

**REGISTERED COMPANY NUMBER: RC000822 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1124517**

**REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31ST DECEMBER 2020  
FOR**

**THE CHARTERED INSTITUTE OF PLUMBING &  
HEATING ENGINEERING**

Clemence Hoar Cummings  
Chartered Accountants and Statutory Auditor  
Riverside House  
1-5 Como Street  
Romford  
Essex  
RM7 7DN

**THE CHARTERED INSTITUTE OF PLUMBING &  
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FOR THE YEAR ENDED 31ST DECEMBER 2020**

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**REPORT OF THE BOARD OF TRUSTEES  
FOR THE PERIOD ENDING 31<sup>st</sup> DECEMBER 2020**

**Proud to be a Professional**

**THE CHARTERED INSTITUTE OF PLUMBING &  
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**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

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The Trustees present their report with the financial statements of the charity for the year ending 31st December 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) (FRS 102) 'Accounting and Reporting by Charities: statement of recommended practice applicable to Charities preparing their accounts in accordance with financial reporting standard in the UK and Republic of Ireland (FRS102)'. In addition, Trustees have paid due regard to the Charity Commission's guidance on public benefit in determining activities CIPHE should undertake.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

RC000822 (England and Wales)

**Registered Charity number**

1124517

**Registered office**

64 Station Lane  
Hornchurch  
Essex RM12 6NB

**Trustees**

P.N. Gale BA Hons  
N. Jones BA ACA  
P. Massey – appointed 19.06.20  
D. Brindley EngTech FCIPHE RP – ceased 19.06.20  
K. McCallister EngTech MCIPHE RP  
M. Bridges EngTech MCIPHE RP  
J. Allsopp MCIPHE RP  
P. Thom FCIPHE FRSA FCIM AIGEM – co-opted 19.11.19  
P. Williams EngTech LCGI MCIPHE RP – appointed 19.06.20

**Honorary Company Secretary**

M. Rooze LL.B

**Presidents**

EurIng C. Northey FCGI FCIPHE RP – ceased 19.06.20  
M. Gumbs EngTech MCIPHE RP – appointed 19.06.20

**Chief Executive Officer**

Kevin Wellman EngTech FCIPHE RP

**Auditors**

Clemence Hoar Cummings  
Chartered Accountants  
Riverside House, 1 - 5 Como Street  
Romford  
Essex RM7 7DN

**Solicitors**

Penningtons Manches Cooper LLP  
Matrix House, Basing View  
Basingstoke  
Hampshire RG21 4DZ

**Bankers**

Barclays Bank PLC  
Knightsbridge Business Centre  
PO Box 32014  
London NW1 2ZG

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Chartered Institute of Plumbing and Heating Engineering is a company incorporated by Royal Charter, granted on 12th February 2008. It is a registered charity, obtaining charitable status on 16 June 2008. The Institute is governed by its Royal Charter and Bye-Laws. The Bye-Laws and Regulations are under constant review and were last updated in 2017, and future amendments will be carried out when necessary.

**Recruitment and appointment of new Trustees**

Applications for Trusteeship are sought by advertisement.

**Induction and training of new Trustees**

After appointment, an induction is arranged for new Trustees. Trustees serve up to a four-year period and may be re-elected for a further four year period (effective from 2018). The Trustees meet at least five times a year to review the strategy and performance and to set the operating plans and budgets.

**Organisational structure**

There are committees covering membership, professional standards and technical services. The Chief Executive Officer is appointed by the Trustees to manage the day-to-day operations of the Institute.

**Related parties**

The Institute is the registered owner of 100% of the issued capital of Plumbing and Heating Promotions Limited, which has been incorporated to carry out commercial activities relating to the promotion of exhibitions and similar activities. The Institute is also the registered owner of 100% of the issued share capital of GreenPlumb Limited and SafePlumb Limited, which have remained dormant since their respective incorporation.

**Risk management**

The Trustees have introduced a formal risk management process to assess business risks and implement risk management strategies. The Trustees are pleased to report that the charity's internal financial controls, in particular, conform to guidelines issued by the Charity Commission. The Trustees are fully cognisant of their responsibility to evaluate and manage business risk, which they classified as:

- a. Governance and Management
- b. Operational Risks
- c. Financial Risk
- d. Environmental and External Factors
- e. Compliance
- f. Other Risks not classifiable under the above headings.

The Executive team discuss and rate business risks as they are identified. On-going monitoring and updates on risk management is undertaken through reports provided by the Chief Executive Officer.

**OBJECTIVES**

The **Purpose** of the CIPHE is to enhance the safety, health and wellbeing of the public through a strong qualified membership reinforced by their competency and technical expertise.

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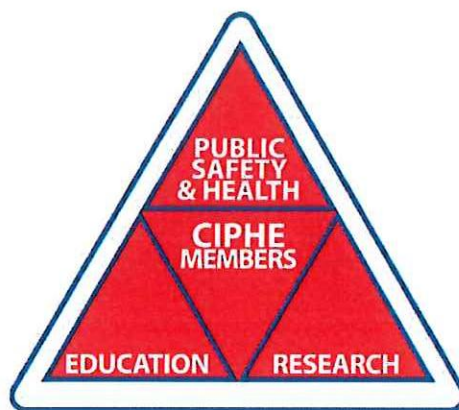
**REPORT OF THE TRUSTEES  
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The **Mission** of the CIPHE is to operate as an independent technical and professional focal point and be a catalyst for the plumbing and heating industry by providing technical and professional standards, expertise, education and technical innovation to the operatives within its scope.

The **Vision** of the CIPHE is to create technical excellence through which the public will receive the benefit of a protected environment and enhanced sustainability together with improved safety and health through the provision of correctly installed, commissioned, maintained and decommissioned plumbing and heating systems.

The aims of the CIPHE are summarised in four areas in the following graphic:



### **Strategic Plan**

The Strategic Plan is fully reviewed each year. The Board approved the 2021-23 Strategic Plan, which continues to focus on a number of the key activities in support of its role as the Chartered body for the plumbing and heating industry.

