

Company registration number 03316394 (England and Wales)

# **Institute Of Customer Service**

**Annual Report and Financial Statements**

**For the year ended 31 March 2022**

# Institute Of Customer Service

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# Institute Of Customer Service

## Company Information

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### The Board of directors

Simon Roberts	Chairman of the Board and Chairman of the Nominations Committee
Joanna Causon	Chief Executive
Jonathan Cowie	Non-Executive Director
Shirley Fell	Non-Executive Director
Mark Gait	Non-Executive Director
Giles Hawke	Non-Executive Director and Chairman of the Remuneration Committee
Paul Pugh	Non-Executive Director and Chairman of the Audit Committee (stepped down July 2021)
Cathryn Ross	Non-Executive Director

### President

Des Benjamin	Former Chief Executive of Simplyhealth and Chair of Royal Hospital for Nero disability
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### Vice Presidents

Alison Japp	Customer Care Director	OVO Energy
Alison Jones	Group Managing Director UK	PSA Group
Angela Lockwood	Chief Executive Officer	North Star
Angela MacDonald	Director General of Customer Services	HM Revenue & Customs
Ben Fletcher	Group Chief Financial Officer	The Very Group
Carla Thomas	Business Customer Service Director	Openreach
Catherine Rutter	MD for Customer Contact	Lloyds Banking Group
Claire Sharp	Customer Director	Northumbrian Water Group
David Roberts	Managing Director	Nu-Heat
Denise Allan	Managing Director of Service	Sky
Fran Rea	Director of Customer Service	NewDay
Gerry McGarry	Business Director - UK & Agriculture	Berry bpi
Graham Edwards	Chief Executive	Wales and West Utilities
Heather Smith	Managing Director	LV= GI Retail
Jamie McDonald	Customer & Business Transformation Director	Alcumus
Jeremy Hyams	Chief Executive Officer	Claims Consortium Group
Jo Marshall	Executive Director	YPO
Jo Moran	Former Head of Transformation – Stores and Property	Marks & Spencer
Jo Upward	Managing Director	Platform Group
Joanne Casey	Managing Director	Mactaggart & Mickel Homes England
Joe Gordon	Head of Retail Banking	Heyman AI Limited
John Barnett	Former Director of Operations	Npower Energy Services
Jonathan Preece	Core Business Services Leader	GSK
Kathryn O'Brien	Customer Experience Director	TransPennine Express
Louise Beardmore	CEO Designate	United Utilities Group
Mark Evans	Managing Director, Marketing & Digital	Direct Line Group
Martyn Oakley	Operations Director	Laithwaites Wine
Matt Gore	Chief Operating Officer	Pension Insurance Corporation
Nigel Purveur	Ex Managing Director	Capita
Paul Harris	Executive Director Customer Experience	Curo Group
Peter Carter	Independent Healthcare Consultant	
Peter Cross	Independent Consultant	
Peter Farrer	Chief Operating Officer	Scottish Water
Peter Markey	Chief Marketing Officer	Boots
Peter Sinden	Ex GI Executive Strategy Director	LV=
Phil McGilvray	Managing Director Debt Services	TDX Group

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# Institute Of Customer Service

## Company Information

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Richard Pash	UK Chief Customer Officer	Zurich
Sian Jones	Chief Executive Officer	Corella
Trafford Wilson	Executive Director of Customer Services	The Guinness Partnership

**Company secretary** Bill Leonard

**Company number** 03316394

**Registered office** Ground Floor  
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London  
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**Auditor** Gilberts Chartered Accountants  
Pendragon House  
65 London Road  
St Albans  
Hertfordshire  
AL1 1LJ

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Essex  
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**Solicitors** Birkett Long  
Essex House  
42 Crouch Street  
Colchester  
Essex  
CO3 3HH

# Institute Of Customer Service

## Strategic Report

For the year ended 31 March 2022

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### Foreword from the CEO

The current outlook for business and society is as tough as it has been for a generation. We may have emerged from the worst of the pandemic, but new social problems are emerging amidst a squeeze on households caused by soaring inflation, volatile energy prices and potential global food shortages. The degree of polarisation between those that can afford and those that cannot is striking and something all organisations need to focus on and what this means for their service strategy and wider societal impact. The challenges of rebuilding post-Covid, realigning to a post-Brexit world and managing through one of the most challenging geo-political situations will keep business leaders and politicians occupied and newspaper pages full.

At the same time, there has undoubtedly been some positive changes because of the turmoil of the past two years, and we are set for a new era of service. Falling back on pre-pandemic practices in not going to cut it for most businesses. Going forward, being purpose lead, authentic and clear as well as looking after your people and your customers will be germane to your organisation's success. Overall, those organisations that are bold and look to genuinely focus on the whole customer service agenda will stand out and I believe whether the storm – we are not talking about better customer service recovery, but smarter end to end delivery that combines the best of human capability with appropriate tech whilst building reassurance and trust.

Our research on changing customer behaviours highlights the challenges all businesses face – and although it is complex, and we should never be naive in thinking this is easy. The answer lies, I believe, in delivering the right blend of quality and longevity of product at the right price, backed up by excellent service. In short, it is about quality, value, and trust. And service is taking a leading role in purchasing decisions - along reputation and trust as people think harder about who they spend their money with and speak kindlier, demonstrating greater loyalty about the organisations that have genuinely helped them.

It is our job to support our members in achieving the optimal balance for better long-term business performance, and we seek to achieve this in several ways. Through the products and services we offer and enabling you to embed these within your organisations and championing the importance of customer service to all stakeholders. Helping you set the standards and track your progress relative to others inside and outside of your sector.

Although the last year has been hard for all, it is worth reflecting on the breakthrough success of our Service with Respect campaign. With the support and help of you, our organisational supporters, and Parliamentary Champions – now numbering over 210 - we achieved our ambitious goal of new legislation to protect customer-facing workers from customer abuse. Why does this matter? For me it is a fundamental reason for the existence of the Institute – in supporting the customer service professional that have kept the lights on and of course the wider business environment. As we face into a challenging year this will become increasingly important. I am keen to ensure we drive the Service Nation forward and we all have a key part to play in this.

