

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT
ANNUAL REPORT AND ACCOUNTS
YEAR ENDED 31 DECEMBER 2014**

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Registered office:

The Chartered Institute of Logistics and Transport
Earlstrees Court
Earlstrees Road
Corby
Northants
NN17 4AX
United Kingdom

Incorporated by Royal Charter
Registered Charity No: 313376

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT
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OBJECTIVES AND ACTIVITIES

The objectives of the Chartered Institute of Logistics and Transport (CILT) are stated in our Royal Charter:

***“promote, encourage and co-ordinate the study and advancement
of the science and art of transport and logistics in all its forms”***

To this end we provide knowledge on a worldwide basis to people entering, working and connected with the logistics and transport professions. Our members work in a number of areas including;

- Global supply chains
- Freight transport
- Passenger transport
- International trade
- Infrastructure and planning.

Their professional activities utilise multiple modes of transport, engage with commercial and public sector organisations and cross international borders. All of them play an important part in the design, implementation, operation and optimisation of networks and services for the time related positioning of resources.

Our members gain knowledge by pursuing accredited professional educational programmes that lead, with appropriate management experience, to recognised professional qualifications.

CILT also seeks to;

- Supply excellent people throughout their career to our professions
- Share best practice with fellow professionals
- Support lifelong learning with continuing professional development
- Work with accredited educators and trainers to provide learning and practical research
- Promote holistic logistics and transport policy to shape our communities and economies.

CILT does this by;

- Having stimulating meetings, lectures, exhibitions and visits
- Distributing useful information promptly in a variety of formats
- Building an international network and facilitating beneficial links between members
- Encouraging energetic young members
- Celebrating our members' success.

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PRESIDENT'S REPORT

This report is presented in two parts by two Presidents. The first part is an account of activities in 2014 covering Dorothy Chan's Presidential year and the second part looks forward to 2015 and beyond and is provided by Paul Brooks, the President from January 2015.

Review of 2014

The past year was a successful one for the Institute. We continued to progress on major items of growth under a much strengthened governance structure and our new brand. Launching of our new logo was completed in May 2014 and we have received complements from various sectors that our new image reflects the importance of our heritage and dynamism.

Inevitably there are changes with new comers and retirees. We have individuals whom we gratefully acknowledge for their tremendous contributions as they retire from key positions in the Institute. Saliya Senenayake, IVP Sri Lanka, Richard Ebbage, Director of Finance and Graham Harrison, Hon Treasurer. All of them have served the Institute for many years. Appreciation also goes to Stephen Chan, Young Professional convenor who has stepped down just at the end of 2014 because of work commitments.

We welcome Amal S. Kumarage, new IVP from Sri Lanka, Ibrahim Abubakar Jibril, IVP from Nigeria, new Director of Finance, Duncan Snook and new Honorary Treasurer, David Pugh. Young professionals have appointed Elliot Price as their convenor. We have appointed Zoe Roberts as our Education Administrator to support Jon Harris on education administration. Ceri Williams who has been with us for the last 2 years is appointed International Communications and Administration Coordinator to enhance our communications and contacts globally with Territories and Branches.

Growth and performance

In 2014, we saw the establishment of a new branch in Macau. The Branch, under Dr. Michael Lam has built up strong relationships with academics, the regulators and the industry in Macau. The first CILT Macau conference held in November 2014 with over 100 participants was a success and has helped to establish CILT as an important professional resource to support Macau's developments.

CILT China became a Territorial Organization in November 2014. This was the outcome of several meetings in Beijing and the active role that CILT China is undertaking in promoting network and professional exchanges. Following on from the first CILT conference held in Beijing in 2014, the second conference in China will be held in April 2015. CILT Hong Kong, CILT Ireland and CILT Singapore and are all taking part in the planning of China conference.

Our growth strategy also embodies special areas in Young Professional Committee and Women in Logistics and Transport. Our Young Professionals have always impressed us with their ideas, creativity and the close links among themselves. Aisha Ibrahim has grown Women in Logistics and Transport (WiLAT) and at the end of 2014, we have formed WiLAT in 15 countries in Gambia, Ghana, Hong Kong, India, Ireland, Malaysia, Middle East, Nigeria, Pakistan, Singapore, South Africa, Sri Lanka, Tanzania, Uganda and Zambia.

