



IHEEM

Institute of Healthcare Engineering and Estate Management

A low-angle, upward-looking photograph of several modern skyscrapers with glass facades, converging towards the top of the frame against a clear blue sky.

OUR VISION YOUR FUTURE

Annual Report 2020



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A Message from the President



Welcome to IHEEM's Annual Report which aims to provide you with an update of IHEEM's activity over the past 12 months.

Against the unprecedented

backdrop of the global coronavirus pandemic, the Institute has continued to support our members whilst being conscious of not diverting them from their valuable work providing products and services to keep NHS frontline staff and patients safe. One of the key outputs from IHEEM's response to COVID-19 has been its close working with the international arms of the Institute and this has brought into focus how much there is to learn from other parts of the world in relation to the challenges that affect our profession globally. I am confident that this sharing of information, experience and knowledge will continue in the long-term.

Despite the challenges that we have all faced during 2020, the Institute has had a fulfilling and successful year which has seen membership numbers rise and new applications regularly submitted. It is extremely encouraging to see that our profession recognises the value of membership to a professional organisation.

Looking back for a moment, I would like to remind everyone of the Healthcare Estates Conference, Exhibition & Awards in 2019 which was the largest, and, in my view the best, to date. We hosted over 4000 delegates and it was a truly international event with visitors from many different countries.

The decision to defer the live event in 2020 was undoubtedly the right decision to make. However, the success of our online "Digital Week" event in October 2020 is a firm indication that there is an appetite for our members to engage in a new and different way as part of what is now deemed "the new normal".

One programme that I am especially proud of is the work we are doing for future leaders and the STEM agenda, which links to one of the key themes I introduced at the start of my term as President. At the beginning of 2020, we went into schools and directly engaged with over 200 students, through a series of workshops and presentations, which you can read more about in this report. There are also 74 students currently taking advantage of our offer of free IHEEM membership. I believe the Institute now provides something for people at every stage in their career including apprentices, tradespeople and those who wish to follow the non-standard route to accreditation.

Finally, I would like to take this opportunity to thank our Chief Executive and everyone at Head Office, I am proud to work alongside such a strong, committed and passionate team. I am also grateful to all our volunteers who devote their valuable time each year to help us fulfil our vision. As I end my term as President, I look to the future of IHEEM with optimism and inspiration.



Chief Executive Statement

I am delighted to be introducing the IHEEM Annual Report 2020; my first as CEO. Earlier this year we published IHEEM's first 5 Year Business Plan which set out the Institute's core objectives and key deliverables. A copy of the "[At a Glance Business Plan](#)" is provided in this report.

I believe that whilst the healthcare efm industry remains an attractive sector, there is no doubt that it continues to face significant change and challenge. That is why it is vital for the Institute to have a clear strategic focus, alongside robust financial controls and innovative investment so that it can effectively meet the evolving needs and expectations of its membership.

The outbreak of Coronavirus is still a major global concern and we continue to monitor developments very closely. From the very start, the safety and wellbeing of our members, staff and volunteers has been our overriding priority but we have also done all we can to ensure business continuity and have worked tirelessly to mitigate any operational and financial risks.

We took the decision to put on hold the recruitment to vacant positions at Head Office because of the uncertainty. We have also reviewed and strengthened our corporate governance and professional standing and will continue to monitor and update this as the Institute develops.



We deferred the live 2020 Healthcare Estates Conference & Exhibition but in its place ran our first online and on-demand digital conference. The feedback has been extremely positive and confirms that this new way of engaging was valuable and worthwhile. I would like to thank everyone who supported it including all the speakers, chairs and of course those who registered and watched.

I firmly believe that, throughout the pandemic, we have remained relevant to the members that we serve. We immediately began to provide knowledge, information and regular updates on best practice and lessons learned from across the world. We also developed toolkits to support critical services such as oxygen and medical gas supplies and we harnessed digital technology to allow us to engage and provide that knowledge and information in new and inventive ways.

One of the universal lessons of the COVID-19 crisis has been the vital importance of strong and resilient networks and our Technical Platforms have provided specialist advice to Government via NHS England and NHS Improvement, SAGE and have also supported the Royal Academy of Engineering in their response.

Alongside this vital work, we have started our modernisation programme with the development of our IT infrastructure as well as the launch of our new website which features a new Learning Hub, Knowledge Portal and our new automated CPD recording system.

We are also establishing new partnerships and developing a new annual online-digital programme. These are all significant advances for the Institute and support our commitment to improve our offer to members and company affiliates and to provide accessible and affordable routes to development and opportunity.

There is little doubt that conditions are challenging right now. However, IHEEM has existed for over 75 years and will be accustomed to operating through periods of social and economic uncertainty.

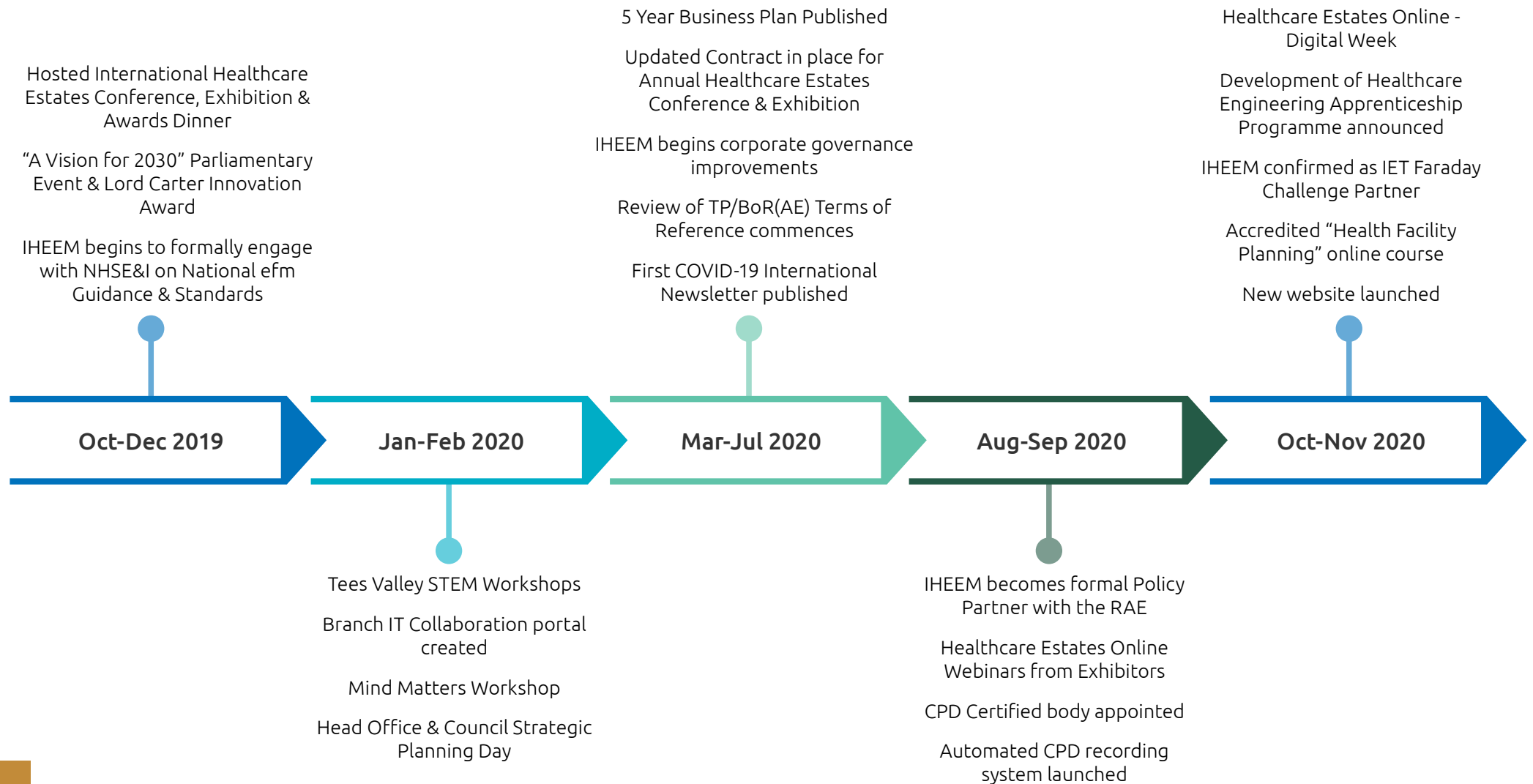
I am positive that the Institute will emerge from the impact of recent events even stronger and will continue to serve our members in both traditional and modern ways to meet their personal and professional needs and aspirations.

I would like to thank our President, Council Members and volunteers for their support and dedication. I would especially like to thank the Head Office team for their work this year and for their support to me and all those who engage with the Institute.

This report gives me great confidence for the future and I very much look forward to 2021 and beyond and continuing to deliver the priorities and commitments we set out earlier this year in our 5 Year Business Plan.



Timeline of Key Activity



IHEEM Response to COVID-19

Business Plan Core Objectives 2, 6 and 7

The Institute's swift and continued response to the global pandemic dominated its business activity for a large part of 2020. The primary focus was to ensure the safety and well-being of its staff and volunteers and in the case of live events, delegates and exhibitors whilst achieving the right balance in terms of business continuity and support to its global members, the national efm team and the wider engineering community.

Issued IHEEM Operational Policy outlining immediate investment to facilitate Head Office remote working; all meetings and events to be deferred or held online; early negotiation with venues to eliminate financial penalties.

Issued national and international call-outs to IHEEM's individual and corporate membership for technical and professional support to both NHS England & Improvement and World Health Organisation. Over 150 responses were forwarded via IHEEM's dedicated mailbox.

Developed free toolkits to support front-line engineering staff eg: Medical Gas Oxygen Demand Tool & Medical Gas Cylinder Management and Tracking Tool.

Published fortnightly international newsletter sharing intelligence, best practice and personal experience to its 5,000 global membership across 45 countries.



Established a Specialist Technical Panel to provide fast response to national and local calls for specialist advice and guidance on technical challenges raised by COVID-19.