Our strategy focusses on harnessing the considerable expertise available within the CIPHE, our membership and our industry colleagues. Together we work to promote best practice, create training opportunities, and enhance education within the plumbing and heating industry.

The CIPHE's prime aim is to advance for the benefit of the public the science, practice and principles of plumbing and heating engineering and in exercising its responsibilities to satisfy the requirements of the Charity Commission. It fulfils its objectives through several activities. A summary of these and key achievements follows:

### **ACTIVITIES AND ACHIEVEMENTS**

#### **Public Benefit**

Public benefit is derived from the activities set out below particularly in raising the safety, health and environmental aspects of plumbing and heating engineering in the perception of the public.

#### COVID-19

The coronavirus pandemic had an immediate and long-lasting impact globally and its legacy will undoubtedly have far reaching implications for the future. Throughout the year CIPHE has provided guidance on minimising risks associated with the pandemic and post lockdown recovery.

#### Consumer Support

The Institute continues to provide support to members of the public through telephone enquiries and through publication of articles in consumer magazines. In addition, it promotes the *Find a Professional* listing which is available through the CIPHE website.

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Grenfell Tower Fire Disaster

The CEO continued to represent CIPHE on Working Group 1 dealing with competency of engineers. In response to the report of Dame Judith Hackitt, the Government published *Building a safer future: proposals for reform of the building safety regulatory system*. CIPHE continues to promote greater competency supported by recognised CPD across the construction industry and built environment.

Royal Academy of Engineering (RAEng)

CIPHE maintained its involvement with the RAEng and supported its response to the Government's Spending Review including a joint letter with other Professional Engineering Institute's to the Chancellor of the Exchequer.

Home Office – Points Based Immigration

CIPHE responded to a request from the Home Office for observations on its proposed Points Based Immigration system. CIPHE offered a general note of caution regarding issues relating to the competency of all individuals entering the UK for work purposes. There are numerous occupations, some of which directly impact on the safety, health and wellbeing of the public, that anyone regardless of qualifications or expertise can undertake.

It also observed that whilst competency has been at the forefront of lots of reviews, including post Grenfell activities, it was important to ensure that all involved in the construction industry/built environment are conversant with relevant legislation including Building Regulations, gas & water regulations/byelaws etc. Such 'relevant' competency should, of course, apply to the current workforce as well as those overseas workers who successfully relocate to the UK in the future.

Gas Safety Week

During September, the CIPHE added its support once again to the GAS SAFETY week, raising consumer awareness of the dangers of using unqualified gas fitters.

Licensing

Whilst the COVID-19 pandemic has distracted attention from issues such as licensing there are plumbing related matters which reinforce the need for stringent controls in the plumbing and heating industry. An increase in hospital admissions for those suffering burns from pipes, radiators and appliances and also those scalded by hot water provides ongoing justification why the CIPHE will continue to promote and support registration campaigns at every opportunity.

Register of Plumbers – Public Register

The Worshipful Company of Plumbers established the Register, which gives the public access to qualified plumbers, in 1886. It helps protect public health and safety and promotes the competence and conduct of good plumbers.

In 1909, the Company handed over day-to-day management of its Register to the National Council for the Registration of Plumbers, which, in 1953, was renamed the Registered Plumbers Association.

When the Association amalgamated with the Institute of Plumbing in 1970, the Worshipful Company relinquished the Register and award of the designation "Registered Plumber" to the new Institute.

As at 31<sup>st</sup> December 2020, 70,093 individuals had been entered onto the Register.

The Register of Plumbers is maintained in the Membership Department and is available for inspection by any member of the public by appointment.

Register of Heating Professionals – Public Register

Since its launch in January 2010, 857 members have been entered on to the Register of Heating Professionals.



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WaterSafe – Public Register

The CIPHE continued its involvement with WaterSafe whose objectives are to contribute to the safety of drinking water supplies and protection of customers, by:

- Bringing together the seven existing Approved Contractors' Schemes.
- Promoting good plumbing practice and compliance with the Water Supply (Water Fittings) Regulations and Scottish Water Byelaws.
- Providing easy access to online search facility listing approved and competent plumbing businesses.
- Reducing the risk to drinking water supplies from poor plumbing practice

2,731 businesses across the industry, employing 5,876 Approved Plumbers have now signed up to WaterSafe.

WaterSafe contributes towards public health by helping consumers to protect their drinking water and avoid rogue traders by offering them an accessible online directory of qualified plumbers.

Which? Trusted Trader

The relationship with Which? Trusted Trader was largely on hold during 2020 as the team on their side was on furlough leave. We have reviewed and are now aiming to get the CIPHE application process approved as a fast route into the Trusted Trader scheme. We have increased the volume of shared content passed between us and shared with each other's audiences. As Which? is a consumer facing organisation, it helps to get key messages of CIPHE's in front of a larger audience. The collaboration between the two charities provides public benefit and helps raise awareness of the need for competent installers.

Insurance Industry

The CIPHE continues to work with leading Insurance underwriters with regards to water related issues including escape of water, Legionnaires' disease, risk mitigation and competency of Installers. Discussions continued with the Construction Insurance Risk Engineers Group looking at how competence and qualification can be recognised in insurance premiums and risk assessment.

CIPHE Manifesto

The manifesto launched in December 2019 was distributed widely during the year and was received favourably, especially by the trade press.

Covering key issues such as the health, safety and welfare of the public, the environment, education, regulation and licencing, the CIPHE's manifesto sits the plumbing and heating industry at the centre of many key areas of Government policy, such as health, education, housing, energy and the environment.

An updated manifesto will be launched in January 2021.

Supporting Consumers through the Registration Authority

The Institute has a duty to investigate complaints that allege a member has not complied with the Code of Professional Standards to act professionally, competently and responsibly. Upon notification of such complaints, the complainant is required to complete a form, which is then submitted to the Investigation Panel (IP) to proceed further. During 2020, the Panel investigated 11 complaints, referring 2 to the Disciplinary Committee.

The Disciplinary Committee impose sanctions on members when a complaint against them has been upheld. During 2020, 2 members were removed from membership for failing to adhere to the Code of Professional Standards.



