

# CHARTERED INSTITUTE OF ENVIRONMENTAL HEALTH

England & Wales · Charity number 290350

## Details

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Other names	C I E H, THE INSTITUTION OF ENVIRONMENTAL HEALTH OFFICERS, CIEH, IEHO
Status	Registered
Legal form	Other
Registered	1984-11-01
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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## Activities

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**Objects:** THE PROMOTION FOR THE BENEFIT OF THE PUBLIC OF ENVIRONMENTAL HEALTH AND THE DISSEMINATION OF KNOWLEDGE ABOUT ENVIRONMENTAL HEALTH BY (A) PROMOTING EDUCATION AND TRAINING IN MATTERS RELATING TO ENVIRONMENTAL HEALTH SO AS TO ENSURE THE EFFECTIVENESS OF ENVIRONMENTAL HEALTH OFFICERS AND THEIR USEFULNESS TO THE COMMUNITY; (B) PROMOTING THE DISSEMINATION OF THE KNOWLEDGE OF ENVIRONMENTAL HEALTH IN THE BELIEF THAT SUCH KNOWLEDGE IS BENEFICIAL TO THE QUALIFY OF LIFE; AND (C), MAINTAINING HIGH STANDARDS OF PRACTICE AND PROFESSIONAL CONTACT BY ALL ITS MEMBERS.

**Activities:** As a professional membership body, CIEH sets standards for our practitioners. We support continuing professional development and deliver professional and vocational qualifications which protect consumers. As a campaigning organisation we work to deliver our vision of safer, cleaner and healthier environments for the benefit of all.

## Classification

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- **How:** Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Environment/conservation/heritage
- **Who:** Other Defined Groups, The General Public/mankind

## Geography

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- Northern Ireland
- Scotland
- Throughout England And Wales

## Finances

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Period end	Income	Expenditure	Assets	Employees
2024-12-31	£6,872,000	£5,814,000	£7,962,000	48
2023-12-31	£5,806,000	£5,788,000	£6,349,000	48
2022-12-31	£5,199,000	£6,037,000	£8,433,000	53
2021-12-31	£4,942,000	£5,919,000	£14,480,000	51
2020-12-31	£4,247,000	£5,330,000	£9,924,000	51

## Trustees

Name	Role	Appointed
Dr Lisa Ackerley		2026-05-01
Joanna Quirk		2024-09-01
Judith Anne Hedgley		2023-04-28
KEITH RAMSAY		2024-09-01
Kevin Shawcross		2024-05-01
Lindsay Ann E Shaw		2023-07-26
Mark Elliott		2024-01-01
Nicholas Chapman		2023-07-26
Penelope Malone		2023-07-26
Safia Weeks		2024-07-15
Sarah Johns		2023-07-26
Saravana Ketheeswaran Namasivayam		2023-01-01
Sterling Crew		2024-05-01

**CHARTERED INSTITUTE OF ENVIRONMENTAL HEALTH**

England & Wales - Charity number 290350

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# Accounts

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# ANNUAL REPORT 2024

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# Chair's foreword



**JUDITH HEDGLEY**  
Chair of the Board  
of Trustees

**Firstly, I would like to thank our members and volunteers who give their valuable time and effort to support CIEH.** Your contributions to support the environmental health profession are truly appreciated. I would also like to thank my fellow Trustees and the CIEH staff who help make all this work happen. During 2024 we welcomed new Trustees and members to our Committees and Groups and I thank you for making this commitment to our professional body.

I would also like to use this opportunity to recognise and give thanks to Anthony Babbage, the former Director of Housing and Health at the London Borough of Fulham, who sadly died in 2020. We were all so humbled when we learned that Anthony had decided to leave an incredibly generous legacy donation of £1.1m to CIEH following his death. We will ensure that this donation is used in the best way to honour Anthony and to support the profession he was so passionate about, and we look forward to sharing more on this in the coming months.

During 2024 the CIEH Board of Trustees worked hard to develop a strong and focused strategy to take us forward. Every day environmental health and the professionalism and expertise of our members makes a real difference to the communities, people and businesses around us. We need to demonstrate this value, work together as a profession and use our collective voice to create a clear understanding of environmental health and the wide impact we have.

*“ During 2024 the CIEH Board of Trustees worked hard to develop a strong and focused strategy ”*

Our strategy covers the period 2025-2027, it has eight strategic goals under three themes. The themes are voice and visibility, profession and membership, and organisation and culture. Focusing on these areas in 2025, they will shape and drive the organisation, direct our decision making and our culture to develop a sustainable CIEH and environmental health profession.

In my everyday work role, I see the enthusiasm and passion of the environmental health profession and I feel proud to be part of the organisation which represents you. I look forward to seeing CIEH deliver on this strategy over the next 12 months, to continue to support all our members and to build a successful future for environmental health.

# President's message



**MARK ELLIOTT**  
CIEH President

**Reflecting on my first year as president, I am grateful for the many opportunities I have had to meet with and hear from members who are so passionate and dedicated to environmental health.** From the members I met at the Conference in Leeds and the Special Procedures Conference in Wales, to attending student talks and the Environmental Health Services Conference at HMS Collingwood, our members really are what makes CIEH.

In 2024 I had the opportunity to chair two conferences: the Public Health Protection Conference and the new Water Quality Conference. It was excellent to see so many people attending these events; our members are passionate about continuously learning and developing in the ever-evolving field of environmental health.

I was delighted to be part of the judging panel for the CIEH Outstanding Environmental Health Team award this year. Our profession is full of hard working and dedicated teams who go above and beyond every day to support their communities, so the judging panel did not have an easy task in selecting the winning team. Ultimately it was the Environmental Health Commercial Services Team at Wakefield Council who were crowned the winners. I would like to thank my fellow judges and all the teams that entered; I encourage you to keep championing yourselves and your colleagues as it is vital that we continue to recognise and celebrate our work.

I am of course acutely aware of the workforce pressures the profession is facing and our 2024 member research only served to reinforce this. My programme for the President's Commission is environmental health capacity and capability. There are no easy solutions to this challenge, but we are slowly making progress. We have been working hard to raise the profile of environmental health amongst school leavers and career changers, and we have set up a proactive Careers Materials Subgroup who have been feeding into this work. We have also increased presence in the media and on social media and supported the LGA 'Make a Difference' national recruitment campaign. We know there is still a lot of work to do and this will remain an important priority for 2025.

Alongside this work to raise the profile of environmental health, we also looked for ways to improve our advocacy with parliamentarians. I was pleased to be able to launch our campaign for an All-Parliamentary Group (APPG) on environmental health. It has been wonderful to see so many members support this campaign by writing to their MP and we hope to see the momentum continue on this in the coming year.

Finally, I would like to highlight a relationship we have restarted with the charity Water for Kids. Water is vital for human existence and has become so critical and significant not just in the UK but in the world.

Thank you to all CIEH members for your support in 2024 and I look forward to working with you in 2025.

“  
*Our profession is full of hard working and dedicated teams who go above and beyond every day*  
”

# Trustees' Annual Report

The Board of Trustees present their report together with the Audited Financial Statements for the year ended 31 December 2024.

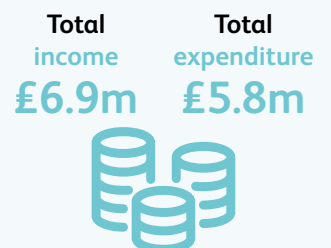
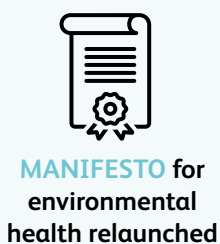
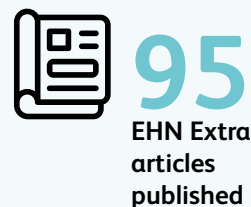
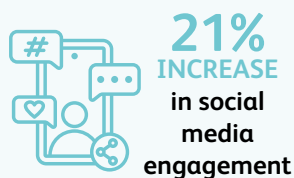
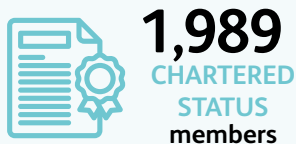
## Objectives and activities

The charitable objects of the Chartered Institute of Environmental Health (CIEH) are to promote for the public benefit the theory and science of environmental health in all its aspects and to disseminate knowledge about environmental health.

Our vision is safer, cleaner and healthier environments for the benefit of all. Our 2024 objectives and progress are reported on in the next section. We maintain our public benefit by influencing and shaping environmental health

policy and implementation. We disseminate information and knowledge to and for the sector through our membership and communication networks. We provide education and training programmes.

## Achievements and performance AT A GLANCE



Throughout 2024 CIEH has worked hard to deliver in all areas of its work.

We have put the profession and our members at the heart of what we have delivered and prioritised, listening to and learning from our members. We conducted member engagement research and met members face-to-face. So many of our members give their precious time to support the work of CIEH and we are pleased that we have been able to offer more opportunities for members to be engaged. We have also seen a modest increase in membership numbers. In addition to our work with members, we are pleased to report increased engagement with a wide range of stakeholders across many different areas and at the highest levels; Regulators, Government, Local Authority, Business and Industry. CIEH is pleased to report a significant strengthening of relations and collaboration with the Association of Chief Environmental Health Officers, Environmental Health Wales and Environmental Health Northern Ireland.

Volunteer members, employees and governance post holders have worked tirelessly throughout 2024 and, through their efforts, we are pleased to report good progress across all of our objectives. A summary of highlights is given here with further information detailed throughout this annual report.



- Advocating for professionalism and the profession – On World Environmental Health Day we launched a campaign for an All-Party Parliamentary Group (APPG) on environmental health. There has been an increase in meetings with parliamentarians and civil servants and we currently have 15 expressions of support for the APPG.
- Developing the model to have member led policy and campaign work – The independent review into the advisory panels was completed with the recommendations in the process of being adopted by the Board. A Board working group was created to oversee implementation that will commence in 2025. Member volunteer work has increased with activities ranging from supporting Board working groups, attending meetings with parliamentarians and representing CIEH in national media and television programmes.
- In the expected election year, developing a powerful general election strategy and supporting manifesto – We relaunched our Manifesto for Environmental Health and engaged with parliamentary candidates through a Pledge Campaign.
- Working with partners to plan for the workforce of tomorrow through the creation of a workforce satellite panel – The panel met several times which resulted in targeted projects, including a subgroup dedicated to producing material to promote choosing environmental health as a career.
- Raising the profile and attractiveness of environmental health careers and supporting campaigns to maintain or increase student numbers - Working with the Careers Materials Subgroup, CIEH developed new materials, landing page and content to raise awareness of environmental careers. We collaborated with members to create compelling social media content, showcasing environmental health as a rewarding and varied career. We also partnered with UCAS to run a targeted digital campaign resulting in 69,965 impressions across Facebook and Instagram. Additionally, we actively supported the LGA “Make a difference campaign”, highlighting the role of environmental health teams within local authorities.
- Developing plans to deliver on 2023 AGM motions – Significant effort went into delivering on the

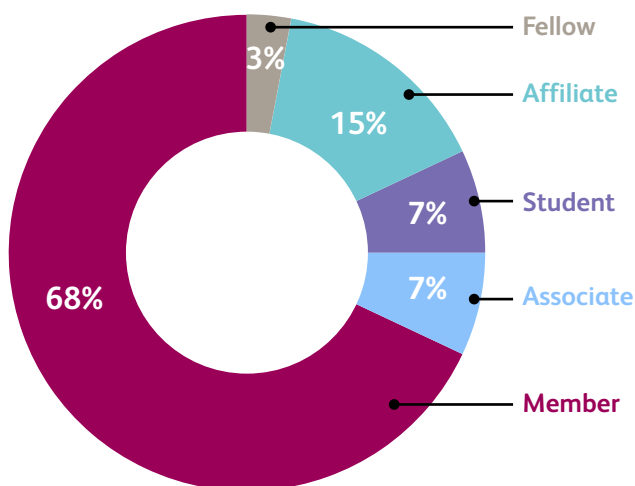
motions of 2023. The charitable status review was completed and shared with members. Declarations of interest are now published on our website, as are our tender opportunities and contracts for key areas. We commenced work on a major review of the Professional Standards Framework and launched a research award alongside a page on our website showcasing research resources. We relaunched a letters page in Environmental Health News and convened advisory panels for Public Health and Port Health ensuring all aspects of environmental health were covered by panels. We launched a digital archive, which now includes over 100 documents of interest.

- › Delivering the finance strategy that aims to ensure the organisation is financially sustainable and resilient – Significant progress was made in delivering this strategy. As seen by the financial results the organisation has been able to maintain a stable position albeit not quite at sustainable levels. The newly created Finance committee will oversee the delivery of the strategy in the coming years.

## MEMBERSHIP AND PROFESSIONAL DEVELOPMENT

In 2024 we welcomed 816 new members to CIEH and ended the year on a total of 7,616 members (2023: 7,573 members).