IHEEM formally recognised as part of the RAE response to UK Government in identifying and sourcing engineering advice and expertise.

Developed and published IHEEM Technical Factsheets on key topics eg: Reprocessing of PPE (Respirators) and Fire Safety.

Worked closely with national efm team and devolved administrations to disseminate key messages to the sector.

IHEEM's [Technical Platforms \(on page 14\)](#) continue to play a significant part in the Institute's ongoing support to the COVID-19 pandemic and many of the webinars during [Digital Week \(page 8\)](#) focussed on the local, national, and international response.

2020 Healthcare Estates Online

Business Plan Core Objective 5

In response to the need for engaging and connecting with the national and international healthcare efm community, the Institute developed a programme of digital events, webinars and online resources under the banner of *Stay Connected. Keep Informed. Get Ahead.*

The programme, including the **Digital Week** held 5-9 October, offered exclusive free content, presentations from high profile keynote speakers and resources to learn and share knowledge and experiences during this challenging period for our sector.

Healthcare Estates Online
Stay Connected. Keep Informed. Get Ahead.
Digital Week 5-9 October 2020

Webinars.
Hear from expert speakers in a series of timed webinars designed to help bring the content of this years Healthcare Estates Conference to your screen.

Online resources.
Access to a wide variety of online information hosted by IHEEM to support and update your CPD.

Exclusive content.
Exclusive content from Healthcare Estates Exhibitors showcasing the very latest updates in technology and services.

5 themes

41 live & on-demand webinars

30+ hours of content

93 UK & international speakers

3,000 registrations from 33 countries

On-Demand
Catch up on previous webinars run by Healthcare Estates featuring innovative content provided by our exhibitors and partners.
[Learn more](#)

Healthcare Estates Online
Conference, Exhibition, Awards Dinner
Digital Week 5-9 October 2020

COVID-19 Medical Gas Review: Lessons Learnt
Eng. Daniela Pedrini
Direttore Dipartimento Tecnico - Progettazione, Sviluppo e Investimenti
Azienda Ospedaliero-Universitaria di Bologna, Policlinico Sant'Orsola - Malpighi
National President S.I.A.S. - The Italian Society of Healthcare Architecture and Engineering

Development of the NHS Nightingale facilities
NHS

Impact of masks
Gary Setters, Penn State University

CHES SCISS
Canadian Healthcare Engineering Society
Société canadienne d'ingénierie des services de santé
A Canadian Perspective on Covid-19 in Care Homes
Jim McArthur, Ontario Chapter Chair, Director of Properties, Alight Center
Ken Paradis, Canadian Healthcare Engineering Society Ontario

IHEEM 2020 Healthcare Estates Online
Dr Nick Starkey, Director of Policy, Royal Academy of Engineering
October 2020

IHEEM Digital Week
An audience with Simon Corben
Head of Profession
Director of NHS Estates and Facilities
5 October 2020
NHS England and NHS Improvement

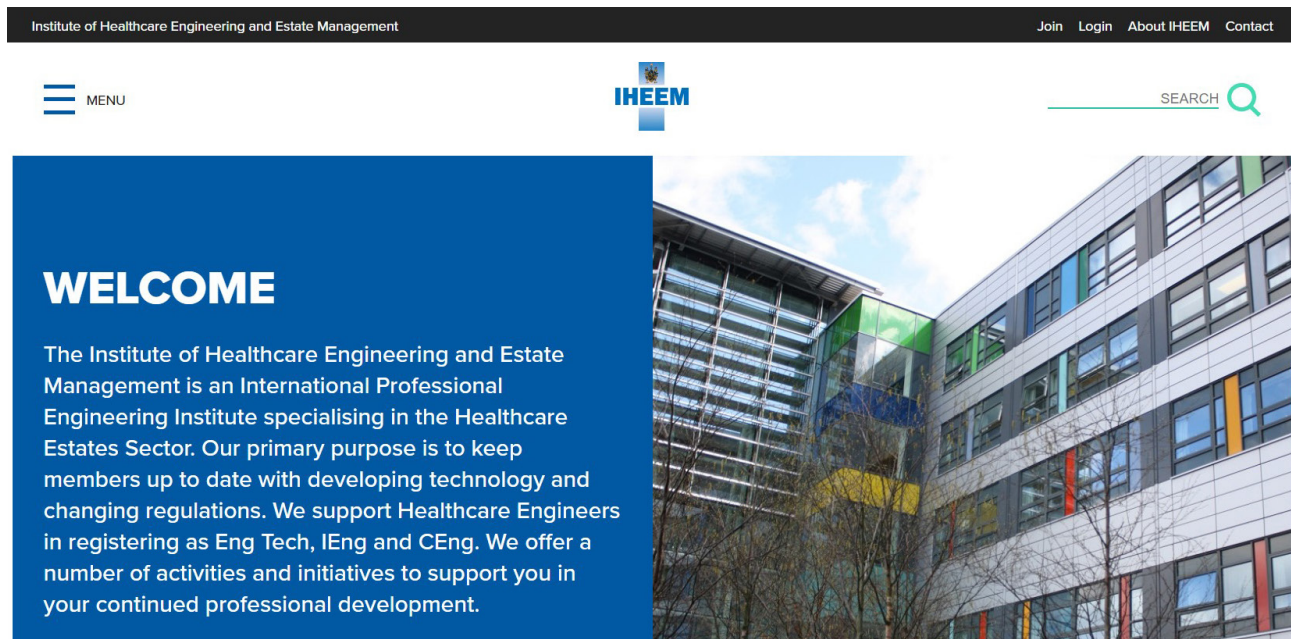
The event was extremely successful and provides the foundation to develop and take forward IHEEM's Digital Programme into 2021 and beyond (page 23)

Thank you to everyone who contributed and made this event a success!

New IHEEM Website

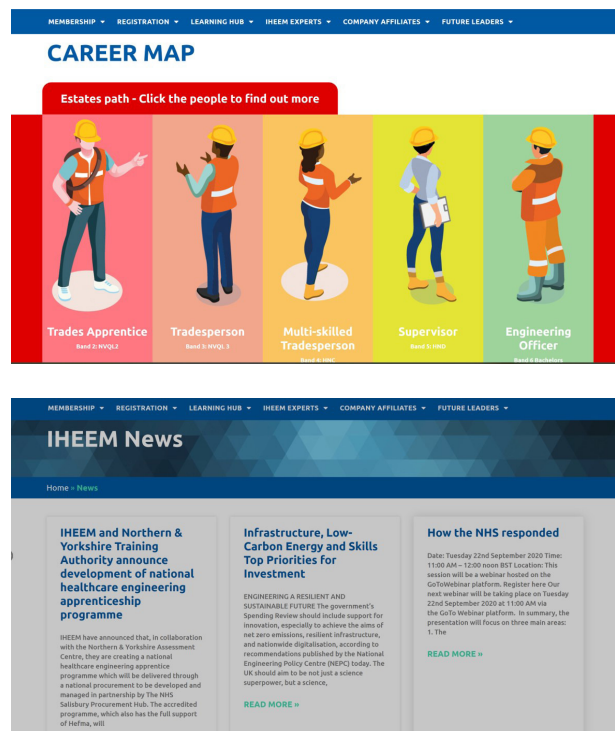
Business Plan Core Objectives 1, 6 and 9

The new website was launched in October 2020 and feedback has been positive in terms of its content and usability. This meets the Institute's goal to provide its members with an easier way to access details about IHEEM's services and browse up-to-date information, knowledge and CPD training offers and supports its commitment to improving the offer to both our individual members and company affiliates.



Key Features

- Learning Hub – Knowledge, Information, Training, Career Development;
- Career Map (in partnership with HEFMA);
- Future Leaders and STEM resources;
- Technical Guidance and Industry News;
- Authorising Engineers – new IHEEM Expert Directory “Find An Expert”;
- Company Affiliate Directory – dedicated information, marketing and promotion material.



Learning & Development

Business Plan Core Objectives 1, 2, 4 and 7

The new Learning Hub is a “one stop shop” within the IHEEM website where members can access a wide range of resources to support their education and training needs.

In addition, there were two major developments in 2020, working in tandem, to support members CPD requirements and improve IHEEM’s offer to members:

Partnership with CPD Certification Body



The Institute is committed to delivering as much CPD content as possible to support its members in their career development and learning. Partnering with the **CPD Certification Service** ensures that all the CPD material IHEEM offers meets qualitative standards and has been through a rigorous and impartial assessment process. Wherever possible all training courses and resources will be CPD certified.

Development of a new Knowledge Portal



A brand new feature of the Learning Hub is the **IHEEM Knowledge Portal** (See *IT Modernisation Programme* page). This digital library allows members to access a wide range of material including:

- National and International Standards and Guidance
- IHEEM’s own Factsheets and Practitioners Guidance
- Practical Case Studies
- Personal Narratives

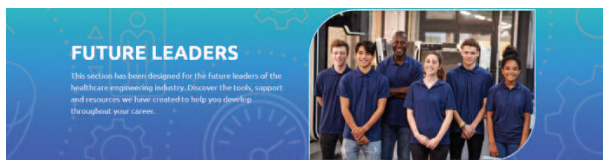
A number of new training and career development opportunities were also announced in October 2020:

- **9 Day Health Facility Planning Course** – Introduces the specialised aspects of health facility planning and design to candidates with an interest in developing their skills to take on infrastructure projects in public and private healthcare sectors. The first course, held in November 2020, sold-out and a further 4 sessions are planned for 2021.
- **IHEEM Coaching & Mentoring Programme** – Training for appropriately experienced members to support others through the non-standard route to accreditation (IEng/CEng).
- **IHEEM Assessor & Reviewer Training** - Teach members how to assess professional registration applications by looking at qualifications, experience and CPD against the required standards.
- **IHEEM Professional Registration Interviewer Training** – Training to acquire the skills required to participate in conducting a structured interview for a professional registration candidate.

