

OUR VISION, YOUR FUTURE ANNUAL REPORT 2022

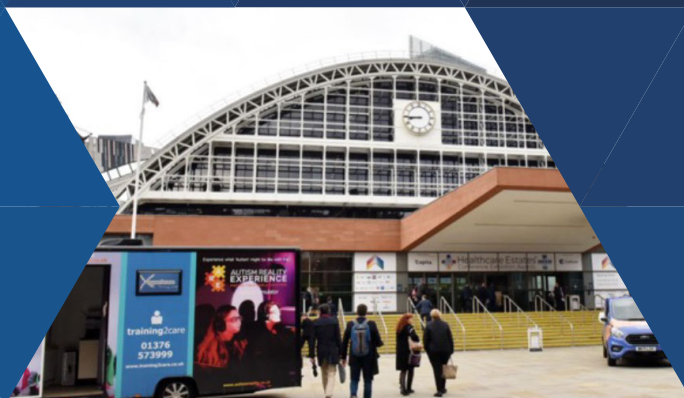
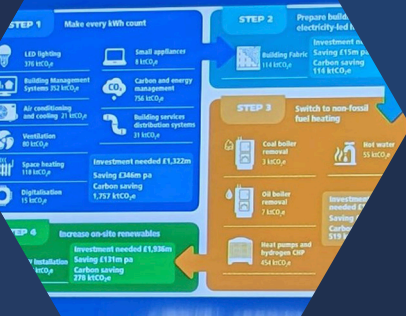


IHEEM

Institute of Healthcare Engineering and Estate Management



System Optimisation



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Paul Fenton, IHEEM President



A MESSAGE FROM THE PRESIDENT

Welcome to IHEEM’s Annual Report, providing you with an update of the Institutes key activities and achievements over the past twelve months.

This year IHEEM joined forces with a number of professional associations to develop and launch the first National Estates & Facilities Day which will be held annually on 15 June each year. I know that many of you took the opportunity in your organisations to celebrate the vital work delivered by our profession and the positive impact it has on patients and staff. I am immensely proud of all our individual and affiliate members who support and deliver critical services in the NHS and I will never tire of thanking and championing our dedicated workforce. IHEEM is committed to ensuring this event is a success every year and I look forward to seeing how you mark the occasion in 2023.

One of my priorities as President has been supporting and encouraging the next generation of healthcare efm professionals. Therefore, a major highlight for me was judging the 2022 Faraday Challenge Final at Alder Hey earlier this year as it was the embodiment of what I hoped we could achieve when I set out that priority. You can read more about the event in this report but I was truly inspired by the enthusiasm and innovation shown by all the students who took part. IHEEMs involvement in the programme has undoubtedly provided young people who have expressed an interest in engineering with a greater understanding of our sector and the key role that all our members – at all

levels – have in improving the experience that patients have in hospital. During my involvement in the programme I have no doubt that I have met future healthcare engineers and efm specialists. I was therefore delighted that the New Hospital Programme accepted IHEEMs invitation to join the next phase of the programme and connect with each of the 5 finalists to work alongside their Chief Design team to turn their winning ideas into real tools to help children in hospital.

I was delighted to meet so many members, affiliates and IHEEM supporters at the much-anticipated return to a fully live Healthcare Estates in Manchester. And what a return it was - the largest event in its history. I was pleased to meet up with so many friends and colleagues once again. It reminded me how important networking and connecting can be for personal and professional development and how taking a short time out from the “day job” to relax and socialise with colleagues and peers can have a such a positive impact on your general wellbeing. Taking from the success of the past online conferences, most of the presentations at Manchester were recorded and are available online. If there was something that you missed, then I would encourage you to log onto the website and make full use of this facility.

It was also a privilege to attend and present at the

IFHE International Conference in Toronto. The presentation that Pete Sellars and I made around the complex topic of Healthcare Planning was well received. The feedback we got from delegates supported our belief that developing a common language and approach is hugely important and is needed to improve the planning, design and construction of new and existing hospital services across many countries, not just in the UK. A number of countries wish to engage further with us on this topic including requests to engage and present at future online events. There is no doubt that this strengthens the Institutes drive to influence future healthcare planning.

As I end my term as President, I look back with enormous pride at all the achievements the Institute has made over the past two years, during what was an incredibly challenging time nationally and globally. Once again, I would like to thank the dedicated Head Office team who remain steadfast in their support and service to all our members. It has been a pleasure to work with such a strong and committed team, alongside the Chief Executive and my fellow Council Members and volunteers, all of whom continue to support IHEEM to fulfil its vision to continuously improve and develop the Institute for the benefit of our membership.

It has been an honour to serve as President and it is my pleasure to hand the baton to Alison Ryan who I know will be an excellent President and ambassador for the Institute.

Paul Fenton, MBE



CHIEF EXECUTIVE STATEMENT

I am delighted to present our 2022 IHEEM Annual Report. The Institute has enjoyed another busy and successful year where it has delivered a number of key objectives in line with our 5 Year Business Plan and annual business priorities.

When we published our last Annual Report, I hoped for a more settled 2022 following the uncertainty of the past two years. As I look back on this year, I am extremely proud of what the Institute has achieved and how having the opportunity to return to some of our usual activities such as in-person events, has been welcomed by all. This report clearly illustrates how we continue to meet the needs of our members and improve the quality and breadth of services that IHEEM provides.

Membership numbers have continued to rise with a projected overall increase of almost 12% since 2019. We have reversed the small decline in membership that was happening pre-pandemic and I have no doubt this is a clear reflection of the support IHEEM provides to all of its members. The Institute has also supported more members to achieve professional status than it has in the last 5 years. These include not only Chartered Engineers, some through the Individual Route, but also Engineering Technicians and Incorporated Engineers. Company Affiliate membership continues to grow which means that more organisations who are active within our sector, and supporting our industry, are

taking advantage of IHEEMs offer. Almost half of the exhibitors at Healthcare Estates were IHEEM Company Affiliates and we will be exploring how we can improve our offer to all exhibitors in 2023.

We continue to work collaboratively with other professional bodies and national and international organisations. Our Technical Platforms have provided feedback to the national estates and facilities guidance programme and we held our first AE Conference for 2 years which saw IHEEM registered AEs attend alongside tradespeople and apprentices.