So finally, I would like to say thank you to you our members for all your support, feedback and commitment to the service cause this year and a big thank you to the whole team at the Institute for their commitment and determination. Together we can and will make the difference.

.....  
Joanna Causon  
**CEO**  
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# Institute Of Customer Service

## Strategic Report (Continued)

### For the year ended 31 March 2022

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The directors have pleasure in presenting their Strategic Report and the financial statements of the company for the year ended 31st March 2021.

#### **Principal activities and review of the business**

The Institute of Customer Service was formed in 1996 and incorporated as a company limited by guarantee in February 1997. The Institute is the not-for-profit professional body for customer service.

Our vision is to see a world where excellent customer experience makes a positive and sustained impact on individuals, organisations and the economic well-being of UK Plc.

Our mission is for The Institute of Customer Service to deliver tangible benefits to individuals, organisations and stakeholders. We are the leading independent expert, setting and upholding the standards to enable our customers to improve their business performance through service, so that the UK is seen as the place to experience great service and a valued expert on the global stage.

The Institute is also recognised as expert in all aspects of customer service and this is demonstrated through the provision of tangible benefits of membership including:

- knowledge, delivered through insight, research, advice and networking
- collateral to demonstrate that customer service is a harder-edge business driver
- training and assessments
- case studies
- bespoke research
- organisational and individual professional development
- benchmarking and insight
- customer service skills development
- qualifications and accreditation
- standard setting
- public policy development

#### **External environment**

2021/22 saw the world start to emerge from the upheaval of the Covid pandemic into new geopolitical and economic uncertainty caused by the aftereffects of the pandemic, the energy crisis and subsequent cost of living, and more recently the conflict in Ukraine.

Domestic politics look no more certain with the UK Government facing up to the fallout from 'partygate' while trying to navigate fast-rising inflation along with interlinked energy and cost-of-living crises. Fear has caused global stocks to falter and the probability of the UK falling into recession has increased.

Brexit has exacerbated some supply chain challenges and (along with Covid-related illness) contributed to other issues such as a major backlog for passport applications and renewals.

Organisations are facing skills shortages and difficulties attracting and retaining people with the core service skills needed to keep the country running smoothly. There is now wider recognition that organisations should focus more on the customer experience and their service offering to improve their business performance. This, along with new tech-driven opportunities, is driving shifting demand for skills, with further requirements for capabilities in emotional intelligence, problem solving, data analytics and AI.

# Institute Of Customer Service

## Strategic Report (Continued)

For the year ended 31 March 2022

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### Notable Achievements

#### Executive Summary

- In a challenging year, income increased by £1.4m and expenditure by £0.7m, resulting in a pre-tax surplus of £230k against a target of £14k.
- We ended the year with 389 members with a total of 1,392 membership years, up slightly on the previous year
- Our Service with Respect campaign gained significant momentum with the help of support from over 210 organisations and parliamentarians, leading to new legislation being passed to protect public-facing workers from customer abuse
- Our open letter calling for urgent action to address growing abuse was signed by over 75 business leaders and parliamentarians was published in The Times
- We revamped Customer Focus magazine to make it more relevant and engaging, based on feedback from our membership
- Member satisfaction was up again (a score of 84.1 compared with 82.3), scoring particularly well for research & insight, our products & services, levels of trust, independence, and professionalism
- We continued to invest in developing our product portfolio and introduced regular product webinars. Enhancements to our Management Qualifications helped drive greater take up
- Member engagement with our research increased, with strong turnout for launch webinars for our UKCSI and breakthrough research on procurement and the green agenda
- We continued to work closely with Parliamentarians, other key public officials and regulators to influence policy
- Our Academy achieved a total of £524k revenue with expenditure of £66k
- ServiceMark assessments matched last year and TrainingMark accreditations were up on last year
- We started implementation of our new CRM, which will drive greater efficiencies and effectiveness across the business
- We raised over £2k for The Trussell Trust (to which we will add a further £5k, having made a surplus this year)

#### Financial Overview

2021/22 has been a strong year for the Institute, despite the continuing tough external market conditions. We are therefore delighted to report that the Institute has prospered and grown through this period. We have managed our operating cost base throughout the year and also grown our revenues above planned incomes and achieved a surplus of £230k.

This is a significant achievement by any standards given our plan was to make a modest surplus of £14k for the year. The £230k surplus is after a loss of £32k on our investments and a further offsetting of impairment costs of £120k.

#### Member Engagement

This year has also seen a slight growth in membership numbers, a significant improvement in academy sales, research and new business and a significant increase in member retention.

This would have been a particularly good performance without the pandemic and challenges causes as a result. We have in addition enhanced our position, relevance, and impact in the broadest sense as well as driving up recognition for the importance of customer service across all stakeholders – government, regulators, and media.

The work we have done on raising respect for those working in customer facing roles, through the *Service with Respect* campaign and the wider profession has resulted in a significant milestone for the service industry as well as The Institute. The impending change to the law has cemented The Institute as the 'go to' place for all matters related to customer experience. With over 210 supporters and over 70 leading businesspeople across a range of sectors as well as parliamentarians, this is a once in a decade achievement.

Throughout the year we improved the performance of the membership team and improved engagement. We have added to the leadership team in this area, and we now have a good base to build on and some good opportunities to enhance this further. We need to continue to keep this in sharp focus; remaining agile and responsive in terms of our skills and capabilities is front of mind.

# Institute Of Customer Service

## Strategic Report (Continued)

### For the year ended 31 March 2022

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We have also significantly invested in our products and services as well as our technology, we are well on our way to implementing our new CRM. We have improved our inefficiencies in terms of process improvements, although there is still more to do in this area and something we will focus on during this next fiscal year.

Our thought leadership has continued and been enhanced with the UKCSI, top tips, Head to Heads, trends research and research on Trust and the World of Work. From a marketing and communications perspective, we have added additional content in a wide range of media and our impact and presence across multiply stakeholders – government, media and other influencers has further improved.