Developing Future Leaders

Business Plan Core Objectives 1 and 3

(STEM) Science, Technology, Engineering & Mathematics



Encouraging new entrants, and particularly future leaders, into healthcare engineering and estates management, and wider STEM roles, is an ongoing priority for IHEEM. It is one of the Institute's **Five Key Themes** and will be a focus for the term of the President Elect Paul Fenton. IHEEM now offers free Student Affiliate Membership and there are 74 students currently registered who are enjoying the wide range of benefits that this brings.

In January 2020, Monira Kaouech, the Institute's STEM Ambassador, spent a week holding "People Like Me" workshops and presentations in schools and colleges in the North East of England. She was supported by efm healthcare professionals already in the field, including Alan Spraggon, Estates Manager at South Tyneside and Sunderland Healthcare Group and IHEEM Council member and six apprentices from the Northern and Yorkshire NHS Assessment Centre and the "Engineering Together – The North East Community of Professional Engineering" partnership.

The workshops gave young students a flavour of a career in healthcare engineering and estate management, the associated construction supply chain, and of engineering in the wider context.

There is now a dedicated "Future Leaders" section within the new IHEEM website. This includes case studies from healthcare engineers and apprentices and a set of career maps that outline the different options available within the sector. There is also a STEM Learning Hub and a Skills Hub both of which provide support and resources to students such as CV writing and interview techniques.

In October 2020 IHEEM were delighted to announce that they would be the IET Education Theme Partner for the 2021/22 season of the Faraday Challenge. Based on a real-world problem, the challenge brings together STEM subjects in an engaging way and encourages the development of young peoples problem solving and communication skills. The Institute is currently working with the devolved administrations to devise a problem that the young competitors will seek to address and the solution to which will benefit healthcare engineering.



What the students said

liked the people like me test

It was good to hear multiple peoples choices and where to go from school.

The personalities quiz was quite interesting

Very informative and helpful. Extremely good advice for future career choices. !!

I found that the NHS pays for a lot/most things during an apprenticeship interesting.





Apprentices

In October 2020 IHEEM announced that, in collaboration with the **Northern and Yorkshire NHS Assessment Centre**, it is creating a national healthcare engineering apprentice programme which will be delivered through a national procurement to be developed and managed in partnership by The NHS Salisbury Procurement Hub.

The accredited programme, which also has the full support of HEFMA, will be based on the successful apprenticeship scheme that has been running in the North East for over 40 years. The four years of matched funding that IHEEM committed to providing earlier in the year (£30k/per annum) will now form part of this partnership arrangement.

Diversity and Inclusion

The “About Us” section within the new IHEEM website highlights what the Institute is actively doing through its Diversity and Inclusion working group, as well as providing useful information, resources and helpful links to other websites and external resources.

In addition, this Working Group focuses on identifying and addressing perceived barriers within the Institute and wider engineering profession. In November 2019 IHEEM held a round-table event at the ETA Projects in London which brought together IHEEM's STEM ambassador, female engineers and estates professionals.

Topics under discussion were encouraging people from diverse genders and ethnic minorities into the sector and how enthusiastic female engineers can make a real impact in attracting new recruits into the profession.



This year's focus provided an opportunity to highlight lesbian, gay, bisexual, transgender and questioning (LGBTQ+) engineers alongside current and historic barriers to inclusion and presenting positive examples and tools that can help to develop a more inclusive culture within engineering for LGBTQ+ engineers.

Unfortunately, many of the events that IHEEM were scheduled to support were postponed due to the COVID-19 pandemic. However, the Working Group has taken the decision to extend this focus into next year, where it will become an important component of IHEEM's new 2021 Digital Programme ([page 23](#)).

Regional Branches

Business Plan Core Objective 3 and 5

There is no doubting the impact COVID-19 has had on the planned face-to-face activity undertaken by IHEEM Branches and there remains careful consideration in balancing the need to keep connected with members, whilst recognising that many are still fully occupied with the demands of their day job.

Prior to the health crisis, Branches, supported by company affiliates in some cases, delivered a number of seminars and technical presentations across a wide range of topics including:

- Water Management & Safety;
- Health & Safety;
- Business Focussed Maintenance;
- Engineering Smart Hospitals;
- UPS/IPS Systems for Healthcare;
- Biomedical Waste Management;
- Patient Response Systems;
- Synergy to the design and enhancement of the patient room;
- “A Deep Dive into NHS Estates” – Best Practice in Estates Management & Compliance;
- Medical Locations, Medical IT Systems and Uninterruptable Power Supplies;
- Sustainability & Climate Change;
- Stress & Resilience;
- CEF Energy Infrastructure Scheme at Wythenshawe Hospital;
- Preventing Corrosion in Heating & Cooling Systems;
- Medical Locations, Medical IT Systems and Uninterruptable Power Supplies.



Head Office is working closely with the Branches to provide additional support e.g. data and document management, business and financial management support, so that they can be incentivised to be more active locally. Branches now have their own dedicated web-space in the new IHEEM website where they can communicate directly with members and keep them up-to-date with events and activities.

A new monthly live **Branch of the Month** webinar was announced in November 2020, with the aim of providing updates for both individual and company affiliate members on current and planned activity, as well as taking questions and discussion topics from the audience. The webinars will also be available to watch on-demand via the IHEEM Learning Hub for members only.

All IHEEM branches will play a key part in the IHEEM 2021 Digital Programme ([page 23](#)) as well as developing new ways to engage locally and provide opportunities to network, develop and share knowledge with their members.

Technical Platforms

Business Plan Core Objectives 2, 5, 7 and 9

IHEEM's Technical Platforms have played a vital role in the Institute's response and support to the COVID-19 pandemic ([page 7](#)). The IHEEM Specialist Technical Panel was quickly established to respond to a number of requests for technical input from the UK Government and SAGE, as well as other engineering bodies such as the Royal Academy of Engineers (RAE) across a wide range of engineering challenges that had arisen during the pandemic.

The Panel, formed from the Chairs of each platform and led by Pete Sellars, also provided engineering support to the World Health Organisation through its international links to IFHE and IFHE-EU. It also produced a series of IHEEM COVID-19 Factsheets on topics such as PPE Reprocessing and Fire Safety.

As a member of the NHS England & NHS Improvement's Future Standards Working Group, the Technical Platforms have also provided comment and feedback to several draft national standards and guidance documents, including the ministerial priorities around the **Health Infrastructure Plan (HIP)** such as the Digital Blueprint and Patient Flow as well as a number of Health Building Notes (HBNs).

Along with the IHEEM Branches, the Technical Platforms will have a key role in the 2021 Digital Programme ([page 23](#)) as well as the providing articles and sharing specialist knowledge and information to members via the IHEEM Quarterly Newsletter, which was launched in November 2020.

The terms of reference and management arrangements of the Technical Platforms and the Boards of Registration (AE) are currently under review.

An internal Working Group has been established to provide recommendations and ratification to the Council on a number of issues, which, when resolved, will ensure appropriate governance and assurance is in place to meet the licensing requirements set out by the Engineering Council UK in 2019, as well as ensuring consistency and transparency across all aspects of the working arrangements of Technical Platforms and Boards of Registration(AE).

Once the review is completed a revised Terms of Reference will be developed and published on the IHEEM website.

[Home](#) » [News](#) » [IHEEM Medical Gas Oxygen COVID-19 Demand Tool](#)



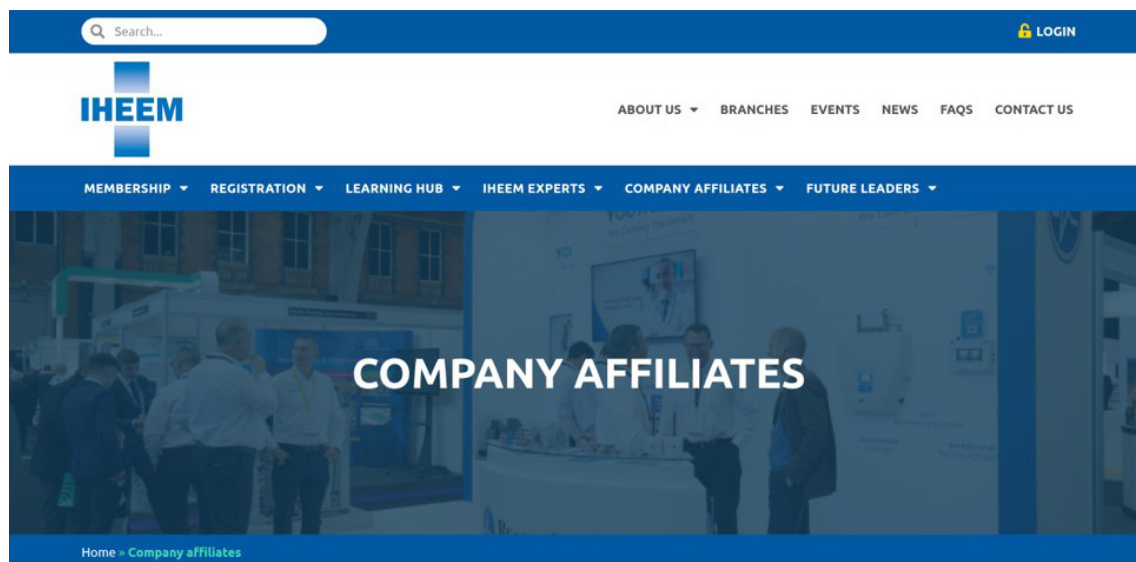
IHEEM has developed a tool to assist Hospitals to understand their current base oxygen flows and understand planned oxygen demands to support various COVID-19 care scenarios. The tool uses recommended diversified flow levels for COVID-19 areas as defined by the Critical Care National Medical Director for England. These flows rates can be modified to be used worldwide to support different national standards. It can also be easily adapted to support alternative COVID-19 care models.

[Click here to use the tool](#)

[Click here to view some helpful instructions on using the tool](#)

Company Affiliates

Business Plan Core Objective 7



IHEEM received a tremendous response from its company affiliates to support NHS England and NHS Improvement during the COVID-19 pandemic. Over 150 offers of products, services and skills from its personal and company memberships were received.

The new IHEEM website has a dedicated Company Affiliate webpage allowing them, for the first time, to engage directly with members and the wider healthcare ecosystem and to showcase the wide range of goods and services they offer.