Our membership by grade:



In 2024 we commenced work on the development of an apprenticeship in housing and supported the work being undertaken by members in Wales to ensure that there are apprenticeships there. We also contributed to a review of the Regulatory Compliance Officer apprenticeship in England.

Additionally, we **relaunched the CIEH mentoring scheme** in support of the next generation of environmental health professionals. We now have two mentoring schemes: the EHP Pathway mentoring scheme and the Career confidence – informal mentoring scheme. In **2024, 89 members received mentoring support from volunteer mentors.**

We conducted a survey of students on our accredited degree courses and were pleased to find that the majority of them were finding the course even more interesting and varied than they had expected.

We recommenced work on the long overdue project to modernise our CPD scheme for members.

**Our new digital archive was launched** exclusively available to CIEH members. The digital archive explores the unique and rich history of environmental health. Members have access to a range of resources related to housing, food safety, environmental protection and public health.

We were delighted to be able to launch two new awards in 2024. **We launched an annual Environmental Health Research Award sponsored by former CIEH President Tim Everett.** This award invites leaders of accredited Environmental Health MSc courses to submit student dissertations or projects that demonstrate excellence, originality or innovation, outcomes that are likely to improve public health, ability to be applied to different settings, and ability to be applied with limited resources. The 2023/24 winner was Tim Betts - "A critical evaluation of The Noise App." (Derby University).

As partners at the 2024 CTSI conference, we proudly delivered the Outstanding Environmental Health Team award. Congratulations to the Environmental Health Commercial Services Team at Wakefield Council who were crowned the winners. The Award celebrates the power of teamwork in delivering a significant improvement to health, wellbeing and the environment. The West Yorkshire team, comprising of 12 environmental health and associated professionals, were awarded for their exceptional contributions to four major projects delivered between May 2021 and April 2024.

## ANNUAL REPORT 2024



In the summer of 2024, we launched our member engagement research which consisted of a quantitative survey to the membership and a small number of in-depth interviews. Thank you to all the members that took part. The feedback and insight informed our 2025-2027 strategy and we are already implementing a lot of the recommendations including more free training for members, regional events, greater promotion of environmental health as a career, a stronger voice on policy issues and raising awareness of the membership package.

Following two consultations with members in 2023 we re-launched Chartered Status in March 2024. We ended 2024 with **1,989 Chartered Status members** and welcomed a number of new students to our other professional registration pathways:

- **139** enrolled on the pathway to Environmental Health Practitioner
- **21** enrolled on the pathway to Food Safety Practitioner
- **19** enrolled on the pathway to Housing Health Practitioner

## Events

Alongside our busy schedule of online events in 2024, we were able to deliver **two in-person conferences**. The first, the Special Procedures in Wales conference, was a one-of-a-kind event, bringing together industry practitioners, experts and enforcers. It featured a series of workshops as well as a plenary discussion. Following this we collaborated with CTSI on the second half of their annual conference. CIEH members were invited to join the face-to-face event, bringing together colleagues in regulatory services for an exciting agenda covering workforce, housing, the future of public health, funding and more.

We delivered **11 online headline conferences** covering a wide range of environmental health topics. This included two new conferences: the Animal Welfare Conference, which was very successful and will return for 2025, and the Water Quality Conference, which supported

the President's Commission and saw a welcome re-engagement with the Water for Kids Charity. Our **online conferences attracted 1,931 delegates** and student attendance increased by over 50% in 2024.



# ANNUAL REPORT 2024

Online conferences delivered in 2024:

- > Air Quality Conference
- > Animal Welfare Conference
- > Health and Safety Conference
- > Housing and Health Conference
- > Public Health Protection Conference
- > Food Safety Conference
- > Beauty Conference
- > Pest Control Conference
- > Noise Management Conference
- > Water Quality Conference
- > Safe Food Conference

Additionally, the events team also ran **83 bitesize training sessions and 72 technical workshops** on various environmental health topics, as well as delivering in-housing training contracts. We saw a large increase in Local Authorities requiring and confirming in-house training contracts.

## ENGAGEMENT

Engagement with CIEH online continued to grow in 2024, with **social media engagement increasing by 21%** to a total of 76,356 interactions (likes, comments, shares etc). This growth is partly attributed to our work with members to create and share content that highlights the impactful work of environmental health professionals. From EHOs leading on air quality plans and specialising in animal welfare, to seizing illegal meat and sweets containing banned additives, colourings and e-numbers, we have been proactively demonstrating the impact and importance of environmental health.

We have continued to utilise our blog and Environmental Health News (EHN) Extra to keep the profession informed and updated on CIEH's work and relevant topics. In 2024, **we published 46 blogs**, with the most popular being on The Glue Traps (Offences) Act 2022 and the challenges for EHPs. Additionally, **we published 95 EHN Extra articles**. The most viewed EHN Extra topics of 2024 included:

- > Food safety
- > Covid
- > Climate change impacting health
- > Air pollution

Member Connect has remained a key form of member communication, open rates have remained steady, and engagement has increased by 24 % demonstrating that we are providing members with ever more relevant and timely content. Members also continued to enjoy our member forum webinars. In 2024 we ran **24 member forum events with a total of 1,431 members attending**.

EHN magazine continues to be popular, in 2024 we re-introduced the letters page, giving members the opportunity to write into EHN to share their opinions. We also marked 50 years of the Health and Safety at Work Act 1974 in a themed edition of EHN. In this edition we looked at the roots of the Act, its continuing relevancy, and members of the CIEH Health and Safety Advisory Panel shared their thoughts and insights.



## OUR VOICE

A UK election year meant it was critical we championed environmental health in 2024. We enhanced our media and PR activity by increasing resource, reviewing our media lists and improving our tracking. This enabled us to significantly increase activity, **issuing 61 press releases and achieving 337 pieces of media coverage**, ranging from mentions in high profile national print/online publications with a significant audience reach such as the Sun, Telegraph and the Daily Mail, as well as local news sites such as the Lancashire Telegraph and North Wales Pioneer and more specialist titles including Landlord Today and The Grocer.

A highlight of our media efforts during 2024 was our work to raise the profile of our call for the mandatory display of food hygiene ratings in England. Represented by our Vice President Chris Elliott, we appeared across the BBC including BBC Breakfast, BBC Radio 4, BBC London and other BBC local radio stations. This coverage reached millions of people and firmly positioned CIEH as experts on the topic.



## Developed with environmental health professionals, we relaunched our Manifesto for environmental health,

outlining key priorities and actionable recommendations to create safer, cleaner and healthier environments for the benefit of all. Alongside this we asked policymakers to engage with CIEH, elevate the profile of environmental health through questions and amendments, and collaborate to establish an APPG.

We have successfully achieved commitments from **15 parliamentarians to join the APPG** and we are continuing this campaign in 2025.

Housing policy work was significant in 2024. The UK Government backed down on draft regulations exempting accommodation for asylum seekers from HMO licensing requirements in the face of a legal challenge backed by CIEH. A CIEH Housing Advisory Panel member gave oral evidence on behalf of CIEH to a committee of MPs scrutinising the Renters' Rights Bill. Green co-leader Carla Denyer MP supported our positions on licensing in a speech to the Committee on a CIEH-backed amendment she had tabled. We also hailed a major victory on licensing: local housing authorities in England can now introduce selective licensing schemes of any size without seeking approval from the Secretary of State.

Food policy work was also significant in 2024. CIEH led on an open and public response to the Food Standards Authority (FSA) proposals on National Level Regulation (NLR) to ensure that the concerns for consumer safety were understood and addressed. CIEH CEO and the FSA CEO met to discuss how stakeholders could be better engaged. This resulted in the creation of the Senior Steering Group by the FSA to allow all relevant stakeholders to have appropriate input into this work. CIEH is committed to ensuring that public health is at the heart of this work.

During 2024 we welcomed the new mandatory licensing scheme for acupuncture, body piercing, electrolysis and tattooing in Wales and supported the launch of new enforcement guidance for buttock augmentation and other body contouring procedures by the Joint Council for Cosmetic Practitioners.

We have provided evidence at each stage of the Terrorism (Protection of Premises) Bill as it moved



through the House of Commons, consequently securing a meeting with the Home Office. Members of the Health and Safety Advisory Panel contributed to the Mental Health White Paper from the OSH Alliance – securing a recommendation to increase funding for local authorities and also represented CIEH at the HSE AGM and Prevention Summit, increasing CIEH visibility with the HSE.

**We responded to 11 consultations** on a wide range of environmental health issues including Smarter regulation, planning, a mandatory licensing scheme for special procedures in Wales, and the NHS 10 Year Health Plan for England. We also submitted detailed written evidence to the committee of MPs scrutinising the Renters' Rights Bill.

**UK environmental health professionals were represented at a World Health Organisation (WHO) event** by Zena Lynch (pictured), a member of our Housing Advisory Panel and Chair of our Membership, Learning and the Profession Advisory Group. The WHO European Environment and Health Process meeting took place in Bonn at the beginning of December 2024. Associate Professor Lynch said she was "honoured" to be invited and reflected that while the role of an EHP varies considerably across different countries, recruitment challenges were a common issue across the board.



Alongside the work CIEH has been doing to promote environmental health as a career, including a digital campaign with the Universities and Colleges Admissions Service (UCAS), CIEH also supported the Local Government Association's (LGA) 'Make a Difference' national recruitment campaign aimed at strengthening the local government workforce.

During 2024 we implemented an independent review of our policy Advisory Panels following member feedback and as part of our continual improvement to place our members at the heart of what we do. The review was carried out by Marcial Boo, who produced a comprehensive report. The Board accepted the report and commended its detailed content. A working group has been established to consider and implement the recommendations in 2025. The report can be found on the CIEH member portal.

## Training and courses

As well providing training and professional development to environmental health professionals, we also provide Level 1 to Level 3 training for businesses and individual learners on food safety, health and safety, and workplace safety. **In 2024 we had 18,871 learners with accounts on our Learning Management System**, compared with 14,441 in 2023, and 23,809 passes for our Work Based Learning programme, compared to 27,051 in 2023.

## 15Hatfields

2024 was another busy year for our venue team. **Our sustainable events venue hosted 329 events, welcoming 13,240 delegates into the building** throughout the year. In January 2024 15Hatfields was awarded Greengage's prestigious new Positive Impact title for our ongoing work to make events more sustainable.



## Financial review

### INCOME AND EXPENDITURE

CIEH net income for the year before exceptional items, gains and losses is £1.06m (2023: gain £0.02m). The result is made up of:

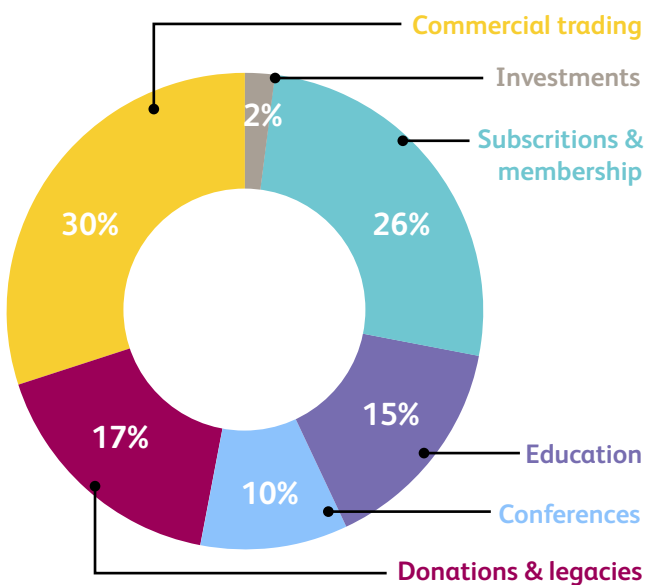
- › total income of **£6.9m** (2023: £5.8m) an increase of 19%
- › total expenditure of **£5.8m (2023: £5.8m)** an increase of 1%

2023 marked the first positive operating result reported by CIEH for over 15 years and, following receipt of a generous legacy donation of £1.1m in 2024, this trend has continued. Without the legacy, a loss for 2024 of £0.04m would have been reported.

CIEH's net movement on total funds is £1.6m (2023: -£2.1m) is a result of:

- › Net income of **£1.06m** (2023: £0.02m)
- › Gain on investments of **£0.5m** (2023: gain of £0.2m)
- › Gain on investment property of **£0.02m** (2023: loss of £1.9m)

The income breakdown is shown in the chart below:



Performance across all income generating areas remained relatively consistent against the prior year. CIEH commercial activities continued at the same level as the prior year, reflecting the continued recovery of this area. Conference income decreased, as expected, due to significant one-off events in 2023. Commercial trading income has remained stable against 2023 and includes rental income and income from the 15Hatfields venue hire business. Subscriptions and membership income includes membership as well as magazine advertising sales. Whilst membership numbers increased, magazine advertising sales reduced due to the current economic climate.

In 2024 CIEH received an extremely generous £1.1m unrestricted legacy donation from the estate of the late Anthony Babbage. This is recognised as income from donations and legacies.

Total expenditure has increased by 1%, reflecting increased stability of CIEH's cost base.