The pandemic brought to light IHEEM's vital role in facilitating networking so this year has seen a much welcome return to in-person meetings, conferences and events. We have successfully delivered a comprehensive programme of live events, both locally and nationally. There is no doubt that members have welcomed the opportunity to network and connect in person and we will continue to support our Branches to deliver events that link to topics which have the greatest impact on our sector. We listened carefully to our members, company affiliates and exhibitors and to make our events more inclusive and accessible we launched a



standard pricing structure for everyone wishing to attend our events. We also delivered substantial savings on each ticket for Healthcare Estates 2022.

One of my personal highlights of the year was the return of a fully live Healthcare Estates Conference and Exhibition at Manchester in October. This years event was the biggest in its history with record numbers of visitors, exhibitors and speakers. The feedback received has been extremely positive and nearly 80% of exhibition space for 2023 was sold in the following weeks. Although there were some last-minute challenges brought about by the national rail strike and COVID infections we were able to mitigate these quickly and the overall impact on visitors and speakers was minimal. The new IHEEM Members Lounge was a great success and added value to our members who attended the event. I would like to thank our partners STEP Exhibitions for their hard work and together we will build on this success to

ensure we continue to make our flagship event as inclusive and relevant to you as possible.

Internally, Head Office has continued to deliver our business priorities and support our many committees, platforms and Boards of Registration. The investment to modernise our IT infrastructure now means we are able to process new membership applications, renewals and upgrades much more effectively. During the last two years of global uncertainty we did all we could to mitigate any financial and operational risk to the Institute. We have also moved towards improved transparency in terms of our Business Plan and Annual Reports and I know that our new President Alison Ryan will continue in that vein. I am pleased that we are now in a financial and operational position to begin to strengthen the internal resources needed to ensure we have the right skills and knowledge in place to continue to deliver our ambitious 5 Year Business Plan. We are also supporting our Head Office team in their own development.

The achievements set out in this report are a tribute to the commitment of our Head Office team. Their hard work, drive and determination are outstanding and I greatly value and appreciate all that they do. IHEEM also benefits from the support of its volunteers who make a significant contribution through their service to our Council, Committees,

Platforms, Boards and Working Groups. I would like to thank them for their support.

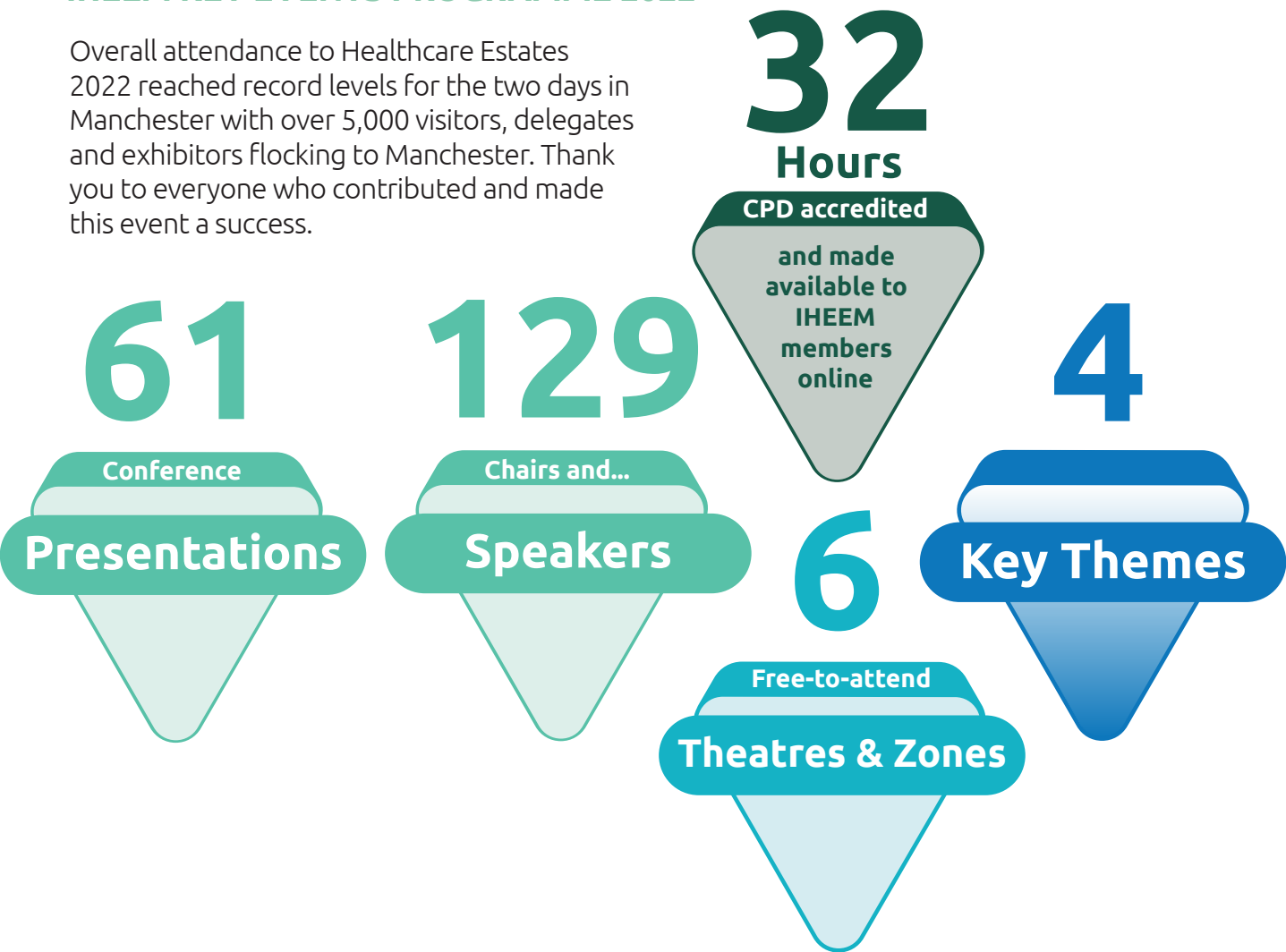
This report sets out our many successes this year and demonstrates how the Institute has effectively planned and delivered particularly in its face-to-face engagement with the growing numbers of members, partners and stakeholders. It gives me great confidence for the future and I look forward to 2023 and beyond as we continue to deliver for all our members.

