidiaries set out in note 10(b) are as follows:

(a) 12 Bloomsbury Square Limited (“12BSL”)

Under an operating agreement signed on 21 December 2009, 12BSL has a licence to use the property of 12 Bloomsbury Square to carry out a room hire business. CI Arb recharged 12BSL £447,033 (2018: £433,463) of costs under this agreement during the year. In addition, CI Arb makes use of meeting rooms at the property from time to time. 12BSL charged CI Arb £108,371 (2018: £95,260) for these rooms during the year.

Gift Aid distributions of £229,027 (2018: £280,183) were paid by 12BSL to CI Arb.

At the end of the year, the balance owing from CI Arb was £3,292 (2018: owing to CI Arb £74,780).

(b) Arbitration Services Limited (“ASL”)

Gift Aid distributions of £1,819 (2018: £38,803) were paid by ASL to CI Arb. At the year end, the balance owing to CI Arb was £4,009 (2018: £4,009).

(c) City Disputes Panel Limited (“CDP”)

At the year end, the balance owing to CI Arb was £95,300 (2018: £92,401), of which £95,300 (2018: £91,878) cumulative has been provided for in CI Arb’s books.

(d) Independent Dispute Resolution Services Limited (“IDRS”)

At the year end, the balance owing from CI Arb was £1,000 (2018: £1,000).

Notes to the Accounts (continued) – For the year ended 31 December 2019

(e) International subsidiaries

CIArb collects branch subscriptions on behalf of these subsidiaries during the year and pays this income to the branches in two annual instalments. In addition, where branches carry out training courses, CIArb charges the branches for training materials as well as for marking, moderation and assessment fees. Relevant information is set out in the tables below.

Party	2019		
	Subscriptions received	Branch training charges made	Balance owing to / (from) CIArb at 31 December
	£	£	£
The Chartered Institute of Arbitrators (Australia) Limited	120,740	10,840	4,431
Chartered Institute of Arbitrators Bahamas Branch	11,019	2,305	5,637
Chartered Institute of Arbitrators (Canada Branch) Incorporated	82,955	-	58
Chartered Institute of Arbitrators (Caribbean Branch) Incorporated	46,004	5,460	4,789
International Group of Arbitrators Berhad	-	-	-
The Chartered Institute of Arbitrators (Malaysia Branch), Inc	90,094	3,688	(6,327)
The Chartered Institute of Arbitrators (New York Branch), Inc.	44,867	-	-
The Chartered Institute of Arbitrators (North America Branch), Inc.	121,272	-	-
The Chartered Institute of Arbitrators (Qatar & QFC LLC), Inc.	61,104	-	-
The Chartered Institute of Arbitrators (Singapore) Limited	150,187	5,190	306

Party	2018		
	Subscriptions received	Branch training charges made	Balance owing to / (from) CIArb at 31 December
	£	£	£
The Chartered Institute of Arbitrators (Australia) Limited	21,342	-	-
Chartered Institute of Arbitrators Bahamas Branch	-	1,710	1,713
Chartered Institute of Arbitrators (Canada Branch) Incorporated	19,423	-	-
Chartered Institute of Arbitrators (Caribbean Branch) Incorporated	1,187	855	855
Chartered Institute of Arbitrators (India)	-	12,570	21,923
International Group of Arbitrators Berhad	-	-	-
The Chartered Institute of Arbitrators (New York Branch), Inc.	5,977	-	-
The Chartered Institute of Arbitrators (North America Branch), Inc.	2,289	-	-
The Chartered Institute of Arbitrators (Qatar & QFC LLC), Inc.	12,340	-	-
The Chartered Institute of Arbitrators (Singapore) Limited	26,861	4,560	4,560

25. Post Balance Sheet Events

The COVID-19 pandemic which has occurred at the beginning of 2020 has significantly affected the United Kingdom along with many other countries, including those in which CI Arb has branch operations.

On 17 March 2020, CI Arb took the decision to implement a full work from home policy for all UK staff and a plan was put in place to move all CI Arb courses online. As a result of the outbreak and resultant Government actions, CI Arb's financial position has been significantly impacted. A number of adjustments to financial forecasts for 2020 and beyond were made, the significant ones being:

- CI Arb's investments are held in a low to medium risk Common Investment Fund in accordance with its Investment Policy. Following a significant fall in worldwide stock markets, the value as at 30 April 2020 has reduced to £1,435,886, a loss of £171,893 on the year-end value;
- A reduction of £400,000 in forecast income due to the unavailability of rooms for hire at 12 Bloomsbury Square Limited and loss of course income for candidates who do not want online provision;
- A reduction of £150,000 of travel costs given the worldwide travel restrictions. Committee meetings have been moved online.

CI Arb's branches have been advised to follow local guidance on working practices and have been offered the use of online course software. CI Arb HQ will be monitoring and providing support where necessary.

Whilst the COVID-19 pandemic continues to evolve and its full impact on CI Arb and its branches cannot at present be fully estimated, stress testing of CI Arb's operations and financial forecasts over eighteen months has been carried out. This stress testing has satisfied the Trustees that CI Arb is able to deal with the impact of the pandemic, by means of a combination of mitigation strategies and the utilisation, if necessary, of its financial reserves.



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