Wherever possible, we will involve our corporate members in our activities, and there will be opportunities to sponsor online and digital events, as 'live' events have been sponsored in the past.

IT Infrastructure Modernisation

Business Plan Core Objectives 8 and 9

The capital investment, which began in 2019, to improve the outdated and unreliable IT systems used by IHEEM, is a vital component in strengthening the Institute's governance around data and documentation handling, management and storage. It also enables the Head Office to provide Branches and Committees with the support they need.

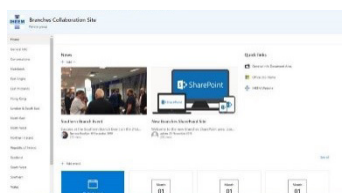
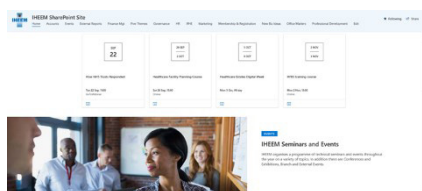
Improvements include:

- **Bespoke membership database** – improved application and renewals process for new and existing members;
- **Improved and fully integrated accounts** system including simple direct debit payment collection;
- **Use of Cloud technology** for future proofing and staff efficiency;
- **Remote working facilities** for Head Office staff to enable business continuity (Covid-19 Operational Policy).

A major IT initiative in 2020 was the development and launch of the new bespoke “MyIHEEM CPD” section embedded into the new IHEEM website.

The “MyIHEEM CPD Account” is a new automated system that allows members to easily record all their reflective learning in one place. A key benefit of the new system is that it allows users to share their record with third parties to confidentially review and comment (but not change) via one or more unique links. Users can also complete their CPD record live whilst at a certified IHEEM event via a mobile device. ([Learning & Development, page 10](#)).

The improvement of the Institute's recording systems has also been a focus of 2020, including the integration of registration processes into the bespoke membership database. September 2020 saw IHEEM's Engineering Council Registration undergo a successful virtual audit - the first using this medium - and were delighted that the Institute's CPD assessment processes were formally recognised as being far in excess of that required and acknowledged as a model of good practice. Head Office is now reviewing its policies to ensure they are up to date and relevant.



MEETING PACKS
Meeting Packs Document Area
Details of agendas and reports for each committee meeting, accessible by the members of those committees.

[Meeting Packs Document Library](#)

Governance

President

Ian Hinitt

Vice President & President Elect

Paul Fenton

Council Members

Alistair Cameron

Paul Fenton

Alan Gascoine

Ian Hinitt

Chris James

Nigel Keery

Stephen Lloyd

Eddie McLaughlan

Greg Markham

Bill Millar

Alison Ryan

Alan Spraggon

Phil Wade

Committee Chairs

Audit & Remuneration - Richard Boyce

Conference & Exhibition - Claire Hennessy

Diversity & Inclusion - Kim Shelley

Management & Finance - Eddie McLaughlan

Membership & Registration - Steven Palmer

Professional Development - Carl McKenzie

Technology Platform - Bill Millar

Branch Chairs

East Midlands - James Chadwick

Hong Kong - Dr P L Yuen

London & South East - Alan Gascoine

North East - Alan Spraggon (Vice Chair)

North West - Alistair Cameron

Northern Ireland - Anthony Trimble

Republic of Ireland - Bill O'Reilly

Scotland - Harry Waugh

South West - Richard Knight

Southern - Greg Hansell

Wales - Graham Jones

West Midlands - Phil Wade

Yorkshire - Chris Davies

Technical Platforms Chairs

Architecture & Design of the Built Environment - Paul Mercer

Decontamination - Brian Kirk

Electrical - Mark Richards

Fire Safety - Maz Daoud

International - Harry Waugh

Medical Gas - Mike Ralph

Medical Devices - TBA

Sustainability - Ian Hinitt (to be established)

Ventilation - Andrew Poplett

Water - Mervyn Phipps

Membership Profile 2020



@ September 2020

* includes retired

At a Glance Business Plan



Our Purpose

To continuously improve and develop the Institute, its services and the benefits we offer to ensure our members have the capability to deliver a healthcare estates environment that is safe, efficient and effective for patients staff and visitors

Our 5 Key Themes

1 - Serving Our Membership

2 - Developing Future Leaders

3 - Engaging with New Partner Organisations

4 - Supporting Existing Partner Organisations

5 - Strengthening our National and International Profile

Core Objectives

1
Consistently Grow and Develop Membership

2
Become a "trusted partner" to Government and Industry

3
Encourage the next generation of Engineers & Healthcare Estates & Facilities Management (efm) leaders

4
Collaborate with training providers and industry to provide and endorse specialist NHS course content

5
Develop technical seminars, events & conferences at branch and national levels to share best practice with members

6
Raise the profile of IHEEM Nationally and Internationally and become more professional in its approach and accountability to members and the Engineering Council UK

7
Create an environment for members to engage and network with other healthcare associations and institutes

8
Undertake a commercial review of all IHEEM's business activities to ensure long-term viability and value for money

Deliverables

- 1.1 Identify areas for growth and reach out to a wider audience with a focus on tradespeople and apprentices
- 1.2 Develop and implement a new members marketing strategy and toolkit
- 1.3 Establish a stronger and better balance of membership through IHEEM's Diversity & Inclusion Working Group
- 1.4 Continued management of membership applications and engineering / AE registrations
- 1.5 Improve the offer to members to provide relevant and current CPD activity and simplify recording activity
- 1.6 Create an environment for members to be successful in the "non-standard route to Engineering Council UK accreditation"

- 2.1 Input at Board Level on the development of a national workforce strategy for efm professionals
- 2.2 Work closely with NHS England to input into and disseminate national efm policy and strategies
- 2.3 Support the NHSI Future Standards Group in the redevelopment of HBN and HTM standards
- 2.4 Work collaboratively with Archus UK for the further development and wider dissemination of technical guidance using existing platforms & infrastructure

- 3.1 Work with branches to facilitate the development of an NHS national apprenticeship programme based on a standardised model that can be adopted by providers
- 3.2 Develop a programme of workshops linked to Science, Technology, Engineering and Mathematics (STEM) subjects for Year 7 & 8 secondary school students
- 3.3 Review and expand a register for all professional specialist efm services including Authorising Engineers

- 4.1 Work closely with NHS Trust affiliates to develop specific training courses for trade staff, technicians, and managers
- 4.2 Encourage training providers/industry to offer CPD accreditation as an incentive to IHEEM members

- 5.1 Develop and promote branch and national conferences and technical platform seminars
- 5.2 Organise and deliver the IHEEM flagship annual conference and exhibition
- 5.3 Ensure content of technical seminars are CPD accredited in line with Engineering Council UK licencing requirements

- 6.1 Explore and develop innovative ways to promote IHEEM to existing and new membership
- 6.2 Develop and launch a revised website
- 6.3 Establish and deliver an effective communication plan using acknowledged social media and business network devices
- 6.4 Be an active member of the International Federation of Hospital Engineering (IFHE)
- 6.5 Attend and exhibit at appropriate national and local events
- 6.6 Ensure professional affiliation licences are maintained and licencing requirements adhered to

- 7.1 Strengthen engagement with industry, academia and professional bodies that are aligned to core efm functions to support members and raise the profile of efm as a profession

- 8.1 Review annual conference and develop a long-term strategy
- 8.2 Review all of the organisation's annual revenue costs (e.g. contracts, subscriptions, infrastructure) to ensure fitness for purpose and value for money)
- 8.3 Seek alternative income sources e.g. lottery, charitable trusts

Core Objective 9

Develop and maintain effective governance & assurance across all business activities to meet both legal requirements and the corporate needs of IHEEM Head Office, Branches, Council and Technical Platforms

- 9.1 Develop a "hub and spoke" operating and resource model between Head Office and Branches to allow branches to engage and support the Institute's national plans
- 9.2 Maintain effective financial controls & management ensuring compliance with statutory and mandatory regulations

- 9.3 Develop a new Customer Relationship Management (CRM) system for improved membership applications
- 9.4 Produce a new Standard Operating Manual for all processes, procedures and standards required to ensure efficient and consistent performance of business functions

- 9.5 Review technical platform groups and develop an overarching operational framework
- 9.6 Organise and deliver IHEEM council/trustee training days
- 9.7 Develop a sustainability policy/statement for the Institute

Knowledge Partners & Key Stakeholders

Engaging with stakeholders and our Knowledge Partners is fundamental to our success. By listening to and working in collaboration with them we can grow and develop to better serve our membership.

We are proud to work with all our partners and stakeholders some of whom are listed below:

NHS England and NHS Improvement



Northern and Yorkshire NHS Assessment Centre **NHS**



Financial Report

THE INSTITUTE OF HEALTHCARE ENGINEERING AND ESTATE MANAGEMENT

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2019

	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
INCOME AND ENDOWMENTS FROM				
Charitable activities				
Conferences	134,913	-	134,913	228,319
Seminars	29,983	-	29,983	45,237
Publications	6,286	-	6,286	4,947
Membership	305,550	-	305,550	293,971
Miscellaneous	9,263	-	9,263	10,415
Investment income	3,586	-	3,586	4,594
Total	489,581	-	489,581	587,021
EXPENDITURE ON				
Charitable activities				
Conferences	63,598	-	63,598	93,112
Seminars	66,261	-	66,261	79,911
Publications	2,131	-	2,131	1,429
Membership	404,211	-	404,211	349,920
Miscellaneous	28,169	-	28,169	8,825
Total	564,370	-	564,370	533,197
Net gains/(losses) on investments	-	-	-	-
NET INCOME	(74,789)	-	(74,789)	53,824
RECONCILIATION OF FUNDS				
Total funds brought forward	805,734	4,382	810,116	756,292
TOTAL FUNDS CARRIED FORWARD	730,945	4,382	735,327	810,116

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

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

**BALANCE SHEET
AT 31 DECEMBER 2019**

	2019 £	2018 £
FIXED ASSETS		
Tangible assets	182,313	144,333
Investments	200	200
Total	182,513	144,533
CURRENT ASSETS		
Stocks	2,834	983
Debtors	325,601	36,713
Cash at bank	623,721	728,426
Total	952,156	766,122
CREDITORS		
Amounts falling due within one year	(399,342)	(100,539)
NET CURRENT ASSETS	552,814	665,583
TOTAL ASSETS LESS CURRENT LIABILITIES	735,327	810,116
NET ASSETS	735,327	810,116
FUNDS		
Unrestricted funds	730,945	805,734
Restricted funds	4,382	4,382
Total funds	735,327	810,116

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 14 July 2020 and were signed on its behalf by:


I Hinitt - President

Looking Forward to 2021

IHEEM Healthcare Conference, Exhibition and Gala Awards 19-20 October 2021, Manchester



The 2021 conference will once again provide healthcare estates professionals with an opportunity to discuss and share best practice, knowledge, experience and views across the wide range of current and future issues faced by everyone in the sector.