Commentary on the property valuation and investment gains are included below.

### BALANCE SHEET

Total funds for the Group stand at £8.0m (2023: £6.3m) with the movement predominantly being due to:

- › receipt of a legacy donation of **£1.1m**
- › investment gains of **£0.53m**

Net current assets have increased to £1.17m (2023: £0.46m). The current ratio is 1.6 (2023: 1.2).

### PROPERTY VALUATION

The valuation gain on the property lease relates to Chadwick Court. CIEH owned the property until 2013 when it sold and leased back the property under a 150-year lease. In 2019 CIEH sublet the top three floors of the property. The property is valued annually on a fair value basis. The cumulative recorded gains in respect of the annual valuations up to 31 December 2023 were £3.2m. The gain recorded this year of £0.03m results in cumulative gains of £3.2m. The valuation of the lease is an area of significant estimate and judgement. Please refer to notes 1.15, 11 and 12 for further disclosures in respect of the lease and its accounting treatment.

Any loss or gain represents the change in valuation of the lease at each year end. As it is a valuation it has no impact on the cash position of CIEH. The lease is valued by Newmark, a surveyor registered with the Royal Institute of Chartered Surveyors, using the Red Book methodology of valuation.

The main factors that contributed to the marginal increase in valuation in 2024 are:

- › **Market conditions are similar to those when the valuation was completed in 2023, resulting in a relatively stable valuation for 2024.**
- › **The tenant break clause was not enacted, leading to more certainty of income for the remainder of the sub lease.**
- › **Capital expenditure required to address lettability**

### INVESTMENTS

CIEH aims to provide sufficient liquidity and total returns with an acceptable level of risk to enable CIEH to carry out its activities effectively both in the short term and over the long term. Investments are managed by Cazenove Capital.

The investment objective for the short term is to invest sufficient capital in lower risk, liquid and unrestricted assets, in order to meet anticipated operating cash shortfalls and capital expenditure requirements over a 1-2 year time horizon.

The investment objective for long term funds is to generate a return of 4% above inflation. Managing performance against the objective will also be appraised in the shorter term. Long term funds may be drawn upon from time to time. Income will be reinvested until drawn upon.

CIEH require Cazenove to invest responsibly and to incorporate environmental, social and governance considerations into their investment processes. CIEH also have an ethical restriction to exclude direct investment in tobacco.

### Strategic asset allocation

The CIEH investment portfolio has a long-term strategic allocation of 75% to global equities, 9% bonds, 11.9% alternatives and 4% cash. Based on Cazenove Capital's assumptions, the expected risk (volatility) of this strategy is 12.7% with an expected nominal return of 6% per annum.

Alongside the investment portfolio, CIEH hold a low-risk portfolio which invests in cash and cash-like products. This serves to provide liquidity for operational requirements and to slightly lessen the overall investment risk at a combined portfolio level. In aggregate, this is expected to be in line with CIEH's overall risk profile of having a less than 5% probability of making a capital loss exceeding 10% of the portfolio value within any one year.

### Calendar year 2024 performance

In 2024, the CIEH investment portfolio, excluding cash, saw growth of 11.2% (2023: 6.2%). This exceeded the CPI+4% target of 6.6% (2023: 7.7%). It also outperformed the ARC £ Steady Growth Index (a peer group comparator) which saw growth of 8.2% (2023: 7.3%).

### RESERVES

The Board of Trustees believe it is important that CIEH holds sufficient reserves to reflect illiquid assets, the risks that may require CIEH to use its reserves, and the strategic and operating needs of the organisation.

Designated funds exist for:

- › **Illiquid fixed assets.** The value of illiquid fixed assets including investment property and related liabilities is £1.0m. This is because illiquid assets are not readily available to directly support members.
- › **Multi-year capital and project expenditure.** Trustees believe that it is important to designate this type of expenditure as it affects the amount of reserves the Trustees can choose to apply to further activities in support of members. In 2022 the property capital fund was based on an estimate of £3.1m based on the surveyors' report. During 2023 CIEH undertook a detailed property condition review and the estimated planned preventative maintenance costs for maintaining the building on an as is basis is £1.75m over the next 10 years. There is approved other capital and project spend of £0.2m. The total designated fund is £1.95m.

- › **Anthony Babbage legacy donation.** Trustees have decided to ringfence the total value of the legacy of £1.1m and work on how to utilise the money is underway.

The reserves policy agreed by the Board of Trustees is to target a free reserves fund after designations of £4.16m. This is made up of:

- › Rental annual income of £1m will drop to nil if the tenant leaves the property. A reserve of £2m was deemed appropriate as it may take up to 2 years to replace the tenant.
- › Investments experience gains and losses; the Board of Trustees are keen to ensure a reserve is available should the market value of investments drop significantly. A reserve of £1.16m was deemed appropriate based on 20% of the carrying value of investments.
- › A reserve of £1m for all other non-rent expenditure was deemed appropriate based on 20% of the non-rent expenditure budget.

As at 31 December 2024 CIEH undesignated reserves were £3.9m (2023: £3.3m). The reserves policy is underfunded by £0.26m.

As we look to the future our focus will be delivery of CIEH's 2025-2027 strategy. A key element of that strategy is the delivery of a financially sustainable operating model. Work on reviewing the model is ongoing and will be regularly reported to the Board in 2025.

### GOING CONCERN

The Board of Trustees having carefully reviewed the financial position of CIEH Group, including the financial projections for 2025 and beyond, are satisfied that there are sufficient funds at the date of signature of the financial statements to manage any downturn in the UK and global economy. The Board having reflected on the level of liquid reserves held also considers that there is a reasonable expectation that CIEH has adequate resources to continue in operational existence for the foreseeable future and for these reasons the Board of Trustees continues to adopt the going concern basis in preparing the financial statements.

### SUBSIDIARIES

CIEH is the sole member and owns the entire issued share capital of its subsidiary, CIEH Ltd. Further details of the financial performance of CIEH Ltd are disclosed in note 2 to the Consolidated Statement of Financial Activities.

### MANAGEMENT OF RISK

Good risk management is fundamental to the sustainability of CIEH although it should be recognised that it is impossible to eliminate all risk in an activity. The role of risk management is to identify the key risks facing the organisation and plan how these can be mitigated through specific measures. Overall responsibility for risk management rests with the Board of Trustees who manage the process through formal reviews at board meetings and through the Risk and Audit Committee. Day to day responsibility is delegated to the Executive Team who identify and evaluate risks that relate to their areas and manage the mitigation plans accordingly.

The key risks to the organisation and the principal processes in place to manage these risks are set out below:

## ANNUAL REPORT 2024

RISK	KEY CONTROLS AND MITIGATION
<p><b>Professional standards</b> Insufficient engagement with pathways to registration.</p>	<p>Workforce is a key element of CIEH’s strategy. Engagement activities, careers material updates and recruitment campaigns are underway.</p>
<p><b>Property income and costs</b> Failure to achieve maximum return from the property asset and activities.</p>	<p>Full and detailed property review underway. Initial report delivered to Board in November 23 and work continues into 2025. A profitability review is also underway.</p>
<p><b>Colleagues</b> Failure to deliver our strategic objectives and retain competent, motivated, diverse and healthy staff team.</p>	<p>Pay and reward project concluded in 2024. Remuneration review and training package to be delivered in 2025.</p>
<p><b>Financial sustainability</b> Insufficient operating income, investment performance and reserves to ensure long term financial resilience and sustainability of CIEH.</p>	<p>Free reserves increased in 2024 as a result of CIEH performance, and the policy is now underfunded by £0.26m. CIEH’s strategy continues to focus on financial sustainability, and a profitability review of income generating departments will be undertaken in 2025.</p>
<p><b>Data protection and cyber security</b> Data or cyber breach resulting in lost data, prolonged inability to access systems, potential fines and reputational damage.</p>	<p>Policies and procedures in place alongside regular training. Cyber insurance in place to reduce residual risk.</p>
<p><b>Governance</b> CIEH’s governance, oversight and decision-making arrangement do not support effective delivery of objectives and strategy.</p>	<p>Governance processes are in line with good practice, and regularly reviewed, including appraisals of the Board, Committees and governance office holders. The Board has access to legal advice when required and is regularly and routinely supported by an external governance adviser. Recruitment for a Finance Committee was concluded in 2024 and the first meeting held in February 2025.</p>
<p><b>Policy positions</b> Inappropriate policy positions that fail to meet member expectations or to cover the broad aspects and impacts of environmental health.</p>	<p>An independent review of advisory panels was completed in 2024. A Board working group will be established to develop an implementation plan for the findings.</p>
<p><b>Reputational risk</b> Risk that performance does not match expectation.</p>	<p>Policies and procedures are in place alongside monitoring activities.</p>

## Looking to the future

Throughout 2024 the CIEH Board of Trustees have been laying the groundwork for the future strategy. CIEH has now published its 2025-2027 Strategy. Led by the Trustees and informed by the profession, this plan has eight goals across three themes.

### VOICE AND VISIBILITY

We will:

- › Champion environmental health professionals, ensuring the environmental health profession is understood, recognised and valued by the audiences that matter.
- › Deliver policy impact through focused activities overseen by our member led governance structures.

### PROFESSION AND MEMBERSHIP

We will:

- › Deliver excellent membership services that supports all of our members.
- › Nurture a thriving environmental health profession. A profession that is well recognised, well-resourced, diverse and delivering to a high standard.

### ORGANISATION AND CULTURE

We will:

- › Be driven by values, embedding these into our work and behaviours.
- › Understand and empower our people, staff and volunteers, recognising that they are our greatest assets.
- › Build the infrastructure needed to deliver this strategy and future strategies
- › Ensure CIEH is financially sustainable and resilient.

We recognise that there is much work to be done. We are committed to moving forward and addressing the challenges ahead.



## Structure, governance and management

The Board of Trustees is the governing body for CIEH and determines the overall direction and development of the organisation. The Board of Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

The Board of Trustees is composed of up to nine Trustees elected by CIEH members, up to three appointed by the Board (on the recommendation of the Appointments and Remuneration Committee) and the President. It is the ultimate decision-making body for the operation of the charity.

There are three committees, Risk and Audit, Appointments and Remuneration and Finance, reporting through to the Board of Trustees along with an advisory group, Membership, Learning and the Profession.

As part of their induction programme new Trustees are made aware of their responsibilities including an introduction to the objects, scope and policies of the charity, the use of charitable funds and in addition they are provided with further information on their legal duties as set out in detailed Charity Commission

reference materials. Further updates are provided to all Trustees during the year as and when required.

The Risk and Audit Committee is responsible for overseeing the management of risks arising from all CIEH activities to ensure the charity fulfils its strategic aims and objects. It agrees the audit strategy with the external auditors, receives their management letter and ensures that issues are resolved through the risk management process.

The Appointments and Remuneration Committee has been established to assist the Board of Trustees in reviewing board composition (including skills, knowledge and experience), recommending the remuneration package of the CEO, reviewing the overall human resources strategy and ensuring that the remuneration policy for the organisation is in line with market practices.

The Finance Committee assists the Board in its duty to supervise the broad direction of CIEH's financial affairs. It advises the Board on CIEH's financial sustainability. Recruitment for the Finance Committee was completed in 2024, and the first meeting was held in February 2025.



## Statement of Trustees' responsibilities

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Board of Trustees are required to:

- › Select suitable accounting policies and then apply them consistently
- › Make judgements and accounting estimates that are reasonable and prudent
- › State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- › Observe the methods and principles in the Charities Statement Of Recommended Practice and
- › Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Board of Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements.

## REFERENCE AND ADMINISTRATIVE DETAILS

Name:	The Chartered Institute of Environmental Health is also known as CIEH
Constitution:	CIEH was granted a Royal Charter on 27 July 1984
Status:	CIEH is a registered charity
Number:	290350
Registered office:	Chadwick Court, 15 Hatfields, London SE1 8DJ
Contact details:	Tel: 020 7827 5800 Email: membership@cieh.org

## TRUSTEES

The names of each member of the Board of Trustees are listed on page 50.

## FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

CIEH holds funds as custodian Trustee on behalf of others as disclosed in note 17. These funds are excluded from this report.

## EMPLOYEES AND MEMBERS

The Board of Trustees would like to take this opportunity to thank all CIEH employees and all its volunteer members for their efforts in furthering the aims and objectives of the organisation.

By order of the Board of Trustees



Judith Hedgley  
8 May 2025

# Independent Auditor's Report to the Trustees of the Chartered Institute of Environmental Health

## OPINION

We have audited the financial statements of the Chartered Institute of Environmental Health ('the charity') and its subsidiary ('the group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2024 and of the group's 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 Charities Act 2011.

## 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 Trustee's 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 charity's or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or

sufficient and proper accounting records have not been kept by the parent charity; or  
the financial statements are not in agreement with the accounting records and returns; or  
we have not received all the information and explanations we require for our audit.

### **RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' responsibilities statement set out on page 18 the Trustees 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 group and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

### **AUDITOR'S 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 an auditor's report 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation, taxation legislation, and employment legislation.