A special event was the Women's Day in Nigeria which took place in June 2014 in Lagos. There were eight presentations and an impressive paper was presented by Lucy Adeke from WiLAT Uganda on the difficulties confronting women in gaining access to basic transport facilities and social limitations restraining their use of bicycles in African countries. The Institute considered that we could work hand in hand with Transaid, a charity organization jointly established by CILT and Save the Children, to work on measures which could offer relief and such discussions could be supported by the annual Africa Forum. There was a meeting with Caroline Barber of Transaid to pursue our common goals.

Capability

Two important and long established committees, the International Membership Standards Committee and the International Education Standards Committee, have helped to establish consistent practices and keep the Institute abreast of professional development. There is a strong interest in promoting e-learning and to develop webinars with reference to the CILT Australia model. To enhance understanding, a sharing session was conducted by Hanna Lucas from Australia in November 2014.

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PRESIDENT'S REPORT (continued)

Connected through Go-To-Webinar, members could opt to enroll for seminars of their choice and participate in question and answer sessions.

At the annual convention, it was also agreed to set up a Support Services Committee and consider further how we can support Territories and Branches to enhance their capability. 'Branch-in-a box' has been established as a target for development. The concept involves establishing a standardized tool set which will offer solutions for Territories and Branches containing membership information, financial process, audit measures and best practices guide. Initial assessment suggests that we can learn from the UK CRM for larger countries and Australia's web-based system for smaller branches. Both Territories are willing to provide services and consider carrying this to implementation during 2015.

Creating our long term value is a corporate priority. The International Management Committee conducted a one day retreat on 10 November 2014 and came to a fruitful understanding that a global cum regional approach would help the Institute to exert greater influence as a professional organization. Regional activities are not something new to the Institute beginning with the long established Africa Forum and more recently with the annual China conference beginning in 2013. We see that we are ready for the formal appointment of regional convenors and this is something that would be taken up in 2015.

2014 Convention

The biggest annual convention was held between 1 and 6 June in Malacca, Malaysia. The convention was attended by over 200 delegates and the convention dinner was graced by YAB Datuk Seri Ir Hj Idris Haron, Chief Minister of Melaka who was given the International Ambassador Award. CILT banners could be seen along the main roads leading to Malacca and to the place of the convention making CILT the most conspicuous symbol during the convention period. Our thanks to Dato Radek Malak, Haji Ramli, Chairman of the Convention Organising Committee and the entire conference team for their achievements. To recognize contributions to the Institute, the Pegasus Awards were given to IVP Saliya Senanayake and Hon. Treasurer, Graham Harrison.

The President's medal was given to Aisha Ibrahim for her exceptional support to the President in realizing the vision to promote women participation in logistics and transport. The idea of forming Women groups in the Institute was instigated by Aisha in 2010 in Malta. This was followed up with an initial discussion in Birmingham in 2012 under Alan Waller and this was turned into a global venture in 2013. The convention also provided the opportunity to present the Young Achiever Award to Jessica Paton from Australia and two Endowment Fund Awards were given to Bruno Abas Kinyaga (Tanzania) and Alaa Bahij Al Tef (UAE) to enable them to progress specific logistics and transport projects.

To recognize the exceptional team efforts in developing the new logo, special 'Thank You' certificates were given to Paul Brooks, Steve Agg, Andrew Stewart, Tracey Matthews and Ceri Williams. A speech was delivered by Yakubu Jang, Special Advisor to the Executive Governor of Plateau State of Nigeria who received on behalf of Jonah David Jang, Governor of Plateau State, Nigeria, the Fellowship certificate. Certificates were also presented to Nigeria on becoming a Territory and to Macau, the newest Branch.

Driving the Institute

Our Territories and Branches share the Institute's vision to be the first choice professional body for people in supply chain, logistics and transport and we are all working hard to offer better services to members and to advance new ideas for the industry. Although we have a lean central secretariat, we have very mature Territories which are supportive and are performing essential central functions. CILT Hong Kong and CILT Ireland are responsible for membership and education certification and records. We are aided by CILT UK on finance and web services.