Culturally, we have continued to make good progress with higher levels of employee engagement and our employee and customer satisfaction scores are evidence of this. We have seen better teamwork and ownership and added some strong new talent.

We have built - from what was already a strong position – on the stature, respect, and authority that The Institute is held in through some of our best profile-raising and impact work across our public policy and PR activities.

Despite an incredibly challenging and uncertain world, what The Institute stands for - and what it does - is required and sought out by many organisations and stakeholders. As an organisation, we are stronger and more focused.

The results of our member satisfaction survey were the highest yet with our satisfaction score trending upwards again at 84.1. The results show a 2-point increase in CSI since our last survey and a 7-point increase over the last three years. Satisfaction increased with price/cost, openness and transparency and our ability to deliver on time. Consistency in experience is key to closing the gap between high and low scoring members. To build on the positive trend and drive our CSI upward, we will focus on continuing to deliver consistency in member support through the Client Relationship Director (CRD) team and embedding the CRD role within member organisations to understand their business.

#### **Ensuring our products and services are fit for purpose**

We completed a full review of our value propositions this year and relaunched our Trusted Advisory Network and Discovery Roadmap memberships early in 2022. We reviewed and tested our propositions with membership, identifying the value creators and pain relievers as well as opportunities for future developments - ensuring we remain fit for purpose and relevant for the future.

Key changes included offering more personalisation and removing some of the additional costs of membership, presenting the breadth of our offer in a clear and consistent way and strengthening our positioning, the importance of membership and focus on service differentiation.

To support the value proposition review, we accelerated our efforts on adapting our offering to the new world, including shifting our training to digital-first delivery, investing in the development of a new platform for Business Benchmarking to better support self-serve and personalisation, and updating ServCheck. We also reviewed the World Class Customer Service Model ready for relaunch alongside ServCheck.

Furthermore, as part of our as part of our commitment to sustainability, digitisation, and efficiency, we have adapted the workbooks which support our courses and forums to online materials. This has in turn reduced our printing costs and environmental impact whilst enhancing the user experience.

We continued our programme of shorter virtual training sessions, on topics highly relevant to the current environment to support members in ensuring their employees are prepared for the new challenges they may face, including those highlighted through our *Service with Respect* campaign.

Members using products and services to drive improvements in their organisations evidence higher ROI. Raising awareness and driving engagement of products and services will continue to be a focus as a key driver for renewal and longer-term engagement. Our target is to ensure members are accessing a range of products, at least three or more, throughout their membership term. Working from a baseline engagement figure for product penetration, we will track this closely next year as a key metric for performance.



# Institute Of Customer Service

## Strategic Report (Continued)

### For the year ended 31 March 2022

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Following the launch of our breakthrough research in Summer, *Who do you Trust?*, we have started work on developing a new product ready to launch in the new fiscal year helping members measure their own levels of trust and the drivers. We carried out a panel survey to set a baseline trust score and validate the drivers of trust and inform the new product development.

#### **Profile, Influence and Impact**

This year we had a breakthrough in protecting customer-facing workers from abuse thanks to our Service with Respect campaign. Our relentless campaigning included sustained data collection; support from 200+ businesses and public officials; numerous media appearances; meetings with MPs, Peers, the Home Office, The Department for BEIS; and persuading 75+ parliamentarians and business leaders to sign a letter calling for action.

This culminated in the Government introducing an amendment to the Sentencing Bill, ensuring that assaults on staff serving public will be treated as 'aggravated' in sentencing terms. This was a huge win and demonstrates that the Government is listening to us and our members. We will continue to track the impact of this change in the law while continuing to raise awareness amongst business and the public to deter people from abusing our vital customer service staff.

The campaign has helped cement our position as the UK's leading authority on customer service, raising our standing in the Media, within Government, among business leaders and customer service professionals.

We have built on the regular cadence of high-quality commentary and content established through the pandemic, continuing to host our Head-to-Head interviews with business leaders and through our weekly CEO statements which continue to be read widely.

Speaking opportunities were somewhat limited as the world struggled to find the right path through the pandemic, with the shift back from virtual to physical speaking engagement taking longer than expected. We will be actively targeting high-profile keynote opportunities for the next fiscal year.

We have continued to see an increase in incoming requests for expert commentary from broadsheet journalists and broadcast producers, along with invitations to provide op-eds, guest blogs, insight commentary, video interviews and podcast appearances.

We have built some strong direct relationships with editors and producers at key outlets, some of the more prominent trade publications. We are viewed as an independent, expert voice and the wealth of research, insight, and data we can call on means we are uniquely well-positioned to provide reliable media commentary across a range of topics related to the customer.

Our award evening sold out and was well received, coming just as lockdown restrictions were easing, and our Conference was our highest-rated yet. For 2022-23 we will be moving our conference back to its usual pre-pandemic slot in early March.

Over the past 12 months, we generated over 1,100 items of coverage (compared to 800 last year) through our Service with Respect campaign research launches, media statements and news commentary. Additionally, we were referenced in over 400 pieces of member-generated media coverage (compared to 300 last year) - typically from ServiceMark achievers, award winners and UKCSI high performers.

In terms of broadcast coverage, we featured almost 400 times on radio (interviews, news bulletins) and 15 times on television, including appearances on Sky News, the BBC and Ian King Live. Our CEO was on BBC Radio 4's Today Programme, BBC Radio 5 Live, Times Radio and many other national and regional radio stations.

Our members continue to reference us in their financial reporting, media and advertising campaigns. For example, first direct highlighted their performance in the UKCSI in their digital advertising campaigns.

Our messages are grouped around themes for our media and public policy engagement, including Service with Respect & Inspiring a Service Nation; purpose, relevance and impact ROI & Productivity and Employee Engagement, which we review and update each year.

# Institute Of Customer Service

## Strategic Report (Continued)

### For the year ended 31 March 2022

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On social media, our Twitter following grew from 5,776 to 5,979, an increase of 3.5% (vs 7% last year). LinkedIn remains our primary channel of focus, and we broke through the 20k follow milestone, ending the year up 8% (vs 13% last year) from 21,282 to 23,011.