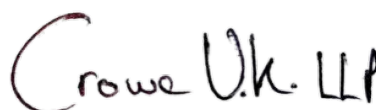
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management and judgements made in the property valuations. Our audit procedures to respond to these risks included enquiries of management, and the Risk and Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

### USE OF OUR REPORT

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's 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 charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP  
Statutory Auditor  
London

28 May 2025

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

## ANNUAL REPORT 2024

# Consolidated Statement of Financial Activities

(SoFA) (Incorporating an Income and Expenditure Account) for the year ended 31 December 2024

		Group	
		2024	2023
		Unrestricted Funds	Unrestricted Funds
		£'000	£'000
	<i>Note</i>		
<b>Income from charitable activities:</b>			
Subscriptions and membership income	3	1,758	1,803
Education income	3	1,049	1,019
Conference income	3	709	778
<b>Income from other trading activities:</b>			
Commercial trading	3	2,069	2,063
<b>Income from investments:</b>			
Income from investments	3,12.1	137	143
<b>Income from donations and legacies:</b>			
Income from donations and legacies		1,150	-
<b>Total income and endowments</b>		<b>6,872</b>	5,806
<b>Expenditure</b>			
<b>Expenditure on charitable activities:</b>			
Membership	4	2,352	2,430
Education	4	1,392	1,399
Conferences	4	1,337	1,167
<b>Expenditure on raising funds</b>			
Commercial trading operations	4	690	758
Investment management fee	4	43	34
<b>Total expenditure</b>		<b>5,814</b>	5,788
<b>Net income /(expenditure) for the year before gains/(losses)</b>		<b>1,058</b>	18
Gain/(Loss) on investment property	12.1	20	(1,860)
Gain/(loss) on investments	12.1	530	238
<b>Net movement in funds before leasehold property revaluation gain/(loss)</b>		<b>1,608</b>	(1,604)
Leasehold property revaluation gain/(loss)	11	5	(540)
<b>Net movement in funds</b>		<b>1,613</b>	(2,144)
Funds and reserves brought forward at 1 January 2024		<b>6,349</b>	8,493
<b>Funds carried forward at 31 December 2024</b>		<b>7,962</b>	6,349

## ANNUAL REPORT 2024

### Balance Sheet

As at 31 December 2024

	Note	Group		CIEH	
		2024 £	2023 £	2024 £	2023 £
<b>Fixed assets</b>					
Intangible assets	10	85	192	85	156
Tangible assets	11	2,462	2,479	2,421	2,455
Investments	12	13,842	13,620	13,842	13,620
		<u>16,389</u>	<u>16,291</u>	<u>16,348</u>	<u>16,231</u>
<b>Current assets</b>					
Stock		50	20	-	-
Debtors	14	735	1,113	256	1,305
Cash at bank and in hand		2,243	1,222	2,145	1,160
		<u>3,028</u>	<u>2,355</u>	<u>2,401</u>	<u>2,465</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>(1,857)</u>	<u>(1,896)</u>	<u>(1,707)</u>	<u>(1,727)</u>
<b>Net current assets</b>		<u>1,171</u>	<u>459</u>	<u>694</u>	<u>738</u>
<b>Total assets less current liabilities</b>		<u>17,560</u>	<u>16,750</u>	<u>17,042</u>	<u>16,969</u>
<b>Creditors: amounts falling due after more than one year</b>	15	<u>(9,598)</u>	<u>(10,401)</u>	<u>(9,598)</u>	<u>(10,401)</u>
<b>Total net assets</b>		<u>7,962</u>	<u>6,349</u>	<u>7,444</u>	<u>6,568</u>
<b>The funds of the charity:</b>					
Unrestricted general funds	16				
General funds	16	3,912	3,309	3,394	3,528
Designated funds	16	4,050	3,040	4,050	3,040
<b>Total funds</b>	16	<u>7,962</u>	<u>6,349</u>	<u>7,444</u>	<u>6,568</u>

The notes on pages 27 to 49 form an integral part of these financial statements.  
Approved and authorised for issue on behalf of the Board of Trustees on 8 May 2025.



Judith Hedgley  
Chair, Board of Trustees

## ANNUAL REPORT 2024

There were no recognised gains or losses other than those shown above. All funds carried forward are unrestricted. The notes on pages 27 to 49 form an integral part of these financial statements.

### Consolidated Cash Flow Statement

for the year ended 31 December 2024

	Note	2024		2023	
		£'000	£'000	£'000	£'000
<b>Cash flow from operating activities</b>	18		<b>728</b>		(182)
<b>Cash flows from investing activities:</b>					
Purchases of tangible assets	11	(54)		(55)	
Purchase of intangible assets	10	(21)		(109)	
Interest received / dividends	12	-		-	
Purchase of investments		0			
Realisation of investments		368			
<b>Net cash provided by investing activities:</b>			<b>293</b>		(164)
<b>Net (decrease)/increase in cash and cash equivalents in year</b>	20		<b>1,021</b>		(346)
Cash and cash equivalents at the beginning of year			<b>1,222</b>		1,568
<b>Cash and cash equivalents at end of year</b>			<b>2,243</b>		<b>1,222</b>

## Notes to the Financial Statements

### 1. Accounting Policies

#### 1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments, which are included at their market value at the balance sheet date and leasehold and investment property, which are included at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities SORP (FRS102), the Charities Act 2011 and applicable accounting standards (FRS102). CIEH meets the definition of a public benefit entity under FRS102.

#### 1.2 Going concern

After reviewing the Group's forecasts and projections, the Board of Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future.

As stated in the Trustee's Annual Report, Trustees believe there are no material uncertainties that call into doubt the group and the charity's ability to continue as a going concern. The group therefore continues to adopt the going concern basis in preparing its accounts.

#### 1.3 Group financial statements

The financial statements consolidate the results of the Charity and its wholly owned subsidiary CIEH Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

#### 1.4 Leasehold property

On 20 December 2013, CIEH entered into a sale and leaseback agreement on the charity's property, Chadwick Court, located at 15 Hatfields, London. The property is held by the charity under a 150 year long lease and has been classified as a long leasehold property.

The Board of Trustees considers that the risks and rewards of ownership rest with the charity and consequently account for the long-leasehold as a finance lease.

The property is split between investment property (note 12) and tangible fixed assets (note 11). Both elements are measured at their fair value. The tangible fixed assets element of the property continues to be depreciated over the remaining term of the lease on a straight-line basis.

A valuation of the property was performed as of 31 December 2024, by an independent valuer that holds the MRICS qualification and has recent experience of both the location and class of investment property being valued.

#### 1.5 Other fixed assets

Intangible fixed assets:

Intangible fixed assets are measured at cost less accumulated depreciation, and any accumulated impairment losses.

Both software and development costs are recognised as intangible assets when supplied by a third party. No depreciation is charged on assets under construction, but computer software costs are transferred from under construction to assets when the software comes into use. At that point in time, they start to be depreciated.

Depreciation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives, using the straight-line method. The principal rate for computer software and course development is 33%.

## Notes to the Financial Statements

continued as at 31 December 2024

Both computer software and development, which are expected to generate future revenues and meet the other criteria allowable under FRS102 s18 'Intangible Assets other than goodwill' have been capitalised as appropriate.

Tangible fixed assets:

Tangible fixed assets are depreciated or amortised on a straight-line basis to write off the cost of these assets over their estimated useful lives. The principal rates are:

Fixtures & Fittings	20 %
Office equipment	33 %
Computer hardware	33 %

Assets under construction are transferred to fixtures and fittings when they come into use and at that point in time they are depreciated.

### 1.6 Stocks

Stocks of publications and course material are stated at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

All stock items are finished goods held for resale.

### 1.7 Expenditure

All expenditure is accounted for on an accruals basis, inclusive of any VAT which cannot be recovered. Any VAT which is not recoverable by CIEH is included in allocated support costs, see note 5.

Direct expenditure is directly allocated to specific activities and has been included in those cost categories. Indirect costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of the direct usage in the various categories.

Governance costs relate to the general running of the charity as opposed to those costs associated with income generation or charitable activity. These costs include Board of Trustee costs, audit costs and other strategic management costs, see note 6.

### 1.8 Income

Subscriptions and membership fees are accounted for on an accrual basis. No income is accrued in relation to unpaid subscriptions at the year-end. Amounts received in advance are deferred to the period to which they relate. Memberships renew annually with the majority renewing at the beginning of the calendar year.

Education income is accounted for on an accrual basis in respect of professional exams and public training courses.

Conference income is accounted for on an accrual basis and is generated from the delivery of CIEH events to its members and the public, as well as from the hire of its facilities (conference and meeting rooms), including the provision of catering, equipment and related services.

Commercial trading income is accounted for on an accrual basis and mainly represents income generated from our conference venue 15Hatfields.

Rents receivables are accounted for on an accrual basis.

## Notes to the Financial Statements

continued as at 31 December 2024

Legacy income is recognised when there is entitlement, which is deemed to be when probate has been granted, the legacy can be measured reliably, and there is probability of receipt. For residual legacies, entitlement is deemed to be the earlier of settled estate accounts and notification of a pending payment or actual payment being received.

### 1.9 Operating leases

Rentals paid under operating leases are included in the Consolidated Statement of Financial Activities on a straight-line basis over the term of the lease.

### 1.10 Finance leases

The obligations under the finance lease for Chadwick Court is carried at amortised carrying value using the 'effective interest method', which allocates the interest expense over the period to maturity at a constant rate on the balance of the liability carried in the balance sheet for the relevant period. More detail in respect of the accounting estimates is detailed in note 1.15.

### 1.11 Pensions

CIEH operates a defined contribution scheme for all existing and new members, and the amount charged to the Consolidated Statement of Financial Activities in respect of pension costs and post-retirement benefits is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

### 1.12 Fund accounting

Unrestricted Undesignated General funds are unrestricted funds which are available for use at the discretion of the Board of Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

### 1.13 Investments

Profit or loss on investment is recognised in the Consolidated Statement of Financial Activities on a cash receivable basis. Investments are stated at market value at the balance sheet date. Investment property has been valued on a net initial yield basis. A gain or loss is "realised" when the disposal proceeds of investments (at market value) is different from its value at the start of the year. A gain or loss is "unrealised" when the market value of an investment at the end of the year is different from its value at the start of the year (or from the date it was purchased during the year).

### 1.14 Financial instruments

The group and charity only hold financial instruments which qualify as basic financial instruments in accordance with section 11 of FRS102. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value. Assets such as trade and other receivables, and liabilities such as trade and other creditors are measured at amortised cost. Listed investments are measured at fair value. The group and charity do not hold any financial instruments measured at fair value other than the listed investments disclosed in note 12.1.

## Notes to the Financial Statements

continued as at 31 December 2024

### 1.15 Significant estimates and areas of judgments

The preparation of financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent liabilities at the balance sheet date. Estimates and judgements are based on historical experience along with reasonable expectations around future events. Actual outcomes could differ from the estimates.

The property lease relating to Chadwick Court has been measured on a fair value basis in line with FRS102. In determining fair value CIEH commissioned a (Royal Institute of Chartered Surveyor's) RICS registered valuer to undertake the valuation of the property lease for financial reporting purposes. CIEH's property is unusual in having a very long lease and CIEH is required to reflect the obligations of the lease as a liability as well as account for the property asset as an investment property for the portion let out and as a fixed asset for the portion used by CIEH. We are informed by the valuer that the value of a leasehold is calculated by the 'profit' that can be generated from assigning (selling) the lease. Therefore, the rent payable to the ultimate landlord, as well as the rent generated by the tenants, the certainty of this rent now and into the future, as well as the condition of the property are all material to value. The Standard Red Book Valuation calculation includes the full rental liability and income under the lease, which would result in the finance lease liability element being accounted for twice. The Red Book recognises that there are situations when the valuation can be based on special assumptions. CIEH instructed the valuer to adopt a special valuation assumption to reduce the amount of rent assumed in the valuation by the amount of rent that is already accounted for in the lease liability calculation. Reducing the rent cost assumption increases the lease valuation.

The table below shows the Standard Red Book Valuation, the Valuation with Special Assumption, the net carrying amount on the Balance Sheet of the valuation less the liability.

Year	Standard Red Book Valuation	Valuation with Special Assumption of a reduced rent payable under the headlease	Long Leasehold Liability	Net carrying amount on the Balance Sheet
2023	£5,075,000	£10,350,000	£9,946,302	£403,698
2024	£4,925,000	£10,375,000	£9,943,530	£431,470
Change in valuation	(£150,000)	£25,000	(£2,772)	£27,772

It should be noted that the Red Book valuation does not represent market value of the lease on the open market.

## Notes to the Financial Statements

continued as at 31 December 2024

### 2. Subsidiary Activities

CIEH has one wholly owned UK trading subsidiary; CIEH Limited a company registered in England (01999717) and its registered office is Chadwick Court, 15 Hatfields, London SE1 8DJ. CIEH Limited, a company registered in England, carries out mainly primary purpose trading activities, providing learning outcomes and publishing a magazine.