Much less visible yet absolutely essential is the management of the Institute with dispersed Territories and Branches. One of the advantages for us in the supply chain, logistics and transport fields is that working round the clock is common with access to the best of technologies. We manage effectively through tele-conferencing and we kept each other informed through e-newsletters.

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PRESIDENT'S REPORT (continued)

In 2014, three international e-newsletters were issued and there were five meetings of the Council of Trustees, five meetings of the International Management Committee, four meetings of the International Audit Committee, four meetings of the International Education Standards Committee and four meetings of the International Membership Standards Committee. During 2014, combining visits made by the President, President Elect, International Vice Presidents and Secretary General, we have visited members in China, Ghana, Hong Kong, India, Ireland, Macau, Malaysia, New Zealand, North America, Nigeria, Pakistan, Sri Lanka and United Kingdom. Our Secretary General also received visitors from China, Ukraine, Kazakhstan, UAE and North America, together with our International Management Committee bringing together our International Vice presidents and committee members from New Zealand, Malaysia, Nigeria, Ireland and North America.

Upholding our heritage and progressing for the future

On 1 January 2015, Paul Brooks has taken up presidency of CILT and Kevin Byrne has become the President Elect. The CILT family is growing "Stronger Together" under the new unified logo to represent our vision as the first choice professional body in Supply Chain, Logistics and Transport. We have formed 15 Women in Transport and Logistics groups and established a new branch in Macau. Sri Lanka, Nigeria and China have gained Territorial status and we have re-activated our links with Malta.

The new economic era comes with new opportunities. CILT will continue to contribute actively to the fast growing supply chain, logistics and transport sectors. In the past year, all the changes and coordination were carried out by our Secretary General and his office and his team has maintained productivity to deliver results. Looking ahead, there is absolute confidence that with the strong leadership under Paul, we will steer further ahead to attain higher grounds.

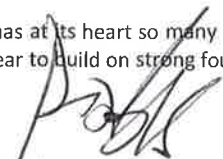
Looking Ahead

I am very keen to stress that taking over from Dorothy Chan will in every sense of the word be "business as usual" as we have worked together very closely over the last two years to create the current strategy for CILT globally. Our vision, mission and values were fully endorsed by all delegates at the 2014 International Convention in Melaka and set a clear agenda supporting our theme of being "Stronger Together".

The strategy is a stepping stone for the future development of working together under the new global brand underpinned by the emergence of the three key pillars within the strategy of growth, capability and governance. The governance agenda is extremely robust and well supported by the Council of Trustees and International Vice Presidents. Under Dorothy's Presidency we have built greater capability and increased the visibility of global developments; now is the time to combine our strengths as part of a clear growth agenda. We must ensure that Chartered Membership of CILT is recognized as an essential career goal within our sectors – highlighting everything that the profession has to offer. CILT must clearly reassert itself as the leading professional organization in the environments in which we operate.

I will remain focused on ensuring that countries are supporting members fully with a wide range of services, including member networking and the sharing of best practice. We now have a growing range of partnerships in countries where CILT does not have a formal presence – we need to develop our visibility in every country or market that our members deem important to their global success. We are now in a very exciting place and 2015 will see the continuation of the work Dorothy and International Management Committee has set out. The "Stronger Together" rallying cry has been used extensively – our values make us feel and behave like one large CILT family.

CILT has at its heart so many committed and talented people contributing so much to our global Institute; 2015 is the year to build on strong foundations and to create an even more enduring and exciting future.



Paul Brooks
President
12 May 2015

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TRUSTEES

The following trustees have served during the year:

Dorothy Chan	(term of office ended December 2014)
Paul Brooks	
Jan Steenberg	
Stephen Rinsler	
Rupert Nichols	
Graham Harrison	(term of office ended November 2014)
David Pugh	(appointed November 2014)

OFFICERS

The following officers have served during the year:

President	Dorothy Chan Paul Brooks	(to December 2014) (from January 2015)
International VPs	Jan Steenberg Robin Dunlop Kevin Byrne David Collenette Becky Loo Emurwon Olupot Paul Brooks Radzak Malek Saliya Senanayake	UK New Zealand Ireland Canada Hong Kong Uganda UK (to December 2014) Malaysia Sri Lanka
Honorary Solicitor	Rupert Nichols	
Honorary Treasurer	Graham Harrison David Pugh	(to November 2014) (from November 2014)
Honorary Secretary	Stephen Rinsler	
Secretary General	Keith Newton	
Director of Finance	Duncan Snook	

ADVISORS

Auditors	Mazars LLP Clifton Down House, Beaufort Buildings, Clifton, Bristol
Bankers	Barclays Bank plc 8 Market Place, Kettering, Northants
Investment Managers	Investec Wealth and Investment Limited 2 Gresham Street, London
Solicitors	Stone King LLP 16 St John's Lane, London

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MEMBERSHIP OF GOVERNING GROUPS 2015

Name	Designation	Country	COT	IMC	IAC
Paul Brooks	President	UK	Chair	Y	N
Kevin Byrne	President Elect	IRL	Y	Chair	
David Pugh	Honorary Treasurer	UK	Y	Y	Chair
Rupert Nichols	Honorary Solicitor	UK	Y	Y	Y
Stephen Rinsler	Honorary Secretary	UK	Y	Y	N
Jan Steenberg	IVP	UK	Y	Y	
Amal Kumarage	IVP	SL		Y	
David Collenette	IVP	CAN		Y	
Robin Dunlop	IVP	NZ		Y	
Becky Loo	IVP	HK		Y	
Ibrahim Jibril	IVP	NI		Y	
Radzak Malek	IVP	ML		Y	
Aisha Ali Ibrahim	WiLAT Convenor	NI		N	
Elliot Price	IYP Convenor	AUS		N	
Mike Pestereff	Audit Committee	UK			Y
Steve Agg	UK CEO	UK		N	
Duncan Snook	Director of Finance	UK		N	N
Keith Newton	Secretary-General	UK	N	N	N

Key:

COT	Council of Trustees
IMC	International Management Committee
IAC	International Audit Committee
Y	Voting Committee Member
N	Non-voting Committee Member

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TRUSTEES' REPORT

The trustees present their report and the audited accounts of CILT for the year ended 31 December 2014. The trustees have adopted the provisions of the 2005 Statement of Recommended Practice "Accounting and Reporting by Charities" in preparing the annual report and accounts of the charity. CILT's constitution does not permit the distribution of any surplus.

Status and trustees meetings

CILT is an incorporated charity governed by its Royal Charter and Bye-laws. It is registered as a charity in England and Wales, registered number 313376.

The trustees of CILT, appointed by the Council, are the persons who from time to time hold the following offices: President, two UK domiciled Vice Presidents, Honorary Secretary, Honorary Solicitor and Honorary Treasurer. The trustees must meet a minimum of once a year, but in practice meet at least quarterly.

The objectives and activities on page 2, the President's Report on pages 3 to 5 and the information on Officers and Advisers on pages 6 and 7 form part of this report.

The governing documents of CILT are its Royal Charter and Bye-Laws. Changes to these documents require the approval of the Privy Council, subsequent to the agreement of the voting members of CILT.

The Royal Charter was granted in 1926. The bye-laws were most recently revised in April 2010.

The supreme governing body of CILT is the Council, known as the **Council of Trustees (COT)**, which comprises the President, the President-Elect, two International Vice Presidents resident in the UK, the Honorary Treasurer, Honorary Solicitor and Honorary Secretary and the Chairmen of the three standing committees of CILT, namely the International Council, the International Management Committee and the International Audit Committee.

COT appoints the President and President-elect, each of whom serves a two year term of office and also approves the appointment of the International Vice-Presidents, who ordinarily serve a three year term, which the COT may agree to extend.

The trustees maintain an up-to-date knowledge of the responsibilities of being a charity trustee and serve without remuneration. CILT carries indemnity insurance in respect of their role as trustees. CILT's liabilities are limited in the Charter and Bye laws to the level of £1 per member.

Financial Review

Building on the investment made in 2013 on education administration and CILT's global brand, our incoming resources have increased by £76,000 (26%) overall, due to a significant increase in education income. Investment in professional development and qualifications has continued alongside improved infrastructure and capability to support our global offer.

These two factors mean that the general fund has generated a small surplus for the year of £10,000 which increases to £20,000 once investments gains are attributed. The endowment funds have had another successful year enjoying acceptable income and capital returns given the prevailing economic conditions.

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TRUSTEES' REPORT (continued)

International Council

International Council comprises representatives of the Territorial Organisations (TOs) and International Branches (IBs) established around the world. The International President chairs the International Council. It is the forum for the representatives of all members of CILT to;

- Develop CILT's global strategy
- Establish professional membership and ethical standards
- Establish international standards for professional education and continuing professional development
- Confirmation of the appointments of the Council of Trustees.

It meets once a year at CILT International Convention.

International Management Committee (IMC)

IMC is charged with implementing the strategy developed by the International Council and ensuring the effective administration of CILT's day-to-day business. IMC comprises the President and President-elect, the International Vice Presidents and the Honorary Officers. The Secretary-General is a non-voting member of IMC. IMC must meet a minimum of twice per year but in practice meets quarterly.

International Audit Committee (IAC)

IAC is charged with the oversight of CILT's activities to ensure they meet the requirements of charity law, financial management best practice and comply with statutory accounting requirements. It is also responsible for the management of CILT's funds and investments. IAC meets minimum of twice per year in addition to meeting the CILT's auditors. In practice the meetings reflect the cycle of meetings of trustees and IMC.

The International Secretariat

The COT also appoints a Secretary General, who is the chief executive officer of CILT. The Secretary General is charged with managing the affairs of CILT and the Secretariat and is accountable to the COT.

Significant support is provided by certain territorial organisations, namely;

- CILT United Kingdom, which provides finance, treasury, company secretary, legal and marketing services in addition to hosting www.ciltinternational.org
- CILT Ireland, which administers education activities worldwide.
- CILT Hong Kong, which manages the administration of membership worldwide.

The other principal officer is the Director of Finance, who is the Director of Finance of CILT(UK). In this capacity, he reports to the Secretary-General and attends meetings of the IMC and IAC.

The International Family

CILT has members working in more than 100 countries.

There are like minded organisations formed by our members in various countries. These are either territorial organisations or branches formally recognised by the Council of Trustees. They are responsible for representing the interests of CILT and its members in the relevant territory.

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TRUSTEES' REPORT (continued)

The delegated powers and responsibilities of the territorial organisations are set out in CILT's bye-laws. These organisations are legally and financially independent of CILT. However, the trustees retain the power to withdraw recognition should the conduct of the territorial organisation be in breach of, or inconsistent with, CILT's Royal Charter and Bye-laws.

CILT Branches are established by resolution of the Council of Trustees, which will determine the nature and extent of any delegation of powers on a case-by-case basis, with the Secretary-General having oversight of their activities.

Both the Territorial Organisations and CILT Branches may use the word "*Chartered*" in their name and use the international brand and logo of CILT, subject to the Bye-laws.

Public Benefit

In setting the objectives, planning the activities, and reporting on the performance of the charity the trustees have given careful consideration to the Charity Commission guidance on public benefit.

Efficient logistics and transport operations have a positive impact on all our communities. Mobility facilitates trade, provides access to services and improves communications. By disseminating Knowledge about competent Logistics and Transport we have a constructive influence on our business and social activities.

We also ensure our members, and the communities we serve, are more aware of the responsibilities our professions bear for the environmental impact of logistics and transport activities and the contribution we can make to sustainable development – maximising efficiency to minimise carbon footprint and costs.

In 2014 there were more than 1600 registered students studying CILT International Professional qualifications, growth of over 30% year on year. There were also many thousand pursuing short courses, endorsed programmes and other training associated with CILT.

In addition, CILT supports Aspire, a careers foundation which provides financial support to those who would otherwise be unable to access professional development education in Logistics and Transport. Aspire is administered as part of CILT(UK).

