



# Impact Report

and Financial Statements

## 2019-20

# Foreword |

It's with both pride and nostalgia that I present UKGBC's achievements for FY2019/20. Looking back on a tremendous twelve months for our mission, it's tempting to strike a celebratory note. But as we ended the year hurtling into the COVID-19 crisis, the time for celebration is over.

In these times of extreme health, societal, economic and environmental unrest, it is critical for charities to ensure they achieve meaningful change, in efficient and resourceful ways. Over the past FY, we adapted and refined UKGBC's Theory of Change (see p.7) and doubled up on our efforts to advocate, enable and inspire leadership and action.

Throughout this report you will find many statistics capturing the scale and reach of UKGBC's activities over the last year: our number of members grew to its highest ever level; thousands took part in our learning and leadership work; and we had more mentions in the media than ever before. I'm particularly proud of the numbers that capture the extent of our collaboration and convening power: 170 organisations contributing to our Advancing Net Zero programme, and 81 to our Social Value programme. Yet even these don't tell the full story.



It's the ultimate outcomes of our work that matter the most:

- Individual professionals talking about the difference we're making (see quotes throughout)
- Delegates on our learning programmes committing to action after completing our courses (see p13)
- Cabinet Ministers confirming how helpful we and our members have been in shaping critical policies (see p15)
- Public bodies like NHS England aligning their planning and contracting guidance to our Net Zero Carbon Framework (see p18)

It is outcomes like these that go to the core of our very purpose. They validate the herculean efforts of a small, passionate, high-performing team, and the generosity and insight of our Trustees. They justify the funding, grants, time and effort of generous members, partners and sponsors, without whom we wouldn't exist. Above all, they demonstrate that, together with our members, we are making change happen.

As we contemplate an uncertain future, and wonder how to achieve more ambitious outcomes whilst recovering from a global pandemic, I feel quietly confident that a tipping point has been reached. The faces of hundreds of built environment professionals who joined UKGBC on the Global Climate Strike in September 2019 said as much. The direction of travel is firmly set, it just remains for us to accelerate.

At UKGBC we will put our mission and members front and first in the urgent and immediate task of stimulating a green recovery!

**Julie Hirigoyen**

Chief Executive, UK Green Building Council

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**Together**  
for a  
**better**  
built environment

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# Introduction

## About UKGBC

The UK Green Building Council (UKGBC) is an industry-led network with a mission to radically improve the sustainability of the built environment. A charity with over 400 member organisations spanning the entire value chain, we represent the voice of the industry's current and future leaders who are striving for transformational change.

Our vision is a built environment that enables people and planet to thrive by:

- Mitigating and adapting to climate change
- Eliminating waste and maximising resource efficiency
- Embracing and restoring nature and promoting biodiversity
- Optimising the health and wellbeing of people
- Creating long-term value for society and improving quality of life

Our charitable objectives are:

- To increase the sustainability of the built environment by improving the way it is planned, designed, constructed, maintained, operated, modified and replaced ("Improving sustainability")\*
- To advance the education of the public in the sustainability, conservation, protection and improvement of the built environment ("Education")\*
- To promote the sustainability, conservation, protection and improvement of the built environment ("Raising awareness")\*

\* These are the charitable activities as defined within the Financial Statements accompanying this report.

## Theory of Change

Our Theory of Change visualises how UKGBC affects change on sustainability in the built environment. It has undergone a design evolution to better illustrate how our actions deliver impact.

At UKGBC, we collaborate to advocate, enable and inspire accelerated leadership and action, primarily by business and government, on climate change, resource use, nature & biodiversity, health & wellbeing and socio-economic impact.

**WE COLLABORATE** by convening diverse built environment organisations to engage in a common purpose

**WE ADVOCATE** by calling for ambitious commitments, stronger standards and progressive policy

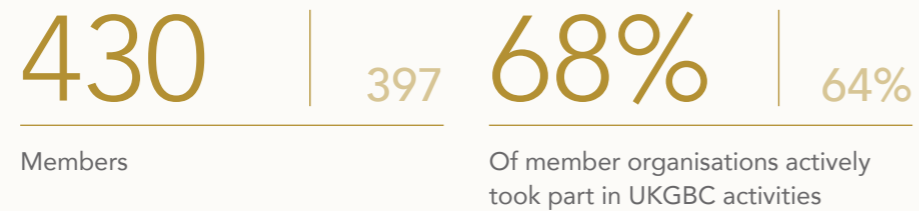
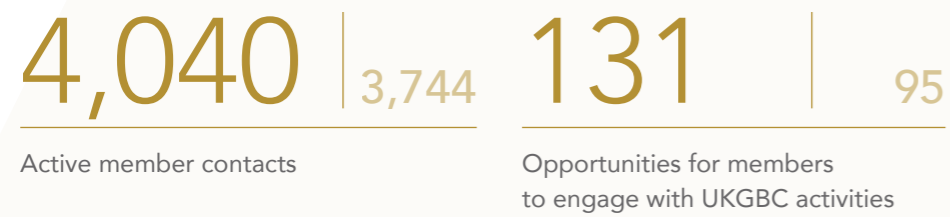
**WE ENABLE** by developing guidance, showcasing solutions and stimulating innovation

**WE INSPIRE** by sharing knowledge and best practice, and encouraging transformational leadership



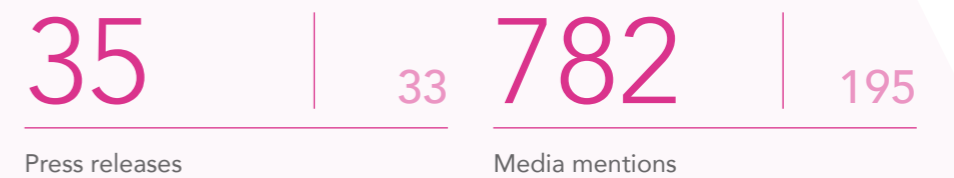
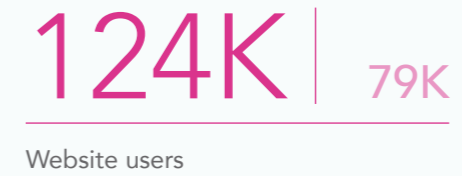
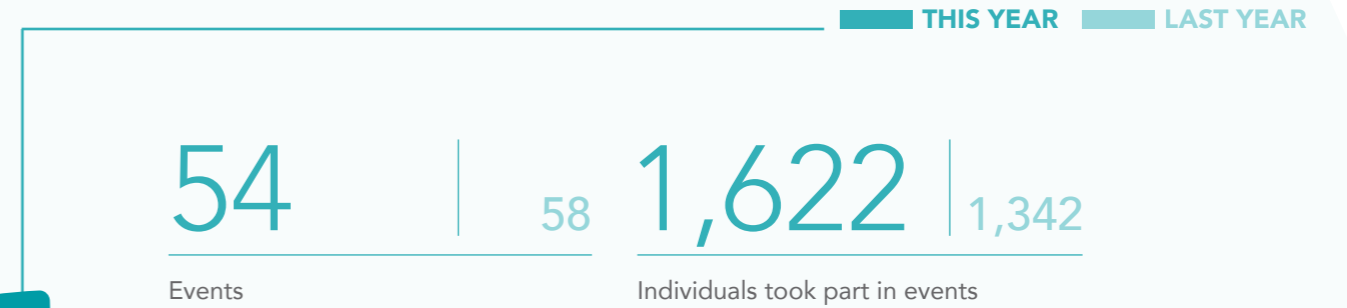
# Year at a glance

## Learning & development



## Membership

## Events



## Communications

# Impact insights | BUSINESS |

## Enabling change through knowledge-sharing and innovation

UKGBC plays a critical role in convening businesses to share knowledge and collaborate to overcome barriers to change. This year, our research into commitments made by our Gold Leaf members revealed significant progress in the uptake of stretching targets and ambitions, especially on climate adaptation and the use of the UN Sustainable Development Goals.

Work across all five of UKGBC's impact areas brought together hundreds of stakeholders, from the property and construction industry and beyond, to co-create and adopt new guidance, and to share insights and lessons learnt from implementing it. In addition, our **member forums** (including Members Advisory Group, contractors, infrastructure and university research forums) convened meetings for special interest groups to find new collaborative ways of overcoming the common sustainability challenges they each face.

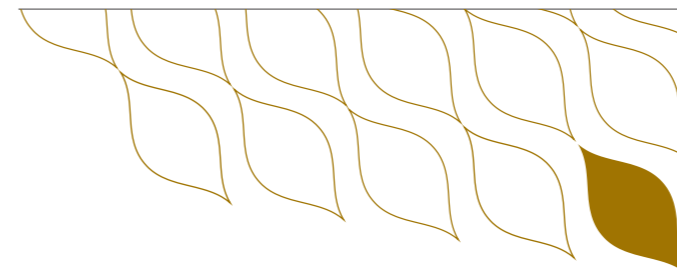
UKGBC's work to support more open innovation across the industry continued as we ran a number of events and workshops utilising the unique innovation process we developed in 2018, which led to the crowd-sourcing of a number of fantastic new ideas for tackling issues around the circular economy and community engagement. We also conducted new research into the needs and barriers to open innovation, with support from Climate -KIC, with a view to developing an **Open Innovation model** for the built environment sector.

*"UKGBC continues to play a critical role in bridging the gap between large and small organisations in the built environment sector. Its work developing a new model for Open Innovation could be game-changing for the built environment corporates looking to forge new relationships with the innovators in our community."*

**Charlie Beharrell**, Senior Commercial Associate, Sustainable Ventures



Community Engagement Sprint workshop © BuroHappold



## Gold Leaf member commitments:

39%

Are publicly reporting the possible impacts of physical climate change on their business

Up from 26% in 2018/19

30%

Have a public commitment to a biodiversity net gain target

Up from 24% in 2018/19

44

Gold Leaf members receiving bespoke 360 sustainability reports

18%

Have a public commitment to zero waste

Up from 12% in 2018/19

70%

Have aligned strategies to the UN Sustainable Development Goals

Up from 48% in 2018/19

6  
Innovation hubs and accelerators with high-level meetings



UKGBC's Alastair Mant presenting at our afternoon tea for Gold Leaf members

### Inspiring professionals to learn and lead

No business can achieve meaningful change without the active involvement and empowerment of staff at all levels. At UKGBC we have expanded our learning & development (L&D) offerings to accelerate action on sustainability through awareness-raising, knowledge-sharing, and leadership amongst professionals. We delivered a wide variety of learning programmes throughout the year, hosting regular webinars and masterclasses, alongside accessible digital learning in the form of course mail and online resource packs.

Our immersive **Second Nature LIVE** programme saw participants apply sustainability learnings on a live case study provided by Clarion Housing Group's large-scale redevelopment portfolio. Another 22 talented professionals completed our **Future Leaders** programme in 2019, with a high-impact showcase event where they all pitched innovative sustainability solutions to a senior business audience. In January 2020, we launched the seventh cohort of this highly sought-after programme, which was successfully redesigned to increase reflection on personal purpose, enhance storytelling skills through roleplay, and to connect participants with nature.

Our **Change Accelerator** programme ran for a third time, focusing on strategies to deliver transformative change across the 13 organisations represented by the cohort. In response to demand from C-suite executives across the membership, UKGBC also designed and piloted a new challenging and inspiring leadership enquiry for top level decision-makers (**Recalibrate**). We continued to bring insights and support to our exclusive **Leaders Network**, with highlights including a

focus on Cradle to Cradle Development from Delta Development Group's CEO, Coert Zachariasse, and an update on the route to net zero from the Committee on Climate Change's CEO Chris Stark.