A summary of the trading results for CIEH Limited is shown below:

	CIEH Limited	
	2024 £'000	2023 £'000
Turnover	2,271	2,302
Total expenditure	(2,289)	(2,334)
Profit/(loss) for the year	(18)	(32)
Gift aid to CIEH	-	-
Retained (losses) brought forward	(219)	(187)
<b>Retained in subsidiary</b>	<b>(237)</b>	<b>(219)</b>
Assets	677	723
Liabilities	(914)	(942)
<b>Net assets /(liabilities)</b>	<b>(237)</b>	<b>(219)</b>

## Notes to the Financial Statements

continued as at 31 December 2024

### 3. Income

	2024			2023		
	CIEH Ltd £'000	CIEH £'000	Group £'000	CIEH Ltd £'000	CIEH £'000	Group £'000
Subscriptions and membership	472	1,286	1,758	506	1,297	1,803
Education	883	166	1,049	883	136	1,019
Conferences	-	709	709	-	778	778
Commercial Trading	916	1,153	2,069	913	1,150	2,063
Investments	-	137	137	-	143	143
Donations and legacies	-	1,150	1,150	-	-	-
<b>Total income</b>	<b>2,271</b>	<b>4,601</b>	<b>6,872</b>	<b>2,302</b>	<b>3,504</b>	<b>5,806</b>

**Subscriptions and membership** income consists of membership fees, and other sources of income of a membership nature.

(including the membership magazine; Environmental Health News).

**Education** income is in respect of professional exams and public training courses.

**Conference** income arises from the delivery of events to members and the public.

**Commercial trading** income arises from 15Hatfields venue and events business, together with rent from letting part of Chadwick Court.

## Notes to the Financial Statements

continued as at 31 December 2024

### 4. Expenditure

	2024					2023				
	Direct costs £'000	Staff costs £'000	CIEH Ltd Support £'000	CIEH Support £'000	2024 Total £'000	Direct costs £'000	Staff costs £'000	CIEH Ltd Support £'000	CIEH Support £'000	2023 Total £'000
Membership	298	449	351	1,254	2,352	308	437	369	1,316	2,430
Education	121	322	207	742	1,392	117	311	213	758	1,399
Conference	187	238	199	713	1,337	182	176	177	632	1,167
Subtotal costs	<b>606</b>	<b>1,009</b>	<b>757</b>	<b>2,709</b>	<b>5,081</b>	<b>607</b>	<b>924</b>	<b>759</b>	<b>2,706</b>	<b>4,996</b>
Investment management fee					43					34
Commercial trading operations					690					758
<b>Total expenditure</b>					<b>5,814</b>					<b>5,788</b>

### 5. Support Costs

	2024			2023		
	CIEH LTD £'000	CIEH £'000	Total £'000	CIEH LTD £'000	CIEH £'000	Total £'000
Staff costs	285	1,148	1,433	322	1,154	1,476
Office costs	50	287	337	193	215	408
Printing , postage and stationery	3	8	11	1	4	5
Rent, rates and maintenance	94	152	246	24	190	214
Light and heat	65	97	162	-	118	118
Publicity and marketing	61	59	120	74	43	117
Research and development	-	-	-	36	11	47
Telephones	-	26	26	9	21	30
Computers	-	3	3	-	3	3
Legal and professional	1	254	255	-	190	190
Insurance	10	54	64	11	38	49
Bank charges	11	30	41	17	23	40
Finance lease and loan interest	99	278	377	-	390	390
Governance costs (see note 6)	20	132	152	18	118	136
Irrecoverable VAT	-	41	41	-	36	36
Depreciation, and loss on disposal	58	140	198	54	152	206
<b>Support costs</b>	<b>757</b>	<b>2,709</b>	<b>3,466</b>	<b>759</b>	<b>2,706</b>	<b>3,465</b>

## Notes to the Financial Statements

continued as at 31 December 2024

### 6. Governance Costs

	2024	2023
	£'000	£'000
Board of Trustees and other meetings	7	11
General Meeting Costs	18	42
Other Governance costs	69	36
Auditors' remuneration	48	48
<b>Governance costs</b>	<b>142</b>	<b>137</b>

Governance costs relate to the Board and all Committees (Membership, Learning and the Profession Advisory Group, Appointments and Remunerations Committee, Risk and Audit Committee), it includes election and interview costs for governance roles including online voting software. Costs for the AGM and any special meetings including room hire, electronics and voting software. Legal and governance advice. Board secretarial and administration work, meeting costs and expenses. In 2024 other governance costs includes a review of our charitable status, a governance and leadership structure review, Board and Committee recruitment and a reduction in governance advisory costs.

### 7. Net expenditure for the year

	2024	2023
	£'000	£'000
This is stated after charging:		
Depreciation of tangible and intangible assets	198	206
Auditors' remuneration		
- audit work	46	43
- non-audit work	2	5
Finance lease and loan interest	377	390
Operating leases	23	28

## Notes to the Financial Statements

continued as at 31 December 2024

### 8. Employee and Trustee Costs

	Group		CIEH	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Salaries	2,162	2,256	1,355	1,313
Social security costs	225	223	151	166
Other pension costs (note 9)	216	210	153	159
Temporary staff costs	16	28	-	17
Training, recruitment and welfare	207	67	145	67
	<b>2,826</b>	<b>2,784</b>	<b>1,804</b>	<b>1,722</b>

	2024 Number	2023 Number
Average number of full time employees:		
Subscription and membership	11	10
Educational activities	8	8
Conferences	5	4
Commercial	6	7
Central services	18	19
	<b>48</b>	<b>48</b>

	2024 Number	2023 Number
Employees whose emoluments were over £60,000 per annum:		
£60,000 - £69,999	3	2
£70,000 - £79,999	2	1
£80,000 - £89,999	1	2
£90,000 - £99,999	-	1
£120,000- £129,999	1	-
£190,000 - £199,999	-	1

## Notes to the Financial Statements

continued as at 31 December 2024

The executive management team of 4 (2023: 4.33) were remunerated £470,083 (2023: £537,775). Included within this total there were company pension contributions totalling £39,047 (2023: £60,148). They received £6,339 in benefits (2023: £9,824). The Group makes pension contributions on behalf of 6 (2023: 6) of the employees whose emoluments exceed £60,000.

During the year termination payments were agreed of £26,277 (2023: £30,442) and at the year-end £nil had not been paid (2023: £nil).

No Board of Trustee member received any remuneration for services as a Trustee (2023: none). Board of Trustee members received reimbursement of their travel and subsistence expenses incurred in the performance of their duties as Board of Trustee members. These expenses totalled £2,786 to 6 Trustees (2023: £1,692 to 7 Trustees). CIEH has sought to increase Trustee engagement with our members and other stakeholders. Consequently, their expenses have increased. So too will the value of their time given for free.

Transactions with Board of Trustee members, officers of CIEH, Directors of CIEH Limited are disclosed in note 23, related party transactions.

### 9. Pensions

	Group		CIEH	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Aviva	201	210	153	159
<b>Total pension contributions</b>	<b>201</b>	<b>210</b>	<b>153</b>	<b>159</b>

No employees or directors of CIEH or CIEH Limited and its subsidiary undertakings, are involved in the control or administration of any of the above funds.

## Notes to the Financial Statements

continued as at 31 December 2024

### 10. Intangible Fixed Assets Group

	Development £'000	Software £'000	Under Construction £'000	Total £'000
<b>Cost</b>				
At 1 January 2024	-	631	131	762
Transfer constructed asset	-	131	(131)	-
Additions	-	21	-	21
Disposals	-	-	-	-
At 31 December 2024	-	783	-	783
<b>Amortisation</b>				
At 1 January 2024	-	570	-	570
Charge for the year	-	128	-	128
Disposals	-	-	-	-
At 31 December 2024	-	698	-	698
<b>Net Book Value at 31 December 2024</b>	-	<b>85</b>	-	<b>85</b>
Net Book Value at 31 December 2023	-	61	131	192

### CIEH

	Development £'000	Software £'000	Under Construction £'000	Total £'000
<b>Cost</b>				
At 1 January 2024	-	142	131	273
Transfer constructed asset	-	131	(131)	-
Additions	-	21	-	21
Disposals	-	(7)	-	(7)
At 31 December 2024	-	287	-	287
<b>Amortisation</b>				
At 1 January 2024	-	117	-	117
Charge for the year	-	85	-	85
Disposals	-	-	-	-
At 31 December 2024	-	202	-	202
<b>Net Book Value at 31 December 2024</b>	-	<b>85</b>	-	<b>85</b>
Net Book Value at 31 December 2023	-	25	131	156

## Notes to the Financial Statements

continued as at 31 December 2024

### 11. Tangible Fixed Assets Group

	Leasehold Property £'000	Equipment & IT £'000	Under Construction £'000	Total Assets £'000
<b>Cost or Valuation</b>				
At 1 January 2024	2,330	1,136	10	3,476
Transfer constructed asset	-	10	(10)	-
Additions	-	54	-	54
Revaluation	5	-	-	5
Disposals	-	-	-	-
At 31 December 2024	2,335	1,200	-	3,535
<b>Depreciation</b>				
At 1 January 2024	-	997	-	997
Charge for the year	-	76	-	76
Disposals	-	-	-	-
At 31 December 2024	-	1,073	-	1,073
<b>Net Book Value at 31 December 2024</b>	<b>2,335</b>	<b>127</b>	<b>-</b>	<b>2,462</b>
Net Book Value at 31 December 2023	2,330	139	10	2,479

### CIEH

	Leasehold Property £'000	Equipment & IT £'000	Under Construction £'000	Total Assets £'000
<b>Cost or Valuation</b>				
At 1 January 2024	2,330	906	10	3,246
Transfer	-	10	(10)	-
Additions	-	22	-	22
Revaluation	5	-	-	5
Disposals	-	-	-	-
At 31 December 2024	2,335	938	-	3,273
<b>Depreciation</b>				
At 1 January 2024	-	791	-	791
Charge for the year	-	61	-	61
Disposals	-	-	-	-
At 31 December 2024	-	852	-	852
<b>Net Book Value at 31 December 2024</b>	<b>2,335</b>	<b>86</b>	<b>-</b>	<b>2,421</b>
Net Bok Value at 31 December 2023	2,330	115	-	2,455

## Notes to the Financial Statements

continued as at 31 December 2024

Leasehold property relates to CIEH's property, Chadwick Court, held under finance lease from 20 December 2013. The lease is valued on a fair value basis using the method described in note 1. The carrying amount that would have been recognised had the assets been carried under the cost model is £2,434k.

### 12. Investments

	Property Investments £'000	Listed Investments £'000	Total £'000
Value at 1 January 2024	8,020	5,600	13,620
Reversal of accrual	-	-	-
	8,020	5,600	13,620
Investment income	-	115	115
Management fee	-	(43)	(43)
Loan repayment	-	(483)	(483)
Transfer between funds	-	115	115
Cash withdrawal	-	-	-
Loan interest	-	(32)	(32)
Additions	-	-	-
Disposal proceeds	-	-	-
Gains / (losses)	20	530	550
<b>Value at 31 December 2023</b>	<b>8,040</b>	<b>5,802</b>	<b>13,842</b>

The CIEH investment portfolio has a long-term strategic allocation of 75 % to global equities, 9 % bonds, 11.9 % alternatives and 4 % cash. Based on Cazenove Capital's assumptions, the expected risk (volatility) of this strategy is 12.7 % with an expected nominal return of 6 % per annum.

65 % of Chadwick Court has been let on a 10-year lease and therefore represents Investment Property to the Group. The lease is valued on a fair value basis using the method described in note 1.

#### 12.1 Subsidiary Undertakings

CIEH holds the entire equity interest in CIEH Limited, a company incorporated in the United Kingdom. The equity interest was donated to CIEH. The company is currently engaged in the delivery of the charity's primary purpose objectives.