Risk Management

CILT's strategic review has produced a plan setting out the major opportunities available to the charity and the risks to which it is exposed. The Trustees monitor progress against the strategic objectives set out in the plan that is reviewed annually. As part of this process, the Trustees have implemented a risk management strategy that comprises:

- A biannual review of the risks which CILT may face;
- The establishment of systems and procedures to mitigate identified risks; and
- The implementation of procedures designed to minimise any potential impact on CILT should any of those risks materialise.

The Trustees consider that their policies are sufficient to manage and provide for CILT if adverse conditions were to occur.

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TRUSTEES' REPORT (continued)

Trustees' Responsibilities Statement

The trustees are responsible for the preparation of financial statements for each accounting year that give a true and fair view of the state of financial affairs of CILT as of the end of the year, and of the result for the year.

In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that CILT will continue in business.

The trustees consider that they have complied fully with these requirements in preparing the financial statements on pages 14 to 20.

The trustees have responsibility for ensuring that CILT keeps accounting records which disclose with reasonable accuracy the financial position of CILT at any time and which enable them to ensure that the financial statements comply with the Charities Act 1993.

The trustees have general responsibility for taking such steps reasonably open to them to safeguard the assets of CILT and to prevent and detect fraud and other irregularities.

The trustees have taken all the necessary steps to make us aware, as trustees, of any relevant audit information and to establish that the auditors are aware of the information.

Reserves Policy and Unrestricted Funds

Unrestricted funds, represented by the General Fund, are those utilised by the trustees without specific conditions imposed upon them except for the imperative that they are used for the furtherance of CILT's charitable objectives.

These funds represent the free reserves of the charity. The trustees have considered the appropriate level of free reserves together with the variability of costs within the General Fund.

Free reserves shall fall within an acceptable operating range of a minimum of the equivalent of six month's annual expenditure and a maximum of the equivalent of two years' annual expenditure as disclosed in the latest audited accounts.

The current level of £264,000 falls within the acceptable operating range and the trustees consider this level of free reserves to be sufficient for the continuing operations of the charity.

The trustees note that the level of free reserves are instantly convertible into cash should the needs of the charity require this, and that the current budget strategy is geared towards continuing to operate within the prescribed range.

Website

The trustees are responsible for the corporate and financial information included on the CILT website.

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TRUSTEES' REPORT (continued)

Endowment Funds

In November 2002 The Charity Commissioners for England and Wales approved a new endowment fund for CILT. Like its predecessors income from the fund is used in the furtherance of CILT's principal charity objective of education. Further details are set out in Note 9 to the accounts. Investec Wealth and Investment have managed CILT's investments since September 2011.

Investment Power and Policy

Our Royal Charter or Bye-laws do not restrict CILT's investment powers. We have granted discretionary powers to the investment manager, Investec Wealth and Investment.

The investments are classified as fixed assets and are held to provide income to CILT with medium risk. To achieve this objective the fund manager now holds two diversified portfolios of suitable investments. Changes in the investment portfolio are set out in Note 6 to the accounts.

Auditors

A resolution to reappoint Mazars LLP as auditors will be proposed at the forthcoming Annual General Meeting.

By order of the trustees



**Stephen Rinsler
Secretary to the trustees
12 May 2015**

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

We have audited the financial statements of The Chartered Institute of Logistics and Transport for the year ended 31 December 2014 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the charity's trustees as a body. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2014 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

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

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

Mazars LLP.

Mazars LLP
Chartered Accountants and Statutory Auditor
Clifton Down House, Beaufort Buildings, Clifton, Bristol, BS8 4AN

Date *22 June 2015*

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

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STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds £000	Endowment Funds £000	Total Funds £000	2013 £000
Incoming resources					
From generated funds:-					
Subscriptions and fees		84	-	84	97
Investment income		9	12	21	20
From charitable activities:-					
Professional development		255	-	255	169
Other income		5	-	5	3
Total incoming resources	2	353	12	365	289
Resources expended					
Cost of generating funds:-					
Subscriptions and fees		106	-	106	162
Investment management costs		2	3	5	5
On charitable activities:-					
Professional development	3	163	3	166	111
Governance costs	4	72	-	72	56
Total resources expended	5	343	6	349	334
Net incoming resources for the year before other recognised gains and losses		10	6	16	(45)
Other recognised gains and losses					
Gains on investment assets:	6	10	15	25	96
Net movement in funds		20	21	41	51
Reconciliation of funds					
Funds bought forward 1 January 2014		244	487	731	680
Funds carried forward 31 December 2014	11	264	508	772	731

The notes on pages 16 to 20 form part of these accounts.
The income relates to continuing activities.

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BALANCE SHEET

	Notes	2014 £000	2013 £000
Fixed assets			
Investments	6	<u>754</u>	<u>734</u>
Current assets			
Debtors	7	17	24
Cash at bank and in hand		<u>107</u>	<u>46</u>
		<u>124</u>	<u>70</u>
Current liabilities			
Creditors falling due within one year	8	(106)	(73)
		<u>(106)</u>	<u>(73)</u>
Total assets less current liabilities			
		30	(3)
		<u>772</u>	<u>731</u>
Endowment funds	9	508	487
Unrestricted income funds	10	264	244
	11	<u>772</u>	<u>731</u>

The notes on pages 16 to 20 form part of these accounts

Signed on behalf of the trustees on 12 May 2015


Paul Brooks
President


David Pugh
Honorary Treasurer

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT
ANNUAL REPORT AND ACCOUNTS
YEAR ENDED 31 DECEMBER 2014**

NOTES TO THE ACCOUNTS

1. Accounting policies

Basis of preparation

The accounts, which reflect the transactions of CILT, have been prepared under the historical cost convention, as modified by the revaluation of investments and in accordance with applicable accounting standards. The financial statements follow the Charities Act 1993 and the recommendations in the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued by the Charity Commission in March 2005.

Incoming resources

Fees are taken into account when received and fees in advance are carried forward. Other turnover is based on receipts from services invoiced.

Collaboration with territorial organisations

Certain administrative and support services are provided to CILT by territorial organisations at agreed fees. Details of the fees are set out in Note 12 to the accounts.

Investments

Investments are stated at market value. All realised or unrealised gains or losses on the revaluation of fund investments are taken directly to the relevant funds.

Funds

Unrestricted funds are available for any charitable purpose within CILT's objects. Endowment funds are funds to be retained for the benefit of CILT as capital.

Resources expended

All expenditure is recognised in the Statement of Financial Activities on the accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Costs of generating funds are resources used by the charity to provide membership services, including costs relating to the Director General and Vice Presidents, and other business costs. The apportionment and allocation of costs under governance costs follow recommendations included in the SORP. Cost headings include the irrecoverable VAT attributable to that particular activity.

2. Incoming resources

The incoming resources of CILT, generated from subscriptions and activities with territorial organisations and branches, are all accounted for in the United Kingdom. All incoming resources are receivable in sterling.

3. Professional development

Professional development costs are costs incurred in assessment of members, moderation, education and the developing and issuing of qualifications.

	2014	2013
	£000	£000
Moderation fees	29	32
Accreditation and exam costs	24	12
Development	110	60
Awards (endowment fund)	3	2
Other	-	5
	<u>166</u>	<u>111</u>

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NOTES TO THE ACCOUNTS (continued)

4. Governance costs

Governance costs includes expenditure incurred in respect of the Annual Council meeting, meetings of the International management Board, the Council of Trustees, secretarial support, governance support to territories and branches.

	2014	2013
	£000	£000
Meetings, convention and other costs	24	20
Audit	4	4
Secretarial support	21	17
Finance, governance and marketing support	9	9
Governance support to territories and branches	14	6
	<u>72</u>	<u>56</u>

A total of £22,606 (2013: £12,102) in expenses was reimbursed to 6 trustees (2013: 7) for travel and subsistence for governance and development activities. None of the trustees received any remuneration in the year (2013: none).

5. Total resources expended

Included within resources expended are costs in respect of services from CILT UK, CILT Hong Kong and CILT Ireland totalling £41,070 (2013: £25,500).

CILT does not employ staff, but does enter into contracts with individuals for Secretary-General services, Professional Development services and Secretarial Support services. Included within resources expended are fees and expenses in respect of these contracts totalling £161,109 (2013: £140,275).

