

REGISTERED COMPANY NUMBER: 895080 (England and Wales)
REGISTERED CHARITY NUMBER: 257133

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

**THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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**THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The charity's objectives

The charity's objectives reflect the mission of the charity. Each year trustees review objectives and activities to ensure that they continue to reflect the charity's aims. In carrying out this review the trustees have considered the Charity Commission's general guidance on public benefit and in particular its guidance on education and training for public benefit.

Mission

The charity is a professional body and learned society serving the interests of those involved in and with responsibility for healthcare engineering and estate management including the design, procurement and maintenance of healthcare facilities and equipment. The charity is established for public benefit to promote the art and science of healthcare engineering and estate management and to advance research, education and training.

Activities

The charity's activities include supporting the career development of healthcare engineers, allied built environment professionals and facility managers, the publication of a regular professional journal, delivery of educational seminars, and the holding of an annual flagship conference and exhibition enabling individual and affiliate members to network and share experiences, information and innovation

Each year the trustees review the charities objectives and activities to ensure that they continue to reflect the charity's mission. In carrying out this work the trustees have considered the Charity Commission's general guidance on public benefit.

Volunteers

Volunteers are an important resource in both the running of the charity and the management of its educational activities. Over 60 volunteers regularly give their time for the running and management of the governing council and its committees, with further volunteers giving their time to the running and management of branch activities and the programme of educational events. All trustees give their time freely. The Institute encourages all members to become involved in voluntary activities and to share their skills with others. Suggest we include some distinct reference to their role in ensuring appropriate governance and compliance with legal and regulatory requirements (this is stated in our published Governance Structure Chart).

Social investment policies

We have invested in sustainable measures such as a Solar PV scheme to reduce the carbon footprint associated with our Head Office facilities and are looking to make further energy reducing improvements and investments such as LED lighting and building insulation. We are also committed to an Apprentice within our Head Office establishment which represents around 21% of our FTE workforce. Following completion of her course our apprentice moved on. We continue our commitment to supporting apprenticeships and in August 2021 we employed a new apprentice in the role of Events and Marketing Support. The Healthcare Engineering Specialist Technician apprenticeship scheme achieved recognition on the National Apprenticeship Framework during 2021 as a funded programme, taking new students from Sept 2021. A focused drive to attract apprentices as members resulted in having 149 (21 up from 2020) apprenticeship members of the Institute at year end. During 2021 Council took the decision to be the IET Faraday Challenge theme partner for the academic year 2021/22, setting a Healthcare challenge to school students. The finals were held at Alder Hey Hospital in June 2022. The winning school presented on the event at our Healthcare Estates flagship conference in October 2022.

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ACHIEVEMENT AND PERFORMANCE

Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities. The trustees refer to public benefit throughout this report.

Charitable activities; how the charity's activities deliver public benefit

The charity carries out a wide range of activities in pursuance of its charitable objectives. The trustees, after taking into consideration the Charity Commission's general guidance on public benefit the activities summarised below provide benefit to the public and the wider community by ensuring its members have the capability to deliver a healthcare estates environment that is safe, efficient and effective.

Educational seminars

The charity held a range of technical and specialist seminars during the year supported by the IHEEM Technical Platforms, branches, partners and company affiliates. We saw the return to in person events, as well as the continues deliver through digital media. To date we have delivered 4049 hours of webinar CPD content.

In 2022 the below seminars/workshops and webinars were held on a range of key themes. Each of these attracted a good number of delegates and several also featured an event exhibitor:

| | |
|----------|--|
| January | January Electrical Safety within the Healthcare Environment (Webinar) |
| March | West Midlands Branch AGM 2022 (Webinar) |
| March | Developing a zero estate (Webinar) |
| April | Yorkshire AGM including Brandon Medical Visit (in person) |
| May | Delivering Sustainable Healthcare Estates (Webinar) |
| May | West Midlands branch site tour of new Walsall Emergency Dept (in person) |
| May | Ireland Regional Conference (2 day in person) |
| June | Faraday Challenge Finals - Alder Hey Hospital (1 day in person) |
| June | Future Proofing Healthcare Conference East Midlands branch (1 day in person) |
| June | Yorkshire Branch Powerstar factory visit (in person) |
| July | Authorising Engineers conference (1 day in person) |
| July | Making Public Buildings Low Carbon Heat Ready (webinar) |
| October | Healthcare Estates Conference (2 day in person) |
| December | IHEEM AGM |

Educational conference & exhibitions

In addition to the seminar programme, the Institute develops and delivers several conferences. Over 2020 and 2021 these were digital only due to the pandemic. In 2022 we returned to in person events, the first conference being our Ireland regional conference bringing together healthcare from both the Northern and Republic of Ireland for the first time.

IHEEM's annual flagship conference, exhibition and awards dinner, 'Healthcare Estates' was held in October in Manchester. The event attracted over 5,000 delegates and visitors, with over 200 exhibitor stands. The conference delivered 61 presentations involving 129 chairs and speakers, offering 32 hours of certified CPD. All presentations were made available as on demand sessions via our website learning hub.

The Gala Awards dinner hosted 612 attendees, the biggest to date with 2 new award categories.

Engineering Council

We continue to be categorised as low risk. Over the year we undertook 10% CPD sampling for those who hold professional registration, and aim to do the same for 2023. Over CRM system has been enhanced to allow tracking of CPD sampling and full tracking of the Engineering Council application registration process for members seeking to apply.