The Institute will continue to offer the highest calibre of speakers from the NHS, other professional bodies as well as academia and industry.

IHEEM Dublin Conference 2021 – Delivering Sustainable Healthcare Estate



2021 Digital Events Programme

An exciting new digital events programme is currently under development and will be launched in early 2021. Supported by IHEEM's own Conference Committee, each month will have a theme against which events will be held or supported by IHEEM and where possible will be made available on-demand and CPD accredited.

This programme part of IHEEM's commitment to support its individual members and company affiliates to **Stay Connected. Keep Informed. Get Ahead** and to echo the "blended learning" approach now favoured by academic organisations since COVID-19 that mixes face-face events with online resources.

Further details will be provided in HEJ and on IHEEM's website as they become available.

Please check the [IHEEM website](#) for further details of Events, Training and Development Opportunities and CPD Offers for 2021



For more information about IHEEM or Membership:



02392 823 186



office@iheem.org.uk



www.iheem.org.uk



www.linkedin.com/company/iheem



@IHEEM

November 2020

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Produced in partnership with ARCHUS LTD, an advisory, investment and development organisation, with a focus on and sharing the values of its health and social care infrastructure clients.

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

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

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THE INSTITUTE OF HEALTHCARE ENGINEERING AND ESTATE MANAGEMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

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 2020. 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 the mentoring and career development of healthcare engineers, allied built environment professionals and facility managers, the publication of a professional journal, the holding of educational seminars, and the holding of an annual educational conference.

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.

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. We are delighted our apprentice completed her course as is now in a new role within the Institute and is undertaking professional training and examinations in her chosen career. We are looking to employ a finance apprentice in the coming year. We are providing support for industry led apprenticeship schemes and we introduced an Innovation Award to recognise efforts within our sector to improve efficiency or reduce waste and costs of healthcare across the NHS. A focused drive to attract apprentices as members resulted in having 128 apprenticeship members of the Institute at year end. Over 2020 we developed and delivered workshops to 74 students as part of the STEM agenda and future workforce. We have a registered STEM ambassador within the Institute, this work will further develop of 2021.

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

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

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.

Educational seminars

The charity held a range of seminars during the year supported by the IHEEM Technical Platforms, partners and company affiliates. Due to the pandemic these were delivered through digital media.

During 2020, a number of 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.

Feb (face to face)	AE (D) Framework (with Eastwood Park)	Gloucestershire
Feb (face to face)	Mind Matters workshop (dealing with stress)	Eastleigh
Feb (face to face)	Council Strategic Planning day	Eastleigh
May (webinar)	1 webinar part of our digital seminars	On line
June (webinars)	2 webinars lead by company affiliates	On line
July (webinars)	5 webinars lead by company affiliates	On line
August (webinars)	3 webinars lead by company affiliates	On line
September (webinars)	8 webinars lead by company affiliates	On line
October (webinars)	24 webinars part of Healthcare Estates digital week	On line
December (webinars)	South West Branch event	On line

The charity's branches additionally host a range of specialist educational seminar events.

Educational conference & exhibitions

In addition to the seminar programme, there are several conferences and exhibitions that the Institute organises. For 2020 due to the pandemic these were deferred to the last quarter of 2021 and early 2022.

IHEEM's annual flagship conference, exhibition and awards dinner, 'Healthcare Estates' was due to be held in October in Manchester. The event attracted attracts over 4,000 delegates and visitors and over 250 exhibitor stands. For 2020 this was replaced by a series of 24 webinars with 93 UK and international speakers over five days covering the themes of Policy, Workforce, Science and Technology, Design and International with over 3,000 registrations from 33 countries. These are available as on demand sessions via our new website learning hub.

Engineering Council

September 2020 was our first audit review following our licence renewal in 2019. The review acknowledged the amount of work that has taken place over 2020. The following training was undertaken in line with our licencing requirements:

Oct (Teams)	Assessor refresher training (14 participants)	On line training
Oct (Zoom)	EC-Individual Route to Assessment (6 participants)	On line training
Nov (Zoom)	EC-CPD assessing (2 participants)	On line training
Nov (Zoom)	EC-Recognition of qualifications (2 participants)	On line training
Dec (Teams)	New Assessor training (15 participants)	On line training

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

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

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; twelve branch areas are represented on the charity's governing council. 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 2020 the Institute put in place the infrastructure for branches to host and deliver live and pre-recorded webinars as part of their offer. In the first month of 2021 branches have delivered five live events, including a three session series on medical gases during the pandemic.

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

Over the last twelve months IHEEM has continued to enhance its membership database to bring in governance management, and in October 2019 launched a new modern website. In October 2020, enabling IHEEM to meet key objectives in promoting the Institute as the leading voice in the healthcare estates sector, and a bespoke Continued Professional Development (CPD) system to enable easy capture and recording of CPD material and reflective learning. This has been designed to support members throughout their career journey.

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. Pete Sellars, our own CEO' continues in his presidency of IFHE Europe, the IFHE worldwide presidency was handed over to Italy in January 2021, deferred from October 2020. Over the pandemic the Institute, took the lead in partnership with the IFHE to produce and disseminate a fortnightly newsletter sharing intelligence, best practice and personal experience across its 5000 global membership across 40 countries.

Partnerships

The Institute has a number of key knowledge partnerships in place. Over 2020 we developed and strengthened our alliances with NHSEI team, working and supporting them with their communications to the sector around the pandemic and Hefma on the workforce strategy. We will continue to develop these over 2021.

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

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

Membership

In response to the pandemic, IHEEM took the unprecedented decision in 2020 to cease chase outstanding membership fees for six months, and therefore as a result not to lapse members due to lack of payment. The charity's membership numbers reflect this decision. On 31st December 2020 membership numbers for fee paying individuals was recorded as 1773, compared to 1811 individual members on 31st December 2019, a decrease of 2.09%. This was offset by an increase in our free memberships aimed at students, apprentices and NHS tradespeople which increase to 390 On 31st December 2020, from 354 on 31st December 2019, an increase of 10.2%. 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 247 recorded on 31st December 2020 from 231 on 31st December 2019, representing an increase of 6.9%. Overall there was little change in overall in membership (14 members). The total number of members (excluding the 4 nominated non-voting members for Company affiliates) on 31st December 2020 is recorded as 2410 compared to 2396 on 31st December 2019. 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. We had no Awards in 2020 due to the pandemic, these will be re-established for 2021.

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 0.3% against the Office for National Statistics, Consumer Price Index (CPI), for the year to December 2020 of 0.5%.

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 65% 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. 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 £626,052 a reduction of £109,275 on 2019. The decrease represents two areas of spend, and may be used to support the operational costs for 2021 if the pandemic continues.

- The Institute's investment in modernising the IT infrastructure including the development of a membership database, bespoke CPD system and launch of a new website.
- Funding this deficit on the operational costs for 2020 due to the deferral of all conferences to 2021, creating a loss of approximately £150k in 2020.

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 INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

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

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 £325k (2019 = £306k). Events and training income totalled £21k (2019 = £165k). Event resources expended at £82k (2019 = £130k). The difference between years relates to the income and expenditure on events for 2020 results from providing free webinars and learning material to our members as opposed to having a number of conferences to which delegates would pay to attend. This was a conscious decision taken by the Board to continue to engage with our members and provide valuable learning opportunities throughout the pandemic when face to face events were deferred until late 2021.

Educational events is 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 deficit of £104,893 (2019 = deficit of £74,789) on a turnover of £350,997. This is due to the loss of income generated from having to defer all face to face conferences and events in 2020.

Financial effect of significant events

IHEEM holds two 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 impact of deferring these conferences to late 2021 has resulted in the deficit seen above. The pandemic was unprecedented, the Institute reserves allowed IHEEM to operate and cover it's minimal operational costs for 2020.

THE INSTITUTE OF HEALTHCARE ENGINEERING AND ESTATE MANAGEMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

FUTURE PLANS

The charity has a rolling five year strategic plan covering the period up to 2022 which includes extending the range of membership and improving membership services. Specifically, there is a major focus on recruiting apprentices and providing activities to attract and retain younger members.

The pandemic has created new ways of working and brought forward our digital agenda. IHEEM is now looking to run frequent webinars and adopt a hybrid approach to all its conferences, having both a face to face and digital presence. The Institute is developing 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 will be further developed in 2021, building the material available through our learning hub.

It has also implemented a substantial upgrade to its ITC systems and website. 2020 saw the release of a new bespoke CPD recording system for our members linked to our training events and seminars agenda, the launch of a new modern website and additional enhancements to our new membership database to enable more effective governance recording. We have now removed on site servers from our operation. Early indications support a cash rate of return on investment of 2 years, and substantial staff resource benefit. Over the next twelve months IHEEM anticipates further enhances to all of its new IT systems to provide a further improved customer experience.

During 2021 we will be looking to implement the new management arrangements for our Technical Platforms and Boards of Registration for our authorising engineers aimed at strengthening governance within the processes. The work that the Technical Platforms undertake is a vital component of IHEEM's current and future work to strengthen IHEEM's position as the leading healthcare engineering and estates professional body in the UK and internationally. The Institute is actively creating a number of opportunities for our TPs to grow and raise the importance of the work at a national level through influencing policy, standards and guidance as well as producing our own IHEEM best practice guidance for the benefit of our UK and global membership.