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## **Education**

### Educational Pathway

Career Pathways are promoted to students and members through the flowchart during presentations to Colleges and Approved Training Centres. The flowchart is available on the website via the following hyperlink: <https://tinyurl.com/w6qqvxl>. The academic year has been severely disrupted with the ongoing pandemic. This has led to everything we do being on-line. Many joint webinars have been held with City & Guilds as well as direct on-line contact, which is starting to become a success with new ATCs signing up. There was also great interest in the virtual reality/augmented reality applications, which are available under license to those colleges wishing to get access to advanced learning support resources.

The CIPHE has approval to deliver UVHW courses on-line and we are seeking to do similar with Water Regulations. Both courses require some digital development to transition across and should be available mid-2021.

The CIPHE low carbon technical working group have been discussing the educational pathways required for both new entrants, mature students and for the upskilling of existing fossil fuel installers to enter the future low carbon sector.

### Trailblazer Apprenticeship

The Plumbing and Domestic Heating Technician apprenticeship was launched in 2016, however very few providers took it up until September 2020.

There are assorted reasons why providers did not switch immediately to the new Standard, such as it being launched mid-way through the college year and the fact that funding for previous courses was still available for the academic year 2019/20. Also, the Gas Engineering Standard was available with a much more attractive funding package (£27k against £21k for the Plumbing Standard but was reduced to the equivalent amount after a review. Moreover, the scope and timescale for the gas training is half of that required to complete the Plumbing Standard). Feedback from colleges suggested that few liked a four-year route to achievement, and many wanted to keep the level 2 as a steppingstone or jump off point. Of greatest concern was that the Standard prevented applications due to the fuels/renewables being a key outcome that not all employers undertake.

Following engagement with the APHC they agreed to approach the Institute for Apprenticeships and Technical Education recommending a review of the framework be undertaken in 2021.

### Educational Development through Competition

The CIPHE continues to support the HIP Learner of the Year annual competition. The CIPHE provides technical expertise in assessing the skills and competence of the competition entrants and this year acted as Head Judge. The CIPHE is recognised as a key sponsor alongside companies which contribute thousands of pounds to be there. The CIPHE gave on-line presentations to the college lecturers in attendance at the regionals and live finals, promoting Approved Training Centre status and encouraging the importance and value of CIPHE membership for trainers and trainees.

### Continuing Professional Development and e-learning

A requirement of the Code of Professional Standards is that members should undertake CPD to broaden and maintain their knowledge and the CIPHE recommends that members should undertake 30 hours of CPD on an annual basis. CIPHE delivers many ways by which members can earn CPD hours, including via CPD articles in P&H Engineering magazine and online via the e-Learning Academy ([www.ciphepd.org.uk](http://www.ciphepd.org.uk)). Members are issued with CPD certificates and the Institute can monitor the commitment made by members to CPD on an annual basis. Recording CPD is an important activity and is considered during membership upgrades. To assist with monitoring CPD the CIPHE supports mycareerpath®, which is an online professional development system, designed by the Engineering Council and adopted by many professional engineering institutions for use by their members.

## **THE CHARTERED INSTITUTE OF PLUMBING & HEATING ENGINEERING**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020**

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The CIPHE digital project is incorporating techtalk© and smarttalk© content, providing informed technical and professional education and training across a range of subjects. The video content has collectively had 59,055 views to date. The CIPHE Plumbing Engineering Services Design Guide has been made freely available online for members and work to update the Guide section by section continues.

A website for the member magazine, P&H Engineering, is accessible at [www.pandhengineering.co.uk](http://www.pandhengineering.co.uk).

#### Approved Training Centre

The CIPHE has revised its Approved Training Centre model to introduce a level that includes membership for the trainers and access to the digital training tools that have been developed too.

During the pandemic, the Institute has been delivering digital educational content for staff and for learners across its Approved Training Centre network.

#### **Industry Engagement**

##### World Plumbing Council

As a consequence of the COVID-19 pandemic it was agreed to hold Executive Board meetings remotely to great effect. The profile and promotion of World Plumbing Day (WPD) increases year by year and with the need to maintain good hygiene to prevent the spread of viruses it is likely that WPD will have greater significance in the future. Many countries are reaffirming the need to use licensed plumbers to safeguard plumbing systems and promote the fact that 'The Plumber Protects the Health of the Nation'.

The WPC General Meeting was held in December and attracted participants from around the globe. After the formal business was concluded a series of presentations took place by the World Health Organisation and the International Water, Sanitation & Hygiene Foundation. The meeting concluded with a panel discussion on 'Plumbing System Implications Related to the COVID-19 Pandemic'.

##### Construction Industry Council

Our engagement with the Construction Industry Council (CIC) increased substantially as we were called upon frequently for support and guidance with COVID-19 issues. As a result of contributions made the CIPHE was asked to produce the paper on 'Mitigating the Risk of Building Water Systems'. Other issues covered during the year included guidance on site operating procedures, recognition of critical workers, response to the final report 'Settling the Bar', response to the Migration Advisory Committee and the Government's Spending Review.

##### Industrial Associates

CIPHE is now partnering on projects with some of the Industrial Associates Development Group – this ranges from support for apprenticeships and training to product focused CPD, the low carbon agenda and shared priorities on matters of public safety and wellbeing and the plumbing and heating industry workforce. Regular Industrial Associate focused communications are included amongst the rest of our output to members. Feedback from Industrial Associates highlights their support for CIPHE key messages. They are gravely concerned regarding issues around the aging workforce, current and future skills-gap, professional routes into the industry and what this will mean for their businesses and their products and will provide channels to help CIPHE highlight them.

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**RESEARCH & TECHNICAL**

**Technical Strategy Group**

The Technical Strategy Group (TSG) operates as an independent technical and professional focal point and aims to be an authority to the plumbing and heating industry by providing technical standards, guidance, expertise and education & technical innovation. It achieves this through the appointment of Technical Working Groups; the following Groups have been established: Water Safety; Heating; Controls, Hot and Cold Water Services and above and below ground drainage. In addition to this, the CIPHE have engaged in a wide variety of technical industry group meetings ensuring both the installer and consumer are being represented correctly. This includes future updates to the building regulations and other matters associated with both water safety and the future of heat in buildings.