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The charity remains a strategic partner of Engineering UK and the Engineering Council. The charity's work centres on compliance with the Engineering Council audit and quality assurance requirements to hold the licence for assessing candidates for registration as an Engineering Technician, Incorporated Engineer and Chartered Engineer. The charity also supports the Engineering Council's work to promote society's confidence and trust in the engineering profession. The charity's engineers once registered are internationally recognised having demonstrated standards of competence and commitment for the engineering profession whose skills underpin provision and/or distribution of the basic necessities of civilised life concerning healthcare buildings, energy use, provision of safe water and sanitation, food, transport and communications. Other work with the Engineering Council involves the sampling of registered members Continuing Professional Development, the provision of training for interviewers, participation in the audit of other institutes and promoting the Engineering Register.

Branches

The charity has fourteen branches; thirteen branch areas are represented on the charity's governing council. The Council welcomed representation from the Republic of Ireland during 2022. Branch committees are populated by volunteers who give their time to the management of education activities, branch-based seminars, providing interview panels for Engineering Council registrants, and recruiting new members. Branch activity is at the forefront of the charity's activity in delivery of its objectives. During 2022 our branches hosted over 10 webinars, 3 site visits and the first East Midlands branch conference 'Future Proofing Healthcare'. This activity continues for 2023.

Journal

The quality educational publication 'Health Estate Journal' is distributed to all members ten times per year. The trustees manage the Journal through the Professional Development Committee that is constituted by members of the institute. The Journal remains attractive, popular and informative.

Website and IT Infrastructure Redevelopment

2022 saw the continued improvements to the CRM, CPD systems in addition to the ongoing development of the IHEEM website. Major upgrades to our on-line events booking system now provides exhibitors with a simple end to end process from online booking through to invoicing and billing providing improved customer experience. Work also started on the fully automated membership application process which is planned for.

IHEEM are now using two large digital boards at its own and other events. Unlike printed display material, which has a shorter lifespan, the new interactive boards will enable Head Office to provide bespoke and up to the minute information on IHEEM stands and with their touchscreen technology they can be used to gather live data eg: surveys, questionnaires etc quickly and efficiently.

International Federation of Hospital Engineering (IFHE)

The charity remains a committed member of IFHE. IFHE is a non-profit, non-governmental and independent organisation whose resources are used to foster and promote exchange of hospital engineering technology knowledge with the ultimate goal that people everywhere may receive better healthcare. The charity continued to provide the administration service for the Federation throughout the year.

Partnerships

Engaging with our stakeholders and Knowledge Partners is fundamental to our success. By listening to and working in collaboration with all those organisations who share a passion for our industry, IHEEM can grow and develop to better serve our members. IHEEM is proud to work with all our partners and stakeholders and will continue to build these over 2023.

Governance of the Technical Platforms and Authorising Engineer Boards of Registration

IHEEMs Technical Platforms continue to provide feedback to national standards and guidance documents and research developed by organisations such as NHS England, British Standards Institution and The Nuffield Trust.

In March IHEEM announced that its Architecture, Design & Built Environment (ADBE) Technical Platform was re-launched as the IHEEM Strategic Estate Management TP. The revitalised platform now has a focus on the strategic aspects of the healthcare estate including healthcare planning, capital development and a range of associated topics. It has a significantly increased membership that includes professionals from industry, academia and the NHS.

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The Electrical Technical Platform through a new standardised process appointed 3 new members in 2022 to support its ambition to expand the breadth of representation and technical input into healthcare efm specific guidance in addition to British Standards. In October 2022 IHEEM Technical Platforms took part in the Healthcare Estates Conference and the Strategic Estate Management TP held an interactive workshop entitled "Estates Strategy - The Forgotten Art?"

Membership

In response to the challenges presented by the COVID-19 pandemic, IHEEM took the unprecedented decision in 2020 to cease chasing outstanding membership fees for six months, and therefore as a result not to lapse members due to lack of payment. This approach continued for 2021 and 2022. The charity's membership numbers reflect this decision. On 31st December 2022 membership numbers for fee paying individuals was recorded as 1864, compared to 1836 individual members on 31st December 2021, an increase of 1.5%. This was supported by an increase in our free memberships aimed at students, apprentices and NHS tradespeople which increase to 499 On 31st December 2022, from 450 on 31st December 2021, an increase of 11%. These are seen as our future paying membership. We saw a further increase in our Company Affiliate Members (each having up to 4 nominated named non-voting members) to 286 recorded on 31st December 2022 from 256 on 31st December 2021, representing an increase of 12%. The total number of members (excluding the 4 nominated non-voting members for Company affiliates) on 31st December 2022 is recorded as 2649 compared to 2542 on 31st December 2021, an overall increase in membership for the year of 3.4%. Membership fee concessions are offered for graduate and apprentice members, retired or pensionable members, members of limited means of income, University Affiliate members, Apprentice Affiliate members and Student Affiliate members.

Awards

Recognition of public contribution to healthcare engineering and estate management and excellence in achievement is at the heart of the charity's work. The charity recognises individual achievements by providing a number of awards, medals and prizes. In 2022 we gave a Lifetime Achievement Award to Steven Palmer, having been an IHEEM member for just under 40 years and contributed as an active Chair and member to the Membership and Registration Committee and our representation from membership officer with the Engineering Council. The other awards will re-establish in 2023.