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, National Health Service Improvements (NHSI), Eastwood Park, IFHE Europe and Worldwide to play its part in delivering an effective and efficient healthcare service.

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.

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

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 2020 the team has been operating remotely being home based, with minimal cover in the Portsmouth premises. We envisage this approach continuing 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
AND ESTATE MANAGEMENT**

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

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 A J Ryan CEng FIHEEM A Spraggon CEng MIHEEM C James IEng MIHEEM A D Gascoine IEng FIHEEM N J Keery CEng FIHEEM W S H Millar CEng FIHEEM P J Wade EngTech MIHEEM G Markham CEng FIHEEM S T Lloyd E McLaughlan CEng MIHEEM Ian Hinit CEng FIHEEM	North West branch Yorkshire branch North East branch Southern branch London branch Northern Ireland branch East Midlands branch West Midlands branch South West branch Welsh branch Scotland branch Ex president
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Chief Executive

Pete Sellars

Company Secretary

Tania Davies

Auditors

P Underwood, FCCA
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
AND ESTATE MANAGEMENT**

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

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.

15/04/2021

Approved by order of the board of trustees on and signed on its behalf by:



.....
P J Fenton - 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 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).

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 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; 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
THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT**

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
AND ESTATE MANAGEMENT**

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.

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:

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss managements 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 concerning membership income and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income at £10,300. 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 of £9,200.

Substantive audit tests were designed after assessing and testing systems and controls. The systems and controls which have been designed to act as a preventative measure against fraud and error were 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 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
AND ESTATE MANAGEMENT**

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: 27 April 2021

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

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	3				
Conferences		-	-	-	134,913
Seminars		7,653	-	7,653	29,983
Publications		4,370	-	4,370	6,286
Membership		324,680	-	324,680	305,550
Miscellaneous		12,908	-	12,908	9,263
Investment income	2	1,386	-	1,386	3,586
Total		350,997	-	350,997	489,581
EXPENDITURE ON					
Charitable activities	4				
Conferences		43,414	-	43,414	63,598
Seminars		47,333	-	47,333	66,261
Publications		2,518	-	2,518	2,131
Membership		358,350	-	358,350	404,211
Miscellaneous		4,275	-	4,275	28,169
Total		455,890	-	455,890	564,370
NET INCOME/(EXPENDITURE)		(104,893)	-	(104,893)	(74,789)
RECONCILIATION OF FUNDS					
Total funds brought forward		730,945	4,382	735,327	810,116
TOTAL FUNDS CARRIED FORWARD		626,052	4,382	630,434	735,327

The notes form part of these financial statements

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

**BALANCE SHEET
31 DECEMBER 2020**

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	11	230,505	182,313
Investments	12	200	200
		<hr/> 230,705	<hr/> 182,513
CURRENT ASSETS			
Stocks	13	4,911	2,834
Debtors	14	339,805	325,601
Cash at bank		460,009	623,721
		<hr/> 804,725	<hr/> 952,156
CREDITORS			
Amounts falling due within one year	15	(404,996)	(399,342)
		<hr/>	<hr/>
NET CURRENT ASSETS		<hr/> 399,729	<hr/> 552,814
TOTAL ASSETS LESS CURRENT LIABILITIES		<hr/> 630,434	<hr/> 735,327
NET ASSETS		<hr/> 630,434	<hr/> 735,327
FUNDS	17		
Unrestricted funds		626,052	730,945
Restricted funds		4,382	4,382
		<hr/>	<hr/>
TOTAL FUNDS		<hr/> 630,434	<hr/> 735,327

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 24/03/2021 and were signed on its behalf by:



.....
P J Fenton - Trustee

THE INSTITUTE OF HEALTHCARE ENGINEERING
AND ESTATE MANAGEMENT

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

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(88,398)	(51,467)
Net cash used in operating activities		<u>(88,398)</u>	<u>(51,467)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(76,753)	(67,409)
Sale of tangible fixed assets		53	10,585
Interest received		1,386	3,586
Net cash used in investing activities		<u>(75,314)</u>	<u>(53,238)</u>
Change in cash and cash equivalents in the reporting period		<u>(163,712)</u>	<u>(104,705)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>623,721</u>	<u>728,426</u>
Cash and cash equivalents at the end of the reporting period		<u><u>460,009</u></u>	<u><u>623,721</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 2020

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(104,893)	(74,789)
Adjustments for:		
Depreciation charges	28,560	29,427
Profit on disposal of fixed assets	(53)	(10,583)
Interest received	(1,386)	(3,586)
Increase in stocks	(2,077)	(1,851)
Increase in debtors	(14,204)	(288,888)
Increase in creditors	5,655	298,803
Net cash used in operations	<u>(88,398)</u>	<u>(51,467)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank	623,721	(163,712)	460,009
	<u>623,721</u>	<u>(163,712)</u>	<u>460,009</u>
Total	<u>623,721</u>	<u>(163,712)</u>	<u>460,009</u>

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

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

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 2020**

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 2020**

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

	2020	2019
	£	£
Deposit interest	1,386	3,586
	<u>1,386</u>	<u>3,586</u>

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

3. INCOME FROM CHARITABLE ACTIVITIES

		2020	2019
	Activity	£	£
Conferences	Conferences	-	134,913
Seminars	Seminars	7,653	29,983
Publications	Publications	4,370	6,286
Subscriptions and entrance fees	Membership	324,680	305,550
Miscellaneous income	Miscellaneous	12,908	9,263
		<u>349,611</u>	<u>485,995</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5) £	Support costs (see note 6) £	Totals £
Conferences	85	43,329	43,414
Seminars	4,006	43,327	47,333
Publications	2,518	-	2,518
Membership	11,728	346,622	358,350
Miscellaneous	4,275	-	4,275
	<u>22,612</u>	<u>433,278</u>	<u>455,890</u>

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

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

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020	2019
	£	£
Branch Technical visit	353	23,107
Seminar costs	4,006	18,460
Conference costs	85	15,798
Publication costs	2,518	2,131
Members support costs	11,728	13,639
Miscellaneous costs	1,270	3,122
Awards	-	8,677
IFHE Subscription	2,314	2,288
Grants to/(from) branches	338	(348)
	<u>22,612</u>	<u>86,874</u>

6. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Conferences	42,603	726	43,329
Seminars	42,600	727	43,327
Membership	340,810	5,812	346,622
	<u>426,013</u>	<u>7,265</u>	<u>433,278</u>

Activity	Basis of allocation
Management	Time
Governance costs	Time

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

Management

	Conferences	Seminars	Membership	2020 Total activities	2019 Total activities
	£	£	£	£	£
Wages	26,016	26,016	208,127	260,159	236,638
Social security	2,542	2,542	20,340	25,424	18,730
Pensions	845	845	6,759	8,449	8,517
Office costs	6,813	6,812	54,498	68,123	83,424
Meeting costs	207	207	1,657	2,071	21,184
Legal and professional fees	524	523	4,186	5,233	41,481
Irrecoverable VAT	1,592	1,592	12,737	15,921	9,976
Bad debts	1,208	1,207	9,658	12,073	1,760
Depreciation of tangible assets	2,856	2,856	22,848	28,560	29,427
	<u>42,603</u>	<u>42,600</u>	<u>340,810</u>	<u>426,013</u>	<u>451,137</u>

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

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

6. SUPPORT COSTS - continued
Governance costs

	Conferences	Seminars	Membership	2020 Total activities	2019 Total activities
	£	£	£	£	£
Auditors' remuneration	574	574	4,592	5,740	6,835
Accountancy and legal fees	36	37	292	365	950
Cost of Council meetings	116	116	928	1,160	18,574
	<u>726</u>	<u>727</u>	<u>5,812</u>	<u>7,265</u>	<u>26,359</u>

7. NET INCOME/(EXPENDITURE)

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

	2020	2019
	£	£
Auditors' remuneration	5,740	6,835
Depreciation - owned assets	28,508	18,844
Auditors' remuneration - Non audit	365	2,705
	<u>34,613</u>	<u>28,384</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

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

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 3 (2019: 7) the total reimbursed was £1,078 (2019: £7,127).

9. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	260,159	236,638
Social security costs	25,424	18,730
Other pension costs	8,449	8,517
	<u>294,032</u>	<u>263,885</u>

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

2020	2019
8	9
<u>8</u>	<u>9</u>

One employee 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 £150,228 (2019: £106,572). 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 2020**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Conferences	134,913	-	134,913
Seminars	29,983	-	29,983
Publications	6,286	-	6,286
Membership	305,550	-	305,550
Miscellaneous	9,263	-	9,263
Investment income	3,586	-	3,586
Total	489,581	-	489,581
 EXPENDITURE ON			
Charitable activities			
Conferences	63,598	-	63,598
Seminars	66,261	-	66,261
Publications	2,131	-	2,131
Membership	404,211	-	404,211
Miscellaneous	28,169	-	28,169
 Total	564,370	-	564,370
 NET INCOME/(EXPENDITURE)	(74,789)	-	(74,789)
 RECONCILIATION OF FUNDS			
Total funds brought forward	805,734	4,382	810,116
 TOTAL FUNDS CARRIED FORWARD	730,945	4,382	735,327

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

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

11. TANGIBLE FIXED ASSETS

	Long leasehold £	Improvements to property £	Fixtures and fittings £	Totals £
COST				
At 1 January 2020	135,000	31,901	136,847	303,748
Additions	-	-	76,753	76,753
Disposals	-	-	(2,495)	(2,495)
At 31 December 2020	135,000	31,901	211,105	378,006
DEPRECIATION				
At 1 January 2020	25,650	21,602	74,183	121,435
Charge for year	1,350	1,031	26,127	28,508
Eliminated on disposal	-	-	(2,442)	(2,442)
At 31 December 2020	27,000	22,633	97,868	147,501
NET BOOK VALUE				
At 31 December 2020	108,000	9,268	113,237	230,505
At 31 December 2019	109,350	10,299	62,664	182,313

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 2020 and 31 December 2020	200
NET BOOK VALUE	
At 31 December 2020	200
At 31 December 2019	200

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:

Healthcare Building and Engineering Limited

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

Nature of business: Dormant

Class of share:	% holding
Ordinary shares	100

	2020 £	2019 £
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 2020**

12. FIXED ASSET INVESTMENTS - continued

IHEEM Ltd

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

Nature of business: Dormant

	%		
Class of share:	holding		
Ordinary shares	100		
		2020	2019
		£	£
Aggregate capital and reserves		100	100

13. STOCKS

	2020	2019
	£	£
Finished goods	4,911	2,834
	<u>4,911</u>	<u>2,834</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	320,232	303,189
Bad Debt Provision	(12,073)	-
Other debtors	31,646	22,412
	<u>339,805</u>	<u>325,601</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	3,326	31,947
Social security and other taxes	22,170	20,343
Deferred subscription income	324,118	310,805
Other creditors	49,363	28,021
Accrued expenses	6,019	8,226
	<u>404,996</u>	<u>399,342</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 2020 is £2,290 (2019: £2,290) and is included within other creditors.