Legionella Risk Assessment in Domestic Properties

The CIPHE Water Safety Group have developed a guide for assessing the risks associated with legionella in domestic properties. The document is available to purchase from Head Office.

Renewables and Low Carbon Technical Working Group

CIPHE continues to lead a group of industry stakeholders to review the challenges and opportunities surrounding the decarbonisation of heat for the UK to meet its legal binding target of net zero emissions by 2050. An outcome from the Group is the development of a low carbon heating course for installers which is anticipated to be available early in 2021. The course has attracted interest from the Minister of State at the Department of Business, Energy and Industrial Strategy.

Education

The technical team have contributed to a range of educational matters including the development of qualifications in Wales, T Levels and training provision in association with a leading manufacturer to support apprentices. CIPHE also advises government on the future of heat in the UK through the Electrification of Heat Task Group and the MHCLG Minimum Technical Competence Group for Heating and Hot Water.

**MEMBERSHIP & PROMOTION**

**Membership and Engineering Council**

The total membership as at 31<sup>st</sup> December 2020 was 7,158.

793 Membership Applications were received in total throughout 2020 with 769 being accepted and enrolled into Membership. This included 6 Industrial Associates and 1 ATC.

During 2020, 42 applicants were registered at EngTech level and 4 at CEng level.

As at the end of 2020, the Institute had 816 Engineering Technicians, 89 Incorporated Engineers and 14 Chartered Engineers.

**Master Plumber Certificate**

The Master Plumber Scheme was introduced in 2001 to recognise excellence in the art, craft, science and practice of plumbing. On 2<sup>nd</sup> March, Mansion House hosted the Master Certificate awards for construction liveries at which The Rt. Hon The Lord Mayor, Alderman William Russell presented several certificates across the construction sector. Keith Walklate EngTech MCIPHE RP, Andrew Mensley EngTech MCIPHE RP and James Hendry EngTech FCIPHE RP received their Master Plumber Certificates at the event.



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**Exhibitions**

During 2020, the Chartered Institute of Plumbing and Heating Engineering exhibited at PlumbExpo Alexandra Palace and Manchester. Due to the pandemic the regular PHEX exhibitions did not take place.

**Promotional Campaigns**

The CIPHE worked closely with the plumbing and heating trade press, who consistently assisted in promoting the *Proud to be a Professional* and customer safety, health and wellbeing campaigns and provided significant coverage on the CIPHE manifesto.

Fuel Poverty

The CIPHE continues its calls for greater levels of communication between government and organisations such as the CIPHE to establish long-term strategies which will combat the fuel poverty epidemic. The CIPHE and its membership is dedicated to safeguarding the most vulnerable in society, and that includes those living in fuel poverty. The Government must seek to protect these people; only by working together can we stop the unnecessary and highly preventable deaths attributable to this issue.

Digital/Membership Engagement Strategy

COVID-19 delayed the launch of a new digital platform until 2021, but work has continued to progress. Milestones hit through 2020 included the migration to a new operating system and cloud-based hosting and the introduction of new accountancy software.

**Website statistics**

The CIPHE website had 110,178 visits during 2020, up by 18.5% on the previous period (which itself was up by 11% on the previous year). This was distributed across 83,312 different users, up by 20% on 2019 (which was up by 17% on 2018).

In 2020, 229 members completed 1,106 courses totalling 395 hours on the CIPHEpd website.

**Social Media**

The CIPHE is active on social media and at the year-end had increased its Twitter following by 3% to 9,749, its Facebook followers by 30% to 1,948 and its LinkedIn Company page followers by 71% to 1,180 followers.

**Annual General Meeting**

The 12<sup>th</sup> AGM of CIPHE was held on Friday 19<sup>th</sup> June. Due to COVID-19, the AGM was held via Zoom Conference Facilities which gave our members worldwide the opportunity to participate. Melville Gumbs was elected as National President and Dr. Henry Hung as Vice-President. Paul Massey was appointed as Independent Trustee and Paul Williams was elected as a Voting Member Trustee, both to serve on the Board for 4 years.

**FINANCIAL REVIEW**

**Reserves policy**

The Trustees regularly review the reserves of the charity to meet its financial commitments and achieve its objectives. They consider that the charity had sufficient reserves to operate for the next 12 months and into the foreseeable future.

The prime objective of the reserves policy of the Trustees is to maximise CIPHE surplus funds which are held in a range of interest bearing bank accounts. In particular the General Fund is invested with due regard to potential calls on the fund as identified in the Strategic Plan.

**Investment policy and objectives**

The Institute has the power to make any investment that the Trustees see fit.

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**ACKNOWLEDGEMENT**

The CIPHE 2020 Trustee Report is structured around our key objectives and highlights key activities throughout the year. Acknowledgement and appreciation must be given to the Trustees, Presidents, Branches, volunteers, staff and industry stakeholders who have assisted the CIPHE throughout the year.

Your commitment and enthusiasm in supporting our aims and activities has challenged, motivated and inspired the CIPHE to progress and we look forward to working closely with you in the coming years.

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The Trustees 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), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing those financial statements, the Trustees are required to:

- review, update and, if necessary, ensure they acquire the necessary skills to discharge their responsibilities as a Trustee;
- review the declaration of interest at each meeting;
- 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 Charity 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 Charity, to enable them to ensure that the financial statements comply with the requirements. 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

As far as the Trustees are aware, there is no relevant information of which the Charity's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee, in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

**AUDITORS**

The auditors, Clemence Hoar Cummings, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD OF TRUSTEES:**



By order of the Board of Trustees  
Nick Gale BA Hons, Chairman

Date: 10<sup>th</sup> March 2021

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
THE CHARTERED INSTITUTE OF PLUMBING &  
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**Opinion**

We have audited the financial statements of The Chartered Institute of Plumbing & Heating Engineering (the 'charitable company') for the year ended 31st December 2020 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2020 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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.

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

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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



**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
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**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.

**Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have designed our work to ensure that laws and regulations have been adhered to, and the transactions undertaken by the Charity are properly reflected in the financial statements.
- We have obtained a detailed understanding of the Charity's internal control systems and we have used the knowledge gained to identify any areas of risk of mis-statement or fraud. We have then designed our audit tests in each area to identify whether in respect of the transactions we have selected for testing the relevant controls have operated as expected.
- We plan our work specifically to identify any areas where there is a susceptibility to fraud such as understatement of subscription income, or material mis-statement such as understatement of subscriptions received in advance, then design tests to mitigate this risk. Our work includes a proof in total based on the tiered subscription rates of membership, and ensuring that the appropriate revenue has been recognised.

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 Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Clemence Hoar Cummings*

Clemence Hoar Cummings  
Chartered Accountants and Statutory Auditor  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Riverside House, 1-5 Como Street  
Romford, Essex  
RM7 7DN

Date: *10 March 2021*



**THE CHARTERED INSTITUTE OF PLUMBING &  
HEATING ENGINEERING**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
<b>Charitable activities</b>	4				
Educational Magazines & Directory		26,968	-	26,968	34,296
Maintaining Professional Standards & Awareness		810,219	-	810,219	789,081
Other trading activities	2	33,441	-	33,441	54,579
Investment income	3	4,182	-	4,182	7,045
Other Income		9,245	-	9,245	-
<b>Total</b>		<b>884,055</b>	<b>-</b>	<b>884,055</b>	<b>885,001</b>
<b>EXPENDITURE ON</b>					
Raising funds	5	2,489	-	2,489	1,457
<b>Charitable activities</b>	6				
Educational Magazines & Directory		182,461	-	182,461	182,389
Support Services for Members		360,263	-	360,263	361,459
Maintaining Professional Standards & Awareness		377,334	-	377,334	424,742
<b>Total</b>		<b>922,547</b>	<b>-</b>	<b>922,547</b>	<b>970,047</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(38,492)</b>	<b>-</b>	<b>(38,492)</b>	<b>(85,046)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>1,345,818</b>	<b>-</b>	<b>1,345,818</b>	<b>1,430,864</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,307,326</b>	<b>-</b>	<b>1,307,326</b>	<b>1,345,818</b>

The notes form part of these financial statements

**THE CHARTERED INSTITUTE OF PLUMBING &  
HEATING ENGINEERING**

**BALANCE SHEET  
AT 31ST DECEMBER 2020**

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	14	136,568	-	136,568	27,143
Tangible assets	15	799,019	-	799,019	794,862
Investments	16	3	-	3	3
		<b>935,590</b>	-	<b>935,590</b>	822,008
<b>CURRENT ASSETS</b>					
Stocks	17	6,785	-	6,785	5,262
Debtors	18	23,423	-	23,423	35,981
Cash at bank		847,676	-	847,676	1,013,683
		<b>877,884</b>	-	<b>877,884</b>	1,054,926
<b>CREDITORS</b>					
Amounts falling due within one year	19	(506,148)	-	(506,148)	(531,116)
<b>NET CURRENT ASSETS</b>		<b>371,736</b>	-	<b>371,736</b>	523,810
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,307,326</b>	-	<b>1,307,326</b>	1,345,818
<b>NET ASSETS</b>		<b>1,307,326</b>	-	<b>1,307,326</b>	1,345,818
<b>FUNDS</b>	20				
Unrestricted funds:					
General fund				584,341	622,833
Revaluation Reserve				722,985	722,985
				<b>1,307,326</b>	1,345,818
Restricted funds			-	-	-
<b>TOTAL FUNDS</b>				<b>1,307,326</b>	1,345,818

The notes form part of these financial statements

**THE CHARTERED INSTITUTE OF PLUMBING &  
HEATING ENGINEERING**

**BALANCE SHEET - CONTINUED  
AT 31ST DECEMBER 2020**

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The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2020.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

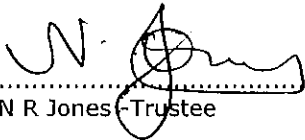
These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

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 on 10<sup>th</sup> March 2021..... and were signed on its behalf by:



.....  
N Gale -Trustee



.....  
N R Jones -Trustee

The notes form part of these financial statements

**THE CHARTERED INSTITUTE OF PLUMBING &  
HEATING ENGINEERING**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	Notes	2020 £	2019 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	(39,180)	(97,500)
Interest paid		<u>(7,191)</u>	<u>(7,617)</u>
<b>Net cash provided by (used in) operating activities</b>		<u>(46,371)</u>	<u>(105,117)</u>
<b>Cash flows from investing activities:</b>			
Purchase of intangible fixed assets		(114,335)	(27,143)
Purchase of tangible fixed assets		(9,483)	(968)
Interest received		<u>4,182</u>	<u>7,045</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(119,636)</u>	<u>(21,066)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(166,007)</u>	<u>(126,183)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>1,013,683</u>	<u>1,139,866</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>847,676</u></u>	<u><u>1,013,683</u></u>

The notes form part of these financial statements

**THE CHARTERED INSTITUTE OF PLUMBING &  
HEATING ENGINEERING**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2020 £	2019 £
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>(38,492)</b>	<b>(85,046)</b>
<b>Adjustments for:</b>		
Depreciation charges	10,236	3,335
Interest received	(4,182)	(7,045)
Interest paid	7,191	7,617
(Increase)/decrease in stocks	(1,523)	251
Decrease in debtors	12,558	11,426
Decrease in creditors	(24,968)	(28,038)
<b>Net cash provided by (used in) operating activities</b>	<b>(39,180)</b>	<b>(97,500)</b>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.20 £	Cash flow £	At 31.12.20 £
<b>Net cash</b>			
Cash at bank	1,013,683	(166,007)	847,676
<b>Total</b>	<b>1,013,683</b>	<b>(166,007)</b>	<b>847,676</b>

**THE CHARTERED INSTITUTE OF PLUMBING &  
HEATING ENGINEERING**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

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**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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' 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 services provided by the charity are detailed in the report of the Trustees in order to benefit the general public.

**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. The following specific policies are applied to particular categories of income:

- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

- Investment income and membership fees are included when receivable. Subscriptions received in advance are recognised as deferred income.