From a traffic and SEO perspective, overall website traffic was down slightly (4.4% YoY). We are actively looking to address this through structural website improvements and search optimisation.

#### Research and Insight

Our research programme focused around four key areas: breakthrough thought leadership research; the UK Customer Satisfaction Index (UKCSI); bespoke business benchmarking projects which enable member organisations to combine core UKCSI benchmarking with additional organisation-specific measures and analysis; and insight consultancy, delivering a broader range of projects for member organisations. Each of these areas has impacted positively on member engagement. Breakthrough research and the UKCSI have been especially significant in raising our profile and influence.

In July 2021 and January 2022, we published the UK Customer Satisfaction Index (UKCSI), featuring the latest benchmarking, trends, and insights into customer satisfaction in the UK. The UKCSI output includes the main state of the nation report, 13 sector reports and 13 sector resource packs containing extra data and insight.

The July 2021 UKCSI looked at how customers feel their experiences of dealing with organisations has changed during the Covid-19 pandemic, including positive changes such as better scheduling of appointments, support to improve well-being, and proactive communications by organisations, or negative changes such as lower quality of products and services, delays, stocks shortages and difficulties contacting an organisation. The January 2022 UKCSI investigated the influence of ethical criteria - such as environmental sustainability, local engagement, and fair treatment of employees - in customers' choice of organisation.

Out two UKCSI launches proved extremely popular, being attended by a combined 449 members.

We have generated some revenue from sales from UKCSI reports and data, which helps to offset some of the costs of the UKCSI. In addition, we have provided extra data analysis to over 30 member organisations to help them use the UKCSI to improve their insight and customer experience.

In April 2021 we published our breakthrough research on *Trust and the Customer Experience*. This research examines how customer experience influences trust in organisations, how organisations seek to develop and measure trust and the relationship between trust, buying behaviour and business performance. This research was sponsored by Curo Group, Chartered Insurance Institute and first direct. The launch online seminar was attended by 150 members.

At the end of September 2021, we launched our breakthrough research, *Work with a Purpose*. This research looks beyond the Covid-19 crisis to examine how work culture, environment, and practices - particularly in a customer service context - could change in the next 5 years. The research highlights the key issues organisations need to address to meet commercial and customer experience objectives and provide meaningful work for employees. The research was sponsored by Aster Group, HMRC (HM Revenue and Customs), United Utilities and Virgin Media O2. 107 members attended the launch online seminar.

In December 2021 we published *Customer Service Trends 2022*, highlighting issues and trends that will be significant for the customer experience environment during 2022 and priorities that organisations need to consider.

As well as publishing the UKCSI and breakthrough research, we conduct bespoke benchmarking and insight consultancy projects for member organisations. Across both bespoke benchmarking and insight consultancy we have delivered 33 projects for 22 member organisations during 2021-22.

Bespoke benchmarking addresses the needs of organisations who seek to combine The Institute's business benchmarking with additional specific insight about customer priorities, preferences, or segments

# Institute Of Customer Service

## Strategic Report (Continued)

For the year ended 31 March 2022

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### Public Policy

Fiscal year 21-22 was a breakthrough year for us in terms of the relationships we built and the impact we made. Parliamentarians, regulators, and other key public officials engaged with us and helped us to push for a change in the law to protect customer-facing workers, which looks set to come into force in the coming months.

Our All-Party Parliamentary Group (APPG) meetings have all continued to be held virtually and have been well attended. They focused on our Service with Respect campaign and on the National Skills Fund, giving us the opportunity to engage meaningfully at a political level on the matters that our members – and their people – really care about. APPG sessions are set to be held on the Parliamentary Estate again for FY22-23, and we will use them to champion the work we do to make a real difference throughout the coming year.

Our campaigning has struck a chord across all parties and within many different government departments, resulting in meetings with various ministers (and their shadow counterparts), peers along with the Home Office, Department for BEIS, Policing bodies and the CPS. Our cross-party Service with Respect 'Parliamentary Champions include Philip Davies MP (Con), Chris Evans MP (Lab), Steven Bonnar MP (SNP) and Baroness Bennett (Green).

We continue to engage directly with public officials with influence over regulators, with the regulators themselves, and by responding to consultation papers. The Housing sector white paper and the Insurance and financial services review.

### The Academy

Given the continued external environment challenges, this has been a successful year for The Academy, and we are delighted to have achieved over £500k revenue in line with our plans. The successful conversion of our courses to a virtual delivery basis during the previous year put us in a great position as our members started focusing on rebuilding their service delivery and supporting their people. During 2021-22 we refined all training and moved qualifications and skills-based training content to digital based materials, supporting our sustainability objectives.

We continued to receive great feedback from attendees and repeat bookings, supporting engagement, ROI and retention of members. It has also fed into several cases studies and promotional content throughout the year.

The strong pipeline and referrals from the first half of the year carried us through to within £2k of target however there was a significant drop off in terms of new referrals in the second half of the year, which made Q4 more challenging and harder work than it should have been. We are working with Senior Client Service colleagues to delve deeper into territory plans, identify opportunities and build a longer term, constant flow of pipelines for the future.

In January, we internally appointed a Head of Academy Standards and Quality to further support delivery and in readiness for achieving our growth plans for 2022-23.

We are pleased to report that The Academy Standards and Quality team's notable successes during 2021-22 include: -

- Achieving a total of £524k revenue and achieved this with an expenditure of £50k under budget
- Exceeding our penetration rate having achieved 17.9% against a target of 15%. This was achieved by delivering 73 ServiceFocus Courses, 4 Train the Trainer programmes, 37 Masterclasses and workshops, 1 larger bespoke course delivery plus 28 ServiceMark assessments to a total of 70 unique members.
- 10% of Training delivery was face to face and 90% virtual which was well within our objective of over 80% being virtual delivery
- Conversion of FirstImpressions and all qualifications from physical workbook based to digital editable materials and enhanced online content support via the VLE
- For members using our Professional Qualifications, Virtual delivery of 31 Coaches workshops, 7 Qualifications Manager and Assessor Forums, accreditation training for 19 Assessors and accreditation sign off for 11 Assessors.
- Successful completion of the two Management Qualifications cohorts from last year, start-up of three new cohorts and delivery of 12 supporting workshops
- Developing and launching two new virtual workshops – 'Measuring What Matters' and 'Building engaged teams through Hybrid and remote working'.