Deferred income represents membership subscriptions received in advance

	2020	2019
	£	£
Brought forward	310,805	47,711
Amount released to incoming resources	(310,805)	(47,711)
Amount deferred in year	324,118	310,805
	<u>324,118</u>	<u>310,805</u>
Carried forward	<u>324,118</u>	<u>310,805</u>

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

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

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
Fixed assets	230,505	-	230,505	182,313
Investments	200	-	200	200
Current assets	800,343	4,382	804,725	952,156
Current liabilities	(404,996)	-	(404,996)	(399,342)
	<u>626,052</u>	<u>4,382</u>	<u>630,434</u>	<u>735,327</u>

17. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	730,945	(104,893)	626,052
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>735,327</u>	<u>(104,893)</u>	<u>630,434</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	350,997	(455,890)	(104,893)
TOTAL FUNDS	<u>350,997</u>	<u>(455,890)</u>	<u>(104,893)</u>

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

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

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	805,734	(74,789)	730,945
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>810,116</u>	<u>(74,789)</u>	<u>735,327</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	489,581	(564,370)	(74,789)
TOTAL FUNDS	<u>489,581</u>	<u>(564,370)</u>	<u>(74,789)</u>

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 £8,449 (2019: £8,517). There was £668 due to the pension scheme administrator at the year end (2019: £817). The expected cost to the charitable company in the coming year is expected to be in line with that of 2020.

19. RELATED PARTY DISCLOSURES

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

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.

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

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

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.

22. CONFERENCE AND SEMINAR ANALYSIS

Income	Head Office £	Welsh Branch £	N.Ireland Branch £	Branches Total £	TOTAL £
Conference Activity					
Conference Delegate Income	-	-	-	-	-
Step Exhibition Contribution	-	-	-	-	-
Total Conference Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Seminar Activity					
Seminar income	6,810	843	-	843	7,653
	<u>6,810</u>	<u>843</u>	<u>-</u>	<u>843</u>	<u>7,653</u>
Expenditure					
Conference Activity					
Conference 2020	85	-	-	-	85
Direct Conference Expenses	85	-	-	-	85
Support Costs (Note 6)	43,329	-	-	-	43,329
Total Conference Expenditure	<u>43,414</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,414</u>
Seminar Activity					
Electric seminar	2,500	-	-	-	2,500
Wales exhibition and conference	80	-	-	-	80
AE conference	95	-	-	-	95
Seminar expenses	25	-	-	-	25
Irish conference	236	-	-	-	236
Seminar mind matters	1,070	-	-	-	1,070
Direct Seminar Expenses	<u>4,006</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,006</u>
Support Costs (Note 6)	<u>43,327</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,327</u>
Total Seminar Expenses	<u>47,333</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,333</u>
Conference (Deficit)					(43,414)
Seminar (Deficit)					(39,680)



FINAL AUDIT COMMUNIQUÉ

FOR THE YEAR ENDED

31 DECEMBER 2020

FOR

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

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Introduction

- 1 Our work on the audit of the financial statements for the year ended 31 December 2020 of The Institute of Healthcare Engineering and Estate Management is now complete and we have issued an unqualified auditor's report on 27 April 2021.
- 2 Our opinion is in three parts. We provide an opinion on whether:
 - the financial statements give a true and fair view of the state of The Institute of Healthcare Engineering and Estate Management's affairs as at 31 December 2020 and of its incoming resources and resources expended for the year then ended;
 - the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities;
 - the financial statements have been properly prepared in accordance with the Companies Act 2006.
- 3 In accordance with International Standard on Auditing (UK and Ireland) 260 (October 2012), "Communication of Audit Matters to those Charged with Governance", we have produced this report for the attention of those charged with governance. This final audit communiqué has been produced to fulfil those requirements.

Key Findings

- 4 We identified the following minor issues arising from our audit:
 - No expense form on file for T Davies
- 5 Full details of all the audit findings and our recommendations can be found in Annexes B and D.
- 6 There were no uncorrected errors.
- 7 We would like to take this opportunity to express our thanks for the assistance and support we have received from the charitable company's staff with whom we came into contact during our audit.

Audit Scope and Objectives

- 8 Morris Crocker is the appointed independent external auditor under the Companies Act 2006.

- 9 In carrying out our audit we have regard to the responsibilities of the trustee directors to prepare financial statements which give a true and fair view of the entity's state of affairs at 31 December 2020 and of its incoming resources and resources expended and cash flows for the financial year, as well as to ensure that they have been properly prepared in accordance with the Companies Act 2006.
- 10 Our examination of the financial statements for the year ended 31 December 2020 was carried out in accordance with International Standards on Auditing (UK and Ireland) (October 2012) issued by the Auditing Practices Board. We have a professional responsibility to report if the financial statements do not comply in any material respect with the standards issued or adopted by the Accounting Standards Board.
- 11 Our audit procedures are designed primarily to provide an opinion on whether the financial statements provide a true and fair view of the charitable company's position as at 31 December 2020 and the incoming resources and resources expended for the year then ended.
- 12 As part of our audit we also review the financial information contained in the Report of the Trustees and elsewhere to ensure it is consistent with the financial statements.

Audit Approach

- 13 Our approach is primarily risk based. We collect information by having discussions with staff and reviewing key documents to improve our understanding of the charitable company's operations. This enables us to form a preliminary view of the strengths and weaknesses of the overall control environment. We also review the information systems controls and the controls operating for specific account balances. We then use this information to identify the significant risk areas. We review management controls and test their design, operation and effectiveness in order to determine those from which we can gain assurance and those where we need to direct more audit focus.
- 14 We undertake audit procedures on all account areas, focusing on where we have identified a significant risk of error, and evaluate results in order to support our audit opinion. We review accounting systems and management controls operated by the charitable company only to the extent we consider necessary for the effective performance of our audit. The results of all these aspects of the audit are brought together and evaluated to consider the

impact on our opinion.

15 The matters detailed in this final audit communiqué arose from our normal audit procedures that were undertaken in accordance with International Standards on Auditing (UK and Ireland) (October 2012) issued by the Auditing Practices Board. The responsibility for the implementation and monitoring of internal and management controls rests with The Institute of Healthcare Engineering and Estate Management. Our work did not involve a detailed review of all aspects of the systems and cannot be regarded as a comprehensive statement of all weaknesses that might exist, or of all improvements that might be made.

16 As part of our audit we report to management those matters that we consider merit their attention and recommend appropriate remedial action. However, management remains responsible for implementing these and our recommendations should be assessed for their full impact before they are implemented.

Areas of Audit Risk

17 Our audit plan highlighted two material risks for specific audit emphasis. Our findings against each of the identified risks are set out in Annex E.

Matters Specifically Required to be Communicated to Those Charged with Governance

Fraud

18 We require management to acknowledge in writing its responsibility for internal controls to present and detect fraud.

19 We also require management to disclose to us:

- The results of their assessment of the risk that financial statements may be materially misstated as a result of fraud;
- Their knowledge of fraud or suspected fraud affecting the charitable company involving management, employees or others; and
- Their knowledge of any allegations of fraud, or suspected fraud communicated by employees, former employees, analysts, regulators or others which may have an impact on the financial statements.

Effectiveness of Communications

20 International Standard on Auditing (UK and Ireland) 260 (October 2012) requires us to review the effectiveness of communications between the auditors and those charged with governance.

21 Throughout our audit we have ensured that communications have been effective. We had an audit planning meeting with Tania Davis before our audit fieldwork commenced.

22 In addition, the audit team liaised with finance staff at the charitable company throughout the course of the audit which ensured that all issues arising were dealt with at the earliest opportunity.

23 Overall, we consider that communications between Morris Crocker and The Institute of Healthcare Engineering and Estate Management have operated effectively throughout the audit.

Material Weaknesses in Internal Control

24 A material weakness in the accounting and internal control systems is a deficiency in design or operation which could adversely affect the charitable company's ability to record, process, summarise and report financial and other relevant data, and which might result in a material misstatement in the financial statements.

25 As external auditors, our communications of matters include only those audit matters of governance interest that have come to our attention as a result of the performance of the audit.

26 During our audit we reviewed the accounting systems and management controls operated by the charitable company only to the extent we consider necessary for the effective performance of the audit. As a result, our review may not have detected all weaknesses that exist or all improvements that could be made.

27 No material weaknesses in the accounting and control systems have been identified by us during our audit of the financial statements.

Other Audit Matters of Governance Interest

28 International Standard on Auditing (UK and Ireland) 260 (October 2012) also requires us to communicate to those charged with governance any other audit matters of governance interest to be raised in this report.

29 There are no other matters of governance interest to be raised in this report.

Qualitative Aspects

- 30 Under International Standard on Auditing (UK and Ireland) 260 (October 2012), we are required to give our views about the qualitative aspects of the charitable company's accounting practices and financial reporting.