**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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Allocation and apportionment of costs**

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Intangible assets**

Development costs are held at cost until the intangible asset is available for use.

Amortisation will be provided at the following annual rate in order to write off each asset over its estimated useful life.

Development costs at 25% on cost

**Tangible fixed assets**

Freehold property is held at fair value. Any adjustments in fair value will show as a surplus or deficit in the year.

Depreciation is provided at the following annual rate in order to write off each asset over its estimated useful life.

Fixtures and fittings at 25% on cost

**Investments**

The holding values of shares in subsidiary undertakings are reported at historical cost.

**THE CHARTERED INSTITUTE OF PLUMBING &  
HEATING ENGINEERING**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**1. ACCOUNTING POLICIES - continued**

**Stocks**

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

**Taxation**

As a charity, The Chartered Institute of Plumbing and Heating Engineering is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**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.

Designated funds are unrestricted funds 'ring fenced' by the trustees for particular 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.

**European projects**

Income is recognised in full when The Chartered Institute of Plumbing & Heating Engineering is unconditionally entitled to receive it.

The entitlement of income is dependent on the probability of the successful completion of each project. The balance of income received is deferred forward until such time that entitlement is confirmed.

Incurred expenditure is recognised immediately in the current period of account.

**2. OTHER TRADING ACTIVITIES**

	<b>2020</b>	2019
	<b>£</b>	£
Sales of supplies	<b>5,290</b>	2,257
Office services	<b>22,250</b>	8,500
Sundry income	<b><u>5,901</u></b>	<u>43,822</u>
	<b><u>33,441</u></b>	<u>54,579</u>

**3. INVESTMENT INCOME**

	<b>2020</b>	2019
	<b>£</b>	£
Deposit account interest	<b><u>4,182</u></b>	<u>7,045</u>



**THE CHARTERED INSTITUTE OF PLUMBING &  
HEATING ENGINEERING**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**4. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Activity</b>	<b>2020</b>	2019
		<b>£</b>	<b>£</b>
Publications	Educational Magazines & Directory	<b>26,968</b>	34,296
Fees from members	Maintaining Professional Standards & Awareness	<b>810,219</b>	789,081
		<b><u>837,187</u></b>	<b><u>823,377</u></b>

**5. RAISING FUNDS**

**Other trading activities**

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
Cost of supplies sold	<b><u>2,489</u></b>	<b><u>1,457</u></b>

**6. CHARITABLE ACTIVITIES COSTS**

	<b>Direct costs</b>	<b>Grant funding of activities</b>	<b>Support costs</b>	<b>Totals</b>
		(See note 7)	(See note 8)	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Educational Magazines & Directory	<b>109,587</b>	-	<b>72,874</b>	<b>182,461</b>
Support Services for Members	<b>25,053</b>	<b>20,147</b>	<b>315,063</b>	<b>360,263</b>
Maintaining Professional Standards & Awareness	<b><u>134,555</u></b>	<b>-</b>	<b><u>242,779</u></b>	<b><u>377,334</u></b>
	<b><u>269,195</u></b>	<b><u>20,147</u></b>	<b><u>630,716</u></b>	<b><u>920,058</u></b>

**7. GRANTS PAYABLE**

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
Support Services for Members	<b><u>20,147</u></b>	<b><u>18,469</u></b>

**THE CHARTERED INSTITUTE OF PLUMBING &  
HEATING ENGINEERING**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**8. SUPPORT COSTS**

	Staff costs £	Commun- ications £	Office costs £	Premises costs £	
Educational Magazines & Directory	33,691	6,524	29,220	1,042	
Support Services for Members	243,316	6,524	29,222	7,533	
Maintaining Professional Standards & Awareness	<u>97,326</u>	<u>6,527</u>	<u>29,231</u>	<u>3,013</u>	
	<u>374,333</u>	<u>19,575</u>	<u>87,673</u>	<u>11,588</u>	
	Finance costs £	Other £	Meeting & conference expenses £	Governance costs £	Totals £
Educational Magazines & Directory	2,397	-	-	-	72,874
Support Services for Members	2,397	8,747	8,784	8,540	315,063
Maintaining Professional Standards & Awareness	<u>2,397</u>	<u>34,990</u>	<u>35,137</u>	<u>34,158</u>	<u>242,779</u>
	<u>7,191</u>	<u>43,737</u>	<u>43,921</u>	<u>42,698</u>	<u>630,716</u>

Activity	Basis of allocation
Staff costs	Use of Staff Time
Communications	Use of Resources
Office costs	Use of Resources
Premises costs	Use of Staff Time
Finance costs	Use of Resources
Other	Use of Resources
Meeting & conference expenses	Use of Resources
Governance costs	Use of Resources

**9. NET INCOME/(EXPENDITURE)**

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

	2020 £	2019 £
Auditors' remuneration	8,500	8,500
Taxation compliance services	1,034	939
Depreciation - owned assets	5,326	3,335
Development costs amortisation	<u>4,910</u>	<u>-</u>

**THE CHARTERED INSTITUTE OF PLUMBING &  
HEATING ENGINEERING**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.

**Trustees' expenses**

Reimbursed meeting and travel expenses totalling £1,100 (2019: £6,227) were paid to three of the trustees during the year. Other meeting costs met by the charity on behalf of the Board of the Trustees were £438 (2019: £830).

Reimbursed meeting and travel expenses totalling £715 (2019: £1,062) were paid to the president and vice president during the year. Expenditure related to the Presidents dinner event were £5,964 (2019: £6,649)

**11. STAFF COSTS**

	<b>2020</b>	2019
	<b>£</b>	£
Wages and salaries	<b>389,150</b>	375,586
Social security costs	<b>35,665</b>	35,320
Other pension costs	<b><u>27,768</u></b>	<u>27,147</u>
	<b><u>452,583</u></b>	<u>438,053</u>

The full time equivalent number of employees for the year was as follows;

	<b>2020</b>	2019
Membership	<b>4</b>	5
Technical	<b>1.6</b>	1.6
Support	<b><u>4</u></b>	<u>4</u>
Total	<b><u>9.6</u></b>	<u>10.6</u>

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

	<b>2020</b>	2019
Management	<b>2</b>	2
Support services for members	<b>2</b>	2
Administration	<b><u>8</u></b>	<u>7</u>
	<b><u>12</u></b>	<u>11</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2020</b>	2019
£60,001 - £70,000	<b>1</b>	-
£90,001 - £100,000	<b><u>1</u></b>	<u>1</u>
	<b><u>2</u></b>	<u>1</u>

Key Management personnel employee benefits are £157,583 (2019: £149,841).

**THE CHARTERED INSTITUTE OF PLUMBING &  
HEATING ENGINEERING**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**12. HIGHER EARNING EMPLOYEES**

Contributions totalling £15,821 (2018: £11,573) paid during the year under money purchase scheme for higher paid employees.

**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
<b>Charitable activities</b>			
Educational Magazines & Directory	34,296	-	34,296
Maintaining Professional Standards & Awareness	789,081	-	789,081
Other trading activities	19,866	34,713	54,579
Investment Income	7,045	-	7,045
<b>Total</b>	<b>850,288</b>	<b>34,713</b>	<b>885,001</b>
<b>EXPENDITURE ON</b>			
Raising funds	1,457	-	1,457
<b>Charitable activities</b>			
Educational Magazines & Directory	182,389	-	182,389
Support Services for Members	361,459	-	361,459
Maintaining Professional Standards & Awareness	390,029	34,713	424,742
<b>Total</b>	<b>935,334</b>	<b>34,713</b>	<b>970,047</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>(85,046)</b>	<b>-</b>	<b>(85,046)</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>1,430,864</b>	<b>-</b>	<b>1,430,864</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b><u>1,345,818</u></b>	<b><u>-</u></b>	<b><u>1,345,818</u></b>

**THE CHARTERED INSTITUTE OF PLUMBING &  
HEATING ENGINEERING**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**14. INTANGIBLE FIXED ASSETS**

	Development costs £
<b>COST</b>	
At 1st January 2020	111,651
Additions	<u>114,335</u>
At 31st December 2020	<u>225,986</u>
<b>AMORTISATION</b>	
At 1st January 2020	84,508
Charge for year	<u>4,910</u>
At 31st December 2020	<u>89,418</u>
<b>NET BOOK VALUE</b>	
At 31st December 2020	<u>136,568</u>
At 31st December 2019	<u>27,143</u>

**15. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1st January 2020	790,000	135,965	925,965
Additions	-	9,483	9,483
Disposals	<u>-</u>	<u>(17,120)</u>	<u>(17,120)</u>
At 31st December 2020	<u>790,000</u>	<u>128,328</u>	<u>918,328</u>
<b>DEPRECIATION</b>			
At 1st January 2020	-	131,103	131,103
Charge for year	-	5,326	5,326
Eliminated on disposal	<u>-</u>	<u>(17,120)</u>	<u>(17,120)</u>
At 31st December 2020	<u>-</u>	<u>119,309</u>	<u>119,309</u>
<b>NET BOOK VALUE</b>			
At 31st December 2020	<u>790,000</u>	<u>9,019</u>	<u>799,019</u>
At 31st December 2019	<u>790,000</u>	<u>4,862</u>	<u>794,862</u>

Included in cost or valuation of land and buildings is freehold land of £500,000 (2019 - £500,000) which is not depreciated.

The Freehold Property was valued at 31 December 2016 by Mr D Butcher BSc. Hons MRICS of Messrs Kemsley LLP, a RICS registered valuer. The Trustees consider the valuation still represents the value at the year end.

The Institute also owns the President's Chain and Lady's Pendant which have not been incorporated into the balance sheet. The Chain and Pendant are valued for insurance purposes.

**THE CHARTERED INSTITUTE OF PLUMBING &  
HEATING ENGINEERING**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**16. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1st January 2020 and 31st December 2020	<u>3</u>
<b>NET BOOK VALUE</b>	
At 31st December 2020	<u>3</u>
At 31st December 2019	<u>3</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:

**Plumbing & Heating Promotions Limited**

Registered office: 64 Station Lane, Hornchurch, England, RM12 6NB

Nature of business: Trading Subsidiary

	% holding	2020 £	2019 £
Class of share:			
Ordinary	100	<u>1</u>	<u>1</u>
Aggregate capital and reserves			

**Greenplumb Limited**

Registered office: 64 Station Lane, Hornchurch, England, RM12 6NB

Nature of business: Non-trading

	% holding	2020 £	2019 £
Class of share:			
Ordinary	100	<u>1</u>	<u>1</u>
Aggregate capital and reserves			

**Safeplumb Limited**

Registered office: 64 Station Lane, Hornchurch, England, RM12 6NB

Nature of business: Non-trading

	% holding	2020 £	2019 £
Class of share:			
Ordinary	100	<u>1</u>	<u>1</u>
Aggregate capital and reserves			

Market value is considered to be the same as historical cost.

**THE CHARTERED INSTITUTE OF PLUMBING &  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**16. FIXED ASSET INVESTMENTS - continued**

**17. STOCKS**

	<b>2020</b>	2019
	<b>£</b>	£
Stocks	<b><u>6,785</u></b>	<u>5,262</u>

**18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020</b>	2019
	<b>£</b>	£
Trade debtors	<b>3,480</b>	739
Other debtors	<b>100</b>	5,621
VAT	-	7,080
Prepayments & accrued Income	<b><u>19,843</u></b>	<u>22,541</u>
	<b><u>23,423</u></b>	<u>35,981</u>

**19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020</b>	2019
	<b>£</b>	£
Trade creditors	<b>76,840</b>	50,901
Social security and other taxes	<b>15,342</b>	11,233
VAT	<b>4,097</b>	-
Other creditors	<b>6,747</b>	12,548
EU project funding creditor	<b>301,514</b>	301,514
Deferred Income	<b>74,703</b>	142,775
Accrued expenses	<b><u>26,905</u></b>	<u>12,145</u>
	<b><u>506,148</u></b>	<u>531,116</u>

Deferred income represents 2021 membership fees received before the 31st December 2020 of £74,703 (2019: £142,775) are included in creditors: amounts falling due within one year.