Chris Stark, Chief Executive of the Committee on Climate Change, giving a virtual keynote to our Leaders Network

136  
Participants on UKGBC leadership programmes



Future Leaders immersive away days in Stroud

Proportion of actions and commitments made after completing L&D course

33%

Apply the principles

22%

Better informed

10%

Collaborate

6%

Implement staff training

11%

Keep learning

18%

Advocate

*We have sent a number of our team through UKGBC's learning and leadership programmes. Universally, they've loved it. It's been a great way to stretch themselves personally and professionally, and build networks with others with whom they may not usually connect. UKGBC plays such an important role across so many areas beyond just skills training, from advocacy, to practical guidance for firms, to driving genuine innovation. Their passion for what they do seems without limit.*

**Basil Demeroutis**, Managing Partner, FORE Partnership

*"The Future Leaders 2020 programme has far exceeded any expectations. From working with a likeminded, supportive cohort of other Future Leaders to listening to a range of engaging speakers and industry professionals, it has provided me with the vital skills of confidently and effectively communicating ideas – no matter how abstract! I would recommend the Future Leaders programme to those wanting to make a lasting and sustainable impact to our built environment."*

**Matt Lindsay**, Project Manager, Biotecture

150+  
Members of our Leaders Network

## GOVERNMENT

### Influencing national government

Informing and influencing national government remains as critical to our mission as ever. Despite a sometimes challenging context, 2019/20 was a year of significant achievement for UKGBC. Successful advocacy is built on strong relationships. We held more meetings with policy makers than ever before, investing particularly in our profile with the party of government, including through speaking at the launch of a new group, **Tories for Climate Action**.

All of this stood us in good stead to bring the voice of our progressive industry network to bear in a number of key policy areas. UKGBC was an active champion of adopting a **net zero carbon target in law**. There remains much to do, but we

are encouraged by some of the progress being made around **Part L** and the **Future Homes Standard, operational energy ratings** and the **future MEES trajectory**. These are all topics on which we have been actively influencing Government. We were also delighted to see our efforts – and others’ – pay off with the promise of legally binding targets in the **Environment Bill**.

This reflects a significant increase in advocacy that broadly falls under Defra’s remit. We have regularly fed into the evolution of **Biodiversity Net Gain** policy and also made a well-received submission to the influential **Building Better Building Beautiful** commission, focusing on the importance of nature and biodiversity.



Houses of Parliament

*“Among the many superb submissions we received, that of the UKGBC stood out for its depth, insight, clarity and eloquence. It was a tremendous help to us in developing our proposals, and exercised a real effect on the content of the final report. We are immensely grateful for your generosity and support.”*

**Dr Samuel Hughes**, Assistant to the Chair, Building Better Building Beautiful Commission



UKGBC’s Philip Box meeting with then Secretary of State for Defra, Rt Hon Michael Gove, to discuss biodiversity net gain

### MEMBER SURVEY

2018-19 2019-20

How successful has UKGBC been at influencing national government policy?



52

Meetings with MPs and officials in Westminster

73

Members engaged with central government advocacy

12

Consultation and inquiry responses

*“The UK Green Building Council’s insights were particularly helpful in shaping the critically-important policy for biodiversity net gain in new development. This was a cornerstone in our work to restore and improve the natural world [...] I would like to thank the UKGBC for all you have done and continue to do, to influence improvements to the built environment and energy efficiency.”*

**The Rt Hon Michael Gove MP**, Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office (then Secretary of State for Defra)



### Supporting local leadership

The role of cities and local authorities in driving a sustainable built environment has risen rapidly up the agenda; over half have now declared a climate emergency. This year for the first time we delivered three 'Foreground' programmes in London, Manchester and the South West. With the support of EIT Climate-KIC, Foreground uses UKGBC's convening power to bring together expert practitioners from across the built environment sector, in an intensive workshop process to inform and influence the sustainability aspirations of large-scale development and regeneration schemes.

Supported again by EIT Climate-KIC, we also returned to the critical topic of home retrofit. The Accelerator Cities project kick-started a new process of collaboration with local authorities and our industry network, focusing on the role of local leadership in the enormous task of decarbonising our residential sector. In parallel, we collaborated with the Green Finance Institute on the Coalition for Energy Efficient Buildings, leading discussions on financing solutions for the owner-occupied sector.

*"A huge thankyou to you and the team for the Foreground event – how lucky we are! It really helped move the discussion forward, not only on Keynsham but on getting a better shared understanding of Climate Emergency in general. It was invaluable to have so much brainpower in the room and to have the challenge, inspiration and ideas offered to us and senior colleagues. Also for your excellent organisation and facilitation – much needed when there is so much to talk about."*

**Sara Grimes**, Corporate Sustainability Officer, Bath & North East Somerset Council



Breakout session at our Foreground workshop on the Merton regeneration project



We also continued to facilitate local UKGBC networks in our three target city-regions of Greater Manchester, Birmingham and the West Midlands, and Bristol and the South West.

These networks enable us to build stronger relations with local and regional authorities, and provide valuable input into policy. For example, we were particularly pleased that UKGBC Gold Leaf member, Cundall, was chosen as the launch venue for the West Midlands Climate Action Plan, on which we are closely engaged with the Combined Authority.

### MEMBER SURVEY

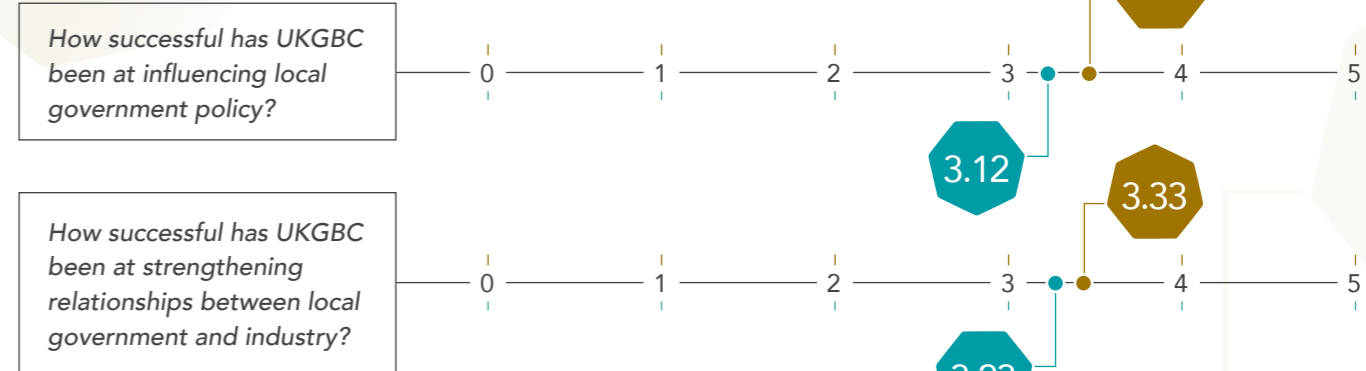
2018-19 2019-20

45

Members engaged with local government advocacy

42

Local authorities actively engaged

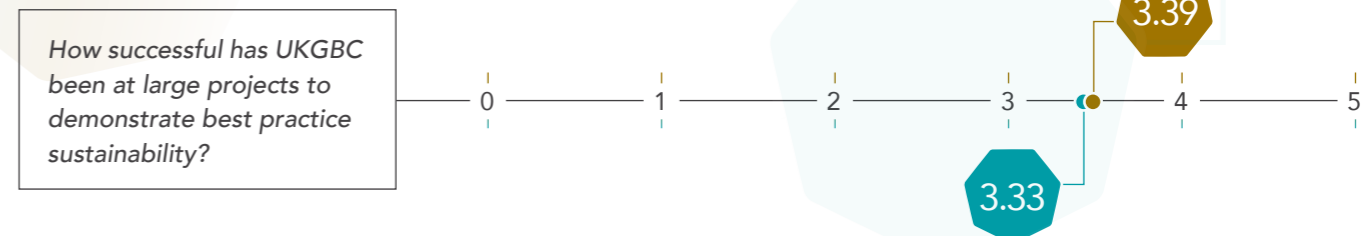


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Large-scale schemes engaged via cities programme

86%

Satisfaction rating across 3 Foreground events



# Impact areas | CLIMATE CHANGE: MITIGATION |

## Advancing Net Zero

Mitigating climate change remains a core focus of UKGBC's activities. Our Advancing Net Zero programme is the largest programme ever undertaken at UKGBC. April 2019 saw the Parliamentary launch of our landmark report, **Net Zero Carbon Buildings: A Framework Definition**.

The report succeeded in galvanising the construction and property industry around a set of principles and common language for net zero – with well over 100 organisations involved in its creation.

Throughout the year, UKGBC worked with members to supplement the Framework, publishing world-leading guidance for measuring **scope 3 emissions in commercial real estate**, as well as developing **energy performance targets for commercial offices** following extensive consultation and collaboration across industry.

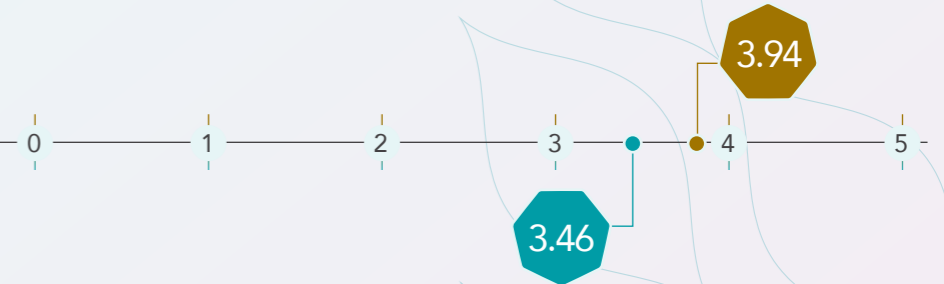
The team also delivered a wide variety of work to support members on their net zero journey, including a series of case studies demonstrating the Framework's principles in practice; various learning offerings, and a major **European Summit**, co-hosted with WorldGBC, to share lessons internationally.

A highlight this year was the increased engagement from central government on net zero, including from the Department for Education, Cabinet Office and Ministry of Defence. We were pleased to see NHS England publish operational planning and contracting guidance, stipulating that all new builds and refurbishment projects are delivered to net zero carbon.

## MEMBER SURVEY

2018-19 2019-20

Extent to which UKGBC supports its members in climate change mitigation



297

Individuals directly engaged by Advancing Net Zero Programme, from 170 different organisations

183

Attendees over 2-day European Summit

9,417

Unique downloads of the Framework Definition



Advancing Net Zero industry task group meeting

*"I have been extremely pleased and encouraged with our clients' response to the net zero challenge. So far the UKGBC Framework Definition has been transformational in its impact and long may that continue."*

**Colin Morrison,**  
Senior Director,  
Head of Sustainability,  
Turley Associates



The parliamentary launch of UKGBC's 'Net Zero Carbon Buildings: A Framework Definition'

### Driving climate commitments

UKGBC has been encouraging its members to sign up to the **WorldGBC Net Zero Carbon Buildings Commitment**, the cornerstone of which is a pledge that all building areas under their direct control will be net zero in operation by 2030. A number of signatories have taken their commitment to the next level by extending their influence to clients and customers. This includes Elementa, who pledge to provide a net zero carbon pathway for every design project undertaken by 2020, and Berkeley Group, who pledge to educate consumers through the provision of details on the sustainability features incorporated into homes and developments.

To raise awareness of the push toward net zero and drive signatories to the commitment, UKGBC announced a powerful media collaboration, **The Climate Crisis Challenge**, with Property Week. We also launched an online **Climate Leadership Model** to outline best practice for different sub-sectors in setting corporate climate commitments, and an associated **Climate Commitment Platform** to showcase such commitments amongst our members. In September, UKGBC was instrumental in galvanising construction and property industry support for the **Global Climate Strike**, when hundreds of professionals turned out across London, Manchester, Birmingham and Bristol to call for action on the climate crisis.

*“UKGBC’s flagship Advancing Net Zero programme has been instrumental in convening business leadership on decarbonising the built environment. Working closely with UKGBC as a programme partner, we were able to be the first UK professional services firm to sign up to the global Net Zero Carbon Buildings Commitment. We are fully committed to supporting UKGBC’s ambition to drive the transition of our industry to net zero.”*

**Sonal Jain**, Sustainability Director – Net Zero Carbon, Clients & Workplaces, JLL



### Addressing UKGBC’s impacts

In addition to UKGBC’s progress to help the built environment transition to a net zero carbon future, we have made significant progress in mitigating our own impact on climate change.

As a licensee in the Building Centre, we are not able to select our electricity provider, but through successful influencing, this was switched to a 90% renewable tariff.

UKGBC now uses carbon offsets to mitigate the remaining 10% in addition to all staff travel outside of commuting. We also put a plan in place to begin sub-metering our energy use, measure our Scope 3 emissions and sign-up to the WorldGBC’s Net Zero Carbon Buildings Commitment.

7tCO<sub>2</sub>e

Operational carbon emissions offset with tree-planting

*“We are in ongoing discussions with the landlord of the Building Centre and the wider Fitzrovia Partnership (with whom a neighbourhood wide energy tariff is procured) to improve the renewable energy mix of our energy tariff. The current tariff is now at 90% renewable after years of lobbying, which we hope to see improve even more in the coming years”*

**Sophia Cox**, Sustainability Advisor, UKGBC



## CLIMATE CHANGE: ADAPTATION

### Understanding risk and promoting resilience

With climate risk rising up the boardroom agenda, this year saw significant interest from members in assessing and managing the physical and financial risk exposure of built assets. To help the sector respond, UKGBC worked with industry experts to launch a **Sector Ambition for Climate Resilience and Nature**, recognising that focusing on nature-based solutions to adapt to physical climate risks delivers significant co-benefits for enhancing the natural environment.

The Ambition was unveiled at The Developer's Risk and Resilience conference in November to a packed audience of business leaders and policymakers.

UKGBC was also heavily involved in the **IGNITION** project, which aims to develop innovative financing mechanisms for nature-based solutions to improve the climate resilience of Greater Manchester's urban area. Through its network, UKGBC convened a group of suppliers at an event to showcase green infrastructure solutions in the region and discuss how to increase their deployment.

With 12 partner organisations collaborating on IGNITION, the project also led to successful engagement with many new organisations, and saw UKGBC become a member of the London Climate Change Partnership.

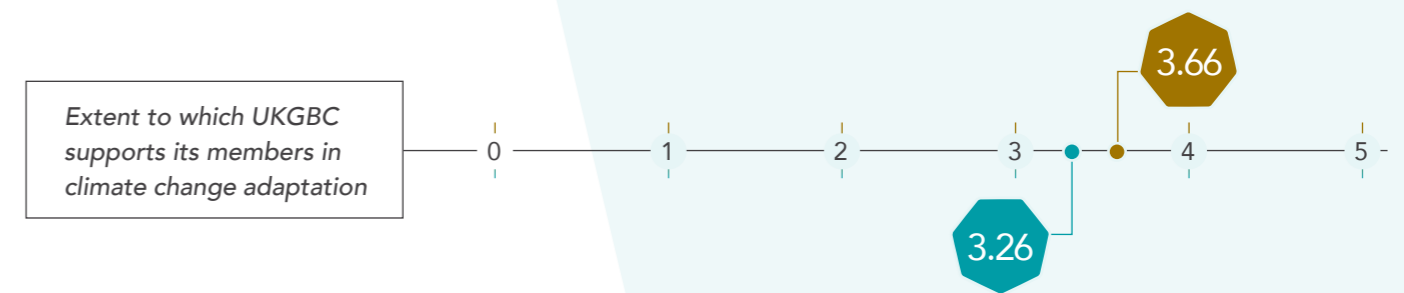
*"UKGBC are a collaborator on the IGNITION project, which is focused on innovation in financial models for green infrastructure in Greater Manchester. They have provided a crucial sounding board by representing the perspective of the green building industry, and supported us in making the case for green building. Our colleagues from UKGBC were instrumental in organising a highly inspiring and insightful one-day event with suppliers of green infrastructure."*

**Nicholas Davies**, Research Fellow, University of Salford



### MEMBER SURVEY

2018-19 2019-20



For sector ambition

30

Participants in visioning workshop

10

Industry experts interviewed

39

Consultation responses

13

Attendees at 'final check' roundtable

*"We're delighted to see the UKGBC making a priority of climate resilience. We also support your recognition of the role of nature-based solutions in making our built environment better adapted to today's climate—and to the climate that our buildings will experience over their lifetimes. We look forward to working with UKGBC to share London's expertise and to benefit from the innovative thinking and practice within your network."*

**Kristen Guida**, Manager, London Climate Change Partnership

Visioning workshop for the climate resilience and nature ambition statement

## NATURE AND BIODIVERSITY

### Highlighting nature-based solutions

Businesses and policymakers are increasingly recognising the role of the built environment in protecting nature and promoting biodiversity. Throughout the year UKGBC and its members engaged with Defra to shape **biodiversity net gain policy** for new developments and inform the **Environment Bill**.

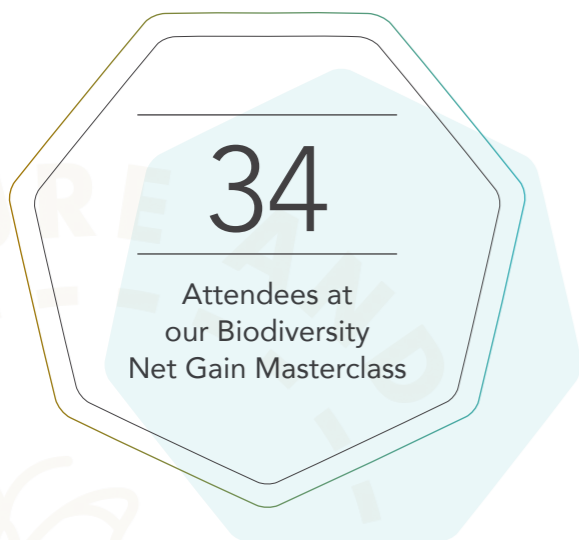
UKGBC has also collaborated with Natural England on a number of projects, and is now represented on Natural England's Green Infrastructure Standards industry steering group to contribute to this work.

Closely linked to our work on climate resilience, UKGBC also worked with academic institutions in Greater Manchester to produce the report, **Making the Case for Green Infrastructure: Lessons from Best Practice**.

The report provides case study insights into the nature of green infrastructure decision-making based on feedback from project teams and industry stakeholders. The report disseminates information around the green infrastructure benefits attained, barriers, solutions and lessons learned.



UKGBC's Alastair Mant at Futurebuild for a panel discussion on 'Planning for Resilience'



*"UKGBC helped demonstrate and inform how industry can positively address the decline in nature and climate change. UKGBC ran a series of 'masterclasses', and provided feedback and advice to Natural England on biodiversity net gain and its associated metric, to help industry design in benefits for nature. The UKGBC 2030 vision also showcased how industry can achieve Net Zero in carbon and deliver nature-based solutions that benefit people and wildlife."*

**Dr Nicholas White**, Principal Adviser  
– Net Gain, Natural England

### MEMBER SURVEY

2018-19 2019-20



185

Sign-ups to our nature and biodiversity course mail series

*"Making the Case for Green Infrastructure: Lessons Learned from Best Practice provides a valuable insight into the ways which we can overcome the challenges of installing and retrofitting GI across a range of scales, providing a legible route map for designers, developers and project managers."*

**Emily Woodason**, Associate  
Landscape Architect, Arup

## RESOURCE USE

### Promoting circular economy principles

UKGBC's Circular Economy programme continued into its second year, focussing on ways to help the sector eliminate waste and maximise resource efficiency. In April 2019, UKGBC launched **Circular Economy Guidance for Construction Clients**, which identified seven circular construction principles and explored their practical application at the project brief stage. The team also conducted research into built environment organisations involved with practicing and promoting circular principles.

This work was made available in UKGBC's popular **Actor and Resource Map** format, which highlights the interrelationships between organisations doing work in this area.

Throughout this year of the programme, we ran a series of events to convene industry networks on circular economy, showcase innovations and solutions, and disseminate knowledge to increase adoption of circular economy principles.

*"We're delighted to continue supporting the UKGBC Circular Economy programme, which is helping to drive the shift in systems thinking that's needed across the built environment. The guidance documents that have evolved through the programme are a valuable step forward in supporting the supply chain towards the practical implementation of circular principles and highlight some of the fantastic innovations across the sector, which are already making change"*

**Jane Wakiwaka**, Head of Sustainability for The Crown Estate's real estate portfolio

233

Attendees across 7 circular economy events

7496

Video views across our circular economy videos



The launch event for UKGBC's 'Circular economy guidance for construction clients'

### Enabling circular solutions

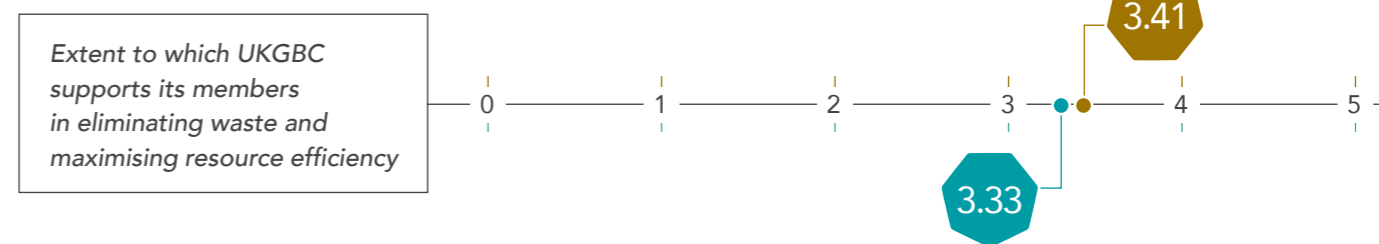
UKGBC recognises the need for practical guidance that enables project teams to implement circularity on their projects. This year we engaged stakeholders across the built environment value chain to produce two how-to guides, one focused on **implementing light as a service** and the other on **reusing products and materials**. These were published with supporting slide decks designed to help construction clients and project teams communicate the importance of these topics and implement them in practice. These resources were accompanied by **Circular Economy**

**Innovation Insights**, a report containing examples of organisations and initiatives that provide solutions that address the featured circular economy topics.

UKGBC has also participated in the **CIRCuIT** project, involving 29 partners across 4 European cities, designed to support the creation of regenerative cities by implementing sustainable and circular construction practices. We have called for more widespread adoption of circular solutions through various presentations at industry events.

### MEMBER SURVEY

● 2018-19 ● 2019-20



Extent to which UKGBC supports its members in eliminating waste and maximising resource efficiency

*" I have found the work of the UKGBC Circular Economy programme to be highly beneficial. As a business with a synergy with circularity it has helped us focus. Importantly I have also noticed a step change in the market place from conceptual interest towards practical business enquiries for product and advice. I attribute much of this to the UKGBC efforts as it has clarified approaches and helped to link businesses that are seeking circular improvement."*

**Roy Fishwick**, Managing Director, Cleveland Steel & Tubes

*"The UK Green Building Council's Circular Economy programme is timely and is helping us gauge what may be possible with our products and offering them 'as a service'. We have started to offer elevators in Europe in this format via a solution called M-Use, and this programme is allowing further discussions to take place."*

**Martin Fahey**, Head of Sustainability, Mitsubishi Electric UK & IRE

## SOCIO-ECONOMIC IMPACT

### Overcoming barriers to the delivery of social value

Having risen to prominence through our cities work, 2019-20 saw the launch of a dedicated UKGBC programme on social value, in response to huge demand from members. The first year of the programme focused on key levers for delivering social value, including community engagement, measurement, investor reporting and local authority policy.

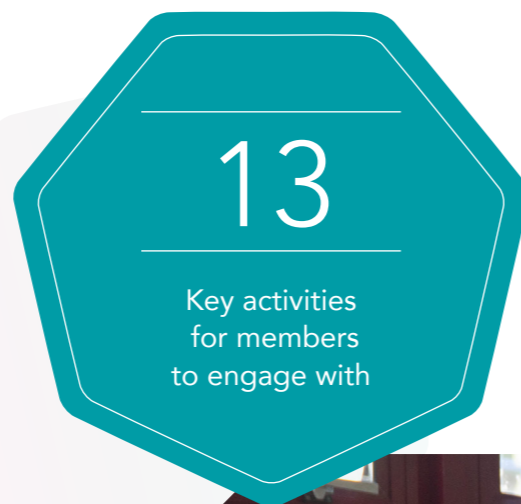
The team used UKGBC's Innovation Process to facilitate a one-day **Community Engagement Sprint**, which brought together UKGBC members alongside academia and community groups to co-create solutions. The day resulted in a report, **Delivering Social Value: Community Engagement Hacked**, designed to inspire practitioners to consider bolder solutions.

*"The Community Engagement Sprint workshop highlighted the issues our industry faces, and everyone agreed that something needs to change. This has been an area of focus for Grosvenor too; last summer our research found that only 2% of the public trust developers. As part of our response, we've developed a charter called 'Positive Space' with commitments to more meaningfully engage with communities, aiming for a collaborative relationship, where more voices are heard."*

**Nicola Wood,**  
Community Engagement  
Manager, Grosvenor GBI

Roundtables on the themes of investment, planning and measurement were also facilitated, all leading to dedicated outputs or updating of guidance for key stakeholders. These included an update to our guidance for local authorities on **setting social value policy**, a bite-sized briefing on **social value for asset managers** and new guidance on measuring the social value of building and places.

The work on measurement was of particular significance – a complex topic for the industry to grapple with. The report featured detailed case studies showcasing different approaches to **social value measurement**, set out some principles for a best practice approach and indicated where across the development lifecycle it is useful to measure social value.



### Working in collaboration across the industry

UKGBC has been instrumental in helping the industry progress the conversation around social value. This year UKGBC convened an industry response to the government consultation on social value and, to avoid overlap between organisations working on this topic, facilitated quarterly conference calls with industry bodies working on social value.

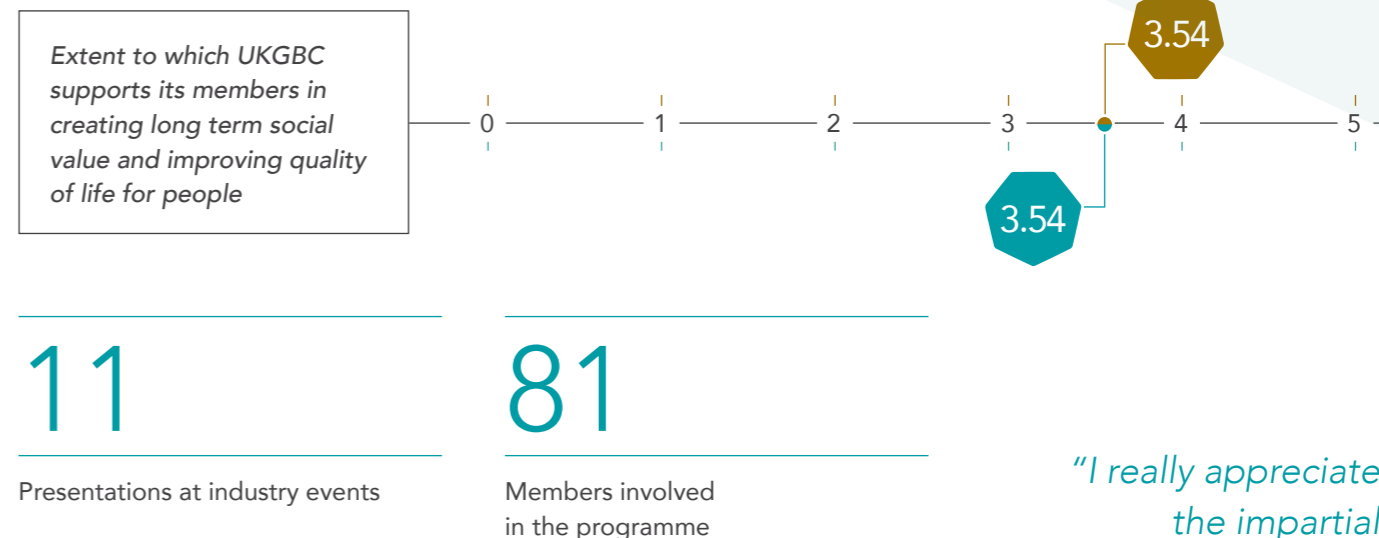
We also introduced a quarterly newsletter which has updates on the Social Value Programme and latest news on initiatives across the industry. To help profile and explain the interrelationships

between the businesses and other organisations in the social value space, we produced an **Actor and Resource Map**.

This year also saw us collaborate with the RTPi and RIBA on Cache's **Delivering Design Value** project which seeks to understand where design decisions that promote social value are lost during the development process. We also supported the London Sustainable Development Commission's sub-group looking at social value and regeneration.

### MEMBER SURVEY

2018-19 2019-20



*"I really appreciate the impartial leadership that UKGBC is providing on social value."*

**Flora Samuel,**  
Professor of Architecture in the Built Environment at University of Reading and leader on the RIBA Social Value Toolkit for Architecture

Breakout session at the Community Engagement Sprint workshop © BuroHappold

## HEALTH AND WELLBEING

### Maintaining momentum on health and wellbeing

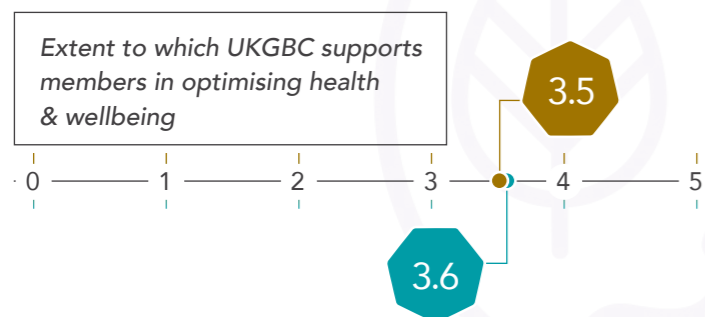
The impact of the built environment on health and wellbeing is now well established. Having amassed a wealth of UKGBC resources on this topic over time, this year we collated these into a single online **resource pack** for members, which was well-received. We also continued to collaborate with WorldGBC, and its long-running **Better Places for People** programme. This included supporting the launch of WorldGBC's new 'Plant a Sensor' air quality campaign.

Health and wellbeing has been a growing feature of our advocacy, particularly the hot topic of air quality, and the benefits of integrating nature and biodiversity into urban planning.

We have facilitated dialogue between Defra officials and our members in this area, and given evidence to, or spoken at, an All-Party Parliamentary Group inquiry on mental health and the built environment; Public Health England's forum of health and wellbeing; and the Healthy City Design Conference.

Also this year, we released an update for our **Housing Standards Policy Playbook** for local authorities, adding a chapter on acoustics – an important component of health and wellbeing in the home. The chapter contains policy explainers, guidance and examples for local authorities to draw on when looking to raise the bar above national minimum standards.

### MEMBER SURVEY



*"UKGBC's policy playbook has already supported many Local Authorities to pursue ambitious energy efficiency standards in the built environment. We hope that the new acoustics chapter, which we created together with experts across the membership, will have the same success in addressing noise pollution and in turn improving health and well-being around the UK."*

**Ólöf Jónsdóttir**, Head of Public Affairs, ROCKWOOL UK

*"The work that UKGBC is doing on wellbeing is crucial for London, reminding us how sometimes simple concepts such as increasing access to green spaces could have massive benefits on people's life, and even more so in deprived areas. This was brought up at a meeting of the All-Party Parliamentary Group for London's Planning and Built Environment with London MPs and built environment professionals discussing the impact of the built environment on mental health. It will certainly continue to be a top priority for the capital."*

**Barbara Chesi**, Senior Programme Manager, New London Architecture

### Promoting team wellness

UKGBC understands the vital importance of supporting the health and wellbeing of our own team. For our away days this year, the UKGBC team spent quality time together at Hawkwood College in Stroud, where we discussed modes of working and reflected on our own individual purposes. The team also spent time reconnecting with nature, taking part in an outdoor contemplation session and volunteering our time to work on different projects within the college's grounds.

The past year also saw the UKGBC team commence a **Mindfulness-Based Organisational Education** programme (MBOE). Facilitated by external mindfulness experts, the programme gives teams the tools to foster a culture of leadership qualities built on individual autonomy and understanding others in the service of collective purpose. We believe the 'social mindfulness' it teaches is the foundation of the mindset we will need to reach net zero.

*"The Social Mindfulness programme supported our team's cohesion through its transition into the socially distanced, virtual world, ensuring we connected on an emotional, as well as a professional level. The emphasis on each other's wellbeing, the nature of our interactions and clear focus on purpose, inspired a much greater level of trust and helped us engage with more positivity and creativity."*

**Anna Hollyman**, Sustainability Advisor, UKGBC



The UKGBC team at Hawkwood College in Stroud for our annual away days



# Looking ahead

## Overview

UKGBC’s plan for FY2020-21 has been published in the midst of a great deal of uncertainty for individuals and organisations. UKGBC stands firm in its ambition to support its members during the COVID-19 crisis whilst ensuring we maintain momentum to progress our mission to radically improve the sustainability of the built environment. Across all areas we have identified three immediately critical priorities during the pandemic:

Ensuring that members continue to benefit from membership of UKGBC, enabling them to actively engage in a wide range of collaborative activities

Strengthening the knowledge-sharing, learning and development opportunities that come from being part of a community of like-minded organisations

Redoubling our efforts to bring high-quality content and experiences to members through a multitude of accessible, virtual formats and digital platforms

## Activities

### LEADERSHIP

Make sustainability central to leadership in our member organisations and to cultivate purpose-led leadership amongst both current and future leaders.

### LEARNING AND DEVELOPMENT

Harness our digital channels to further develop and leverage our diverse learning offerings to raise awareness amongst mainstream audiences and deepen sustainability skills, knowledge and know-how, as well as enhancing leadership and innovation mindsets.

### POLICY AND ADVOCACY

Build new, and nurture existing, political relationships to achieve maximum influence with Government and fully harness opportunities ahead of COP26. We will also grow our advocacy with cities and strengthen our local networks.

### RESEARCH AND INNOVATION

Enable a culture of innovation within our members and assist innovative start-ups to scale.



# UKGBC Plan FY2020-21

## Impact Areas

### CLIMATE CHANGE MITIGATION

Capitalising on momentum around our Advancing Net Zero programme, we will:

- Drive uptake of the WorldGBC Net Zero Carbon Buildings Commitment and bring signatories together through a dedicated Forum,
- Continue development of the Net Zero Carbon Framework, with guidance around: renewables, offsets, reporting and verification, costs and energy performance targets for the retail sector,
- Continue national and local government advocacy, including helping to raise the profile of the built environment ahead of COP26

### CLIMATE RESILIENCE AND EMBRACING NATURE

Building on the establishment of our sector ambition for climate resilience and nature, we will:

- Run a programme of activity to increase nature-based solutions in urban areas for climate resilience and environmental net gains,
- Help create and communicate innovative financing mechanisms for nature-based solutions through year 2 of the IGNITION project,
- Deliver a range of learning activities to increase understanding and application

### CIRCULAR ECONOMY

Further promoting circular principles and collaboration amongst members, we will:

- Draw together and share international best practice through year two of the CIRCulT programme,
- Convene a forum of member organisations to explore the application of circular principles on live development projects

### SOCIAL VALUE, INCLUDING HEALTH & WELLBEING

Responding to the huge interest in this topic, our Social Value programme enters its second year during which we plan to:

- Develop a ‘framework definition’ for social value in the built environment,
- Introduce social value course mail,
- Address the issue of climate justice and the ‘just transition’,
- Continue to link up with WorldGBC’s Better Places for People campaign

# Programme & project partners

## Advancing Net Zero

| **Redevco Foundation\***  
 | BAM  
 | Berkeley Group

| Grosvenor  
 | Hoare Lea  
 | JLL UK

## Circular Economy

| **The Crown Estate\***  
 | Cleveland Steel and Tubes Ltd

| HS2  
 | ISG  
 | TFT

## Cities

| Avison Young  
 | Buro Happold

| EIT Climate-KIC  
 | ROCKWOOL

## Leadership

| The Crown Estate  
 | Grosvenor

| Mitsubishi Electric

## Open Innovation Pathfinder

| EIT Climate-KIC

## Seconding Organisations (Local Networks & other projects) & regional office support

| Buro Happold, Manchester  
 | Chetwoods, Birmingham  
 | Hilson Moran, Manchester

| Nicholas Hare Architects  
 | TFT, Bristol  
 | WSP, Bristol & Manchester

## Social Value

| Argent  
 | Avison Young  
 | Buro Happold

| Federated Hermes  
 | ROCKWOOL  
 | TFT

\*Lead Partners



# Reports

## REFERENCE AND ADMINISTRATIVE DETAILS

<b>Status</b>	The organisation is a charitable company limited by guarantee, incorporated on 29 September 2009 and registered as a charity on 24 March 2010.
<b>Governing document</b>	The company was originally established under Memorandum and Articles which established the objects and powers of the charitable company. New Articles of Association were approved by the Charity Commission on 21 January 2020.
<b>Board of Trustees</b>	Bill Hughes Victoria Quinlan Sunand Prasad David Partridge Rick Willmott Jerome Frost OBE Michael Cross (co-opted) Lorna Walker Mina Hasman (co-opted) Judith Everett (co-opted)
<b>Company Secretary and Chief Executive</b>	Julie Hirigoyen (appointed 17 September 2015)
Chief Executive Director of Policy and Places Director of Membership and Operations Head of Business Transformation Head of Learning and Leadership	Julie Hirigoyen John Alker Munish Datta Alastair Mant Elfrida Hamilton-Russell
<b>Registered office</b>	The Building Centre, 26 Store Street, London, WC1E 7BT
<b>Company Registration Number</b>	01029239 (England and Wales)
<b>Charity Registration Number</b>	1135153 (England and Wales)
<b>Auditor</b>	Buzzacott LLP, 130 Wood Street, London, EC2V 6DL
<b>Bankers</b>	NatWest Bank, 250 Regent Street, London, W1B 3BN
<b>Solicitors</b>	Russell-Cooke LLP, 2 Putney Hill, London, SW15 6AB

## TRUSTEES' REPORT YEAR TO 31 MARCH 2020

The trustees present their annual report and the audited financial statements of UKGBC Limited (UKGBC) for the year ended 31 March 2020.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and it is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 53 to 57 and comply with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

### OBJECTIVES AND ACTIVITIES

The objects of the charity are for the public benefit:-

- To increase the sustainability of the built environment by improving the way it is planned, designed, constructed, maintained, operated, modified and replaced ("Improving sustainability").
- To advance the education of the public in the sustainability, conservation, protection and improvement of the built environment ("Education").
- To promote the sustainability, conservation, protection and improvement of the built environment ("Raising awareness").

### Public Benefit

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

The trustees are confident that UKGBC's aims and activities of Improving Sustainability, Educating, Campaigning for and Raising Awareness of the Sustainability of the Built Environment are in accordance with the regulations on public benefit.

## FINANCIAL REVIEW

### Results for the year

Total income for the year increased by £39,607 (2%) to £2,286,310 (2019: £2,246,703) compared to the previous year.

The primary income source 54% of total income (2019: 55%) is membership subscriptions. These have decreased by £18,567, a 1% decrease in subscription fees. Total membership fees in the year amounted to £1,223,964 compared to £1,242,531 in 2019.

Grant and contract income has increased by 156% to £639,472 (2019: £249,812). We continued to employ the WorldGBC European Policy Officer to work on the funded programme BUILD UPON<sup>2</sup>. In addition we also secured funds from EIT Climate-KIC and the Redevco Foundation. A total of £5,499 of this income was retained at the year end and is held in restricted funds.

Education course income decreased by 59% to £119,335 (2019: £288,818).

There was no major event income in the year, it decreased by 100% to £0 (2019: £31,821) as UKGBC did not organise any major sponsored events in 2019/20.

The value that we have received from expert members speaking at our education courses, the venues we have been donated to use without charge and secondees from member organisations who worked for us during the year, have been recognised as voluntary (in kind) donations. The value of these donations amount to £45,180 (2019: £55,288) and comprise 83% of voluntary income in the year.

Total expenditure increased by £164,236 in the year to £2,399,976 (2019: £2,235,740), largely a result of expenditure associated with staff cost.

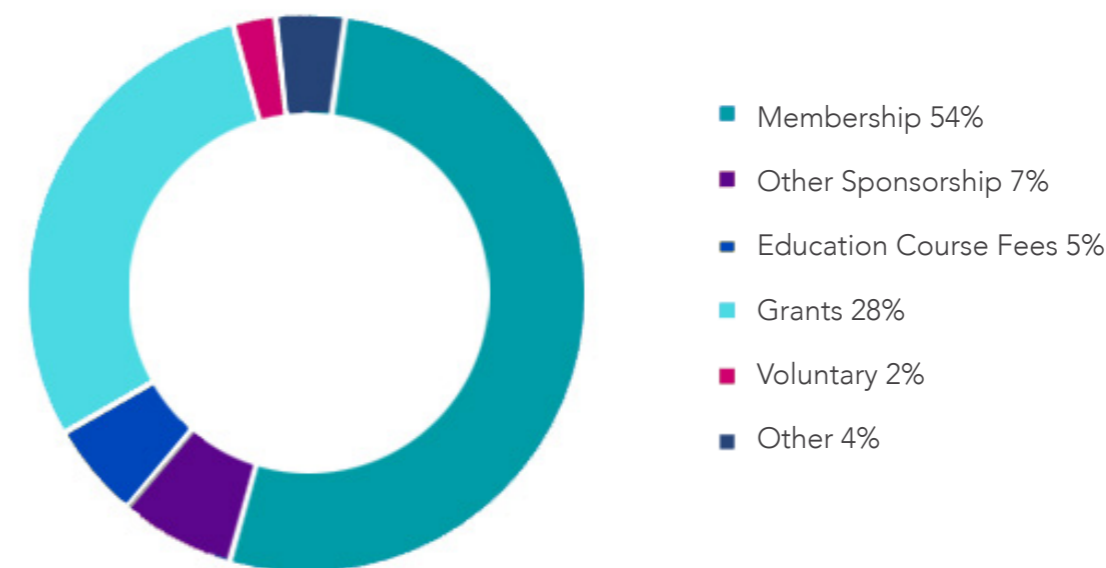
Staff costs remain our biggest single cost, comprising 64% (2019: 64%) of costs at £1,527,434 (2019: £1,402,039) in total.

Support costs in the year came to £470,057 versus an equivalent of £438,466 in the previous year which is mainly as a result of increased cost of IT and Communication expenditure and increase in staff cost within the financial year including the appointment, from December 2019, of a Director of Membership and Operations focused on delivering improved membership value and organisational efficiencies.

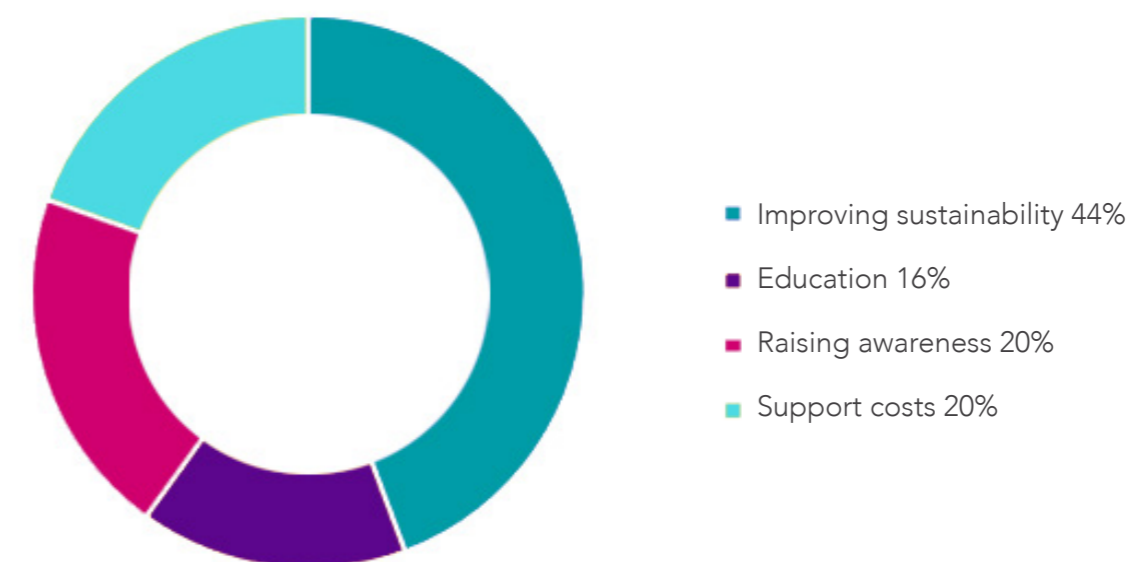
Trustees had ringfenced £40,000 of excess reserves generated in 2018/19 to be reinvested in Financial Year 19/20 for the purpose of piloting a new member benefit. In total, £35,608 of this (89%) was reinvested during the year for this purpose, not quite the full amount due to staff changes and the occurrence of Covid-19.

Overall the charity generated a deficit of £113,666 (2019: surplus £10,963) in the year, which decreased charitable funds to £839,429 (2019: £953,095). Of these, £52,552 (2019: £1,381) are restricted to specific ongoing projects and will be expended in future years. £786,877 (2019: £951,714) are held in unrestricted reserves at the year end.

### Where our funds come from



### Analysis of our expenditure



## Reserves policy and financial position

The trustees have set a reserves policy that requires that unrestricted reserves be maintained at a level that ensures that UKGBC's core activities could continue during a period of unforeseen difficulty and that a proportion of reserves be maintained on easy access deposit. The calculation of the required level of reserves is an integral part of UKGBC's planning, budgeting and forecasting cycle. It takes into account the risks associated with each stream of income and expenditure varying from budget; the planned activity level; and UKGBC's future commitments.

The methods recommended for calculating the reserves requirement (which fall under the Charity Commission's recommended reserve policy guidelines for less complex charities) are that:

- The policy addresses the risk of the need for unforeseen expenditure
- The policy addresses the risks associated with the loss of a source of income

In using each of these in turn, the Trustees of UKGBC calculate and test the appropriate level of reserves for UKGBC on an annual basis. To feed into the Budget 2020/21, the reserves policy was reviewed in December 2019. Due to the exceptional current circumstances, the reserves requirement was updated in June 2020 and deemed adequate using the range of results produced by these two same tests.

### THE NEED FOR UNFORESEEN EXPENDITURE

This method involves calculating the expenditure that would be required to maintain UKGBC's ordinary activities for a period of 4 months. The level of reserves required based on 4 months of UKGBC's FY2020/21 budgeted expenditure (excluding depreciation and expenditure associated with restricted income) is £594,000.

### RISKS ASSOCIATED WITH THE LOSS OF A SOURCE OF INCOME

Membership fees constitute over 50% of UKGBC's income and are considered by Trustees to be the main source of risk to UKGBC particularly during the COVID-19 crisis, when our members are likely to be suffering economic hardship. Based on total budgeted income from membership renewals in 2020/21 being £1.03m, applying a worst case scenario of 50% attrition would give rise to a loss of income of approximately £515,000. In the event that membership attrition is greater than 50%, cost-mitigating strategies will be implemented to reduce the impact of this on the charity.

There are no plans for any significant investment in 2020/21. The trustees consider that an appropriate level of reserves for 2020/21 would be between £515,000 and £594,000, as determined by the two tests above.

As at 31 March 2020, free reserves (excluding the net book value of fixed assets of £20,801 and designated funds of £4,392) amounted to £761,684 which is above the trustees' stated reserves policy.

## Going concern assessment

The coronavirus (COVID-19) outbreak has caused extensive disruptions to organisations as well as economic activities globally with no exception for the UK.

We have considered the effects of the 2020 outbreak of Covid-19 on the charity's operations and have concluded that the impact may potentially result in a reduction to income including higher rate of membership attrition and fewer new members in the coming year. To mitigate against this, the Board has approved a revised budget for 2020/21, reviewed the charity's costs base, and identified savings should income reduce further. A cashflow forecast for the period to 31 July 2021 has been prepared and reviewed. This will be maintained on a rolling 12 months basis going forward to enable the Board to monitor the charity's ability to meet its financial obligations as they fall due.

Trustees acknowledge and recognise the potential impact of the COVID-19 pandemic on the future operations of the charity, its members, beneficiaries, partners and stakeholders and on wider society. Whilst the charity has exceeded the budgeted income to date since the lockdown began including generating new programmes of work, the crisis has created economic, social and operational uncertainties which cannot be fully quantified or predicted in relation to a period of twelve months from the date of signing the financial statements. Based on the current plans, assumptions and forecasts, whilst acknowledging there are inherent uncertainties and additional financial risks, the trustees believe it is appropriate for the charity to continue to prepare the financial statements on the going concern basis.

## Investment policy and performance

The trustees have wide-ranging powers of investment as determined by the Articles. Due to the charity's reserve requirement (see above), funds are held that exceed the short-term expense requirements and forecast programme costs, but to which access may be required at short notice. Therefore excess funds are placed in fixed deposit accounts with a basket of UK retail banks. The maturity of these funds is designed to correspond with forecast expenditure and reserve requirements, whilst the nature of these investments ensures that no unnecessary risks are being taken with our funds.

Funds required to meet liquidity and short-term expenditure requirements are retained in interest-bearing current accounts with the charity's bankers.

The invested funds held in fixed deposit accounts together with those in interest-bearing current accounts achieved an average rate of return 0.7% (2019: -0.5%).

## Fundraising statement

Over the course of 2019/20, UKGBC did not undertake any public fundraising activity, nor do our commercial and corporate supporters undertake any public fundraising on our behalf. UKGBC does not have any subsidiary trading companies, nor do we employ commercial third parties to undertake fundraising on our behalf. There were no complaints in the year in relation to our fundraising.

For 9 months of the year, UKGBC did employ a Head of Communications & Fundraising, part of whose role was to build relationships with charitable trusts and foundations and secure grants for UKGBC work programmes that need resourcing. Applications for funding were made to trusts and foundations where there was alignment with the UKGBC mission. Funding was secured as listed on pages 64-66.

## PRINCIPAL RISK AND UNCERTAINTIES

The Board of Trustees has the overall responsibility for the governance of risks and ensures there are adequate and effective systems in place to mitigate these. These risks are reviewed annually by the whole Board as an intrinsic part of strategy setting and upon consideration of new opportunities. The trustees continue to assess the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances and reputation. The trustees have established systems to monitor and to mitigate those risks and continue to review their effectiveness.

UKGBC has an open and accountable culture, which recognises that risk is inherent in business, particularly where we are aiming to be innovative and ahead of the curve. So, we adopt an open and proactive approach to risk management, with a view to being pre-emptive rather than box ticking.

The risk management framework is put forward by the Senior Management Team, and reviewed and approved by the Risk & Audit Committee and by the Board. UKGBC's risk management framework is designed to identify the principal risks faced by the organisation and ensure that these are being appropriately monitored. In the case of each of the principal risks, controls are in place and mitigating actions will be allocated to individuals on the team who will be tasked with the requisite accountability. A detailed risk and mitigation report featuring quantitative/ qualitative indicators will be reviewed by the R&A Committee at least twice a year.

The trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The significant risks and uncertainties identified through the above process are discussed below:

RISK IDENTIFIED	ACTION TAKEN TO MITIGATE THE RISK
COVID-19	<p>Senior Management team and Trustees Risk &amp; Audit committee have been meeting on a monthly basis since March 2020 to mitigate the risk from COVID-19 and a series of mitigating actions are being deployed:</p> <ul style="list-style-type: none"> <li>• Health and wellbeing of all UKGBC employees is highest priority with full remote working implemented prior to Government lockdown measures. It has been agreed that the team will continue fully remote working for the foreseeable future irrespective of lockdown relaxation measures at the time of writing.</li> <li>• The budget and plan for 2020-21 has been substantively revised to anticipate a reduction in income based on a higher rate of attrition (20%) and no new membership income.</li> <li>• All new recruitment was frozen as at 1st April resulting in 4 roles not being recruited, and a modest cost of living increase for 2020-21 for all staff has been frozen until further notice.</li> </ul>

- A strategy to protect cashflow has been deployed with deferrals/ relief secured for operational expenditure.
- Review of all operational costs and expenditure.
- A revised member retention strategy has been developed and deployed, in particular the development of a number of new virtual learning offerings designed to deliver tangible value to members during socially distanced / lockdown conditions.

Further cost savings have been identified which will be triggered should higher levels of attrition demand these.

Market risks (linked to member retention and recruitment)	<p>A Director of Membership and Operations was appointed in December 2019 and is responsible for leading the implementation of the member retention and recruitment strategy and has overall responsibility for finance, operations and HR.</p> <p>Monthly membership meetings take place to discuss high value members based on quantitative and qualitative data and strategies to maximise retention are then deployed.</p> <p>Annual feedback is sought from members and feedback presented to board, members advisory group and findings incorporated into strategy and delivery plans.</p> <p>Exit interviews are conducted with all high-value lapsing members.</p>
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Financing risks	<p>Alternative sources of funding are targeted to diversify income further from a variety of governmental, EU and philanthropic organisations.</p>
Programmatic risks	<p>Significant efforts have gone into planning and scheduling for the upcoming FY to avoid risk of programmatic clashes and to ensure maximum member impact with variety of different programmes and activities.</p> <p>A marketing and communication strategy for key programmes is now being delivered and having impact.</p> <p>A revised 'outcomes' based approach to impact measurement will be applied to all major activities for FY2020/21.</p>

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing Document

UKGBC was formed in 2006 as a company limited by guarantee and is governed by an amended Memorandum & Articles of Association dated 29th September 2009. The Charity Commission formally registered the company as a charity on 24th March 2010. New Articles of Association were approved by the Charity Commission on 21 January 2020.

### Recruitment and appointment of trustees

The Board of Trustees (who are also directors for the purposes of the Companies Act 2006) consists of not fewer than four and no more than twelve persons elected by members of the charity; in addition the Board has the power to appoint trustees to fill vacancies, and may co-opt up to four more individuals from across the sustainable built environment sector. Trustees are confirmed in post by an election process, and typically serve for an initial 3 years, whereupon they retire by rotation. They may seek re-election.

The following trustees were in office and served between 1 April 2019 and up to the date of approval of this report, except where shown.

TRUSTEE	APPOINTED/RESIGNED
Claire Battles	Tenure ended 18 September 2019
Bill Hughes	
Alison Nimmo DBE	Resigned 1 December 2019
David Partridge	
Sunand Prasad	
Victoria Quinlan	
Rick Willmott	
Jerome Frost OBE	
Michael Cross	
Lorna Walker	Appointed 10 July 2019
Mina Hasman	Co-opted 19 September 2019
Judith Everett	Co-opted 11 December 2019 due for election at next AGM

### Trustee induction and training

On election, each new trustee receives an induction pack including the 'Good Trustee Guide' published by the Charity Commission and a range of key organisational policies and documents. All new trustees are invited to attend a Role of Trustee course and along with other trustees are given regular opportunities to meet the senior management and other staff

### Management

The day-to-day management of the charity is delegated to the Chief Executive who is responsible for achieving the overall aims and objectives of the charity to agreed annual budget and target performance criteria.

### Remuneration of key management personnel

The trustees consider that they, together with the senior management team, comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 6 to the accounts.

The pay of the Senior Management Team and all staff are reviewed annually by the Personnel & Nominations Committee and normally increased in accordance with average earnings to reflect a cost of living adjustment. In view of the nature of the charity, the trustees benchmark against pay levels in other membership bodies and trade associations.

### Statement of the trustees' responsibilities

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

Approved by the trustees and signed on their behalf by:



Chairman: David Partridge

Date: 28 July 2020

# Financial Statements

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UKGBC LIMITED

### Opinion

We have audited the financial statements of UKGBC Limited (the 'charitable company') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and notes to the financial statements. 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).

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its income and expenditure 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 charitable 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.

### Material uncertainty related to going concern

We draw attention to the information contained in the trustees' report and principle accounting policies to these financial statements, which sets out the material uncertainties related to going concern. Our opinion is not modified in respect to this matter.



## Conclusions relating to going concern

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

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

## Other information

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

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

We have nothing to report in this regard.

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

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

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

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report.

## Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable 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.

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



28 July 2020

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

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

## STATEMENT OF FINANCIAL ACTIVITIES

### YEAR TO 31 MARCH 2020

	Notes	Un-restricted funds £	Restricted funds £	2020 Total funds £	Un-restricted funds £	Restricted funds £	2019 Total funds £
<b>Income from:</b>							
Donations and legacies	1	54,180	-	<b>54,180</b>	69,562	-	69,562
Charitable activities	2						
. Improving sustainability		1,344,440	630,405	<b>1,974,845</b>	1,458,855	240,008	1,698,863
. Education		138,085	-	<b>138,085</b>	335,135	-	335,135
. Raising awareness		70,431	9,067	<b>79,498</b>	94,009	9,804	103,813
Investments		7,512	-	<b>7,512</b>	6,560	-	6,560
Other sources		32,190	-	<b>32,190</b>	32,770	-	32,770
<b>Total income</b>		<u>1,646,838</u>	<u>639,472</u>	<u><b>2,286,310</b></u>	<u>1,996,891</u>	<u>249,812</u>	<u>2,246,703</u>
<b>Expenditure on:</b>							
Charitable activities	3						
. Improving sustainability		731,325	579,234	<b>1,310,559</b>	662,532	344,739	1,007,271
. Education		465,796	-	<b>465,796</b>	649,271	-	649,271
. Raising awareness		614,554	9,067	<b>623,621</b>	569,395	9,804	579,199
<b>Total expenditure</b>		<u>1,811,675</u>	<u>588,301</u>	<u><b>2,399,976</b></u>	<u>1,881,197</u>	<u>354,543</u>	<u>2,235,740</u>
<b>Net income and movement in funds</b>	5	(164,837)	51,171	<b>(113,666)</b>	115,694	(104,731)	10,963
<b>Reconciliation of funds</b>							
Brought forward at 1 April		<u>951,714</u>	<u>1,381</u>	<u>953,095</u>	836,020	106,112	942,132
Carried forward at 31 March		<u><b>786,877</b></u>	<u><b>52,552</b></u>	<u><b>839,429</b></u>	951,714	1,381	953,095

All recognised gains and losses are included in the above statement of financial activities.

All of the charity's activities derived from continuing operations during the above two periods of report.

## BALANCE SHEET

### YEAR TO 31 MARCH 2020

	Notes	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Tangible fixed assets	7		<b>20,801</b>		34,018
<b>Current assets</b>					
Debtors	8	<b>570,268</b>		577,949	
Short term deposits		<b>904,673</b>		800,407	
Cash at bank and in hand		<b>629,389</b>		577,931	
		<b>2,104,330</b>		1,956,287	
<b>Current liabilities</b>					
<b>Creditors:</b> amounts falling due within one year	9	<b>(1,285,702)</b>		(1,037,210)	
<b>Net current assets</b>			<b>818,628</b>		919,077
<b>Net assets</b>			<b>839,429</b>		953,095
<b>The funds of the charity:</b>					
<b>Unrestricted funds</b>	14				
. General funds			<b>782,485</b>		911,714
. Designated funds			<b>4,392</b>		40,000
			<b>786,877</b>		951,714
<b>Restricted funds</b>	14		<b>52,552</b>		1,381
<b>Total charity funds</b>			<b>839,429</b>		953,095

The principal accounting policies and notes on pages 53 to 66 form part of these financial statements.

Approved by the trustees and signed on their behalf by:



Chair: David Partridge  
Date: 28 July 2020

UKGBC Limited  
Company Registration Number: 01029239 (England and Wales)

## STATEMENT OF CASH FLOWS YEAR TO 31 MARCH 2020

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	A	<b>166,042</b>	(39,736)
<b>Cash inflow from investing activities</b>			
Interest received		<b>7,512</b>	6,560
Purchase of tangible fixed assets		<b>(17,830)</b>	(2,190)
<b>Net cash (used in) provided by investing activities</b>		<b>(10,318)</b>	4,370
<b>Change in cash and cash equivalents in the year</b>			
		<b>155,724</b>	(35,366)
Cash and cash equivalents at 1 April		<b>1,378,338</b>	1,413,704
<b>Total cash and cash equivalents at 31 March</b>		<b>1,534,062</b>	1,378,338

### Notes to the statement of cash flows for the year to 31 March:

#### A RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES

	2020 £	2019 £
<b>Net income (as per the statement of financial activities)</b>	<b>(113,666)</b>	10,963
<b>Adjustments for:</b>		
Depreciation charges	<b>31,047</b>	51,996
Investment income receivable	<b>(7,512)</b>	(6,560)
Decrease in debtors	<b>7,681</b>	84,648
Increase (decrease) in creditors	<b>248,492</b>	(180,783)
<b>Net cash provided by (used in) operating activities</b>	<b>166,042</b>	(39,736)

#### B ANALYSIS OF CASH AND CASH EQUIVALENT

	2020 £	2019 £
Cash at bank and in hand	<b>629,389</b>	577,931
Short term deposits	<b>904,673</b>	800,407
<b>Total cash and cash equivalents</b>	<b>1,534,062</b>	1,378,338

## PRINCIPLE ACCOUNTING POLICIES YEAR TO 31 MARCH 2020

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

### General information

The charity is a company limited by guarantee, incorporated in England and Wales (company number: 01029239) and a charity registered in England and Wales (charity number: 1135153). The charity's registered office address is: The Building Centre, 26 Store Street, London, WC1E 7BT.

### Basis of preparation

These financial statements have been prepared for the year to 31 March 2020 with comparative information provided for the year to 31 March 2019.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

### Preparation of accounts on a going concern basis

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

### Critical accounting estimates and areas of judgement

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the charity's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual result ultimately differ from those estimates.

The items in the accounts where judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets; and
- determining the most appropriate basis for allocating support costs.

In addition to the above, the full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy.

They have concluded that although there is material uncertainty related to this, it is appropriate for the charity to continue to prepare the financial statements on the going concern basis.

### Going concern assessment

The coronavirus (COVID-19) outbreak has caused extensive disruptions to organisations as well as economic activities globally with no exception for the UK.

We have considered the effects of the 2020 outbreak of Covid-19 on the charity's operations and have concluded that the impact may potentially result in a reduction to income including higher rate of membership attrition and fewer new members in the coming year. To mitigate against this, the Board has approved a revised budget for 2020/21, reviewed the charity's cost base, and identified savings should income reduce further. A cashflow forecast for the period to 31 July 2021 has been prepared and reviewed. This will be maintained on a rolling 12 months basis going forward to enable the Board to monitor the charity's ability to meet its financial obligations as they fall due.

Trustees acknowledge and recognise the potential impact of the COVID-19 pandemic on the future operations of the charity, its members, beneficiaries, partners and stakeholders and on wider society. Whilst the charity has exceeded the budgeted income to date since the lockdown began including generating new programmes of work, the crisis has created economic, social and operational uncertainties which cannot be fully quantified or predicted in relation to a period of twelve months from the date of signing the financial statements.

Based on the current plans, assumptions and forecasts, whilst acknowledging there are inherent uncertainties and additional financial risks, the trustees believe it is appropriate for the charity to continue to prepare the financial statements on the going concern basis.

### Income recognition

All income is recognised once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably. Amounts received for application in future periods are held on the balance sheet as deferred income and released to the statement of financial activities in the relevant period.

#### INCOME FROM CHARITABLE ACTIVITIES

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided.

Income received in the year has been deferred in respect of specific events and education courses taking place after the year end.

Memberships fall due for renewal throughout the year membership. Consequently fee income is calendarised so that only the income for the accounting year is recorded and the balance carried as an accrual.

#### DONATED SERVICES

Donated services and facilities are included as 'donations income' at a value equivalent to the estimated commercial cost that the charity would otherwise have incurred, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time.

#### GRANTS

Grants are recognised in full in the statement of financial activities in the year in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt. In the event that a grant or donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

#### INVESTMENT INCOME

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

### Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is comprised of the costs associated with the key strategic areas of activity being; improving sustainability, education and raising awareness. Support costs including governance costs are allocated between the various categories of charitable expenditure (see below),

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### ALLOCATION OF COSTS

Expenditure allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on staff time attributable to each activity.

Staff costs are allocated between direct charitable expenditure and support costs based on the time spent on these activities. Other costs are allocated directly to the relevant heading.

Support costs also include governance costs. This relates to the cost incurred with meeting constitutional and statutory requirements and the costs associated with the strategic management of the charity.

## Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities as incurred.

## Tangible fixed assets

Assets costing more than £500 are capitalised. Fixed assets are recognised at cost or deemed cost (donated valuation at estimated fair value) less accumulated depreciation and impairment losses.

Depreciation is calculated to write off the costs of the fixed asset capitalised over their estimated useful economic lives as follows:

• Computer equipment	3 years straight line
• Fixtures, fittings and equipment	25% reducing balance
• Leasehold refurbishment	3 years straight line

## Investments

Current asset investments are cash amounts held by the charity with a maturity date of less than one year and held for investment purposes. They are measured at the cash value of the deposit.

## Debtors

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

## Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

## Cash at bank and in hand

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

## Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## Funds

Unrestricted funds are income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or trust deed.

## Employee benefits

### SHORT TERM BENEFITS

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

### EMPLOYEE TERMINATION BENEFITS

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

### PENSION SCHEME

UKGBC operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of the company in an independently administered fund. The pensions costs charged in the financial statements represent the contributions payable during the year to the funds.

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR TO 31 MARCH 2020

#### 1 Income from donations and legacies

	2020	2019
	Total	Total
	£	£
Donations	9,000	14,274
Services donated	45,180	55,288
	<b>54,180</b>	69,562

Included within donations and legacies are goods and services which have been donated to the charity during the year totalling £44,180 (2019: £55,288). This consists of venue hire (£6,000 (2019: £12,728)) and Consultancy (£39,180 (2019: £26,760)).

#### 2 Income from charitable activities

	2020	2019
	£	£
<b>Improving sustainability</b>		
Membership income	1,223,964	1,242,531
Sponsorship income	107,898	187,669
Grant & contract income	630,405	240,008
Other income	12,578	28,655
	<b>1,974,845</b>	1,698,863
<b>Education</b>		
Major event sponsorship income	-	15,911
Leaders Network sponsorship income	18,750	30,406
Education course income	119,335	288,818
	<b>138,085</b>	335,135
<b>Raising awareness</b>		
Grant & contract income	9,067	9,804
Sponsorship income	51,681	47,692
Major event sponsorship income	-	15,910
Leaders Network sponsorship income	18,750	30,407
	<b>79,498</b>	103,813
<b>Total charitable income</b>	<b>2,192,428</b>	2,137,811

#### 3 Expenditure on charitable activities

	Direct costs Other £	Direct costs Staff £	Support costs £	2020 £
Improving sustainability	397,787	665,158	247,614	<b>1,310,559</b>
Education	135,621	240,606	89,569	<b>465,796</b>
Raising awareness	133,811	356,936	132,874	<b>623,621</b>
	<b>667,219</b>	<b>1,262,700</b>	<b>470,057</b>	<b>2,399,976</b>

	Direct costs Other £	Direct costs Staff £	Support costs £	2019 £
Improving sustainability	224,005	571,086	212,180	1,007,271
Education	246,462	293,692	109,117	649,271
Raising awareness	146,666	315,363	117,169	579,198
	<b>617,133</b>	<b>1,180,141</b>	<b>438,466</b>	<b>2,235,740</b>

#### 4 Analysis of support costs

	Premises £	IT/Comms £	Admin staff £	Accounts & finance £	Governance £	2020 £
Improving sustainability	83,700	21,856	80,100	2,998	58,960	<b>247,614</b>
Education	30,277	7,906	28,974	1,084	21,328	<b>89,569</b>
Raising awareness	44,915	11,728	42,983	1,609	31,639	<b>132,874</b>
	<b>158,892</b>	<b>41,490</b>	<b>152,057</b>	<b>5,691</b>	<b>111,927</b>	<b>470,057</b>

	Premises £	IT/Comms £	Admin staff £	Accounts & finance £	Governance £	2019 £
Improving sustainability	85,501	17,341	58,309	2,779	48,250	212,180
Education	43,970	8,918	29,987	1,429	24,813	109,117
Raising awareness	47,215	9,576	32,199	1,535	26,644	117,169
	<b>176,686</b>	<b>35,835</b>	<b>120,495</b>	<b>5,743</b>	<b>99,707</b>	<b>438,466</b>

Support costs are divided in the proportion of the direct staff costs of each activity area, thus:

	2020	2019
Improving Sustainability	53%	48%
Education	19%	25%
Raising awareness	28%	27%

## 5 Net income for the year

This is stated after charging/crediting.

	2020 £	2019 £
Auditor's remuneration		
Audit.	9,200	8,000
Depreciation	31,047	51,996
Pension costs	85,677	78,276

## 6 Staff costs and remuneration of key management personnel

Staff costs during the year were as follows:

	2020 £	2019 £
Salaries and wages	1,261,877	1,168,370
Social security costs	141,886	130,612
Pension contributions	85,677	78,276
Medical and insurance	11,139	8,491
Termination payments	4,930	-
Other costs	21,925	16,290
	<b>1,527,434</b>	<b>1,402,039</b>

The average number of employees during the year on a headcount basis was as follows:

	2020 Number	2019 Number
Charitable activities	22	20
Support	3	3
	<b>25</b>	<b>23</b>

The number of employees whose emoluments for the year fell within the following bands were:

	2020 Number	2019 Number
£60,001 - £70,000	2	2
£70,001 - £80,000	2	-
£80,001 - £90,000	1	-
£90,001 - £100,000	1	1
£180,001 - £190,000	1	1

These, 6 employees are accruing pension contributions totalling £37,680 (2019: 4 employees, accruing £28,072).

The trustees consider that they together with the Senior Management Team comprise the key management personnel of the charity. The total remuneration payable to the key management personnel of the charity was £663,395 (2019: £600,778).

Trustees are not remunerated for their services to the charity. However, out of pocket expenses incurred in connection with the execution of their duties as trustees are reimbursed where claimed. No such claims were made in 2019/20 or 2018/19.

## 7 Tangible fixed assets

	Office equipment £	Computers £	Leasehold refurbishment £	Total £
<b>Cost</b>				
At 1 April 2019	60,034	36,366	133,343	299,743
Additions	-	17,830	-	17,830
Disposals	-	(1,040)	-	(1,040)
Balance at 31 March 2020	60,034	53,156	133,343	246,533
<b>Depreciation</b>				
At 1 April 2019	53,189	31,416	111,120	195,725
Charge for the year	1,711	7,113	22,223	31,047
Released on disposal	-	(1,040)	-	(1,040)
Balance at 31 March 2020	54,900	37,489	133,343	225,732
<b>Net book value</b>				
At 31 March 2020	5,134	15,667	-	20,801
At 31 March 2019	6,845	4,950	22,223	34,018

## 8 Debtors

	2020 £	2019 £
Trade debtors	401,500	475,054
Prepayments	43,480	39,790
Other debtors	125, 288	63,104
	<b>570,268</b>	577,948

## 9 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	84,119	72,242
Other taxation and social security	130,319	133,191
Deferred income	927,393	749,422
Accruals	128,273	70,039
Other creditors	15,598	12,316
	<b>1,285,702</b>	1,037,210

## 10 Analysis of deferred income

	2020 £	2019 £
Deferred income at 1 April	749,422	933,005
Applied during the year	927,393	749,422
Released during the year	(749,422)	(933,005)
Deferred income at 31 March	<b>927,393</b>	749,422

## 11 Financial instruments

	2020 £	2019 £
Financial assets measured at fair value	1,938,295	1,858,499
Financial liabilities measured at amortised cost	(84,119)	(72,242)

## 12 Operating lease commitments

At the balance sheet date, the charity's total future commitments under non-cancellable operating leases are as follows.

	Equipment		Land and buildings	
	2020 £	2019 £	2020 £	2019 £
<b>Leases which expire</b>				
Within one year	4,747	4,747	132,149	130,678
Within two to five years	7,121	11,868	169,381	301,530
	<b>11,868</b>	16,615	<b>301,530</b>	432,208

## 13 Analysis of group net assets between funds

	Restricted funds £	General funds £	Fixed asset funds £	Designated funds £	Total funds 2020 £
Fixed assets	-	-	20,801	-	20,801
Current assets	120,719	1,979,219	-	4,392	2,104,330
Current liabilities	(68,167)	(1,217,535)	-	-	(1,285,702)
Net assets at 31 March 2020	52,552	761,684	20,801	4,392	839,429

	Restricted funds £	General funds £	Fixed asset funds £	Designated funds £	Total funds 2020 £
Fixed assets	-	-	34,018	-	34,018
Current assets	13,237	1,903,050	-	40,000	1,956,287
Current liabilities	(11,856)	(1,025,354)	-	-	(1,037,210)
Net assets at 31 March 2020	1,381	877,696	34,018	40,000	953,095



## 14 Analysis of funds

	Balance at 1 April 2019 £	Income £	Expenditure £	31 March 2020 £
<b>Unrestricted funds</b>				
- General funds	951,715	1,646,838	(1,811,676)	<b>786,877</b>
- Fixed assets funds	34,018	16,790	(30,007)	<b>20,801-</b>
- Designated funds	40,000	-	35,608	<b>4,392</b>
<b>Restricted funds</b>				
- World GBC European Policy	5,427	104,864	(104,792)	<b>5,499</b>
- EeMAP	(4,047)	26,564	(22,517)	
- Build Upon <sup>2</sup>	-	186,316	(139,263)	<b>47,053</b>
- ANZ	-	138,109	(138,109)	-
- Climate-KIC - Innovation	-	36,267	(36,267)	-
- CIRCuIT - Circular Economy	-	19,000	(19,000)	-
- IGNITION	-	20,932	(20,932)	-
- Epping Forest	-	6,450	(6,450)	-
- Climate-KIC - Foreground	-	64,985	(64,985)	-
- Climate-KIC - Accelerator Cities	-	35,985	(35,985)	-
<b>Charity total</b>	<b>953,095</b>	<b>2,286,310</b>	<b>(2,399,976)</b>	<b>839,429</b>

	Balance at 1 April 2018 £	Income £	Expenditure £	New Designations £	31 March 2019 £
<b>Unrestricted funds</b>					
- General funds	752,196	1,994,701	(1,829,201)	(40,000)	877,696
- Fixed asset funds	83,824	2,190	(51,996)	-	34,018
- Designated funds	-	-	-	40,000	40,000
<b>Restricted funds</b>					
- World GBC European Policy	5,417	82,090	(82,079)	-	5,428
- EeMAP	100,695	27,160	(131,902)	-	(4,047)
- EU Contract	-	12,368	(12,368)	-	-
- ANZ	-	46,853	(46,853)	-	-
- Climate-KIC - Innovation	-	39,214	(39,214)	-	-
- Climate-KIC - Cities lab	-	42,127	(42,127)	-	-
<b>Charity total</b>	<b>942,132</b>	<b>2,246,703</b>	<b>(2,235,740)</b>	<b>-</b>	<b>953,095</b>

### Restricted funds

#### WORLD GBC EUROPEAN POLICY

The World Green Building Council European Policy reserve relates to income received to fund the employment of a Senior European Policy Officer. The European Senior Policy Officer advises on European green building law and policy for the Europe Regional Network of over 30 national Green Building Council's around Europe, including UKGBC.

#### EeMAP (THE ENERGY EFFICIENT MORTGAGES ACTION PLAN)

This relates to a 2 year project funded by the European Commission's Horizon2020 research programme. The project aims to create a standardised "energy efficient mortgage", according to which building owners are incentivised to improve the energy efficiency of their buildings or acquire an already energy efficient property by way of preferential financing conditions linked to the mortgage.

#### BUILD UPON <sup>2</sup> (BU2)

This relates to grant funding received from the European Union to fund work on the Build Upon project as part of a consortium of Green Building Councils from across Europe. The aims of the project are to help European countries design and implement strong, long-term national strategies for the renovation of their existing buildings.

#### ADVANCING NET ZERO (ANZ)

This relates to funding secured from Redevco Foundation for a project about galvanising the industry and policy makers to deliver a net zero carbon built environment, through industry leadership and strong regulation.

#### CLIMATE-KIC – INNOVATION

This relates to funding the UKGBC Innovation Portal secured from EIT Climate-KIC to develop links between larger corporates (demand) and start-up innovators (supply), and in so doing building the capacity within UKGBC's membership to adopt innovative approaches to drive sustainability in the sector.

#### CIRCuIT – CIRCULAR ECONOMY

Circular Construction in Regenerative Cities - is a collaborative project involving 29 partners across the entire built environment chain in Copenhagen, Hamburg, Helsinki Region and Greater London. Funded by the European Commission's Horizon 2020 programme, the project will support the creation of regenerative cities by implementing sustainable and circular construction practices. UKGBC forms part of the Greater London cluster and has secured 4 years worth of funding. Through this project we can start to bridge the gap between theory, practice and policy by delivering a series of demonstrations, case studies, events and other dissemination activities that showcase how circular construction approaches can be scaled and replicated across Europe to enable cities to build more sustainably and transition to a circular economy on a wider scale.

## Restricted funds (continued)

### EU'S URBAN INNOVATION ACTIONS (UIA) INITIATIVE – IGNITION

This relates to funding UKGBC secured from the UIA to join the IGNITION project alongside 11 other partners from local government, universities, NGOs and business. The aim is to develop the first model of its kind that enables major investment in large-scale environmental projects which can increase climate resilience. By 2038 this will enable an increase in Greater Manchester's urban green infrastructure coverage by 10% from a 2018 baseline.

### EPPING FOREST

This relates to funding from Epping Forest District Council to act as critical friend in facilitating a review of the Sustainability Guidance and Checklists for Harlow and Gilston.

### CLIMATE-KIC – FOREGROUND

This relates to funding secured from EIT Climate-KIC for the delivery of a programme of workshops and site tours with local authorities and businesses, to support the sustainability outcomes of three large scale development schemes.

### CLIMATE KIC – ACCELERATOR CITIES

This relates funding secured from EIT Climate-KIC for a project to investigate the barriers and opportunities for city-led home retrofit, delivering a number of events and workshops with local authorities and industry.

### GENERAL FUNDS – DESIGNATED FUND

The Trustees of UKGBC unanimously decided in favour of re-investing £4,392 from the surplus generated as designated funds in the FY 2020-21. Of the £40,000 brought forward from FY2018-19, £35,608 was utilised during FY2019-20 to pilot a new member benefit that is intended to mitigate against attrition risks, and deepen the engagement of member companies.

## 15 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purpose.

## 16 Related party transactions

There were no other outstanding balances with related parties as at 31 March 2020 (2019: £nil). The total amount of donations received from trustees in the year was £nil (2019: £nil).



UK Green  
Building Council

The Building Centre  
26 Store Street  
London WC1E 7BT

020 7580 0623  
info@ukgbc.org  
ukgbc.org