Pete Sellars

HEALTHCARE ESTATES CONFERENCE & EXHIBITION 2022

BUSINESS PLAN CORE OBJECTIVES 5 AND 6
IHEEM KEY EVENTS PROGRAMME 2022

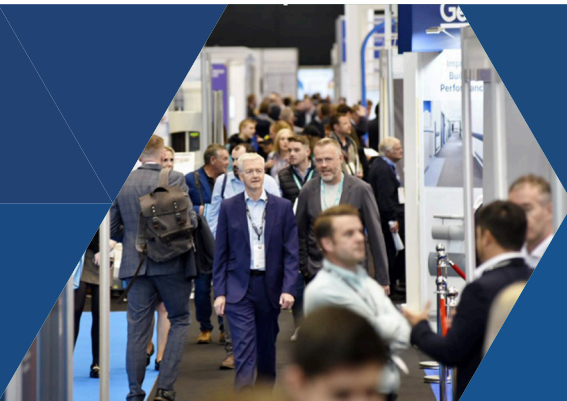
Overall attendance to Healthcare Estates 2022 reached record levels for the two days in Manchester with over 5,000 visitors, delegates and exhibitors flocking to Manchester. Thank you to everyone who contributed and made this event a success.



"A fantastic opportunity to build relationships with people in the industry and create a network of people all wanting to better the healthcare sector."

"Great to be back in person and to see how the sector is evolving and how we can all meet the needs in providing a quality NHS estate"

"Would definitely be an event I will be attending next year."



LEARNING & DEVELOPMENT

BUSINESS PLAN CORE OBJECTIVES 1, 2, 4 AND 7



IHEEM LEARNING HUB

Over 400 Vimeo recordings are now available online exclusively for IHEEM members to access. All IHEEM conference marketing now clearly states which presentations are recorded and are CPD accredited. This has become standard practice for all of the Institutes key in person events and online webinars. We have invested to ensure we have the right technical support in place to maintain the high quality production standards we achieved this year.



IHEEM CAREER ROUTE MAP

This unique digital tool provides information to support members in their career development. Users can also access relevant job advertisements on the IHEEM Website.



IHEEM KNOWLEDGE PARTNERS

The Institute continues to deliver on its commitment to provide its members with access to a wide choice of professional and technical training opportunities through its growing Knowledge Partnerships. Underpinning the IHEEM Career Route Map, there are now 90 learning and development courses available to our members from 6 providers including Health Facility Planning as well as technical training courses.

WORKFORCE

BUSINESS PLAN CORE OBJECTIVES 1, 3 AND 7
IHEEM KEY EVENTS PROGRAMME 2022

The Institute continues to actively invest its resources to support our members throughout their career journey.

Part of the IHEEM Presidents priorities saw particular focus on encouraging and developing the future healthcare engineers and efm workforce. A major part of this was the 2021/2022 Faraday Challenge which saw the Grand Final hosted by Alder Hey Childrens Hospital in June. It was the culmination of the competition involving 959 teams from 285 schools across England, Wales, Scotland and Ireland all of whom attended one of the 165 Challenge Days held during the season.

IHEEMs sponsorship of this event undoubtedly provided students with a greater understanding of the healthcare engineering sector and the key role that all of our members – at all levels- have in improving the experience that patients have in hospital.

The five teams who reached the final were subsequently offered the chance to have their winning designs turned into real tools to help children in hospital. The New Hospital Programme accepted IHEEMs invitation to engage with the finalists to give them the opportunity to influence hospital design which means that the outputs from the challenge will endure and develop in a unique and innovative way.



The winning team with IHEEM President Paul Fenton MBE and Childrens Commissioner for England Dame Rachel De Souza



DIVERSITY & INCLUSION

BUSINESS PLAN CORE OBJECTIVE 1

This years focus of the Diversity and Inclusion Working Group (D&I) has been Bullying, Harassment and Abuse.

Drawing from the NHS Staff Survey published in 2021 and the Chartered Institute of Personnel & Development 2020 report "Managing Conflict in the Modern Workplace" they found while reported incidents of bullying, harassment and abuse in the NHS were low, those incidents were still weighted towards minority groups of staff: BAME, LGBTQ+ and people with disabilities. It was not possible to identify and develop figures specific to the healthcare engineering and estates workforce but there is no doubt that these behaviours are disproportionately felt by the above groups of staff and also by women.

The group held an interactive workshop at Healthcare Estates 2022 where these findings was discussed in an open and frank conversation with attendees. A number of lived experiences from people who had faced bullying, harassment and abuse was also presented which made for a sobering testament. These were not only from NHS staff but from external contractors who work within the sector.

The feedback from those who joined the session was extremely positive and the Working Group would like to thank everyone who took part and shared their moving and insightful experiences.

Although it would appear that some progress is being made in these areas, there is obviously still work to do and the group will consider this and the previous work that has been done in setting the agenda for 2023.

The Working Group also welcomed a new member in 2022: Lucy Rowe, the Young Persons and Diversity Manager from the National Estates and Facilities Team at NHS England.



The Working Group present at their workshop at Healthcare Estates 2022

IHEEM MODERNISATION PROGRAMME

BUSINESS PLAN CORE OBJECTIVES 8 & 9

Further modernisation of IHEEMs systems and procedures continued in 2022 with the objectives of improving the service to existing and new members and strengthening internal governance.

SYSTEMS MODERNISATION

The year has seen continued improvements to the CRM, CPD systems in addition to the ongoing development of the IHEEM website. Major upgrades to our on-line events booking system now provides exhibitors with a simple end to end process from online booking through to invoicing and billing providing improved customer experience. Work also started on the fully automated membership application process which is planned for completion in 2023.

DIGITAL DISPLAY BOARDS

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

REGIONAL BRANCHES

BUSINESS PLAN CORE OBJECTIVES 3 AND 5

IHEEM Regional Branches have continued to utilise online capability and delivered a number of webinars including:

- Electrical Safety Within Healthcare Environments
- Workforce development, apprentices, IHEEM...and you!
- Practical Approaches to Water Safety

Some of our Branches have also arranged conducted tours of healthcare facilities and organisations providing support to our industry. They have also attended careers fairs to highlight and discuss with school leavers the wider ranging and varied career opportunities available in our sector.