6. Investments

	Quoted Investments	Short term deposits	2014	2013
Cost or valuation:	£000	£000	£000	£000
At 1 January 2014	717	17	734	541
Additions	129	-	129	160
Disposals	(124)	(9)	(133)	(58)
Management Charges	-	(5)	(5)	(5)
Net investment gains	29	-	29	96
	<u>751</u>	<u>3</u>	<u>754</u>	<u>734</u>
At 31 December 2014	751	3	754	734
Historical cost at 31 December 2014	606	3	609	583

The segregated funds are managed on a discretionary basis and are held to provide an investment return for CILT.

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NOTES TO THE ACCOUNTS (continued)

The asset allocation of the portfolio at 31 December 2014 was:-

	£000	
UK Equities	377	50.0%
Fixed Interest	125	16.6%
Overseas Equities	164	21.8%
Property	58	7.7%
Infrastructure	27	3.6%
Cash	3	0.3%

All the investments were quoted on recognised stock exchanges. At 31 December 2014 there were 8 investments each of which exceeded 5% of the portfolio value. They were:-

Threadneedle Investment UK Equity
Capita Financial Lindsell Train UK Equity
Invesco Fund Managers IP Income
Artemis Fund Managers Income
Jupiter UT Managers UK Special Situations
M and G Investment Management Recovery Sterling Income
Vanguard Funds S and P
Old Mutual Investment Management UK Alpha

The fund manager has consolidated the General and Endowment Funds. Thus providing total investment funds which allows individual investments at a level which improves the opportunity to maximise individual investment choices whilst reducing overall transaction costs.

The financial integrity of General and Endowment funds has been maintained by setting a mechanism for the dividing the value of investments based of the respective value of portfolios. This was last set in January 2013. At this time Endowment Funds represented 59% of total investments and General Funds 41%. These percentages have also been used to determine the apportionment of Investment Income as well as losses and gains. The investments attributed to the individual funds are as follows:

	2014	2013
	£000	£000
General Fund	309	301
Endowment Fund	445	433
Total at 31 December 2014	<u>754</u>	<u>734</u>

7. Debtors

	2014	2013
	£000	£000
Accrued income	13	17
Prepayments	4	7
	<u>17</u>	<u>24</u>

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NOTES TO THE ACCOUNTS (continued)

8. Creditors: Amounts falling due within one year

	2014	2013
	£000	£000
Other	65	22
Accruals	41	51
	<u>106</u>	<u>73</u>

9. Endowment Fund

The movements during the year were:

	£000
Balance at 1 January 2014	487
Statement of Financial Activities	<u>21</u>
Balance at 31 December 2014	<u>508</u>

On 5 November 2002 The Charity Commissioners for England and Wales approved a new endowment fund for CILT, the Education and Endowment Fund. The object of the fund is to advance education in the field of transport and logistics by the provision of scholarships and prizes, lectures, libraries and such other educational facilities and activities as shall be considered appropriate by the trustees.

The fund was established to give CILT more flexibility in the use of the resources available from endowments, both past and present, while continuing to respect the wishes of past donors. It is managed by CILT's trustees and the Audit and Finance Committee which in turn is advised on awards and prizes by a specialist sub-committee.

10. Unrestricted income funds

The movements during the year were as follows:

	£000
Balance at 1 January 2014	244
Statement of Financial Activities	20
Balance at 31 December 2014	<u>264</u>

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NOTES TO THE ACCOUNTS (continued)

11. Analysis of net assets between funds

	Unrestricted Funds General £000	Restricted Funds Endowment £000	Total Funds £000
Investments	309	445	754
Current assets	61	63	124
Current liabilities	(106)	-	(106)
Net assets at 31 December 2014	<u>264</u>	<u>508</u>	<u>772</u>

12. Collaboration with territorial organisations

CILT holds the Royal Charter and has worldwide membership through a number of territorial organisations and branches of more than 30,000 professionals and students connected with the logistics and transport industries. Set out below are the territorial organisations which provided specific administrative duties on behalf of CILT in the year to 31 December 2014.

	2014 £000	2013 £000
CILT UK (finance, governance and marketing)	9	9
CILT Ireland (education)	28	13
CILT Hong Kong (membership)	4	4
	<u>41</u>	<u>26</u>