During Q4 we have also been preparing for 2022-23 and the growth we have planned.

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# Institute Of Customer Service

## Strategic Report (Continued)

For the year ended 31 March 2022

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### Standards and Quality

We continued with a pragmatic approach in terms of standards associated with product and service usage, however our key focus was on realigning with and enhancing our standards and delivery frameworks, reducing exception levels and tightening up on covid related requests. We worked with internal teams and members to bring all product and service delivery back into consistently meeting our usual delivery timeframes.

Highlights were:

- Completed a review of the Standards Framework including all policies, guidance, assessment criteria and supporting forms and documentation to ensure we are fit for the future
- Reviewed and relaunched our Principles and Promises
- Reviewed the robustness of ServiceMark and, working with the Product team, introduced more clarity on how to approach 'Team level' and 'Franchise based' accreditations, plus management of ServiceMark withdrawal where the requirements have not continued to be met at any stage
- Strengthened the Management Qualifications application process to support commitment and higher levels of completions through having a learning agreement at sign-up stage, a clearer course withdrawal framework and charges, plus enhanced support infrastructure via a mentor
- Conducted 28 ServiceMark assessments across the year, reviewed and awarded 32 TrainingMark accreditations (4 new and 28 renewals) and directly assessed 32 Professional Qualifications.

### Operational and People Development

#### Employee Engagement:

We know from our own research that engagement is synonymous with service excellence. Our own employee surveys provide valuable insight into how our people feel about working here and the November 2021 survey yielded some of the best results the business has seen since we began the survey in 2010. Notably, pride in working at The Institute hit its highest level ever at 8.9 out of 10. To achieve these results, despite the obvious challenges of the last 12 months, has been both notable and rewarding, although we are not complacent.

#### Performance Management:

Continuously improving individual and collective capability and performance remains central to our success. We've maintained an appropriate balance by driving performance against clear objectives and targets whilst also applying a new competency framework that emphasises behaviour in line with our Values and ensuring personal development is promoted and supported. Our November engagement survey showed strong alignment with our Values and clarity about both the business plan and how one's role contributes to it, providing a solid foundation for the future.

#### Hybrid working:

We successfully adapted to hybrid working and increased virtual delivery as circumstances have evolved. Effective communication is crucial in a hybrid world, and we have supplemented the important support provided by our managers by investing time and effort through our fortnightly all-hands calls, well-attended and active Internal Communications Group, social activities, lunch and learn sessions, charity fundraising, and monthly CEO newsletter. We still see value in bringing our people together: our in-person awayday in November was productive and warmly received, we reopened the office in September with initially 3 and now 2 days per week spent together, and we took a strategic decision to maintain an office for the near future.

#### Employee wellbeing:

Maintaining employee wellbeing in the new environment has remained a priority and we have provided resources, benefits, training, and activities to promote it. We have been pleased to receive positive feedback about this and to see in our November survey that our people rate their work/life balance and the support from their manager very highly. Our decision to maintain a high proportion of virtual service delivery and hybrid office working means that all teams have continued to benefit from reduced travel and commuting.

#### Additional Resources:

We have invested significantly in additional headcount, especially in the client experience directorate management structure, and have realigned resources to invest in improving our own customer experience and technology capability. The very unusual and competitive external market has meant that recruitment to vacancies has been challenging as we have sought to maintain our high standards, and retention of valued key people has become even more important.

# Institute Of Customer Service

## Strategic Report (Continued)

### For the year ended 31 March 2022

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#### Infrastructure and process improvement

Over the past 12 months we have embedded Office 365 into the Institute and have begun to utilise some of its collaborative functionality across the business with document sharing, co-authoring and version history controls. We also have begun to tap into some of its more advanced features with the use of Power BI in territory planning, MS Forms in capturing data and using Power Automate to then push this data around the business to automate numerous manual processes, especially around onboarding new Members, renewing Membership and passing information around Training and Academy courses and Exception requests.

We have progressed our CyberSecurity plans, implementing a series of alerts and protections on our corporate systems with Microsoft and Sophos security tools. This served us well in August 2021 when we were targeted by a phishing campaign from an organisation who had their systems compromised. We learned more from this incident and created even tighter security rules to prevent future incidents. We have tightened the controls in place on endpoint encryption and installed Multi Factor Authentication on our network. This has allowed us to position ourselves to achieve CyberSecurity Essentials accreditation in April 2022, following a successful test accreditation in March 2022.

In line with our IT Strategy to support the Institute's three-year business plan, we have fundamentally changed the shape of our IT and Operations team. This started in December 2021, with the movement of the Business Support Team across to the Product Team to form a new Customer Experience Team, to start the design of an enhanced end to end experience for our members. Along with the redistribution of other Operational responsibilities for different work to different areas the role of Head of Operations has been lost.

We have a clear IT and infrastructure plan to improve how we deliver for our members, stakeholders, and colleagues. This will include automating many of our processes and procedures, improving product and services delivery as we look to drive efficiency and increase our scalability for growth in our Membership. To facilitate this, we looked at the impact of these changes on the structure and resources we need going forward. We identified to achieve our plans, we needed a new technical solutions role to support, design and develop our future IT systems. As such, we recruited an IT Systems and Solutions Manager to this role in February 2022.

#### Governance

The Institute received a 'clean audit' of 2020/21 year-end accounts. We also re-appointed Gilberts as The Institute's external auditors, following ratification at the AGM in July 2021.

The governance of The Institute is achieved through its Board and committee structures, operational management activities, and implementation of its policies. The Board is responsible for setting the overall CSR policy and goals for The Institute and senior management are responsible for their operational implementation.

#### Corporate Social Responsibility

The Institute recognises its business operations have an impact on the communities and environment in which it operates. Last year, we ran a process to select a new charity for the coming fiscal year. The charity selected through this process was The Trussell Trust, an NGO and charity working to end the need for food banks in the UK. We look forward to supporting them. Some of our staff have spent time working in a food bank and so far, we have raised over £2,000. In addition, as the Institute achieved its surplus this year, we will add a further £5K to this. We have also agreed to provide donations in kind of training and mentoring.