FINANCIAL REVIEW

Investment policy and objectives

The memorandum association describes how monies of the Institute not immediately required for its purposes can be invested. The Trustees, having regard to the liquidity requirements of operating the Institute and the reserves policy set out below, have operated a policy of keeping available funds in an interest bearing deposit account. The invested funds held on deposit achieved an average rate of return of 0.87% against the Office for National Statistics, Consumer Price Index (CPI), for the year to December 2021 of 9.2%.

Reserves policy

The Institute maintains reserves which the Council deems appropriate for its efficient operation and for the generation of additional income on a prudent basis. Around 39% of the charity's income is generated through membership income received primarily in the first three months of the year and the remaining income is generated through the year from seminar activity and annual conferences, with 36% of income being paid to the Institute in December. A level of free reserves of £250,000 equating to approximately six months management, administration is considered appropriate. The actual free reserves exceeded the required level and amounted to £664,643 an increase of £38,591 on 2021. The increase reflects the income for the Healthcare Estates Conference in October 2022.

The Board of Trustees are also mindful of the volatile nature of membership numbers and the general decline in numbers in other similar Learned Bodies and this has a bearing on our reserve levels which may be above what would normally be expected. The recent pandemic supports the requirement for Charities to hold sufficient reserves to allow them to operate through difficult circumstances more in line with 12 months running rather than the previous six months.

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**REPORT OF THE TRUSTEES
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FINANCIAL REVIEW

Principal funding sources

The Charity's income is derived from two main resources: membership subscriptions and educational events, including seminars and conferences (annual IHEEM conference/exhibition and branch conferences). Income through membership subscriptions totalled £358k (2021 = £345k). Events and training income totalled £543k (2021 = £160k). Event resources expended at £307k (2021 = £105k). The difference between years relates to the income generated by Healthcare Estates conference. The first full in person event since 2019.

Educational events are an element in the charity's programme of activities; the trustees are keen to continue with this work that provides benefit to both the charity's members and the public.

Overall the charity produced a surplus of £195,067 (2021 = surplus of £38,591) on a turnover of £915,273. This is due to the income generated from Healthcare Estates Event 2023.

Financial effect of significant events

IHEEM holds three major conferences each year which aim to produce a surplus. Actions are taken to minimise the risk of surpluses not being made through commercial arrangements with our Conference Organising Partners. Our Northern Ireland branch holds one conference bi annually.

The Institute reserves allowed IHEEM to operate and cover it's minimal operational costs for 2021.

FUTURE PLANS

The charity has a rolling Five Year Business Plan in place, which includes extending the range of membership and improving membership services. Specifically, there is a major focus on encouraging apprentices to take advantage of the free membership it offers and to provide activities and resources to attract and retain younger members and to increase our offer to company affiliates.

The pandemic created new ways of working and accelerated our planned digital agenda. IHEEM now runs frequent webinars and records all its conference content, to make available as on demand recordings for members via our CPD system. The Institute continues to develop partnerships with external training providers to offer accredited appropriate training opportunities to our members, where possible at discounted rates. This work started in 2020, and continues to be further developed in 2023, building on the material available through our dedicated online Learning Hub.

It has also continued to implement enhancements to its ITC systems with improvements to our events on line booking application offering a better user experience and opening it up to exhibitors to book on line. Over 2022 we scoped the full automation in the journey through the membership application process to further improve the customer experience. This will be delivered during 2023.

During 2022 we investigated establishing the Experiential Route to Professional Registration to enable those without the training qualifications to be able to register as Incorporated or Chartered Engineers based on their range of relevant experience. However, a number of major concerns and challenges emerged around the requirements and skills set required on the individual case panels and the focus around academia given the complex nature of healthcare engineering compared to core engineering requirements. Following conclusion of the feasibility and viability work undertaken, Council agreed that this highly complex and potentially cost prohibitive route was not appropriate or suitable both for the Institute and its members. We will be looking into further learning for 2023 including whether it would be better to support our members through the non-standard rather than experiential route.

The Institute's President and members of the Head Office team continue to attend IHEEM's branch network events to strengthen links with the regions. IHEEM has also co-operated and is working in partnership with other professional engineering bodies and the Royal Academy of Engineering, NHS England & NHS Improvement, Eastwood Park, IFHE Europe and Worldwide to play it's part in delivering an effective and efficient healthcare service globally.

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**REPORT OF THE TRUSTEES
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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The full name of the charity is "The Institute of Healthcare Engineering and Estate Management" (IHEEM). The charity is a company limited by guarantee (Registered Number 895080) which was incorporated in 1967, is registered with the Charity Commissioners (Registration Number 257133) and is governed by its Memorandum and Articles of Association last updated on 8th October 2019. The full range of governing documents, Terms of Reference of the governing council and council committees, along with profiles of individual trustees is available on the charity's website at www.iheem.org.uk.

Recruitment and appointment of new trustees

At each annual general meeting one-third of the branch area based trustees must retire from office, selected from those who have been longest in appointment. Retiring trustees may offer themselves for reappointment, but must retire after a second period of appointment. The trustees have additional powers to appoint additional trustees should the number of trustees fall less than thirteen, but these trustees must retire at the next annual general meeting.

Organisational structure

The trustees meet together three times a year and are responsible for the control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits.

To assist in the smooth running of the charity the trustees have established a number of subordinate committees that help them oversee certain aspects of the charity's work. Committees are currently established for Audit and Remuneration, Conference & Exhibition, Professional Development, Management and Finance, Membership and Registration and Technology. The subordinate committees report back with their recommendations to the full meeting of the trustees. The charity has fourteen regional branches covering the UK, the Republic of Ireland and Hong Kong. The Management and Finance Committee oversee the operational management on behalf of the trustees, with day-to-day management delegated to a small secretarial and administrative staff that operates from leasehold premises in Portsmouth, Hampshire. Over 2021 the team has been operating remotely being home based, with minimal cover in the Portsmouth premises. We envisage a flexible approach between home and office working going forward.

Induction and training of new trustees

Following appointment, new trustees are introduced to their role and provided with copies of the Institute's Memorandum of Association, Articles of Association, trustees terms of reference and council committee terms of reference. New trustees are also provided with Charity Commission publications concerning risk, governance and public benefit. All new trustees are encouraged to attend a one day specialist charity governance course. This induction process ensures that new trustees are aware of the scope of their responsibilities under the Charities Act.

Key management remuneration

IHEEM's Audit & Remuneration Committee carries out a thorough annual review of staff pay and conditions using benchmarking with other similar organisations.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

895080 (England and Wales)

Registered Charity number

257133

Registered office

2 Abingdon House
Cumberland Business Centre
Northumberland Road
Portsmouth
Hampshire
PO5 1DS

**THE INSTITUTE OF HEALTHCARE ENGINEERING
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees

Board of trustees and members of council

President: President: P Fenton MBE CEng
FIHEEM

Vice President: A J Ryan C Eng FIHEEM
N J Keery CEng FIHEEM

| | | |
|---------------|--------------------------|---|
| Board: | A Cameron CEng FIHEEM | North West branch |
| | A J Ryan CEng FIHEEM | Yorkshire branch |
| | A Spraggon CEng MIHEEM | North East branch |
| | R Harris CEng FIHEEM | Southern branch |
| | P Rodgers FIHEEM | London branch |
| | N J Keery CEng FIHEEM | Northern Ireland branch |
| | J Chadwick IEng MIHEEM | East Midlands branch |
| | M Williams CEng MIHEEM | West Midlands branch |
| | M Jeffery CEng MIHEEM | South West branch |
| | P Davies MIHEEM | Welsh branch |
| | E McLaughlan CEng MIHEEM | Scotland branch |
| | Ian Hinit CEng FIHEEM | Ex president - Resigned 4 October 2022 |
| | S P Anderson CEng FIHEEM | Yorkshire branch - Appointed 4 October 2022 |

Chief Executive
Pete Sellars

Company Secretary
Tania Davies

Auditors
Morris Crocker Limited
Chartered Accountants
Statutory Auditors
Station House
North Street
Havant
Hampshire
PO9 1QU

Solicitors
Saulet Townsend
Froddington House
Cumberland Business Centre
Northumberland Avenue
Portsmouth
PO5 1DS

Bankers
Barclays Bank Plc
Marble Arch Corporate Banking Group
P O Box 32016
Edgware Road
London, W2

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Institute of Healthcare Engineering and Estate Management for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

THE INSTITUTE OF HEALTHCARE ENGINEERING
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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Morris Crocker Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 7/8/2023 and signed on its behalf by:



.....
A Ryan - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

Opinion

We have audited the financial statements of The Institute of Healthcare Engineering and Estate Management (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including 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 Auditors' 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.

Conclusions relating to going concern

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

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

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

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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
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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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF HEALTHCARE ENGINEERING
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Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

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. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF HEALTHCARE ENGINEERING
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Use of our report

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 auditors' 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.



Paul Underwood (Senior Statutory Auditor)
for and on behalf of Morris Crocker Limited
Chartered Accountants
Statutory Auditors
Station House
North Street
Havant
Hampshire
PO9 1QU

Date: 12 September 2023

**THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

| | Notes | Unrestricted fund £ | Restricted funds £ | 2022 Total funds £ | 2021 Total funds £ |
|------------------------------------|-------|---------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | |
| Charitable activities | | | | | |
| | 3 | | | | |
| Conferences | | 327,579 | - | 327,579 | 140,406 |
| Seminars | | 216,115 | - | 216,115 | 19,734 |
| Publications | | 6,900 | - | 6,900 | 6,450 |
| Membership | | 358,370 | - | 358,370 | 345,220 |
| Miscellaneous | | 5,020 | - | 5,020 | 7,853 |
| Investment income | 2 | 1,289 | - | 1,289 | 571 |
| Total | | <u>915,273</u> | <u>-</u> | <u>915,273</u> | <u>520,234</u> |
| EXPENDITURE ON | | | | | |
| Charitable activities | | | | | |
| | 4 | | | | |
| Conferences | | 77,816 | - | 77,816 | 59,481 |
| Seminars | | 229,213 | - | 229,213 | 45,342 |
| Publications | | 2,668 | - | 2,668 | 4,500 |
| Membership | | 398,817 | - | 398,817 | 366,930 |
| Miscellaneous | | 11,692 | - | 11,692 | 5,390 |
| Total | | <u>720,206</u> | <u>-</u> | <u>720,206</u> | <u>481,643</u> |
| NET INCOME | | 195,067 | - | 195,067 | 38,591 |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | 664,643 | 4,382 | 669,025 | 630,434 |
| TOTAL FUNDS CARRIED FORWARD | | <u><u>859,710</u></u> | <u><u>4,382</u></u> | <u><u>864,092</u></u> | <u><u>669,025</u></u> |

The notes form part of these financial statements

THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT (REGISTERED NUMBER: 895080)

BALANCE SHEET
31 DECEMBER 2022

| | Notes | 2022 £ | 2021 £ |
|--|-------|------------------|----------------|
| FIXED ASSETS | | | |
| Tangible assets | 11 | 221,584 | 224,989 |
| Investments | 12 | 100 | 100 |
| | | <u>221,684</u> | <u>225,089</u> |
| CURRENT ASSETS | | | |
| Stocks | 13 | 12,992 | 4,669 |
| Debtors | 14 | 396,525 | 365,555 |
| Cash at bank | | 702,054 | 523,262 |
| | | <u>1,111,571</u> | <u>893,486</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 15 | (469,163) | (449,550) |
| | | <u>642,408</u> | <u>443,936</u> |
| NET CURRENT ASSETS | | | |
| | | <u>642,408</u> | <u>443,936</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 864,092 | 669,025 |
| | | <u>864,092</u> | <u>669,025</u> |
| NET ASSETS | | <u>864,092</u> | <u>669,025</u> |
| FUNDS | 17 | | |
| Unrestricted funds | | 859,710 | 664,643 |
| Restricted funds | | 4,382 | 4,382 |
| | | <u>864,092</u> | <u>669,025</u> |
| TOTAL FUNDS | | <u>864,092</u> | <u>669,025</u> |

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

The financial statements were approved by the Board of Trustees and authorised for issue on 7.8.2023 and were signed on its behalf by:



.....
A Ryan - Trustee

The notes form part of these financial statements

**THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

| | Notes | 2022 £ | 2021 £ |
|---|-------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | 215,103 | 92,948 |
| Net cash provided by operating activities | | <u>215,103</u> | <u>92,948</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (37,600) | (30,366) |
| Sale of fixed asset investments | | - | 100 |
| Interest received | | 1,289 | 571 |
| Net cash used in investing activities | | <u>(36,311)</u> | <u>(29,695)</u> |
| | | | |
| Change in cash and cash equivalents in the reporting period | | 178,792 | 63,253 |
| Cash and cash equivalents at the beginning of the reporting period | | <u>523,262</u> | <u>460,009</u> |
| | | | |
| Cash and cash equivalents at the end of the reporting period | | <u><u>702,054</u></u> | <u><u>523,262</u></u> |

The notes form part of these financial statements

**THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

| | | | |
|---|-----------------------|-----------------------|-----------------------|
| 1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES | | | |
| | | 2022 | 2021 |
| | | £ | £ |
| Net income for the reporting period (as per the Statement of Financial Activities) | | 195,067 | 38,591 |
| Adjustments for: | | | |
| Depreciation charges | | 41,005 | 35,882 |
| Interest received | | (1,289) | (571) |
| (Increase)/decrease in stocks | | (8,323) | 242 |
| Increase in debtors | | (30,970) | (25,750) |
| Increase in creditors | | 19,613 | 44,554 |
| Net cash provided by operations | | <u>215,103</u> | <u>92,948</u> |
| | | | |
| 2. ANALYSIS OF CHANGES IN NET FUNDS | | | |
| | At 1.1.22 | Cash flow | At 31.12.22 |
| | £ | £ | £ |
| Net cash | | | |
| Cash at bank | <u>523,262</u> | <u>178,792</u> | <u>702,054</u> |
| | <u>523,262</u> | <u>178,792</u> | <u>702,054</u> |
| Total | <u><u>523,262</u></u> | <u><u>178,792</u></u> | <u><u>702,054</u></u> |

The notes form part of these financial statements

**THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The Trustees consider that there are no material uncertainties regarding the charitable company's ability to continue as a going concern.

The trustees have paid particular attention to the likely effects on the charity of the Covid-19 outbreak and remain confident that the organisation has sufficient resources to enable the charity to continue as a going concern for the foreseeable future.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Fees for services (seminars, conferences, publications) are taken into account when the service is performed. Income received in advance of a service is deferred until the criteria for income recognition are met.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in delivery of its activities of its services to beneficiaries. It excludes governance costs.

Governance costs

Governance costs included those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee and any costs linked to the strategic management of the charity. They also include the costs of council meetings.

Allocation and apportionment of costs

Support costs are allocated to an activity on a basis of average time spent by staff in assisting the organising and administration of those functions.

Tangible fixed assets

Fixed asset additions and replacements of furniture and equipment totalling over £1,000 pa are written off over their estimated useful life, using a 25% depreciation rate on written down value.

The leasehold property has been revalued by the council at 31st December 2000 on a current value basis. With effect from 2001 depreciation is provided so as to write off the lease over its useful life.

In accordance with the provisions of the SORP the Trustees have elected not to incorporate further revaluations of the property in the financial statements.

**THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Leasehold improvements are written off over their estimated useful life using a depreciation rate of 10% p.a. on written down value.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Investments

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sale proceeds and their market value at the start of the year or their subsequent cost, and are charged or credited to the statement of financial activities in the year of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on market value at the end of the year.

Financial instruments

The charitable company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties and investments in non-puttable ordinary shares.

Trade and other debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, deposits with banks and other short-term highly liquid investments and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings or current liabilities.

**THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

Investments

Trade and other creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method

2. INVESTMENT INCOME

| | 2022 | 2021 |
|------------------|--------------|------------|
| | £ | £ |
| Deposit interest | 1,289 | 571 |
| | <u>1,289</u> | <u>571</u> |

All investment income is derived from assets held in the United Kingdom.

3. INCOME FROM CHARITABLE ACTIVITIES

| | | 2022 | 2021 |
|---------------------------------|---------------|----------------|----------------|
| | Activity | £ | £ |
| Conferences | Conferences | 327,579 | 140,406 |
| Seminars | Seminars | 216,115 | 19,734 |
| Publications | Publications | 6,900 | 6,450 |
| Subscriptions and entrance fees | Membership | 358,370 | 345,220 |
| Miscellaneous income | Miscellaneous | 5,020 | 7,853 |
| | | <u>913,984</u> | <u>519,663</u> |

4. CHARITABLE ACTIVITIES COSTS

| | Direct Costs (see note 5) | Support costs (see note 6) | Totals |
|---------------|---------------------------------|----------------------------------|----------------|
| | £ | £ | £ |
| Conferences | 28,334 | 49,482 | 77,816 |
| Seminars | 179,735 | 49,478 | 229,213 |
| Publications | 2,668 | - | 2,668 |
| Membership | 2,990 | 395,827 | 398,817 |
| Miscellaneous | 11,692 | - | 11,692 |
| | <u>225,419</u> | <u>494,787</u> | <u>720,206</u> |

**THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

| | 2022 | 2021 |
|------------------------|----------------|---------------|
| | £ | £ |
| Branch Technical visit | 5,575 | 192 |
| Seminar costs | 179,735 | - |
| Conference costs | 28,334 | 14,141 |
| Publication costs | 2,668 | 4,500 |
| Members support costs | 2,990 | 4,195 |
| Miscellaneous costs | 3,806 | 2,897 |
| IFHE Subscription | 2,311 | 2,301 |
| | <u>225,419</u> | <u>28,226</u> |

6. SUPPORT COSTS

| | Management | Governance | Totals |
|-------------|----------------|---------------|----------------|
| | £ | costs £ | £ |
| Conferences | 47,628 | 1,854 | 49,482 |
| Seminars | 47,624 | 1,854 | 49,478 |
| Membership | 380,997 | 14,830 | 395,827 |
| | <u>476,249</u> | <u>18,538</u> | <u>494,787</u> |

| Activity | Basis of allocation |
|------------------|---------------------|
| Management | Time |
| Governance costs | Time |

Support costs, included in the above, are as follows:

Management

| | Conferences | Seminars | Membership | 2022 Total activities £ | 2021 Total activities £ |
|---------------------------------|---------------|---------------|----------------|----------------------------------|----------------------------------|
| Wages | 25,711 | 25,710 | 205,680 | 257,101 | 266,271 |
| Social security | 2,083 | 2,083 | 16,663 | 20,829 | 22,625 |
| Pensions | 549 | 548 | 4,386 | 5,483 | 7,805 |
| Office costs | 8,632 | 8,633 | 69,061 | 86,326 | 73,810 |
| Meeting costs | 1,722 | 1,721 | 13,771 | 17,214 | 49 |
| Legal and professional fees | 970 | 970 | 7,759 | 9,699 | 680 |
| Irrecoverable VAT | 742 | 741 | 5,930 | 7,413 | 10,538 |
| Charitable donation | 500 | 500 | 4,000 | 5,000 | 15,000 |
| Bad debts | 2,679 | 2,680 | 21,437 | 26,796 | 11,749 |
| Foreign exchange difference | (27) | (28) | (220) | (275) | - |
| Depreciation of tangible assets | 4,067 | 4,066 | 32,530 | 40,663 | 35,883 |
| | <u>47,628</u> | <u>47,624</u> | <u>380,997</u> | <u>476,249</u> | <u>444,410</u> |

**THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. SUPPORT COSTS - continued
Governance costs

| | Conferences £ | Seminars £ | Membership £ | 2022 Total activities £ | 2021 Total activities £ |
|----------------------------|------------------|---------------|-----------------|----------------------------------|----------------------------------|
| Auditors' remuneration | 573 | 573 | 4,584 | 5,730 | 4,721 |
| Accountancy and legal fees | 50 | 50 | 398 | 498 | 250 |
| Cost of Council meetings | 1,231 | 1,231 | 9,848 | 12,310 | 4,036 |
| | <u>1,854</u> | <u>1,854</u> | <u>14,830</u> | <u>18,538</u> | <u>9,007</u> |

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

| | 2022 £ | 2021 £ |
|-----------------------------|---------------|---------------|
| Auditors' remuneration | 5,730 | 4,721 |
| Depreciation - owned assets | 41,005 | 35,882 |
| | <u>46,735</u> | <u>40,603</u> |

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

Trustees are reimbursed actual costs necessarily incurred in attending to the charity's business at council meeting. These mainly include travelling costs. The number of Trustees reimbursed was 5 (2021: 1) the total reimbursed was £4,888 (2021: £98).

9. STAFF COSTS

| | 2022 £ | 2021 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 257,101 | 266,271 |
| Social security costs | 20,829 | 22,625 |
| Other pension costs | 5,483 | 7,805 |
| | <u>283,407</u> | <u>296,701</u> |

The average monthly number of employees during the year was as follows:

| 2022 | 2021 |
|----------|----------|
| 8 | 8 |
| <u>8</u> | <u>8</u> |

Two employees received emoluments in excess of £60,000.

Key management personnel

The key management personnel of the charitable company comprise the trustees, the Chief Executive Officer, and the Executive Manager. The total employee benefits of the key management personnel of the charitable company were £162,085 (2021: £154,113). This does not include remuneration for trustees, all of which is reported as per note 8.

**THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted fund £ | Restricted funds £ | Total funds £ |
|------------------------------------|---------------------------|--------------------------|-----------------------|
| INCOME AND ENDOWMENTS FROM | | | |
| Charitable activities | | | |
| Conferences | 140,406 | - | 140,406 |
| Seminars | 19,734 | - | 19,734 |
| Publications | 6,450 | - | 6,450 |
| Membership | 345,220 | - | 345,220 |
| Miscellaneous | 7,853 | - | 7,853 |
| Investment income | 571 | - | 571 |
| Total | <u>520,234</u> | <u>-</u> | <u>520,234</u> |
| EXPENDITURE ON | | | |
| Charitable activities | | | |
| Conferences | 59,481 | - | 59,481 |
| Seminars | 45,342 | - | 45,342 |
| Publications | 4,500 | - | 4,500 |
| Membership | 366,930 | - | 366,930 |
| Miscellaneous | 5,390 | - | 5,390 |
| Total | <u>481,643</u> | <u>-</u> | <u>481,643</u> |
| NET INCOME | 38,591 | - | 38,591 |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | 626,052 | 4,382 | 630,434 |
| TOTAL FUNDS CARRIED FORWARD | <u><u>664,643</u></u> | <u><u>4,382</u></u> | <u><u>669,025</u></u> |

**THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. TANGIBLE FIXED ASSETS

| | Long leasehold £ | Improvements to property £ | Fixtures and fittings £ | Totals £ |
|-----------------------|------------------------|-------------------------------------|----------------------------------|----------------|
| COST | | | | |
| At 1 January 2022 | 135,000 | 31,901 | 241,471 | 408,372 |
| Additions | - | - | 37,600 | 37,600 |
| At 31 December 2022 | <u>135,000</u> | <u>31,901</u> | <u>279,071</u> | <u>445,972</u> |
| DEPRECIATION | | | | |
| At 1 January 2022 | 28,350 | 23,559 | 131,474 | 183,383 |
| Charge for year | 1,350 | 835 | 38,820 | 41,005 |
| At 31 December 2022 | <u>29,700</u> | <u>24,394</u> | <u>170,294</u> | <u>224,388</u> |
| NET BOOK VALUE | | | | |
| At 31 December 2022 | <u>105,300</u> | <u>7,507</u> | <u>108,777</u> | <u>221,584</u> |
| At 31 December 2021 | <u>106,650</u> | <u>8,342</u> | <u>109,997</u> | <u>224,989</u> |

The leasehold property is shown above at a valuation carried out by the Council on 31st December 2000 on a current use basis. The historical cost of the property is £149,598.

12. FIXED ASSET INVESTMENTS

| | Shares in group undertakings £ |
|---|---|
| MARKET VALUE | |
| At 1 January 2022 and 31 December 2022 | <u>100</u> |
| NET BOOK VALUE | |
| At 31 December 2022 | <u>100</u> |
| At 31 December 2021 | <u>100</u> |

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

IHEEM Ltd

Registered office: 2 Abingdon House, Cumberland Business Centre, Portsmouth, Hampshire, PO5 1DS

Nature of business: Dormant

| | % | 2022 | 2021 |
|--------------------------------|---------|------|------|
| Class of share: | holding | £ | £ |
| Ordinary shares | 100 | 100 | 100 |
| Aggregate capital and reserves | | 100 | 100 |

**THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

| | | | |
|---|--|-------------------|-------------------|
| 13. STOCKS | | 2022 | 2021 |
| | | £ | £ |
| Finished goods | | 12,992 | 4,669 |
| | | <u> </u> | <u> </u> |
| | | | |
| 14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | | 2022 | 2021 |
| | | £ | £ |
| Trade debtors | | 409,910 | 342,534 |
| Bad Debt Provision | | (25,304) | (11,869) |
| Other debtors | | 11,919 | 34,890 |
| | | <u> </u> | <u> </u> |
| | | <u>396,525</u> | <u>365,555</u> |
| | | | |
| 15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | | 2022 | 2021 |
| | | £ | £ |
| Trade creditors | | 6,562 | 4,878 |
| Social security and other taxes | | 68,299 | 35,595 |
| Deferred subscription income | | 371,118 | 353,239 |
| Other creditors | | 16,488 | 45,648 |
| Accrued expenses | | 6,696 | 10,190 |
| | | <u> </u> | <u> </u> |
| | | <u>469,163</u> | <u>449,550</u> |

The charitable company holds funds on behalf of the Decontamination Technical Platform. These funds do not belong to the charitable company and therefore are recognised as a liability. The balance as at 31 December 2022 is £2,290 (2021: £2,290) and is included within other creditors.

| | | |
|---|-------------------|-------------------|
| Deferred income represents membership subscriptions received in advance | 2022 | 2021 |
| | £ | £ |
| Brought forward | 353,239 | 324,118 |
| Amount released to incoming resources | (353,239) | (324,118) |
| Amount deferred in year | 371,118 | 353,239 |
| | <u> </u> | <u> </u> |
| Carried forward | <u>371,118</u> | <u>353,239</u> |

| | | | | |
|---|-------------------|-------------------|-------------------|-------------------|
| 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS | | | 2022 | 2021 |
| | Unrestricted | Restricted | Total | Total |
| | fund | funds | funds | funds |
| | £ | £ | £ | £ |
| Fixed assets | 221,584 | - | 221,584 | 224,989 |
| Investments | 100 | - | 100 | 100 |
| Current assets | 1,107,189 | 4,382 | 1,111,571 | 893,486 |
| Current liabilities | (469,163) | - | (469,163) | (449,550) |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | <u>859,710</u> | <u>4,382</u> | <u>864,092</u> | <u>669,025</u> |

**THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

17. MOVEMENT IN FUNDS

| | At 1.1.22 £ | Net movement in funds £ | At 31.12.22 £ |
|------------------------------------|----------------|----------------------------------|---------------------|
| Unrestricted funds | | | |
| General fund | 664,643 | 195,067 | 859,710 |
| Restricted funds | | | |
| Northcroft Silver Medal Award Fund | 1,086 | - | 1,086 |
| Lucas Scholarship Fund | 3,296 | - | 3,296 |
| | <u>4,382</u> | <u>-</u> | <u>4,382</u> |
| TOTAL FUNDS | <u>669,025</u> | <u>195,067</u> | <u>864,092</u> |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 915,273 | (720,206) | 195,067 |
| TOTAL FUNDS | <u>915,273</u> | <u>(720,206)</u> | <u>195,067</u> |

Comparatives for movement in funds

| | At 1.1.21 £ | Net movement in funds £ | At 31.12.21 £ |
|------------------------------------|----------------|----------------------------------|---------------------|
| Unrestricted funds | | | |
| General fund | 626,052 | 38,591 | 664,643 |
| Restricted funds | | | |
| Northcroft Silver Medal Award Fund | 1,086 | - | 1,086 |
| Lucas Scholarship Fund | 3,296 | - | 3,296 |
| | <u>4,382</u> | <u>-</u> | <u>4,382</u> |
| TOTAL FUNDS | <u>630,434</u> | <u>38,591</u> | <u>669,025</u> |

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 520,234 | (481,643) | 38,591 |
| TOTAL FUNDS | <u>520,234</u> | <u>(481,643)</u> | <u>38,591</u> |

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**NOTES TO THE FINANCIAL STATEMENTS - continued
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18. EMPLOYEE BENEFIT OBLIGATIONS

The charitable company operates a defined contribution scheme which is administered independently. The costs to the charitable company for the year was £5,483 (2021: £7,805). There was £1,028 due to the pension scheme administrator at the year end (2021: £580). The expected cost to the charitable company in the coming year is expected to be in line with that of 2022.

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2022.

20. ULTIMATE CONTROLLING PARTY

The charitable company is under the control of its members. No one member has sufficient voting rights to control the charitable company.

21. LEGAL STATUS OF THE CHARITY

The charitable company is a limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

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22. CONFERENCE AND SEMINAR ANALYSIS

| Income | Head Office £ | Welsh Branch £ | N.Ireland Branch £ | Other Branches £ | Branches Total £ | TOTAL £ |
|-------------------------------------|---------------------|----------------------|--------------------------|------------------------|------------------------|----------------|
| Conference Activity | | | | | | |
| Conference Delegate Income | - | - | - | - | - | - |
| Step Exhibition Contribution | 327,529 | - | - | - | - | 327,529 |
| Total Conference Income | <u>327,529</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>327,529</u> |
| Seminar Activity | | | | | | |
| Seminar income | 200,685 | 4,450 | 5,000 | 5,980 | 15,430 | 216,115 |
| | <u>200,685</u> | <u>-</u> | <u>5,000</u> | <u>5,980</u> | <u>15,430</u> | <u>216,115</u> |
| Expenditure | | | | | | |
| Conference Activity | | | | | | |
| Conference 2022 | 18,158 | 10,176 | - | - | 10,176 | 28,334 |
| Direct Conference Expenses | 18,158 | 10,176 | - | - | 10,176 | 28,334 |
| Support Costs (Note 6) | 49,482 | - | - | - | - | 49,482 |
| Total Conference Expenditure | <u>67,640</u> | <u>10,176</u> | <u>-</u> | <u>-</u> | <u>10,176</u> | <u>77,816</u> |
| Seminar Activity | | | | | | |
| EM branch | 10,322 | - | - | - | - | 10,322 |
| Wales exhibition and conference | - | - | - | - | - | - |
| AE conference | 23,520 | - | - | - | - | 23,520 |
| Seminar expenses | - | - | - | - | - | - |
| Irish conference | 145,893 | - | - | - | - | 145,893 |
| Seminar mind matters | - | - | - | - | - | - |
| Direct Seminar Expenses | 179,735 | - | - | - | - | 179,735 |
| Support Costs (Note 6) | 49,478 | - | - | - | - | 49,478 |
| Total Seminar Expenses | <u>229,213</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>229,213</u> |
| Conference (Surplus) | | | | | | 249,713 |
| Seminar (Deficit) | | | | | | (13,098) |