Although the Hong Kong Branch were still dealing with ongoing COVID-19 restrictions they have continued to connect with members online and delivered two webinars: “Mega-Trends In Medical Technology Impacting on Operating Theatre Construction” and Fast Track Construction of BSL3&4 Laboratory & Airborne Isolation Wards” in response to the extensive healthcare infrastructure development pipeline. The Branch also maintained its links to mainland China and took part in their organised webinar in the Summer.

This year many of the Branches were able to plan their return to face to face meetings and events in 2022. Two notable conferences delivered this year were:

JOINT IHEEM NORTHERN IRELAND & REPUBLIC OF IRELAND CONFERENCE

IHEEM KEY EVENTS PROGRAMME 2022

May 2022 saw the joint IHEEM Northern Irish and Republic of Ireland Branch event held at Dublins Croke Park stadium. Postponed from 2020, the two-day conference, exhibition and awards entitled “Delivering Sustainable Healthcare Estates” attracted over 350 delegates and saw high-profile speakers including from Irelands Health Service Executive (HSE), Irish and Northern Irish healthcare providers and NHS England present in an absorbing and interactive conference. The two Branches worked in close collaboration and with IHEEM Head Office and the feedback from visitors and exhibitors was extremely positive and the opportunity to network and connect was very much welcomed. A report on the event can be found in the June edition of Health Estate Journal www.healthestatejournal.com

This event also saw the revitalisation of the Republic of Ireland Branch following a two year period when activities were interrupted by the pandemic. The branch is now chaired by Bill O'Reilly and is formally represented on IHEEM Council. A report on the new chair and the plans for the Branch was featured in the June edition of Health Estate Journal www.healthestatejournal.com



IHEEM MIDLANDS CONFERENCE

IHEEM KEY EVENTS PROGRAMME 2022

The first dedicated IHEEM Midlands Conference was held in June 2022. Titled “Future Proofing Healthcare” was held in Burton-on-Trent. Focussing on Net Zero carbon and the “post-pandemic world” it featured presentations from the National Sustainability and Estates and Facilities teams as well as speakers from industry and IHEEM Knowledge Partners. A report on the event was included in the August edition of Health Estate Journal www.healthestatejournal.com



TECHNICAL PLATFORMS & AUTHORISING ENGINEERS

BUSINESS PLAN CORE OBJECTIVES 2, 5, 7 AND 9

IHEEM TECHNICAL PLATFORMS

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

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

The Electrical Technical Platform has also called for new members this year to support its ambition to expand the breadth of representation and technical input into healthcare efm specific guidance in addition to British Standards.

Some of the IHEEM Technical Platforms took part in the Healthcare Estates Conference and the Strategic Estate Management TP held an interactive workshop entitled “Estates Strategy – The Forgotten Art?”



IHEEM ETP presenting at Healthcare Estates 2022

IHEEM AUTHORISING ENGINEERS

IHEEM KEY EVENTS PROGRAMME 2022

IHEEM and its members were delighted that the annual AE Conference returned in 2022. This one day event entitled “Making the Standard” was held at the prestigious Epsom Racecourse in July and attracted over 140 delegates including, for the first time, sponsored places for IHEEM tradespeople and apprentices as part of our commitment to support the next generation of efm leaders. The event was recorded and CPD accredited and made available for members to watch online. A full report on this event was featured in the August edition of Health Estate Journal www.healthestatejournal.com.

Articles by IHEEM Authorising Engineers are now clearly highlighted in the Health Estate Journal using the trademarked IHEEM AE logos that were introduced last year. This raises their individual profile and the professional status they hold within IHEEM.

A number of IHEEM Authorising Engineers also took part in this years Healthcare Estates Conference, presenting across several of the six technical theatres.



G Stanton, IHEEM AE(D) presenting at the AE Conference



D Harper, IHEEM AE(W) presenting at Healthcare Estates

COMPANY AFFILIATES

BUSINESS PLAN CORE OBJECTIVE 7

IHEEM Company Affiliate membership continues to grow as more organisations who support the healthcare engineering and estate management sector are connecting directly with IHEEM members and taking advantage of the Institutes offer which includes:

USE OF THE IHEEM LOGO ON ADVERTISING MATERIAL

ENTRY INTO THE IHEEM HANDBOOK SENT TO ALL MEMBERS

DISCOUNT ON COST OF A STAND AT HEALTHCARE ESTATES CONFERENCE & EXHIBITION

DISCOUNT ON IHEEM PERSONAL MEMBERSHIP SUBSCRIPTIONS – AVAILABLE TO ALL COMPANY AFFILIATE EMPLOYEES

INCLUSION IN THE COMPANY AFFILIATE DIRECTORY ON THE IHEEM WEBSITE

OPPORTUNITIES TO PRESENT AT IHEEM BRANCH EVENTS

Wherever possible IHEEM endeavours to involve our corporate members in our activities with opportunities to sponsor events and raise their profile.

Almost half the exhibitors at Healthcare Estates 2022 were IHEEM Company Affiliates and in 2023 we will be discussing their views on how we can better support them in the future.



IHEEM Company Affiliates Exhibiting at the IHEEM Dublin Conference & Healthcare Estates 2022



GOVERNANCE

PRESIDENT

Paul Fenton

VICE PRESIDENT & PRESIDENT ELECT

Alison Ryan
Nigel Keery

BRANCH CHAIRS

London & South East

Alan Gascoine

Southern

Greg Hansell

South West

Richard Knight

East Anglia

Vacant

West Midlands

Phil Wade

East Midlands

James Chadwick

North West

Alistair Cameron

Yorkshire

Simon Adamson

North East

Alan Spraggon

Scotland

Vacant

Wales

John Prendergast

Northern Ireland

Steven Johnston

Republic of Ireland

Bill O'Reilly

Hong Kong

Dr P L Yeun

COUNCIL MEMBERS

Alistair Cameron
James Chadwick
Peter Davies
Paul Fenton
Richard Harris
Martyn Jeffery
Nigel Keery
Eddie McLaughlan
Bill O'Reilly
Paul Rodgers
Alison Ryan
Alan Spraggon
Mark Williams
Dr P L Yeun

TECHNICAL PLATFORMS CHAIRS

Water

Mervyn Phipps

Ventilation

Andrew Poplett

Electrical

Paul Harris

Medical Gases

Vacant

Decontamination

Brian Kirk

Fire Safety

Mazin Daoud

Environmental Sustainability

Ian Hinitt

Medical Devices

Vacant

Strategic Estate Management

Paul Mercer

COMMITTEE CHAIRS

Audit and Remuneration

Wayne Carr

Conference and Exhibition

Claire Hennessy

Management and Finance

Eddie McLaughlan

Membership and Registration

Mark Richards

Professional Development

Carl McKenzie

Technology Platform

Eddie McLaughlan

BOARD OF REGISTRATION (AUTHORISING ENGINEERS) CHAIRS

Water

Paul Nolan

Ventilation

Graham Taylor

Electrical

Mark Richards

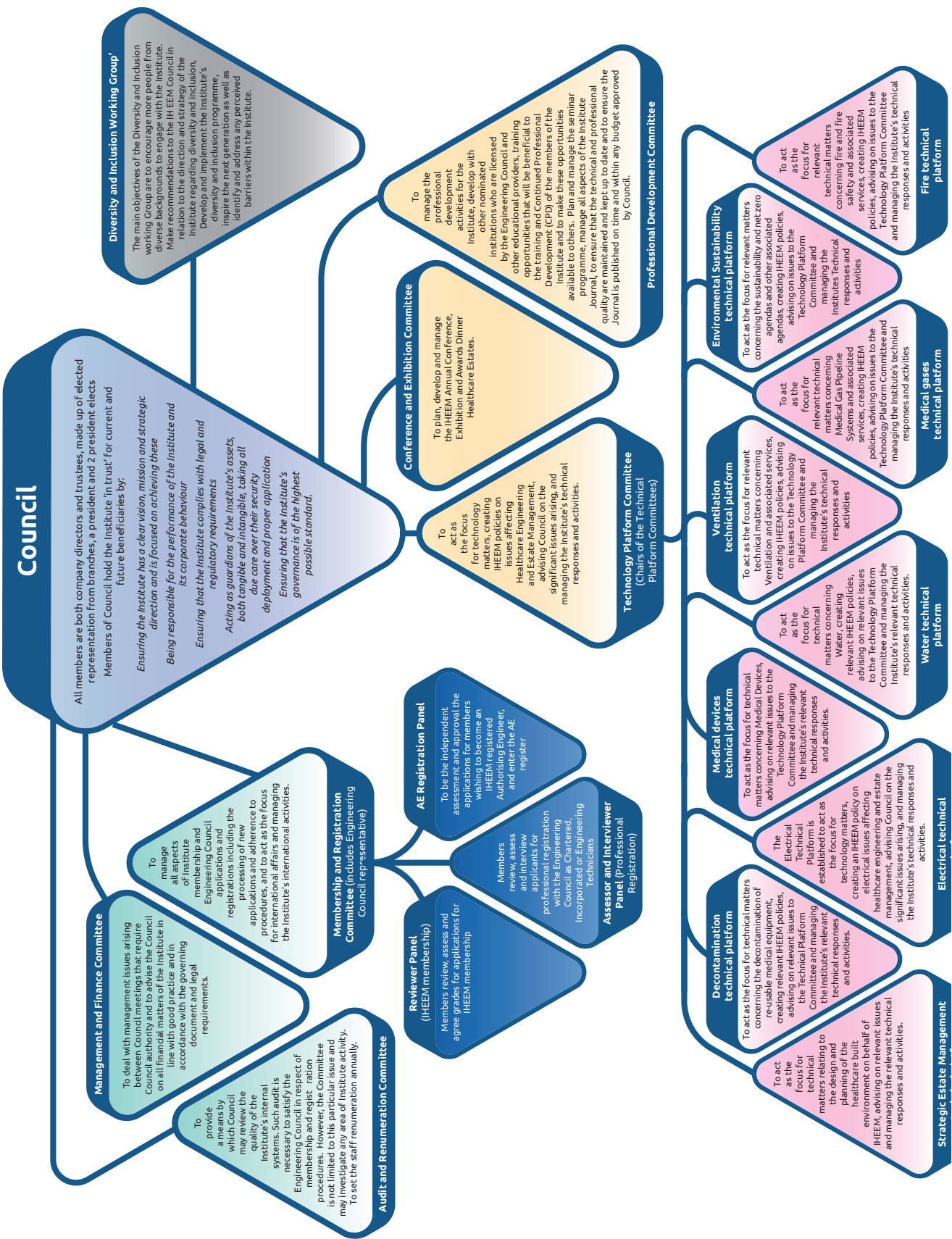
Medical Gases

Ian Sandford

Decontamination

Graham Stanton

GOVERNANCE STRUCTURE



MEMBERSHIP PROFILE 2022



Figures @ September 2022

* Includes Retired
↑ Indicates a rise in figures from 2021



IHEEM 5-YEAR 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	Deliverables
1 Consistently Grow and Develop Membership	<p>1.1 Identify areas for growth and reach out to a wider audience with a focus on tradespeople and apprentices</p> <p>1.2 Develop and implement a new members marketing strategy and toolkit</p> <p>1.3 Establish a stronger and better balance of membership through IHEEM's Diversity & Inclusion Working Group</p> <p>1.4 Continued management of membership applications and engineering / AE registrations</p> <p>1.5 Improve the offer to members to provide relevant and current CPD activity and simplify recording activity</p> <p>1.6 Create an environment for members to be successful in the "non-standard route to Engineering Council UK accreditation"</p>
2 Become a "trusted partner" to Government and Industry	<p>2.1 Input at Board Level on the development of a national workforce strategy for efm professionals</p> <p>2.2 Work closely with NHS England to input into and disseminate national efm policy and strategies</p> <p>2.3 Support the NHS Future Standards Group in the redevelopment of HBN and HTM standards</p> <p>2.4 Work collaboratively with Archus UK for the further development and wider dissemination of technical guidance using existing platforms & infrastructure</p>
3 Encourage the next generation of Engineers & Healthcare Estates & Facilities Management (efm) leaders	<p>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</p> <p>3.2 Develop a programme of workshops linked to Science, Technology, Engineering and Mathematics (STEM) subjects for Year 7 & 8 secondary school students</p> <p>3.3 Review and expand a register for all professional specialist efm services including Authorising Engineers</p>
4 Collaborate with training providers and industry to provide and endorse specialist NHS course content	<p>4.1 Work closely with NHS Trust affiliates to develop specific training courses for trade staff, technicians, and managers</p> <p>4.2 Encourage training providers/industry to offer CPD accreditation as an incentive to IHEEM members</p>
5 Develop technical seminars, events & conferences at branch and national levels to share best practice with members	<p>5.1 Develop and promote branch and national conferences and technical platform seminars</p> <p>5.2 Organise and deliver the IHEEM flagship annual conference and exhibition</p> <p>5.3 Ensure content of technical seminars are CPD accredited in line with Engineering Council UK licencing requirements</p>
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	<p>6.1 Explore and develop innovative ways to promote IHEEM to existing and new membership</p> <p>6.2 Develop and launch a revised website</p> <p>6.3 Establish and deliver an effective communication plan using acknowledged social media and business network devices</p> <p>6.4 Be an active member of the International Federation of Hospital Engineering (IFHE)</p> <p>6.5 Attend and exhibit at appropriate national and local events</p> <p>6.6 Ensure professional affiliation licences are maintained and licencing requirements adhered to</p>
7 Create an environment for members to engage and network with other healthcare associations and institutes	<p>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</p>
8 Undertake a commercial review of all IHEEM's business activities to ensure long-term viability and value for money	<p>8.1 Review annual conference and develop a long-term strategy</p> <p>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</p> <p>8.3 Seek alternative income sources e.g. lottery, charitable trusts</p>

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 our stakeholders and Knowledge Partners is fundamental to our success. By listening to and working in collaboration with all those organisations who share a passion for our industry, IHEEM can grow and develop to better serve our members.

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



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 2021

	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM				
Charitable activities				
Conferences	140,406	-	140,406	-
Seminars	19,734	-	19,734	7,653
Publications	6,450	-	6,450	4,370
Membership	345,220	-	345,220	324,680
Miscellaneous	7,853	-	7,853	12,908
Investment income	571	-	571	1,386
Total	520,234	-	520,234	350,997
EXPENDITURE ON				
Charitable activities				
Conferences	59,481	-	59,481	43,414
Seminars	45,342	-	45,342	47,333
Publications	4,500	-	4,500	2,518
Membership	366,930	-	366,930	358,350
Miscellaneous	5,390	-	5,390	4,275
Total	481,643	-	481,643	455,890
Net gains/(losses) on investments	-	-	-	-
NET INCOME	38,591	-	38,591	(104,893)
RECONCILIATION OF FUNDS				
Total funds brought forward	626,052	4,382	630,434	735,327
TOTAL FUNDS CARRIED FORWARD	664,643	4,382	669,025	630,434
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 2021		
	2021 £	2020 £
FIXED ASSETS		
Tangible assets	224,989	230,505
Investments	100	200
	<u>225,089</u>	<u>230,705</u>
CURRENT ASSETS		
Stocks	4,669	4,911
Debtors	365,555	339,805
Cash at bank	<u>523,262</u>	<u>460,009</u>
	893,486	804,725
CREDITORS		
Amounts falling due within one year	(449,550)	(404,996)
	<u>443,936</u>	<u>399,729</u>
NET CURRENT ASSETS		
	<u>443,936</u>	<u>399,729</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		
	669,025	630,434
NET ASSETS		
	<u>669,025</u>	<u>630,434</u>
FUNDS		
Unrestricted funds	664,643	626,052
Restricted funds	<u>4,382</u>	<u>4,382</u>
TOTAL FUNDS	<u>669,025</u>	<u>640,434</u>
These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.		
The financial statements were approved by the Board of Trustees on 1st March 2022 and were signed on its behalf by:		
		
P J Fenton - President		

LOOKING FORWARD TO 2023



SAVE

THE

DATE!

The Wales Conference
11th and 12th May 2023, Cardiff City Stadium

The Authorising Engineers Conference
11th July 2023, Epsom Downs Racecourse

Healthcare Estates
10th and 11th October, 2023, Manchester Central Convention Complex

**NATIONAL
HEALTHCARE
ESTATES &
FACILITIES DAY**

15 JUNE 2023

Celebrating our Estates & Facilities heroes with new national day!



Please check the IHEEM website for further details of Events, Training and Development Opportunities and CPD offers for 2023

IHEEM ANNUAL REPORT 2022



For more information about
IHEEM or membership:

02392 823 186



office@iheem.org.uk



www.iheem.org.uk



www.linkedin.com/company/iheem



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December 2023

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

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

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

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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

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

OBJECTIVES AND ACTIVITIES

The charity's objectives

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

Mission

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

Activities

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

Each year the trustees review the charity's 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. We include some distinct reference to their role in ensuring appropriate governance and compliance with legal and regulatory requirements (this is stated in our published Governance Structure Chart).

Social investment policies

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

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

ACHIEVEMENT AND PERFORMANCE

Public Benefit

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

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

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

Educational seminars

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

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

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

Educational conference & exhibitions

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

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

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

Engineering Council

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

THE INSTITUTE OF HEALTHCARE ENGINEERING AND ESTATE MANAGEMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

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

Branches

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

Journal

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

Website and IT Infrastructure Redevelopment

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

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

International Federation of Hospital Engineering (IFHE)

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

Partnerships

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

Governance of the Technical Platforms and Authorising Engineer Boards of Registration

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

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

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

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

Membership

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

Awards

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

FINANCIAL REVIEW

Investment policy and objectives

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

Reserves policy

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

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

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

FINANCIAL REVIEW

Principal funding sources

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

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

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

Financial effect of significant events

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

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

FUTURE PLANS

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

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

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

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

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

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Recruitment and appointment of new trustees

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

Organisational structure

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

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

Induction and training of new trustees

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

Key management remuneration

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

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

895080 (England and Wales)

Registered Charity number

257133

Registered office

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

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

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

Trustees

Board of trustees and members of council

President: President: P Fenton MBE CEng
FIHEEM

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

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

Chief Executive
Pete Sellars

Company Secretary
Tania Davies

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

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

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

AUDITORS

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

Approved by order of the board of trustees on7/8/2023..... and signed on its behalf by:



.....
A Ryan - Trustee

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

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF HEALTHCARE ENGINEERING
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Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF HEALTHCARE ENGINEERING
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Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

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

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE INSTITUTE OF HEALTHCARE ENGINEERING
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: 12 September 2023

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

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

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

The notes form part of these financial statements

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

**BALANCE SHEET
31 DECEMBER 2022**

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

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

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



.....
A Ryan - Trustee

The notes form part of these financial statements

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

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

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

The notes form part of these financial statements

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

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

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

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	195,067	38,591
Adjustments for:		
Depreciation charges	41,005	35,882
Interest received	(1,289)	(571)
(Increase)/decrease in stocks	(8,323)	242
Increase in debtors	(30,970)	(25,750)
Increase in creditors	19,613	44,554
Net cash provided by operations	<u>215,103</u>	<u>92,948</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank	523,262	178,792	702,054
	<u>523,262</u>	<u>178,792</u>	<u>702,054</u>
Total	<u>523,262</u>	<u>178,792</u>	<u>702,054</u>

The notes form part of these financial statements

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

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

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

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

Income

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

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

Expenditure

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

Irrecoverable VAT

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

Charitable activities

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

Governance costs

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

Allocation and apportionment of costs

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

Tangible fixed assets

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

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

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

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

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

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Stocks

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

Taxation

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

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

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

Investments

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

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

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

Financial instruments

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

Trade and other debtors

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

Cash and cash equivalents

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

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

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

1. ACCOUNTING POLICIES - continued

Investments

Trade and other creditors

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

2. INVESTMENT INCOME

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

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

3. INCOME FROM CHARITABLE ACTIVITIES

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

4. CHARITABLE ACTIVITIES COSTS

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

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

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

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

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

6. SUPPORT COSTS

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

Activity	Basis of allocation
Management	Time
Governance costs	Time

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

Management

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

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

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

6. SUPPORT COSTS - continued
Governance costs

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

7. NET INCOME/(EXPENDITURE)

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

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

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

9. STAFF COSTS

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

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

2022	2021
<u>8</u>	<u>8</u>

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

Key management personnel

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

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

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

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

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

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

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

11. TANGIBLE FIXED ASSETS

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

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

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 January 2022 and 31 December 2022	100
NET BOOK VALUE	
At 31 December 2022	100
At 31 December 2021	100

There were no investment assets outside the UK.

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

IHEEM Ltd

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

Nature of business: Dormant

Class of share: %
Ordinary shares holding
100

	2022 £	2021 £
Aggregate capital and reserves	100	100

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

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

13. STOCKS

	2022	2021
	£	£
Finished goods	12,992	4,669

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	409,910	342,534
Bad Debt Provision	(25,304)	(11,869)
Other debtors	11,919	34,890
	<u>396,525</u>	<u>365,555</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	6,562	4,878
Social security and other taxes	68,299	35,595
Deferred subscription income	371,118	353,239
Other creditors	16,488	45,648
Accrued expenses	6,696	10,190
	<u>469,163</u>	<u>449,550</u>

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

Deferred income represents membership subscriptions received in advance

	2022	2021
	£	£
Brought forward	353,239	324,118
Amount released to incoming resources	(353,239)	(324,118)
Amount deferred in year	371,118	353,239
	<u>371,118</u>	<u>353,239</u>
Carried forward	<u>371,118</u>	<u>353,239</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

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

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

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

17. MOVEMENT IN FUNDS

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

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

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

Comparatives for movement in funds

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

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

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

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

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

18. EMPLOYEE BENEFIT OBLIGATIONS

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

19. RELATED PARTY DISCLOSURES

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

20. ULTIMATE CONTROLLING PARTY

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

21. LEGAL STATUS OF THE CHARITY

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

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

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

22. CONFERENCE AND SEMINAR ANALYSIS

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

Management Letter

Prepared for

The Institute of Healthcare, Engineering and Estate Management

31 December 2022



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This Management Letter has been prepared by Morris Crocker for the sole use of The Institute of Healthcare, Engineering and Estate Management. The matters raised in this document are only those which came to our attention during our audit work. Every care has been taken to ensure that the information provided here is as accurate as possible. Our written consent must first be obtained before this document, or any part of it, is disclosed to a third party.

Introduction

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 Management Letter has been produced to summarise our audit conclusions.

Our work on the audit of the financial statements for the year ended 31 December 2022 of The Institute of Healthcare, Engineering and Estate Management is now complete and we have issued an unqualified auditor's report on

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 affairs as at 31 December 2022 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.

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 who we worked with during our audit.

Key Findings

Full details of all the audit findings and our recommendations are as follows:

Key Findings and Recommendations:

There were no key findings and recommendations.

Minor Findings & Recommendations:

Branch bank accounts

Observation	During the audit work it was identified that there is no internal governance in place with regards to the branch accounts. The IHEEM head office have no access to the Northern Ireland, Republic of Ireland, Wales, Southern, South West and North East branches.
Implication	If fraudulent activity occurred IHEEM would have no recourse to address it which is a risk to both the institute and the branch bank signatories. The branches are left exposed with no insurance policy in place.
Recommendation	We recommend IHEEM head office is given access to all branch accounts.
Response	
Action Date	

Weaknesses in Internal Controls Identified:

There were no weaknesses in internal controls identified.

Errors Noted During the Audit Which Were Not Adjusted

There were no uncorrected errors.

Audit Scope and Objectives

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

In carrying out our audit we have regard to the responsibilities of the trustees to prepare financial statements which give a true and fair view of the entity's state of affairs as at 31 December 2022 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.

Our examination of the financial statements for the year ended 31 December 2022 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.

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 2022 and the incoming resources and resources expended for the year then ended.

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

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.

We undertake audit procedures on all account areas, focusing on where we have identified a significant risk of error, and evaluate results 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.

The matters detailed in this Management Letter 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.

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

Our audit plan highlighted material risks for specific audit emphasis. Our findings against each of the identified risks are set below:

Risk Identified	Response
Income recognition and deferred income	<i>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.</i>
Management override	<i>We reviewed a sample of journal entries to ensure they were correct. No evidence of management override was identified.</i>

Matters Specifically Required to be Communicated to Those Charged with Governance

Fraud

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

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

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.

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

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.

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

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.

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.

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.

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

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.

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

Qualitative Aspects

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

The accounting requirements of charity 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.

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

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

Material Uncertainties

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

Unusual Transactions

There were no unusual transactions within the financial statements highlighted during the course of audit.

Significant Matters Arising in Connection with Related Parties

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

Presentational Matters

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

Areas of Significant Estimation and Judgement by the Charitable company

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

There were no significant accounting estimates or areas of judgement.

Review of Information in the Report of the Trustees

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

There were no such disagreements.

Letter of Representation

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

Emerging Issues

As part of our audit process we try and update you on any legal tax and accounting issues which may affect your organisation in the near future. Details are in Appendix B.

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.

Appendix A: Financial Adjustments

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

1) Being branch adjustments

Dr	Branch technical visit	£5,575	
Dr	Office costs	£363	
Dr	Accountancy	£250	
Dr	Audit	£750	
Dr	Conference costs	£10,176	
Dr	Meeting costs	£7,615	
Dr	Creditors	£9	
Dr	VAT	£1,088	
	Cr	Bank	£21,299
	Cr	Deposit interest	£77
	Cr	Seminar income	£4,450

2) Being provision for bad debts

Dr	Bad debt provision	£XXX	
	Cr	Trade debtors	£XXX

3) Being adjustment for ROI bank exchange rate as at 31 December 2022

Dr	Bank	£275	
	Cr	Foreign exchange difference	£275

Appendix B: Emerging Issues

Charity Act 2022

Headline Changes:

- If a fundraising appeal fails, charities will be able to spend small donations on another project.
- Unincorporated charities (e.g. trusts) will be able to amend their constitution more easily.
- Changes to the tests for charitable companies to amend their objects.
- Charities will have more flexibility when getting advice on the sale of land.
- Charities will be able to borrow from permanent endowment and invest it more freely
- Charities will be able to make small 'ex gratia' payments without getting consent from the Charity Commission
- Legacies will be less likely to get lost after incorporations and mergers
- There will be an easier solution if trustee appointments have not been made correctly

More information can be found on <https://www.legislation.gov.uk/ukpga/2022/6/contents>

Appendix C: Financial Summary

Income resources

Incoming resources have increased to £915k (2021: £520k) being an increase of £395k which represents a 76% increase.

- Conference income has increased to £328k (2021: £140k). Due to the lifting of the Coronavirus restrictions the 2021 conference was a hybrid event which was ran with some attendee's face to face and some online whereas this year this was back to its full capacity.
- Seminar income has increased to £216k (2021: £20k). This is due to the increase in the number of seminars during the financial year including the large Irish Conference totalling £146k.
- Income from publications has increased by £0.5k.
- Membership income has increased by £13k compared to 2021, this is due to the increase in membership numbers and a 2% increase in membership rates.
- Miscellaneous income has decreased by £2.8k and Investment income has increased by £0.7k.

Resources expended

Expenditure has increased to £693k (2021: £482k) being an increase of £211k which represents a 44% increase.

- Conference costs have increased by £16k. Direct conference costs have increased by £14k. Seminar costs have increased to £227k (2021: £45k). Direct seminar costs have increased by £180k and seminar support costs have increased by £1k. This is due to the large Irish Conference held this financial year. The cost of publications has decreased to £3k (2021: £5k), this is due to an error made on the 2021 original planner resulting in this being charged twice.
- Membership costs have increased to £377k (2021: £367k). Direct membership costs have decreased by £1k which is due to members support costs decreasing by £1k. Miscellaneous costs have increased by £6k due the increase in the branch technical visit by £6k.
- Support costs have increased to £468k (2021: £453k). Staff costs have decreased by £13k, due to the vacancies throughout the financial year. Office costs have increased by £13k, largely due the increase in staff expenses such as travel and training. There are bad debts of £XXX included this year compared to £12k in 2021. Meeting costs have increased by £17k, there were more face-to-face meetings this year following the lift on Covid restrictions. Legal and professional fees have increased from £1k in 2021 to £10k in 2022, this includes £8k of consultancy fees this year.
- Governance costs have increased to £19k (2021: £9k). This is due to the increase in cost of council meetings from £4k in 2021 to £12k in 2022.

Fixed assets

Fixed assets have decreased to £222k (2021: £225k) being a decrease of £3k being a 1% decrease.

- Movement in tangible assets is made of additions purchased during the year amounting to £38k, which includes costs for the new membership system and touch screens. There was depreciation of £41k this financial year.

Current assets

Current assets have increased to £1,138k (2021: £893k) being an increase of £245k which represents a 27% increase.

- Cash at the bank has increased to £702k (2021: £523k) being an increase of £179k. This increase is as expected with the surplus in the year of £222k.
- Stock has increased to £13k (2021: £5k).
- Debtors have increased to £423k (2021: £366k). Trade debtors are £410k in 2021 compared to £343k in 2022. There has been an increase in membership income which is also reflected in the increase in invoices raised as at the year end. Other debtors have decreased from £35k to £12k, this is due to £24k of seminar expenses paid in advance last year relating to the Irish conference.

Creditors

Creditors have increased to £469k (2021: £450k) being an increase of £19k which represents a 4% increase.

- Trade creditors have increased to £7k (2021: 5k).
- Social security and other taxes have increased to £68k (2021: £36k), this is largely due to an increase in the VAT liability compared to 2021.
- Deferred subscription income has increased to £371k (2021: £353k) in 2021. This is due to the rise in membership numbers and fees.
- Other creditors have decreased to £16k (2021: £46k) there was deferred seminar income of £29k in 2021 compared to £nil in 2022. Accruals have decreased to £7k (2021: £10k).

APPENDIX D: Letter of Representation from Management

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 2022.

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 trustee 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 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 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.
- 6 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.
- 7 We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

ACCOUNTING ESTIMATES

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

LOANS AND ARRANGEMENTS

- 9 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

- 10 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

- 11 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

- 12 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

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

GOING CONCERN

- 14 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

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

Yours faithfully

The Institute of Healthcare, Engineering and Estate Management

DRAFT