The Institute is committed to operating its business in a manner that is both sensitive and responsible with proper regard to its legal obligations and according to relevant directives, regulations, and codes of practice.

We are committed to supporting the Government's vision for Corporate Social Responsibility, specifically:

- Promoting business activity that brings simultaneous economic, social, and environmental benefits
- Encouraging innovative approaches and continuing development and application of best practices
- Ensuring the best minimum levels of performance in areas such as health and safety, the environment, and equal opportunities
- Creating a framework that facilitates business practices that balance financial success with achievement of social and sustainability goals
- Taking an active part in supporting the local community and social causes

# Institute Of Customer Service

## Strategic Report (Continued)

For the year ended 31 March 2022

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### GDPR Compliance

We continue to work to ensure with are compliance with the EU GDPR. The Institute ensures personal data is handled and dealt with properly, however it is collected, recorded, and used.

Our data protection policy sets out how we seek to protect personal data and ensure that staff understand the rules governing their use of personal data to which they have access in the course of their work. We have been working to improve our systems, processes, and contracts to help achieve this. We have also worked with members and suppliers to maintain compliance across our supply chain.

Our privacy policy covers how organisations' and individuals' data are secured, covering both their right to data being kept private and their right to privacy from tele and online marketing, unless they have opted-in to receive it. It also helps ensure The Institute complies with the Privacy and Electronic Communications Regulations (PECR) and that applies in conjunction with data protection legislation, such as GDPR.

### Our key strategic priorities in 2021/22 are:

**Develop our research, knowledge, and insight capability:** We will continue to demonstrate our credibility, influence and impact through our research and insight.

**Membership engagement:** Our mission is that we make a demonstrable impact to our members and that they see us as being integral to their business. We will also drive the use of the full membership proposition with each member by showing that we understand their business and are confident and competent in recommending solutions for them. We know from our member feedback that there is a direct correlation between the level of product penetration and our CSAT scores so ensuring our product offering is fit for purpose and how we are articulating this is key to our account management strategy, both in terms of product knowledge but also the benefits and using quality Case Studies.

**Embed ServiceMark:** As the national organisational standard and demonstrate its impact in terms of improved customer satisfaction. The deployment of SM is scalable and cost effective for larger organisations. We will continue to build on the profile of and engagement with ServiceMark and are targeting a total of 43 Accreditations for the year, being 30 x new and 13 x renewals. In line with the ServiceMark review we will consider how we make this more accessible to larger/more complex organisations in terms of scale and profile.

**Profile and influencing:** This year we aim to really drive our profile and positioning. Building on the success of our *Service with Respect* campaign, we will build further momentum and really ramp up our media outreach. We will invest further in PR activities, which will be backed up with additional investment on the product side, to help us deliver on the promise.

**Build on our standards and quality and delivery through 'The Institute of Customer Service Academy':** With a focus on quality assurance and high standards of delivery, activity will focus on setting the standards and delivering a range of professional development options that drive cultural change and organisational development. This will ensure that The Institute is able to deliver a truly end to end service across all business needs.

**Deliver a clear and focused Policy and Government agenda:** We delivered real and lasting impact with our Service with Respect campaign. It has enabled us to build strong relationships with parliamentarians and key public officials.

**Infrastructure, skills and capability:** Invest further in our systems development to ensure we are easy to do business with for members and non-members. We will continue to review the organisation's structure and ensure we have the right skills and capabilities to deliver a seamless and integrated membership experience. Our new CRM which will drive greater efficiencies and effectiveness. We will be moving our office to a new premises and will continue to work in a hybrid way. We will build on the development we have been undertaking this year to ensure we have the right levels of leadership and management, skills development, and competence.

**Partnerships:** Continue to develop and build effective collaborations and partnerships that support and enable our purpose.

**Building the Service Profession:** We will help our members to understand and build the right capabilities and competencies as well as shining a spotlight of the importance of customer service capabilities to the UK's performance.

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# Institute Of Customer Service

## Strategic Report (Continued)

For the year ended 31 March 2022

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### Appendix 1 – New members 2021/22 (from a wide range of sectors)

AA Ltd	Tower Hamlets Council
Aioi Nissay Dowa Insurance UK Limited	TSB
Anthony Nolan	Utility Regulation (Northern Ireland)
Brenntag UK	Vanquis Bank
Bromford House Group	VAX
BT Pension Scheme Administration	VIVO Defence Services
Bulb Energy	Westerhill Homes & Chartway Construction
Buzz Networks	Wrekin Housing Group
Chartered Institute for Securities & Investment	Zellis UK Ltd
Classic Collection Holidays	
Clyde Valley Group	
Community Health Partnerships	
Content Guru	
DWP - Central	
Gamma Telecomms	
GS Yuasa Battery Sales UK Ltd	
Homes in Sedgemoor	
Imtech Inviron Ltd	
KCOM Group Ltd	
Keepmoat Homes	
Leeds Building Society	
Magenta Living	
Manx Telecom Trading Limited	
Marsh Ltd	
Natures Menu Ltd	
New Landmark	
North Norfolk District Council	
OVO Energy	
Parcel-Hub	
Partington's Holiday Centres	
Persimmon Plc	
Premium Credit Limited	
Proximo Limited	
Quorn Foods	
Radioactive Waste Management	
Rother District Council	
Scottish Hydro	
South Liverpool Homes	
Stagecoach Group	
Telford & Rekin Council	
The Insolvency Service	

# Institute Of Customer Service

## Directors' Report

### For the year ended 31 March 2022

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The directors present their annual report and financial statements for the year ended 31 March 2022.

#### Principal activities

The principal activity of the company continued to be that of a not-for-profit professional body for customer service.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Joanna Causon  
Simon Roberts  
Jonathan Cowie  
Giles Hawke  
Paul Pugh  
Cathryn Ross  
Shirley Fell  
Mark Gait

(Resigned 31 August 2021)

#### Auditor

In accordance with the company's articles, a resolution proposing that Gilberts Chartered Accountants be reappointed as auditor of the company will be put at a General Meeting.

#### Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.



# Institute Of Customer Service

## Directors' Report (Continued)

For the year ended 31 March 2022

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### Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

.....

Joanna Causon

**Director**

Date: .....



# Institute Of Customer Service

## Independent Auditor's Report

### To the Members of Institute Of Customer Service

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#### Opinion

We have audited the financial statements of Institute Of Customer Service (the 'company') for the year ended 31 March 2022 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.



# Institute Of Customer Service

## Independent Auditor's Report (Continued)

### To the Members of Institute Of Customer Service

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company 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.

#### **Explanations as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed in our approach below:

We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council and UK taxation legislation.

We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. There are inherent limitations in the audit procedures noted above, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance, miscellaneous receipt and payments testing, journal entry testing, analytical procedures and obtaining additional corroborative evidence as required. In doing so we evaluate whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.



## **Institute Of Customer Service**

### **Independent Auditor's Report (Continued)**

#### **To the Members of Institute Of Customer Service**

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We recognise that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We communicated relevant key laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud and non-compliance with laws and regulations throughout the audit.

We did not identify any key audit matters relating to irregularities, including fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Amanda Ruggles (Senior Statutory Auditor)**

**For and on behalf of Gilberts Chartered Accountants**

Pendragon House

65 London Road

St Albans

Hertfordshire

AL1 1LJ

Date: .....

**Institute Of Customer Service**  
**Statement of Income and Retained Earnings**  
**For the year ended 31 March 2022**

	Notes	2022 £	2021 £
<b>Income</b>		<b>5,232,998</b>	3,788,761
Administrative expenses		(4,980,086)	(4,269,056)
Other operating income		-	110,867
		<hr/>	<hr/>
<b>Operating surplus/(deficit)</b>		<b>252,912</b>	(369,428)
Interest receivable and similar income		(22,496)	47,540
Amounts written off investments	4	-	342,655
		<hr/>	<hr/>
<b>Surplus before taxation</b>		<b>230,416</b>	20,767
Tax on surplus		(1,824)	(8,511)
		<hr/>	<hr/>
<b>Surplus for the financial year</b>		<b>228,592</b>	12,256
Retained earnings brought forward		919,451	907,195
		<hr/>	<hr/>
Retained earnings carried forward		<b>1,148,043</b>	919,451
		<hr/> <hr/>	<hr/> <hr/>

# Institute Of Customer Service

## Balance Sheet

As at 31 March 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Intangible assets	6		74,601		39,831
Tangible assets	7		22,584		162,558
Investments	8		1,000		1,000
			<u>98,185</u>		<u>203,389</u>
<b>Current assets</b>					
Debtors	10	1,430,429		1,220,615	
Investments	11	-		2,037,216	
Cash at bank and in hand		6,029,214		3,556,701	
		<u>7,459,643</u>		<u>6,814,532</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(3,282,149)</u>		<u>(3,134,217)</u>	
<b>Net current assets</b>			<u>4,177,494</u>		<u>3,680,315</u>
<b>Total assets less current liabilities</b>			<u>4,275,679</u>		<u>3,883,704</u>
<b>Creditors: amounts falling due after more than one year</b>	13		<u>(3,087,636)</u>		<u>(2,964,253)</u>
<b>Provisions for liabilities</b>	14		<u>(40,000)</u>		<u>-</u>
<b>Net assets</b>			<u>1,148,043</u>		<u>919,451</u>
<b>Reserves</b>					
Income and expenditure account			<u>1,148,043</u>		<u>919,451</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on ..... and are signed on its behalf by:

.....

Simon Roberts

Director

Company Registration No. 03316394

# Institute Of Customer Service

## Balance Sheet (Continued)

As at 31 March 2022

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	Notes	2022 £	£	2021 £	£
Reserves - members funds		<b>1,148,043</b>		919,451	
Deferred income:					
Amounts falling due within one year		<b>2,461,810</b>		2,369,966	
Amounts falling due after more than one year		<b>2,619,819</b>		2,964,253	
Total adjusted reserves		<b>6,229,672</b>		6,253,670	

Deferred income relates to non-refundable membership subscriptions.

# Institute Of Customer Service

## Notes to the Financial Statements

For the year ended 31 March 2022

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### 1 Accounting policies

#### Company information

The company is a private company limited by guarantee incorporated in England and Wales. The registered office is Ground Floor, 4 Gainsford Street, London, SE1 2NE.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company.

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit and loss.

#### 1.2 Income and expenditure

Turnover is the total amount receivable by the company for goods and services provided, excluding value added tax and trade discounts.

Subscriptions of members are credited to the income and expenditure account over the period of the membership, after deducting 20% for selling costs. Subscriptions are not refundable.

#### 1.3 Intangible fixed assets other than goodwill

Intangible assets are initially recorded at cost and are subsequently measured at cost less accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired on business combinations are recorded at the fair value at the acquisition date; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

#### Amortisation

Amortisation is recognised so as to write off the cost of an asset, less its estimated residual value over the useful life of the asset as follows:

Intellectual property rights	20% straight line
Software and website	20% straight line

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation, less any subsequent accumulated depreciation and impairment losses.



# Institute Of Customer Service

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

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### 1 Accounting policies

(Continued)

#### Depreciation

Depreciation is recognised so as to write off the cost or valuation of an asset, less its residual value, over the useful life of that asset as follows:

Leasehold improvements	10% straight line
Fixtures and fittings	15% straight line
Computers	25% straight line

#### 1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in surplus or deficit.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.6 Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 and Section 12 of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

##### Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present fair value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### Basic financial liabilities

Basic financial liabilities, which include trade and other payables and bank loans, are initially measured at transaction price and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present fair value of the future receipts discounted at a market rate of interest.

##### Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in surplus or deficit, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# Institute Of Customer Service

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

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### 1 Accounting policies

(Continued)

#### 1.8 Taxation

The company is a mutual service organisation and all activities of the company are exempt from corporation tax except for interest received, income on investments and chargeable gains.

#### 1.9 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.11 Leases

Operating lease rentals are charged to the profit and loss account in the year in which they are payable.

#### 1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

#### 1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

#### 1.14 Current asset investments

Investments listed on a recognised stock exchange are valued at fair value where the fair value can be measured reliably. Movements in fair value are recognised in income and expenditure.

#### 1.15 Subscriptions receivable

Subscriptions of members are credited to the income and expenditure account over the period of the membership, after deducting 20% for selling costs. Subscriptions are not refundable.

### 2 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	<b>13,350</b>	12,550
	<u>          </u>	<u>          </u>

# Institute Of Customer Service

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

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### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Total	<b>41</b>	47
	<u>          </u>	<u>          </u>

### 4 Amounts written off investments

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Fair value gains/(losses)</b>		
Gain on financial assets held at fair value through profit or loss	-	342,655
	<u>          </u>	<u>          </u>

### 5 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in surplus or deficit:

	<b>Notes</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
In respect of:			
Property, plant and equipment	<b>7</b>	<b>120,786</b>	-
		<u>          </u>	<u>          </u>
Recognised in:			
Administrative expenses		<b>120,786</b>	-
		<u>          </u>	<u>          </u>

During the year the Institute terminated the rental contract for its premises at Mill Street, London. Included in fixed assets are leasehold improvements which were being written off over the period of the lease. As the lease has been terminated early, the remaining carrying value of the leasehold improvements has been fully written off as an impairment loss.

**Institute Of Customer Service**  
**Notes to the Financial Statements (Continued)**  
**For the year ended 31 March 2022**

**6 Intangible fixed assets**

	<b>Other £</b>
<b>Cost</b>	
At 1 April 2021	193,005
Additions	44,353
	<u>          </u>
At 31 March 2022	237,358
	<u>          </u>
<b>Amortisation and impairment</b>	
At 1 April 2021	153,174
Amortisation charged for the year	9,583
	<u>          </u>
At 31 March 2022	162,757
	<u>          </u>
<b>Carrying amount</b>	
At 31 March 2022	74,601
	<u>          </u>
At 31 March 2021	39,831
	<u>          </u>

**7 Tangible fixed assets**

	<b>Leasehold improvement £</b>	<b>Furniture and equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2021	189,113	92,520	<b>281,633</b>
Additions	-	10,309	<b>10,309</b>
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2022	189,113	102,829	<b>291,942</b>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation and impairment</b>			
At 1 April 2021	49,416	69,659	<b>119,075</b>
Depreciation charged in the year	18,911	10,586	<b>29,497</b>
Impairment losses	120,786	-	<b>120,786</b>
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2022	189,113	80,245	<b>269,358</b>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>			
At 31 March 2022	-	22,584	<b>22,584</b>
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2021	139,697	22,861	162,558
	<u>          </u>	<u>          </u>	<u>          </u>

More information on impairment movements in the year is given in note 5.

**Institute Of Customer Service**  
**Notes to the Financial Statements (Continued)**  
**For the year ended 31 March 2022**

<b>8</b>	<b>Fixed asset investments</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Shares in group undertakings and participating interests	<b>1,000</b>	1,000
		<u><u>          </u></u>	<u><u>          </u></u>

**9 Subsidiaries**

Details of the company's subsidiaries at 31 March 2022 are as follows:

<b>Name of undertaking</b>	<b>Registered office</b>	<b>Nature of business</b>	<b>Class of shares held</b>	<b>% Held Direct</b>
ICS Services Ltd	Ground Floor, 4 Gainsford Street, London SE1 2NE	Dormant	Ordinary Shares	100

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

<b>Name of undertaking</b>	<b>Capital and Reserves</b>	<b>Profit/(Loss)</b>
	<b>£</b>	<b>£</b>
ICS Services Ltd	1,000	

**10 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	<b>1,236,793</b>	1,051,925
Other debtors	<b>16,685</b>	1,978
Prepayments and accrued income	<b>176,951</b>	166,712
	<u><u>1,430,429</u></u>	<u><u>1,220,615</u></u>

**11 Current asset investments**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other investments	-	2,037,216
	<u><u>          </u></u>	<u><u>          </u></u>

As at 31 March 2022 the investments were all held as cash.

**Institute Of Customer Service**  
**Notes to the Financial Statements (Continued)**  
**For the year ended 31 March 2022**

**12 Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	£	£
Trade creditors	<b>148,465</b>	225,377
Amounts owed to group undertakings	<b>870</b>	870
Corporation tax	<b>1,824</b>	8,511
Other taxation and social security	<b>361,945</b>	310,931
Deferred income	<b>2,663,320</b>	2,550,883
Other creditors	<b>456</b>	11,338
Accruals and deferred income	<b>105,269</b>	26,307
	<u><b>3,282,149</b></u>	<u>3,134,217</u>

**13 Creditors: amounts falling due after more than one year**

	<b>2022</b>	<b>2021</b>
Notes	£	£
Deferred income	<b>3,087,636</b>	2,964,253
	<u><b>3,087,636</b></u>	<u>2,964,253</u>

**14 Provisions for liabilities**

	<b>2022</b>	<b>2021</b>
	£	£
Dilapidations provision	<b>40,000</b>	-
	<u><b>40,000</b></u>	<u>-</u>

During the year the Institute terminated the rental contract for its office premises at Mill Street, London. The contract requires that the premises be restored to its original condition so a provision of £40,000 has been included in the accounts to reflect these expected costs which will be incurred after the year end.

**15 Members' liability**

The company is limited by guarantee and does not have share capital.

The liability of members is limited. Every member of the Institute undertakes to contribute such amounts as may be required (not exceeding £1) to the Institute's assets if it should be wound up while they are a member, or within one year after they cease to be a member, for payment of the Institute's debt and liabilities contracted before they cease to be member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories themselves.

# Institute Of Customer Service

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

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### 16 Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

<b>2022</b>	<b>2021</b>
£	£
<b>654,000</b>	154,874
<u><u>654,000</u></u>	<u><u>154,874</u></u>