Significant Accounting Policies, Practices and Financial Reporting

- 31 The accounting requirements of company law, the SORP and United Kingdom Accounting Standards permit a degree of choice in some areas as to the specific accounting policies and practices that may be adopted by an entity.
- 32 We have considered the appropriateness of the accounting policies and practices adopted by the charitable company. The accounting policies adopted are appropriate. No accounting policies or practices requiring change have been identified by us during our audit of the financial statements.

Timing of Transactions

- 33 The timing of transactions tested did not highlight any significant issues.

Material Uncertainties

- 34 There were no material uncertainties highlighted during the course of the audit.

Unusual Transactions

- 35 The financial statements were not unduly affected by unusual transactions.

Significant Matters Arising in Connection with Related Parties

- 36 During the course of the audit no significant matters involving related parties were identified.

Presentational Matters

- 37 During the course of the audit no non-financial and presentation issues were identified.

Areas of Significant Estimation and Judgement by the Charitable Company

- 38 We consider the appropriateness of any significant accounting estimate and judgements throughout our audit.

- 39 There were no significant accounting estimates or areas of judgement.

Review of Information in the Report of the Trustee Directors

- 40 We have reviewed the Report of the Trustees for consistency with the financial statements and our understanding of the charitable company's operations. There were no issues arising from this review.

Significant Disagreements with Management

- 41 There were no such disagreements.

Letter of Representation

- 42 The charitable company's management have provided us with a letter of representation under guidance issued by the Auditing Practices Board (See Annex H).

If you wish to discuss any issues raised in this report please contact Paul Underwood on 023 9248 4356 or at pu@morriscrocker.co.uk.

ANNEX A: Financial Adjustments

As a result of our audit, the following adjustments were made to the draft accounts presented for audit.

1) Being adjustment to irrecoverable VAT

Dr	Irrecoverable VAT	£15,737	
	Cr	VAT	£15,737

2) Being adjustment for the audit accrual

Dr	Auditors remuneration	£4,330	
	Cr	Accruals	£4,330

3) Being branch adjustments

Dr	Branch technical visit	£353	
Dr	Office costs	£283	
Dr	Meeting costs	£840	
Dr	Accountancy	£1,300	
Dr	Grants to/from branches	£338	
Dr	Other debtors	£480	
Dr	Bank	£4,402	
Dr	Creditors	£1,007	
	Cr	Deposit interest	£54
	Cr	Miscellaneous income	£8,106
	Cr	Seminar income	£843

4) Being disposal of photocopier

Dr	Profit/Loss on disposal	£53	
Dr	Disposal of asset – Depreciation	£2,442	
	Cr	Disposal of asset - Cost	£2,495

5) Being provision for bad debts

Dr	Bad debt provision	£12,073	
	Cr	Trade debtors	£12,073

ANNEX B: Key Findings and Recommendations

There were no key findings or recommendations.

ANNEX C: Errors Noted During Audit Which Were Not Adjusted

There were no errors noted during the audit which were not adjusted.

ANNEX D: Minor Findings and Recommendations

1) No expense form on file for T Davies

Observation	No expense claim form was available for Tania Davies expenses in May 2020.
Implication	There is a possibility that payments could be made incorrectly.
Recommendation	Obtain a copy of all approved expense forms and keep these on file.
Response	
Action Date	

ANNEX E: Audit Findings Regarding Identified Risks

Risk identified	Response
Income recognition and deferred income	We carried out system walkthrough testing, income systems appear to be working adequately. We carried out proof in total testing, with no issues noted. We reviewed the after-date receipts and the deferred income schedules to ensure that cut-off had been correctly applied. Income did not appear to be materially misstated.
Management override	We reviewed a sample of journal entries to ensure they were correct. No evidence of management override was identified.

ANNEX F: Weaknesses in Internal Controls Identified

There were no weaknesses in internal controls identified.

ANNEX H: Analytical Review

INCOME

Income has decreased from £489,581 in 2019 to £350,997 in 2020. Conference income has decreased by £134,913 due to the Coronavirus pandemic there was no conference this year and the STEP contract was terminated in January 2020. Seminar income has decreased by £22,330; this is due to a decrease in the number of seminars this year as expected due to the lockdown measures in place.

Income from publications has decreased by £1,916, additional efforts were made in 2019 increase the advertising on the wall planners. Membership income has increased by £19,130 compared to 2019, this is due to the increase in membership rates and numbers. Miscellaneous income has increased by £3,645. Investment income has decreased by £2,201, there was less cash held in deposit accounts over the year.

EXPENDITURE

Expenditure has decreased from £564,370 in 2019 to £455,890 in 2020. Conference costs have decreased by £20,184. Direct conference costs have decreased by £15,713, due to the pandemic there were no large conferences this year. Seminar costs have decreased from £66,261 in 2019 to £47,333 in 2020, there were less seminars in 2020 due to the Coronavirus pandemic. Direct seminar costs have decreased by £14,454 and seminar support costs have decreased by £4,474. The cost of publications has increased from £2,131 in 2019 to £2,518 in 2020.

Membership costs have decreased from £404,211 in 2019 to £358,350 in 2020. Direct membership costs have decreased by £10,588 which is due to members support costs decreasing by £1,911 and awards which have decreased from £8,677 in 2019 to £nil in 2020, the President's address event made a loss last year as expenditure increased. Miscellaneous costs have increased by £23,894 the Northern Ireland technical visit costs have decreased from £23,107 in 2019 to £353 in 2019, £19,203 was included in 2019 for the technical trip.

Support costs have decreased from £477,496 in 2019 to £433,278 in 2020. Staff costs have increased by £23,521, due to the bonuses paid in 2020. Office costs have decreased by £15,301, largely due to staff recruitment costs in 2019 for £12,436. Three vacancies were put on hold in 2020 due to the Coronavirus pandemic. Computer costs have increased by 31% this year due to the additional IT maintenance required this year for website and server labour.

There are £12,073 of bad debts included this year compared to £1,760 in 2019. Additional costs for irrecoverable VAT this year for £15,921 compared to £9,976 in 2019. Meeting costs have decreased by £19,113, 2019 included costs for Manchester which didn't go ahead in 2020.

Governance costs have decreased from £26,359 in 2019 to £7,265 in 2020. This is due to the decrease in council meetings from £18,574 in 2019 to £1,160 in 2020. There were additional costs for council initiatives last year and expenditure for the engineering talent awards totalling £5,065.

FIXED ASSETS

The net book value of fixed assets has increased from £182,513 in 2019 to £230,705. Additions totalled £76,753 which is largely for the new database system. The total depreciation charged for the year is £28,508.

ANNEX G: Analytical Review

CURRENT ASSETS

Current assets have decreased from £952,156 in 2019 to £804,725. Cash at bank has decreased by £163,712 compared to 2019. This includes a decrease to branch bank balances of £687. Stock has increased from £2,834 compared to £4,911 in 2020.

Debtors have increased from £325,601 in 2019 to £339,805 in 2020. Trade debtors are £320,232 in 2020 compared to £303,189 in 2019 there has been an increase in membership income which is also reflected in the increase in deferred income. Other debtors have increased from £22,412 in 2019 to £31,646 in 2020, this is due to additional prepayments for the Dublin conference which was postponed in 2020 and rearranged for November 2021.

CREDITORS

Creditors have increased from £399,342 in 2019 to £404,996 in 2020. Trade creditors have decreased by £28,621, there were two large balances outstanding as at the end of last year for Equal Engineers Ltd and Senior Internet Ltd. Social security and other taxes has increased by £1,827, and this is largely due to an increase in the VAT liability compared to 2020. As mentioned above the largest increase in creditors is due to the increase in deferred subscription income from £310,805 in 2019 to £324,118. Other creditors have increased from £28,021 in 2019 to £49,363 in 2020, this is due to the seminar income collected in advance totalling £31,487 in 2020 compared to £5,850 in 2019. There has been a decrease in accruals this year of £2,207.

ANNEX I: Letter of Representation from Management

Our Ref: PU/NCL/1INS01

Your Ref:

13 April 2021

Morris Crocker
Station House
North Street
Hvant
Hampshire
PO9 1QU

Dear Sirs

The Institute of Healthcare Engineering and Estate Management

We confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you in connection with your audit of the charitable company's financial statements for the year ended 31 December 2020.

GENERAL

- 1 We have fulfilled our responsibilities as trustee directors under the Companies Act 2006 for preparing financial statements in accordance with applicable law and applicable United Kingdom Accounting Standards, for being satisfied that they give a true and fair view and for making accurate representations to you. All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the charitable company have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management and shareholders meetings, have been made available to you.
- 2 The financial statements are free of material misstatements, including omissions.
- 3 We believe that the effects of uncorrected misstatements (as set out in the appendix to this letter) are immaterial both individually and in total.

INTERNAL CONTROL AND FRAUD

- 4 We acknowledge our responsibility for the design and implementation of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud. We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

ASSETS AND LIABILITIES

- 5 Stock is not stated at an amount in excess of net realisable value.
- 6 The charitable company has satisfactory title to all assets and there are no liens or encumbrances on the charitable company's assets, except for those that are disclosed in the notes to the financial statements.

- 7 We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and have disclosed in the notes to the financial statements all guarantees that we have given to third parties.
- 8 We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- 9 We have no plans to abandon product lines or other plans that will result in any excess or obsolete stock.

ACCOUNTING ESTIMATES

- 10 Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

LOANS AND ARRANGEMENTS

- 11 The charitable company has not granted any advances or credits to, or made guarantees on behalf of, trustee directors other than those disclosed in the financial statements.

LEGAL CLAIMS

- 12 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

LAWS AND REGULATIONS

- 13 We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

RELATED PARTIES

- 14 Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements of company law or accounting standards.

SUBSEQUENT EVENTS

- 15 All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

GOING CONCERN

- 16 We believe that the charitable company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charitable company's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charitable company's ability to continue as a going concern need to be made in the financial statements.

AUDIT ADJUSTMENTS

- 17 We approve the audit adjustments as documented in Annex A attached to this letter.

Yours faithfully

The Institute of Healthcare Engineering and Estate Management

.....
Signed on behalf of the board of trustee directors

Date: