

APM Annual Review

2014/15



Winner

Best UK Association

Introduction

Professional project management is integral to the future prosperity of the UK economy and beyond; the scope of the award-winning Association for Project Management's (APM) work and its impact on society has broadened. Where APM was once concerned with delivering outputs its focus has increased. It now looks at benefits across all sectors, recognising the value of creating lasting legacies. The future challenges of economic sustainability, climate change, security, technology and globalisation make the profession of managing change more vital than ever.

As a result, the way we manage projects must change; we need a larger, more capable, more diverse profession. From diversity comes better, more creative decision making which leads to better and more lasting beneficial change.

The opportunity is significant. The UK government alone invests in a portfolio of projects and programmes worth around half-a-trillion pounds. This portfolio aims to deliver public sector efficiency and reform, as well as new capability through the infrastructure of Crossrail, High Speed 2 (HS2), Thames Tideway Tunnel, Universal Credit and more. Project management is an issue of national and global significance, as illustrated by the 2015 General Election where a headline policy was the commitment to achieving efficiencies through managing big projects better.

Transformation was a theme throughout APM in 2014/15 as it prepared to meet these challenges and fulfil its mission of creating a movement of individuals and organisations dedicated to a vision of a world in which all projects succeed.

This transformation is being enabled through a £1.5million investment programme to provide clear career paths for professionals which capture and develop talent at all levels and bring them into what is an exciting and fulfilling profession.

This was a year to ensure APM had the capability to meet current and future challenges. These included the appointment of key roles, in particular strengthening areas of influence and profile and the expansion of our digital services. Physical infrastructure has grown with the leasing of Heron Place, an additional facility near to APM's home at Ibis House. In addition, we have started a programme of work to upgrade the information technology infrastructure, including a new customer relationship management system and website.

The association is building on a decade of sustained success in a year in

which APM achieved record numbers in membership, qualification takers, revenue, sold out conference and awards events and winning 'Best UK Association' and 'Best Association Conference in London' at the Association Excellence Awards.

APM was delighted to appoint Sara Drake in February 2015 as chief executive succeeding Andrew Bragg who stood down from the post in December 2014. Sara brings a wealth of experience of running professional and chartered bodies.

This year's results were the product of a sustained collaboration of staff, board members, volunteers, specialist advisors and friends. This co-operation is a core value enshrined within the APM mission of providing leadership. Particular pride should be taken by all who have contributed to such a successful and transformative year for APM.

Steve Wake Chair



Sara Drake Chief Executive



Objectives and activities

APM is dedicated to the development of professional project, programme and portfolio management. It enjoys the benefits of a large and committed volunteer base, dedicated professional staff and outsourced specialist services.

APM's vision and Strategy 2020 recognise the growing public demand for a step change in the delivery of projects and programmes and the realisation that UK membership bodies must deliver ever greater public benefit. Standards and knowledge continue to lie at the heart of APM's offering.

The strategic horizon of 2020 was set to enable a more ambitious vision. It sought to identify themes and guiding principles, recognising the dynamic nature of the profession and of society as a whole.

The vision is ambitious, challenging and radical. Above all, it reflects what society expects:

*a world
in which
all projects
succeed*

APM cannot deliver this vision alone, therefore the **APM mission** is:

To provide leadership to the movement of committed organisations and individuals who share our passion for improving project outcomes.

The association will lead activities that deliver benefit:

- For **individuals**; by developing the leadership capability of all those impacting on project success through globally recognised professional qualifications and certifications.
- For **organisations**; by enhancing organisational capacity to deliver successful change through accredited standards of management practice.
- For **society**; by investing in the creation and dissemination of valuable knowledge in the management of projects and driving its effective application.

During 2013/14 a programme of projects was initiated to build the capability to effectively deliver the knowledge and standards required of the profession. In 2014/15 the association extended this capability through a portfolio of programmes and projects designed to ensure that the provision of knowledge and standards meets the needs of the profession and wider stakeholders now and in the future.

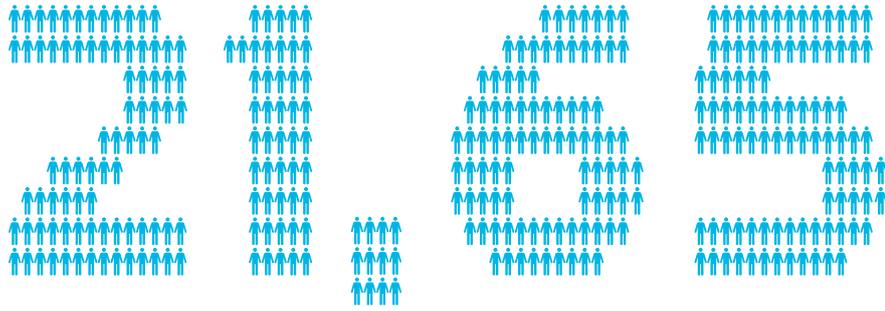
For further details see:

apm.org.uk/2020



Successes 2014/15

APM has enjoyed another year of significant success with both qualifications and membership enjoying record numbers.



Membership grew to **21,650 individual** and **570 corporate** members by the end of the financial year. This furthers APM's aim to improve professionalism within project management and is another step towards the aspirations contained within **Strategy 2020**.



Digital access to APM grew significantly in the year. The APM website attracted **624,000 unique visitors** who accessed almost four million pages during the year. APM's LinkedIn community has over **41,000 members** and its Twitter account attracts in excess of **11,000 followers**.



APM was recognised at the Association Excellence Awards winning the prestigious **'Best UK Association'** and **'Best Association Conference in London'** awards. For further details see apm.org.uk

£698k

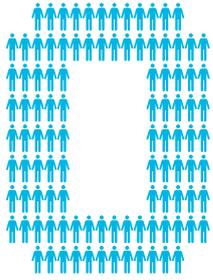
£698k was invested in projects to support the realisation of the aspirations laid out in *Strategy 2020*. This was a further step in realising APM's ambitious vision of a world in which all projects succeed.

£8.5m

Revenue grew by **£1m** from last year to **£8.5m** highlighting the growth across all areas of the charity.

Following extensive member research, **Project** magazine, the leading journal of its kind in the UK, was re-launched as an in-depth quarterly journal for project professionals. The new format magazine has been well received.





Two well attended **APM Project Management Conferences** were held in the financial year. In 2015, the conference sold out for both delegates and exhibitors with over **425** attendees. The 2014 *New Frontiers* event was awarded 'Best Association Conference in London'.



Conditions for Project Success

APM research report

A record **16,701** candidates sat the association's professional qualifications an **increase of 2,300** candidates on the previous year, reflecting the value that the profession places in APM qualifications.

APM published a significant piece of research investigating the optimum environment in which projects can succeed. The **Conditions for Project Success** research report provides a unique insight into project success for influencers and decision makers.

The prestigious **APM Project Management Awards** saw a **record number of entrants** and **560** guests at its gala dinner hosted by *Breakfast* business reporter Steph McGovern, as the profession recognised and celebrated outstanding examples of good practice.



The Association Excellence Awards 2015

WINNER

Best UK Association Award



The Association Excellence Awards 2015

WINNER

Best Association Conference in London

Next steps

APM has embarked on an ambitious strategy in support of its vision for **a world in which all projects succeed**. Strategy 2020 aims to build a movement of committed individuals and organisations dedicated to the improvement of project outcomes. During 2014/15 APM embarked on a portfolio of programmes designed to transform the business to meet its strategic objectives.



Membership review

During 2014 APM undertook extensive independent research into its individual and corporate membership offerings. In response to part of that research, *Project* magazine was re-launched as a more in-depth journal. During 2015/16 APM will implement further recommendations including improved membership application processes, greater professional recognition for members, improved communication and an enhanced membership package, which includes investigations into the areas of event delivery and mentoring services.

Competence Framework

APM has refreshed its competence framework reflecting feedback from corporate and individual stakeholders. This will provide the underpinning standard for the new APM qualification in development and will be made available to corporate members under licence, as well as to individuals.

New APM qualification in development

A new APM qualification will reflect the need for clear career pathways for project professionals. The four-paper examination will examine the candidate's ability to reflect on their practice and apply their professional knowledge, demonstrating a core understanding of what it means to be a project professional. The new APM qualification will offer a key step towards attaining the APM Registered Project Professional standard.

Enhanced digital delivery

Recognising the growing importance of the digital environment to both attract and retain members and other followers, APM will continue to invest in its digital delivery. Particular focus will be on social media engagement and search engine optimisation, access to APM services via mobile devices and growing digital delivery of webinar and video services.

Education programme

APM will develop a programme with the aim of engaging and sustaining relations in the academic community thereby allowing students greater access to the profession, as well as access to and support of research and knowledge development.

Organisational transformation

APM will continue to strengthen its staff, enabling it to understand, create and fulfil the demands of the project management profession in the years ahead. This will include the recruitment of a chief commercial officer to join the APM executive team and a head of external affairs who will continue to enhance APM's influencing and profile raising activities.

Application infrastructure transformation

In order to support and sustain the development of the association into the future, a project to replace APM's customer relationship management (CRM) system is underway and this will begin to deliver benefits towards the end of the 2015/16 financial year.



Chartered status

The association continues to seek Chartered status. In July 2013 the association was informed that a Committee of the Privy Council had unanimously reached its recommendation that a Royal Charter should be granted to the association and that this recommendation would be placed on the list of business for the meeting of the Privy Council to be held in October 2013. The recommendation of the committee was challenged by Project Management Institute (PMI) who sought permission for Judicial Review, naming the Minister for the Cabinet Office, the Privy Council Office and the Attorney General as defendants, with APM as an interested party. After a substantive hearing at the High Court in London which ended on 9 July 2014, judgement was handed down on 17 July 2014, dismissing the claim on all grounds. PMI sought permission to appeal this decision. The Court of Appeal granted permission to appeal, stating that this was the first time that the grant or refusal of a Royal Charter had been challenged in the courts. The appeal hearing has been listed to be heard during the period 17-19 November 2015.

For further details see:

apm.org.uk/charteredstatus

Members will be informed of the outcome of the appeal via the APM website.

Governance

APM is an educational charity registered with the Charity Commission in England and Wales. It is incorporated as a company limited by guarantee. As such, it has a constitution (articles of association) which is approved by its membership. APM is run by a board whose members act as company directors and charity trustees. The majority of the board is elected by the membership of the association. The board sets strategy and drives performance; it has delegated operational delivery to the chief executive and APM staff. The charitable 'objects' of APM are to advance the science, theory and practice of project and programme management for the public benefit. APM's activities help fulfil this overall goal. For further details see apm.org.uk/aboutus

APM board

Chair

S Wake

Deputy chairs

A Godbold (from November 2014)

A Macklin

Board members

R Baker

K Barton (to July 2015)

S Boyce

C Burt

P Chapman

S Coleman

C Egbu (to November 2014)

J Gordon (to November 2014)

S Kershaw (from November 2014)

J McGlynn (from November 2014)

M McKinlay (to November 2014)

N Redon (to November 2014)

M Sasso

J Simcock (to November 2014)

B Wernham (from November 2014)

Secretary

M Robinson

Chief executive

S Drake (appointed February 2015)

A Bragg (resigned December 2014)

Principal address

Ibis House

Regent Park

Summerleys Road

Princes Risborough

Buckinghamshire

HP27 9LE

Company Registration No. 1218334

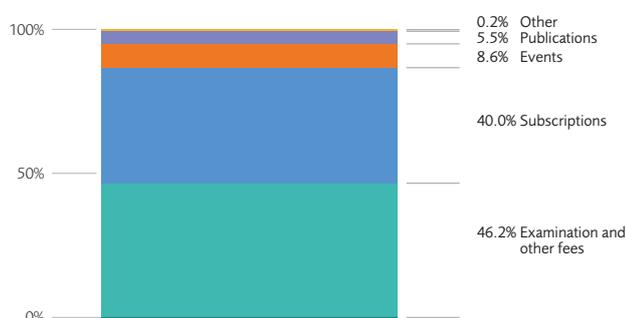
Charity Registration No. 290927

Financial summary

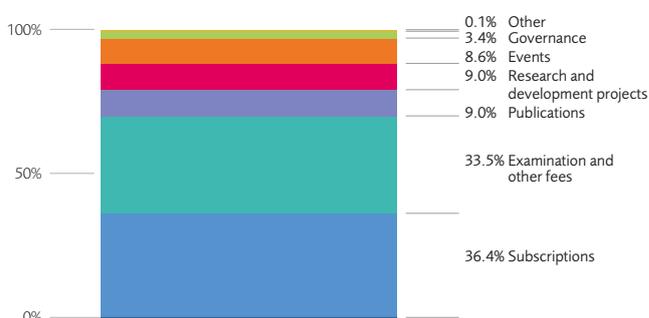
2014/15 saw strong financial performance from APM, as it continued to build a sound foundation for its ongoing development and its ambitions for a world in which all projects

succeed. Revenue increased by 13.3% from £7.5m last year to £8.5m, contributing towards a surplus for the year of £806k. Reserves of £3.8m are regarded as adequate for APM's needs.

How our income is earned...



...and how it's spent



Consolidated statement of financial activities for the year ended 31 March 2015

	2015 £'000	2014 £'000
Incoming resources		
Incoming resources from generated funds	755	387
Incoming resources from charitable activities	7,782	7,080
Total incoming resources	<u>8,537</u>	<u>7,467</u>
Resources expended		
Cost of generating funds	671	442
Charitable activities	6,801	6,651
Governance costs	259	209
Total resources expended	<u>7,731</u>	<u>7,302</u>
Net incoming resources for the year	806	165
Total funds brought forward	3,035	2,870
Total funds carried forward	<u>3,841</u>	<u>3,035</u>

Consolidated balance sheet as at 31 March 2015

	2015 £'000	2014 £'000
Fixed assets	591	270
Current assets	5,885	5,356
Creditors: amounts falling due within one year	(2,599)	(2,591)
Creditors: amounts falling due after more than one year	(36)	-
Net assets	<u>3,841</u>	<u>3,035</u>
Funds		
Unrestricted funds		
Designated funds	875	1,860
General fund	2,966	1,175
	<u>3,841</u>	<u>3,035</u>

Independent auditor's statement to the trustees of the Association for Project Management

We have examined the APM Annual Review for the year ended 31st March 2015 set out above and on the previous pages.

Respective responsibilities of the trustees and the auditor

The Trustees are responsible for preparing the financial summary in accordance with applicable United Kingdom law and the recommendation of the Charities SORP (2005).

Our responsibility is to report to you our opinion on the consistency of the financial summary with the full annual financial statements.

We also read the other information contained in the APM Annual Review and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial summary.

The other information in the APM Annual Review comprises the text on pages one to six above.

Basis of opinion

We conducted our work in accordance with Practice Note 11 issued by the Auditing

Practices Board. Our report on the company's full annual financial statements describes the basis of our opinion on those financial statements.

Opinion

In our opinion the financial summary is consistent with the full annual financial statements of the Association for Project Management for the year ended 31 March 2015.

Kingston Smith LLP

Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD
25 September 2015

Trustees' statement

The financial summary contains information from the statement of financial activities and the balance sheet for the year ended 31 March 2015, but is not the full statutory report and accounts. The full financial statements were approved by the trustees on 14 July 2015

and subsequently submitted to the Charity Commission and to Companies House.

The auditor has issued an unmodified report on the full financial statements and on the consistency of the Trustees' Annual Report (which includes the Strategic Report) with those financial statements. Their report on the full annual financial statements contained no statement under sections 498 (2) (a), 498 (2) (b) or 498 (3) of the Companies Act 2006.

The financial summary does not contain sufficient information to allow for a full understanding of the financial affairs of the charity. The full details are to be found in the report and financial statements referred to above.

Copies of the full annual accounts including the Trustees' Annual Report may be obtained from the charity's head office or visit apm.org.uk/HowAPMisRun

S. Wake

Signed by **S Wake** on behalf of the trustees
25 September 2015