Included within cash at bank and other creditors is £301,514 (2019: £301,514) in respect of monies on behalf of all participating partners in the Eagle European research project. CIPHE is the designated project coordinator and has been tasked with distributing this European grant to all the project partners.

The full balance of £301,514 (2019: £301,514) is carried forward as Other creditors. £264,004 (2019: £264,004) is due to other participating partners in the project and £37,510 (2019: £37,510) will be recognised as income in the Statement of Financial Activities of CIPHE upon satisfying the criteria of a successful project. Until this time the full balance is liable to be repaid to the funder.



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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**20. MOVEMENT IN FUNDS**

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
General fund	622,833	(38,492)	584,341
Revaluation Reserve	<u>722,985</u>	<u>-</u>	<u>722,985</u>
	<u>1,345,818</u>	<u>(38,492)</u>	<u>1,307,326</u>
<b>TOTAL FUNDS</b>	<u><b>1,345,818</b></u>	<u><b>(38,492)</b></u>	<u><b>1,307,326</b></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	884,055	(922,547)	(38,492)
<b>TOTAL FUNDS</b>	<u><b>884,055</b></u>	<u><b>(922,547)</b></u>	<u><b>(38,492)</b></u>

**Comparatives for movement in funds**

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
<b>Unrestricted Funds</b>			
General fund	707,879	(85,046)	622,833
Revaluation Reserve	<u>722,985</u>	<u>-</u>	<u>722,985</u>
	<u>1,430,864</u>	<u>(85,046)</u>	<u>1,345,818</u>
<b>TOTAL FUNDS</b>	<u><b>1,430,864</b></u>	<u><b>(85,046)</b></u>	<u><b>1,345,818</b></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	850,288	(935,334)	(85,046)
<b>Restricted funds</b>			
Legal advice for Brexit	34,713	(34,713)	-
<b>TOTAL FUNDS</b>	<u><b>885,001</b></u>	<u><b>(970,047)</b></u>	<u><b>(85,046)</b></u>

**THE CHARTERED INSTITUTE OF PLUMBING &  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**20. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
General fund	707,879	(123,538)	584,341
Revaluation Reserve	<u>722,985</u>	<u>-</u>	<u>722,985</u>
<b>TOTAL FUNDS</b>	<u><b>1,430,864</b></u>	<u><b>(123,538)</b></u>	<u><b>1,307,326</b></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,734,343	(1,857,881)	(123,538)
<b>Restricted funds</b>			
Legal advice for Brexit	<u>34,713</u>	<u>(34,713)</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u><b>1,769,056</b></u>	<u><b>(1,892,594)</b></u>	<u><b>(123,538)</b></u>

**Revaluation Reserve**

The full £722,985 balance in the revaluation reserve relates to the Freehold Property revaluation made on 31 December 2016.

**21. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31st December 2020.

**22. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES**

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

**THE CHARTERED INSTITUTE OF PLUMBING &  
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**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	2020 £	2019 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Other trading activities</b>		
Sales of supplies	5,290	2,257
Office services	22,250	8,500
Sundry income	<u>5,901</u>	<u>43,822</u>
	33,441	54,579
<b>Investment income</b>		
Deposit account interest	4,182	7,045
<b>Charitable activities</b>		
Fees from members	810,219	789,081
Publications	<u>26,968</u>	<u>34,296</u>
	837,187	823,377
<b>Other income</b>		
HMRC job retention scheme	<u>9,245</u>	-
<b>Total Incoming resources</b>	884,055	885,001
<b>EXPENDITURE</b>		
<b>Other trading activities</b>		
Cost of supplies sold	2,489	1,457
<b>Charitable activities</b>		
Wages	41,645	42,727
Social security	3,278	3,431
Pensions	2,050	2,125
Maintaining professional standards	57,617	57,769
Magazine costs	99,848	96,280
Awareness	55,018	85,172
Service for members	9,739	10,378
Grants to institutions	<u>20,147</u>	<u>18,469</u>
	289,342	316,351
<b>Support costs</b>		
<b>Staff costs</b>		
Wages	319,212	305,908
Social security	29,556	29,199
Pensions	23,678	23,030
Other staff costs	<u>1,887</u>	<u>3,717</u>
	374,333	361,854
<b>Communications</b>		
Telephone	3,422	2,384
Postage and stationery	<u>16,153</u>	<u>18,316</u>
	19,575	20,700

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**THE CHARTERED INSTITUTE OF PLUMBING &  
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**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	2020 £	2019 £
<b>Office costs</b>		
Insurance	12,136	11,442
Postage and stationery	12,919	17,730
Repairs and renewals	6,371	23,960
Sundries	4,945	6,631
IT support services	41,066	33,241
Depreciation of tangible fixed assets	<u>10,236</u>	<u>3,335</u>
	<b>87,673</b>	96,339
<b>Premises costs</b>		
Rates and water	3,245	3,233
Light and heat	4,277	3,983
Premises repairs	<u>4,066</u>	<u>8,342</u>
	<b>11,588</b>	15,558
<b>Finance costs</b>		
Bank charges	1,728	2,091
Card service charges	<u>5,463</u>	<u>5,526</u>
	<b>7,191</b>	7,617
<b>Other</b>		
Legal & professional fees	11,375	8,303
Subscriptions	5,191	5,597
Unrecoverable VAT	<u>27,171</u>	<u>26,170</u>
	<b>43,737</b>	40,070
<b>Meeting &amp; conference expenses</b>		
Meeting expenses	22,051	55,779
Website expenses	<u>21,870</u>	<u>13,250</u>
	<b>43,921</b>	69,029
<b>Governance costs</b>		
Wages	28,293	26,951
Social security	2,831	2,690
Pensions	2,040	1,992
Auditors' remuneration	8,500	8,500
Auditors' remuneration for non audit work	<u>1,034</u>	<u>939</u>
	<b>42,698</b>	41,072
<b>Total resources expended</b>	<b>922,547</b>	970,047
	<hr/>	<hr/>
<b>Net expenditure</b>	<b><u>(38,492)</u></b>	<b><u>(85,046)</u></b>

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