## Notes to the Financial Statements

continued as at 31 December 2024

### 13. Interest Payable

	Group	
	2024	2023
	£'000	£'000
Loans payable within 5 years	-	47
Finance Lease	342	342
<b>Total interest payable</b>	<b>342</b>	<b>389</b>

### 14. Debtors

	Group		CIEH	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade debtors	492	653	37	93
Amounts due from subsidiary undertakings	-	-	9	772
Other debtors	-	-	-	-
Prepayments and accrued income	243	460	210	440
	<b>735</b>	<b>1,113</b>	<b>256</b>	<b>1,305</b>

## Notes to the Financial Statements

continued as at 31 December 2024

### 15. Creditors

	Group		CIEH	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
<b>(i) Amounts falling due within one year</b>				
Obligations under finance leases	345	345	345	345
Trade creditors	164	183	154	148
Other taxes and social security	164	216	75	120
Accruals and deferred income	1,184	1,152	1,133	1,114
	<u>1,857</u>	<u>1,896</u>	<u>1,707</u>	<u>1,727</u>
<b>(ii) Amounts falling due after more than one year</b>				
<b>Loans and obligations under finance leases</b>				
Sterling repayable at various dates up to 2163	9,943	9,946	9,943	9,946
Less: instalments due within one year	(345)	(345)	(345)	(345)
Total obligations under finance leases	<u>9,598</u>	<u>9,601</u>	<u>9,598</u>	<u>9,601</u>
Other loans	-	800	-	800
	<u>9,598</u>	<u>10,401</u>	<u>9,598</u>	<u>10,401</u>
<b>Obligations under finance leases are payable as follows:</b>				
After more than one year but within five years	1,380	1,380	1,380	1,380
After five years	8,218	8,221	8,218	8,221
	<u>9,598</u>	<u>9,601</u>	<u>9,598</u>	<u>9,601</u>

#### Reconciliation of deferred income

	2024 £'000
Deferred at 1 January 2024	919
Released during the year	(919)
Deferred during the year	937
Deferred at 31 December 2024	<u>937</u>

## Notes to the Financial Statements

continued as at 31 December 2024

Obligations under finance lease relate to the property lease for Chadwick Court. The term of the lease is 150 years expiring on 19 December 2163. Obligations are based on the initial rent of £345k per annum. In 2018 there was a rent review and an additional £85k per annum was added to the rent charge. This is recognised as an expense as incurred through the income and expenditure account. Rent reviews occur every 5 years with an upward only rent review to 35% of open market rent. The 2024 rent review resulted in no change to the rent.

## Notes to the Financial Statements

continued as at 31 December 2024

### 16. Reconciliation of movement in total funds

#### Group

	At 1 Jan 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	At 31 Dec 2024 £'000
General Funds	3,309	6,872	(5,814)	(1,010)	555	3,912
Designated Funds:						
Fixed Assets	1,090	-	-	(102)	-	988
Legacy	-	-	-	1,112	-	1,112
Capital and Projects	1,950	-	-	-	-	1,950
<b>Total Funds</b>	<b>6,349</b>	<b>6,872</b>	<b>(5,814)</b>	<b>-</b>	<b>555</b>	<b>7,962</b>

#### CIEH

	At 1 Jan 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	At 31 Dec 2024 £'000
General Funds	3,528	4,601	(4,280)	(1,010)	555	3,394
Designated Funds:						
Fixed Assets	1,090	-	-	(102)	-	988
Legacy	-	-	-	1,112	-	1,112
Capital and Projects	1,950	-	-	-	-	1,950
<b>Total Funds</b>	<b>6,568</b>	<b>4,601</b>	<b>(4,280)</b>	<b>-</b>	<b>555</b>	<b>7,444</b>

## Notes to the Financial Statements

continued as at 31 December 2024

### 16. Reconciliation of movement in total funds

#### Group

	At 1 Jan 2023 £'000	Restated Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	At 31 Dec 2023 £'000
General Funds	1,561	5,806	(5,789)	3,892	(2,161)	3,309
Designated Funds:						
Fixed Assets	3,532	-	-	(2,442)	-	1,090
Capital and Projects	3,400	-	-	(1,450)	-	1,950
<b>Total Funds</b>	<b>8,493</b>	<b>5,806</b>	<b>(5,789)</b>	<b>-</b>	<b>(2,161)</b>	<b>6,349</b>

#### CIEH

	At 1 Jan 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	At 31 Dec 2023 £'000
General Funds	1,748	3,504	(3,455)	3,892	(2,161)	3,528
Designated Funds:						
Fixed Assets	3,532	-	-	(2,442)	-	1,090
Capital and Projects	3,400	-	-	(1,450)	-	1,950
<b>Total Funds</b>	<b>8,680</b>	<b>3,504</b>	<b>(3,455)</b>	<b>-</b>	<b>(2,161)</b>	<b>6,568</b>

## Notes to the Financial Statements

continued as at 31 December 2024

### 16. Reconciliation of movement in total funds (contd.)

The Trustees of CIEH have created two new designated funds for

1. Illiquid fixed assets. The value of illiquid fixed assets including investment property and related liabilities is £1.0m. This is because illiquid assets are not readily available to directly support members.
2. multi-year capital and project expenditure. Trustees believe that it is important to designate this type of expenditure as it affects the amount of reserves the Trustees can choose to apply to further activities in support of members. In 2022 the property capital fund was based on an estimate of £3.1m based on the surveyor's report. During 2023 CIEH undertook a detailed property condition review and the estimated planned preventative maintenance costs for maintaining the building on an as is basis is £1.75m over the next 10 years. There is approved other capital and project spend of £0.2m. The total designated fund is £1.95m.
3. Anthony Babbage legacy donation. Trustees have decided to ringfence the total value of the legacy of £1.1m and work on how to utilise the money is underway.

### 17. Projects

CIEH administers projects and funds on behalf of other entities as custodian trustee. Funds for two projects are held in separately identifiable accounts and income and expenditure is not included in the Statement of Financial Activities of CIEH. The balances on the projects and the funds held at 31 December 2024 are as follows

	2024	2023
	£'000	£'000
Emergency & Relief Fund	5	5
Bonnefoy Fund	21	21
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

## Notes to the Financial Statements

continued as at 31 December 2024

### 18. Cashflows resulting from operations

Reconciliation of deficit for the financial year to net cash flow from operations	Group	
	2024	2023
	£'000	£'000
<b>Cash flows from operating activities</b>		
(Deficit)/Surplus for the financial year	<b>1,613</b>	(2,144)
<b>Adjustments to exclude:</b>		
Depreciation of intangible assets	<b>128</b>	100
Depreciation of tangible assets	<b>76</b>	100
Sale of tangible fixed assets	-	6
Interest paid	-	-
Loan interest	<b>32</b>	49
Investment income	<b>(115)</b>	(122)
Leasehold property revaluation (loss)/gain	<b>(25)</b>	2,400
Investments - management fee	<b>43</b>	32
Investments -unrealised losses / (gains)	<b>(530)</b>	(239)
Debtors - (increase) / decrease	<b>378</b>	48
Stock - (increase) / decrease	<b>(30)</b>	(4)
Creditors - increase / (decrease)	<b>(842)</b>	(408)
<b>Net cash flow resulting from operating activities</b>	<b>728</b>	<b>(182)</b>

## Notes to the Financial Statements

continued as at 31 December 2024

### 19. Analysis of net debt

Group	01-Jan 2024 £'000	Cash flow £'000	31-Dec 2024 £'000
Cash at bank and in hand	1,222	1,021	2,243
Debt due within one year			
Finance Lease	(345)	-	(345)
Debt due after more than one year			
Finance Lease	(9,601)	3	(9,598)
Other loans	(800)	800	-
	<u>(9,524)</u>	<u>1,824</u>	<u>(7,700)</u>

### 20. Reconciliation of net cashflow to movement in net debt

	2024		2023	
	£'000	£'000	£'000	£'000
Increase / (decrease) in cash in the year	1,021		(346)	
Loan	800		-	
Cash to repay loan	3		3	
			<u>          </u>	
Movement in net debt in the year		1,824		(343)
Net debt at 1 January		<u>(9,524)</u>		<u>(9,181)</u>
Net debt at 31 December		<u>(7,700)</u>		<u>(9,524)</u>

### 21. Controlling Party

CIEH is run by its Board of Trustees, who are appointed by the members of CIEH and the Board.

## Notes to the Financial Statements

continued as at 31 December 2024

### 22. Capital Commitments

At 31 December 2024 there were no group capital commitments (2023: £nil).

### 23. Related Party Transactions

During the year CIEH received Gift Aid payments of £nil (2023: £nil) from The Environmental Health Registration Board, a company connected with CIEH.

At the end of the year the charity was owed £764,336 by CIEH Limited. In the charity only accounts, an impairment of £755,000 against the inter-company balance was put through in the year because, whilst the charity foresee full repayment of the balance in the long term, the charity has considered in light of the Covid years where losses were made by the entity, there is some uncertainty over the balance recoverability. The CIEH Ltd board is working with the charity trustees in reviewing future plans and the profitable commercial parts of the operation.

As part of the provision of its training courses CIEH Limited commissions books, research new courses and arranges for examination papers to be marked and moderated. Some of this work is undertaken for payment by persons who are members of the Chartered Institute of Environmental Health.

There were no related party transactions.

## Notes to the Financial Statements

continued as at 31 December 2024

### 24. Operating Leases

As prescribed by FRS102, total minimum future lease payments under operating leases are analysed below for the following periods; payable within one year; payable after one year but within 5 years; payable after 5 years

Operating leases as a lessee	Group		CIEH	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Other assets				
Payable within 1 year	5	21	2	11
Payable during 2 to 5 years	4	-	2	-
	<b>9</b>	<b>21</b>	<b>4</b>	<b>11</b>

Operating leases as a lessor	Group		CIEH	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Investment property				
Receivable within 1 year	966	836	966	836
Receivable during 2 to 5 years	3,582	4,140	3,582	4,140
Receivable 5+ years	-	409	-	409
	<b>4,548</b>	<b>5,385</b>	<b>4,548</b>	<b>5,385</b>

# About CIEH

## President:

**Mark Elliott** (appointed 1 January 2024)

## Trustees who served during the year and Trustees who continue to serve:

	<b>Role</b>	<b>Date of appointment</b>	<b>Date of resignation</b>
Mark Elliott	President	1 January 2023	Current
Judith Hedgley	Chair	28 April 2023	Current
Sarah Johns	Deputy Chair	26 July 2023	Current
Nicholas Chapman	Trustee	26 July 2023	Current
Sterling Crew	Trustee	1 May 2024	Current
Penelope Dawson Malone	Trustee	26 July 2023	Current
Saravana Namasivayam	Trustee	1 January 2023	Current
Kathryn Preece	Trustee	26 July 2023	1 May 2024
Lindsay Shaw	Trustee	26 July 2023	Current
James Johnson	Trustee	1 May 2024	Current
Kevin Shawcross	Trustee	1 May 2024	Current
Safia Weeks	Trustee	15 July 2024	Current
Joanna Quirk	Trustee	1 September 2024	Current
Keith Ramsay	Trustee	1 September 2024	Current

## CIEH Executive Management Team

Fran McCloskey	Chief Executive Officer
Jon Buttolph	Executive Director of Professional Standards
Louise Hosking	Executive Director of Environmental Health
Justin Turner	Executive Director of Commercial and Digital Innovation
Anna Westacott	Interim Director of Finance and Corporate Services

### Risk and Audit Committee

Carol Healy (Chair) (resigned 8 May 2025)  
Michael Jackson (appointed 1 January 2024)  
Saravana Namasivayam  
Matt Twaite (appointed 1 April 2024)  
Andrew Lawson (appointed 1 January 2025)

### Appointments and Remunerations Committee

James Howe (Chair)  
Judith Hedgley (resigned 1 April 2024)  
Maria Jennings  
Nicholas Chapman (appointed 1 April 2024)  
Trecilla Lobo (appointed 1 January 2025)  
Helen Waters (appointed 1 January 2025)

### Finance Committee

Joanna Quirk (Chair) (appointed 1 January 2025)  
Penny Dawson Malone (appointed 1 January 2025)  
Kevin Shawcross (appointed 1 January 2025)  
Kevin Tilling (appointed 1 January 2025)  
Sue Leppington (appointed 1 January 2025)

### Advisors

#### Bankers

HSBC Bank Plc,  
60 Queen Victoria Street,  
London EC4N 4TR

#### Auditors

Crowe U.K. LLP  
55 Ludgate Hill  
London, UK  
EC4M 7JW

#### Investment managers

Cazenove Capital Management  
1 London Wall Place  
London EC2Y 5AU



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London SE1 8DJ

+44 (0)20 7827 5800  
[info@cieh.org](mailto:info@cieh.org)



[cieh.org](http://cieh.org)

**CHARTERED INSTITUTE OF ENVIRONMENTAL HEALTH**

England & Wales - Charity number 290350

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# Accounts

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Chartered Institute of  
Environmental Health



# ANNUAL REPORT

For the year ended 31 December 2023

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Find more information about who we are  
and what we do at:

[cieh.org](https://cieh.org)



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## Trustees' Annual Report

The Board of Trustees present their report together with the Audited Financial Statements for the year ended 31 December 2023.

### Objectives and activities

The charitable objects of the Chartered Institute of Environmental Health (CIEH) are to promote for the public benefit the theory and science of environmental health in all its aspects and to disseminate knowledge about environmental health.

Our vision is of safer, cleaner and healthier environments for the benefit of people, businesses and local communities. At the end of 2023 the Board of Trustees chose to agree a set of priorities for 2024 with a view to reviewing its overall strategic aims during the year. The priorities for 2024 are in line with the current aims of a sustainable profession and a sustainable organisation. The priorities are:

- Advocating for professionalism and the profession, by developing powerful impact statements, increasing our influence at all levels of government and increasing our media coverage and impact
- Increase the impact of our policy and campaigning work, by developing the model to have member led policy and campaign work, including creating a register of volunteers and initiating an independent review of our advisory panels. Our work to increase influence and media coverage will also be to support this area
- In this expected election year develop a powerful general election strategy and supporting manifesto
- Work with partners to plan for the workforce of tomorrow through the creation of a workforce satellite panel
- Raise the profile and attractiveness of environmental health careers and supporting campaigns to maintain or increase student numbers
- Develop plans to deliver on 2023 AGM motions
- Deliver the finance strategy that aims to ensure the organisation is financially sustainable and resilient

We maintain our public benefit by influencing and shaping environmental health policy and implementation. We disseminate information and knowledge to and for the sector through our membership and communication networks. We provide education and training programmes.

### Achievements and performance

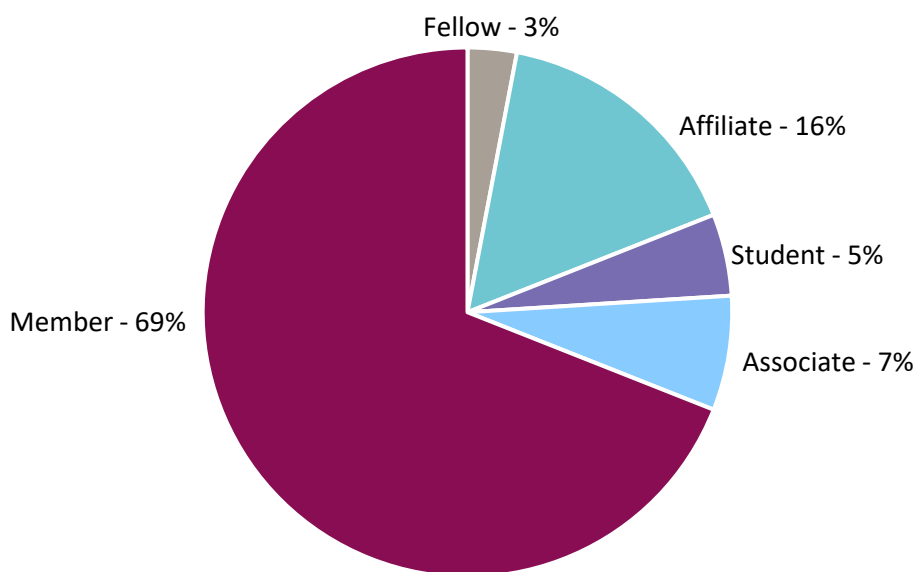
2023 was a year of change for CIEH with members actively sharing their thoughts, priorities and views through two Special General Meetings. Following these meetings a new Chair of the Board and new Trustees were elected and there has been a renewed focus on transparency, accountability and openness.



### Membership and professional development

In 2023 we welcomed 1,271 new members to CIEH and ended the year on a total of 7,573 members (2022: 7,255 members).

Our membership by grade:



CIEH is committed to enhancing and developing our member offering. In 2023 we partnered with the Faculty of Public Health (FPH) to offer members in the Associate, Member and Fellow grades free Associate membership with FPH – providing CIEH members with even more opportunities to learn, network, and promote environmental and public health with like-minded professionals. We also launched a partnership with leading publisher Routledge to offer our members 25% off a range of environmental health books, again empowering members, at any stage of their career, to grow their knowledge.

Additionally, we teamed up with The Institute of Leadership and Management to offer environmental health professionals access to an Introduction to Leadership online course, combining online resources with interactive guidance from leadership experts.

We also recognised how important it is to offer students access to additional learning opportunities, which is why we enhanced our student membership offering to include free attendance to our headline conferences.



In 2023 we completed the review of Chartered Status, and we aim to make the new route to Chartered Status available in Q1 of 2024. We ended 2023 with 2,030 Chartered Status members and welcomed a number of new students to our other professional registration pathways:

- 132 enrolled on pathway to Environmental Health Practitioner
- 47 enrolled on pathway to Food Safety Practitioner
- 4 enrolled on pathway to Housing Health Practitioner

In addition to this, our mentoring scheme continued to gain traction with 115 members receiving mentoring support in 2023.

### Events

2023 was another busy year for the CIEH events team as we continued to prioritise providing accessible, relevant and topical learning experiences to our members and the wider profession. We ran eight headline conferences covering the breadth of environmental health with a total of 1,418 delegates. Alongside this, we also ran 89 bitesize training sessions and 90 technical workshops. We were also able to keep our member event prices constant from the previous year in recognition of the cost of living crisis.

Accessibility and sustainability remain constant strategic aims for the CIEH events team. Aside from our popular face to face in-house training model, we sought to deliver several face to face training events in 2023 but due to low numbers we were unable to deliver them. Demonstrating the appetite for online training is still the preferred delivery method for most of our delegates. We will continue to develop new and exciting learning opportunities for CIEH members, both face to face and online for 2024.

The CIEH events team also secured several training contracts as preferred training provider for the Food Standards Agency (FSA). Over 25 events were delivered in 2023.

The tragic Awaab case highlighted the significance of our CIEH members working in the Private Rented Sector, demonstrating their important role in identifying and investigating health hazards. CIEH saw a significant increase in training in this area and we were able to meet the demands and deliver our established and well received HHSRS and Damp and Mould training.

### Engagement

We continued to run our popular member forum webinars, putting members at the heart of the conversation, with 22 taking place over 2023 and 2,138 members attending.

Engagement with CIEH online continued to grow with 62,856 engagements on social media and our social following increasing by 13% to 27,537. LinkedIn remains our most popular channel for our members and where we receive the highest engagement.



On the CIEH website we published 55 blogs, the most popular blogs covered Chartered Status, CPD and Military Environmental Health Practitioners. We also published 98 Environmental Health News (EHN) Extra articles in addition to the EHN magazine, the most viewed EHN Extra articles of 2023 included:

- 8 signs of modern slavery
- Bed bug infestations are growing in the UK
- HSE opens up anonymous hotline for workers

During 2023, a lot of work was done to upgrade both the CIEH website and the 15Hatfields website in order to future proof both and improve usability, both upgrades were launched in early 2024.

Email communication remains an important and popular channel of communication for CIEH including the weekly Member Connect newsletter and our monthly Community newsletters. In 2023 both the open rates and click through rates increased, demonstrating that members are engaging with our email content.

In 2023 we also worked hard to give members a voice. For World Environmental Health Day 2023 we invited members to share their experiences of working in environmental health and what it means to protect public health. We heard from a range of members and the content was well received with the LinkedIn content alone reaching 22,873 impressions.

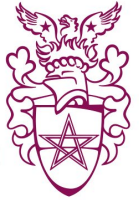
In 2024 we will be developing a new member engagement strategy to ensure we increase engagement, communicate in the most effective and efficient ways, and meet member needs.

### **Our voice**

We are committed to raising the profile of environmental health and the work of our members. In 2023 we issued 52 press releases and received 41 appearances in print and online media including The Guardian, New Statesman, The Daily Mail, BBC Radio 4, BBC News, BBC News NI, The Independent and the Sunday Times.

CIEH also continued to campaign on issues that matter to our members. In 2023 this activity included responding to 10 consultations on a variety of environmental health issues including the licensing of non-surgical cosmetic procedures in England, the draft Noise and Soundscape Plan for Wales, the FSA consultation on developing a modernised food hygiene delivery model, and the draft Border Target Operating Model.

Air quality was a particular area of focus for the CIEH policy team in 2023. We responded to two key consultations, the first of these was from DLUHC around proposed changes to the National Planning Policy Framework. The second was Defra's Draft Air Quality Strategy which focused on the roles and responsibilities of local authorities. We also provided written evidence to the Climate Change, Environment and Infrastructure Senedd Committee on the recently tabled Environment (Air Quality and Soundscapes) (Wales) Bill and secured the opportunity for a number of our members to provide oral evidence to the committee and provided written evidence to the Environmental Audit



Committee on indoor and outdoor air quality targets, securing the opportunity for one of our members to provide oral evidence to this committee as well.

The CIEH Policy team also continued to work hard to uphold legislation and policy standards. Since the UK Government tabled the Retained EU (Revocation and Reform) (REUL) Bill in September 2022, CIEH have been a consistent voice in opposition to wholesale sunseting of regulatory standards. Working with parliamentarians in both Houses we have tabled over 30 parliamentary questions, and played a pivotal role in forcing legislative changes to the Bill in the House of Lords which ultimately removed the arbitrary sunset date originally included in the Bill.

We worked with key partners including the OSH Alliance and CTSI to highlight the detrimental impact of the Bill and remove the arbitrary sunset date. We will continue to raise our concerns and to urge the Government to dispense with their 'health vs wealth' dichotomy, instead presenting how a healthy population is vital to a thriving economy.

In total, the CIEH Policy team also secured four Select Committee Appearances for CIEH members, empowering members to shape the future of environmental health:

- Paul McCullough and Somayya Yaqub gave evidence on noise and light pollution to the Lords Science and Technology Committee
- Kristian James and Colin Cobbing gave evidence on Air Quality and Noise Quality to the Climate Change, Environment and Infrastructure Committee in the Senedd
- Matt Clark gave evidence to the Environmental Audit Committee on Air Quality targets
- Henry Dawson gave evidence to the Public Bills Committee scrutinising the Renters Reform Bill

Several CIEH members also attended a private meeting alongside CIEH stakeholders with Professor Sir Chris Whitty to discuss indoor air quality and housing conditions.

We also launched our Manifesto for environmental health which included reaching out to all members of the Cabinet and Shadow Cabinet.

During 2023 a lot of work was done to revitalise the operation of our Advisory Panels, with a focus on empowering members to have more substantial role in directing policy development. This included recruiting members to join two new Advisory Panels focusing on public health and port health. These Panels will launch in early 2024.

CIEH Career Ambassadors have also been working hard to raise the profile of environmental health. Activity included engaging with hospitality and catering students on the importance of environmental health as a profession to attending sixth form careers fairs and visiting primary schools.

Following a member climate change survey where 77% of respondents agreed or strongly agreed that the current climate emergency is one of the most significant environmental health challenges

of our time, we launched a new climate change hub to bring a range to tools, resources and updates together to help empower environmental health professionals to become climate change champions.

## Financial review

### Income and expenditure

CIEH net income for the year before exceptional items, gains and losses is £.02m (2022: loss £765k). This represents a remarkable improvement in the financial performance of CIEH with both income increasing and expenditure decreasing.

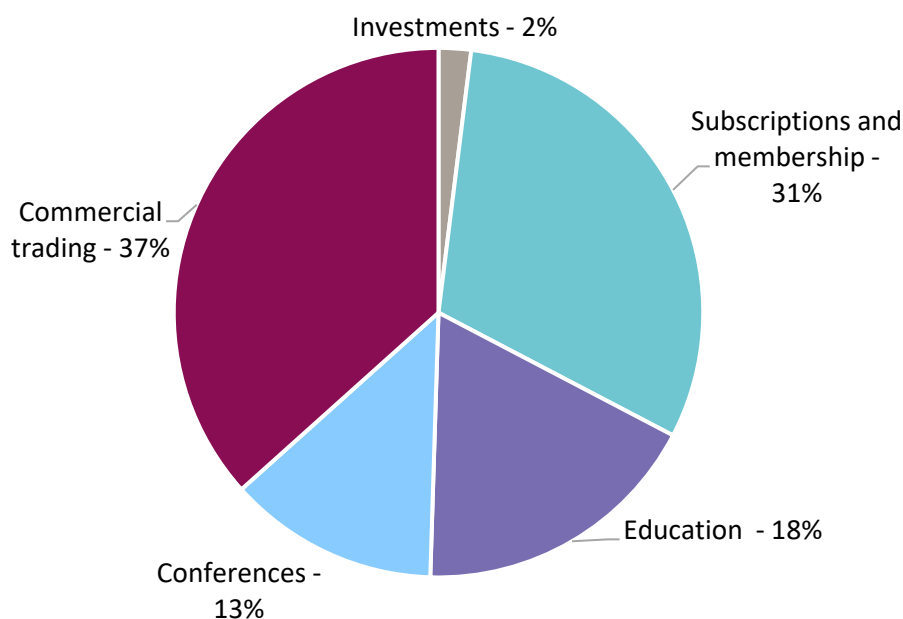
- total income of £5.8m (2022: £5.3m) an increase of 12%
- total expenditure of £5.8m (2022: £6.0m) a decrease of 3%

This is the first positive operating result reported by CIEH for over 15 years.

CIEH's net movement on total funds is -£2.1m (2022 -£6m) is a result of:

- Net income of £0.02m (2022: loss of £0.8m)
- Gain on investments of £0.2m (2022: loss of £0.5m)
- Property lease asset valuation loss of £2.4m (2022: loss of £10.7m)

The income breakdown is shown in the chart below:





CIEH commercial activities saw continued recovery, and conference income was boosted by significant housing events. Education income suffered in light of the current economic conditions. Our trading subsidiary CIEH Ltd, 15Hatfields, our venue hire business saw a very good recovery to match pre-pandemic income levels.

Subscriptions and membership income includes membership as well as magazine advertising sales. Whilst membership numbers increased magazine advertising sales reduced due the current economic climate.

Total expenditure has decreased by 3%. Staff costs have reduced driven by the restructuring at the end of 2022.

Investment performance is commented on in the investment section below.

The valuation loss on the property lease relates to Chadwick Court. CIEH owned the property until 2013 when it sold and leased back the property under a 150-year lease. In 2019 CIEH sublet the top three floors of the property. At that point CIEH was required to treat those three floors as investment property and value the lease annually on a fair value basis rather than a historical cost basis. In 2021 CIEH decided to change the accounting treatment for the lower two floors to be on the same basis. The cumulative recorded gains in respect of the annual valuations up to 31 December 2022 is £5.6m. The loss recorded this year of £2.4m reduces the cumulative gains to £3.2m. The valuation of the lease is an area of significant estimate and judgement. Please refer to notes 1.15 and 11 for further disclosures in respect of the lease and its accounting treatment.

Any loss or gain represents the change in valuation of the lease at each year end. As it is a valuation it has no impact on the cash position of CIEH. As it is an asset it is allocated to the fixed asset designated reserve and as such the valuation loss has no impact on the free reserves of CIEH. The lease is valued by Gerald Eve, a surveyor that is registered with the Royal Institute of Chartered Surveyors, using the Red Book methodology of valuation.

The main factors that contributed to the reduction in valuation in 2023 are:

#### *Market conditions*

- Interest rate changes increasing the cost of debt
- Geo-political and world events affecting sentiment
- Continued impact from the pandemic and hybrid working trends

Market conditions have resulted in different yield assumptions that reduces the value, compared to the previous valuation, by approx. £1m.

#### *Property condition*

- The ability to let it at market rent rates given the condition of the property, particularly when compared with other available properties



- Additional works required over previous valuation estimate based on the condition survey report commissioned

Capital expenditure required to address lettability reduces the value, compared to the previous valuation, by approx. £0.4m.

#### *Other factors*

- Proximity to an upcoming contractual break clause for the sub-tenant
- Imminent rent review on the head lease

The potential for the sub-tenant to break their lease term and additional rent due on the headlease decrease its value by approx. £1m.

#### **Balance sheet**

Total funds for the Group stand at £6.3m (2022: £8.5m) with the movement predominantly being due to:

- property lease valuation losses of £2.4m
- investment gains of £0.2m

Commentary on pension, property and investment items are included above in the highlights section. Net current assets have remained at similar levels. The current ratio is 1.2 (2022: 1.2).

#### **Investments**

CIEH aims to provide sufficient liquidity and total returns with an acceptable level of risk, to enable SPH to carry out its activities effectively both in the short term and over the long term.

The investment objective for the short term is to invest sufficient capital in lower risk, liquid and unrestricted assets, in order to meet anticipated operating cash shortfalls and capital expenditure requirements over a 1-2 year time horizon.

The investment objective for long term funds is to generate a return of 4% above inflation. Managing performance against the objective will also be appraised in the shorter term. Long term funds may be drawn upon from time to time. Income will be reinvested until drawn upon.

CIEH require Cazenove to invest responsibly and to incorporate environmental, social and governance considerations into their investment processes. CIEH also have an ethical restriction to exclude direct investment in tobacco.



### *Strategic asset allocation*

The CIEH investment portfolio has a long-term strategic allocation of 70% to global equities, 10% bonds, 10% property, 8% alternatives and 2% cash. Based on Cazenove Capital's assumptions, the expected risk (volatility) of this strategy is 12% with an expected nominal return of 6% per annum.

Alongside the investment portfolio, CIEH hold a low-risk portfolio which invests in cash and cash-like products. This serves to provide liquidity for operational requirements and to slightly lessen the overall investment risk at a combined portfolio level. In aggregate, this is expected to be in line with CIEH's overall risk profile of having a less than 5% probability of making a capital loss exceeding 10% of the portfolio value within any one year.

### *Calendar year 2023 performance*

CIEH (excluding the cash portfolio): +6.2%

CPI+4% (long-term target): +7.7%

ARC £ Steady Growth Index (peer group comparator): +7.3%

Financial markets in 2023 were defined by inflation and interest rate expectations, although overall the year was more positive for investors than expected. Initially, stubborn core inflation alongside indications of softening global growth led to concerns over higher for longer interest rates. However, the last few months of the year saw greater market optimism, largely centred on declining inflation and peaking interest rates. This lifted all assets higher, despite devastating events in Gaza.

Global equities (MSCI AC World) returned +15.3% in sterling terms and UK gilts (FTA Govt All Stocks) returned +3.7% over the course of the year. Positive performance within equities was dominated by

US Mega Cap technology names, all benefiting from tailwinds of increasing use of Artificial Intelligence. Notably, in the last few months of the year, there was a broadening of performance outside of these names.

Over 2022 and 2023, high levels of inflation in the UK have made meeting the inflation plus return target more challenging in the short term. Despite this, we remain confident in our ability to achieve this target over the longer term.

### **Reserves**

The Board of Trustees believe it is important the CIEH hold sufficient reserves to reflect illiquid assets, the risks that may require CIEH to use its reserves, and the strategic and operating needs of the organisation.

Designated funds exist for:

- Illiquid fixed assets. The value of illiquid fixed assets including investment property and related liabilities is £1.7m. This is because illiquid assets are not readily available to directly support members.



- Multi-year capital and project expenditure. Trustees believe that it is important to designate this type of expenditure as it affects the amount of reserves the Trustees can choose to apply to further activities in support of members. In 2022 the property capital fund was based on an estimate of £3.1m based on the surveyors report. During 2023 CIEH undertook a detailed property condition review and the estimated planned preventative maintenance costs for maintaining the building on an as is basis is £1.75m over the next 10 years. There is approved other capital and project spend of £0.2m. The total designated fund is £1.95m.

The reserves policy agreed by the Board of Trustees is to target a free reserves fund after designations of £4m. This is made up of

- Rental annual income of £1m will drop to nil if the tenant leaves the property. A reserve of £2m was deemed appropriate as it may take up to 2 years to replace the tenant.
- Investments experience gains and losses and the Board of Trustees are keen to ensure a reserve is available should the market value of investments drop significantly. A reserve of £1m was deemed appropriate based on 20% of the carrying value of investments.
- A reserve of £1m for all other non-rent expenditure was deemed appropriate based on 20% of non-rent expenditure budget.

At 31 December 2023 CIEH undesignated reserves were £3.5m (2022: £1.6m). The reserves policy continues to be only partially funded. As we look to the future our focus be delivery of the finance strategy. A key element of that strategy is the delivery of a financially sustainable operating model. Work on reviewing the model has started with the Board of Trustees expected to consider the outputs of that review during 2024.

### **Going concern**

The Board of Trustees having carefully reviewed the financial position of CIEH Group, including the financial projections for 2024 and beyond, are satisfied that there are sufficient funds at the date of signature of the financial statements to manage any downturn in the UK and global economy. The Board having reflected on the level of liquid reserves held also considers that there is a reasonable expectation that CIEH has adequate resources to continue in operational existence for the foreseeable future and for these reasons the Board of Trustees continues to adopt the going concern basis in preparing the financial statements.

### **Subsidiaries**

CIEH is the sole member and owns the entire issued share capital of its subsidiary, CIEH Ltd. Further details of the financial performance of CIEH Ltd are disclosed in note 2 to the Consolidated Statement of Financial Activities.

### **Management of risk**

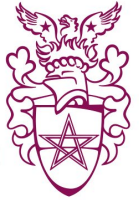
Good risk management is fundamental to the sustainability of CIEH although it should be recognised that it is impossible to eliminate all risk in an activity. The role of risk management is to identify the key risks facing the organisation and plan how these can be mitigated through specific measures.



Overall responsibility for risk management rests with the Board of Trustees who manage the process through formal reviews at board meetings and through the Risk and Audit Committee. Day to day responsibility is delegated to the Executive Team who identify and evaluate risks that relate to their areas and manage the mitigation plans accordingly.

The key risks to the organisation and the principal processes in place to manage these risks are set out below:

Risk	Key controls and mitigation
<p><b>Colleagues</b> Failure to attract and retain competent, motivated, diverse and healthy staff team resulting in capability to deliver CIEH's strategy goals.</p>	<p>Phase 1 of a pay and reward project is complete. Phase 2 in planning, for delivery in 2024 and beyond.</p>
<p><b>Sustainability and resilience</b> Failure to cover our costs as a whole and investing in infrastructure at a rate adequate enough to maintain services appropriate to the needs of our strategy. Failure to maintain sufficient reserves to withstand financial shocks and stress.</p>	<p>Finance Strategy approved in September 2023 with delivery in progress. In 2023 CIEH has been able to significantly reduce its operating deficit and as a result has been able to increase its free reserves.</p>
<p><b>Investments</b> Poor investment performance, resulting in erosion of CIEH's reserves and financial instability.</p>	<p>Investment managers' performance monitored by Executive Team and Board. Detailed strategic review of property holding is underway to inform Trustees about options for the future and gain tighter control over the performance of the asset.</p>
<p><b>Membership</b> Reduction in membership numbers due to socio-economic factors, major changes in the EH profession or underperformance of CIEH.</p>	<p>Membership levels and associated metrics are monitored regularly, alongside complaints and compliments.</p>
<p><b>Data and cyber security</b> Cyber breach, resulting in lost data, prolonged inability to access systems, potential fines and reputational damage.</p>	<p>Policies and procedures are in place alongside monitoring of training and testing outcomes.</p>
<p><b>Governance</b> CIEH's governance, oversight and decision-making arrangement do not support effective delivery of objectives and strategy.</p>	<p>Governance processes are in line with good practice, and regularly reviewed, including appraisals of the Board, Committees and governance office holders. The Board has access to legal advice when required and is regularly and routinely supported by an external governance adviser. In 2023 The Board of Trustees approved the creation of a finance committee to support the drive towards financial sustainability and should be operational in 2024.</p>



<p><b>Professional Development</b> Failure to keep qualifications pathways and standards up to date with the needs of the profession.</p>	<p>Regular engagement with members, employers by the executive team, including ongoing consultation on Chartered Environmental Health Practitioner. Oversight by the Board, supported by the Membership Learning and Profession Advisory Group.</p>
<p><b>Policy Positions</b> Member and stakeholder dissatisfaction with CIEH’s policy positions.</p>	<p>CIEH’s Policy Advisory panels have been refreshed and are undergoing further development and transformation to ensure greater participation and leadership from members with relevant expertise and interest in subject areas. Campaign and policy updates are regularly reported to members in our weekly member connect newsletter, and via subject-specific newsletters to those members who opt to select them. Regular meetings with stakeholders provide opportunities for checks and balances on policy positions, including participation in a number of multi-stakeholder alliances. Feedback mechanisms are in place to hear from members when CIEH appears to fall short of expectations.</p>
<p><b>Reputational Risk</b> Risk that performance does not match expectation.</p>	<p>Policies and procedures are in place alongside monitoring activities.</p>
<p><b>Health and Safety</b> Risk of harm to health or wellbeing of staff, tenants or visitors.</p>	<p>Policies and procedures are in place alongside monitoring activities. In 2024 CIEH will be undertaking a review of current policies and procedures.</p>

### Looking to the future

The shared passion for environmental health, and the profound difference our members’ work makes to people’s lives form the foundation to advance the profession, and to increase the influence and our impact that CIEH has as a vibrant community of practice.

Following a period of significant change in the early part of 2023, the Board of Trustees will be looking to learn lessons from a review of issues brought forward by members at two Special Meetings. These centre largely around greater member participation and engagement in the activities of the Institute, and changes to governance structures to enable this. The Board will be looking to ensure that CIEH is inclusive and represents the views from all our membership, including those in all sectors; public, private, military, third sector and universities, as well as in the devolved nations.

With the arrival of new Trustees to the Board, priorities will be placed upon investing time and energy in Board and Trustee development, to apply leadership and governance to a review of CIEH’s strategic priorities. There is considerable work to be done in relation to financial sustainability,



membership growth, professional training and development, and increasing our influence and profile.

Work is already underway in respect of financial sustainability; a review of our governance in respect of financial matters, the development of a finance strategy to define and achieve financial sustainability and resilience that has at its core the development of a sustainable operating model, as well as a review of how CIEH can maximise its return from the property at Chadwick Court.

CIEH has already made a lot of progress towards sustainability. The results shown in these accounts demonstrate the very significant progress made. The approved 2024 budget is set at a small operating deficit. Delivery of the finance strategy over the next three years is designed to deliver consistent sustainable results in future years.

Towards the end of last year we were delighted to advance our relationship with The Royal Environmental Health Institute of Scotland. We recognise that both organisations have strong identities and by collaborating and working together on matters relating to Environmental health we can make the profession stronger.

### **Structure, governance and management**

The Board of Trustees is the governing body for CIEH and determines the overall direction and development of the organisation. The Board of Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

The Board of Trustees is composed of nine Trustees elected by CIEH members, up to three appointed by the Board (on the recommendation of the Appointments and Remuneration Committee) and the President. A vote of members at a Special Meeting held in March 2023 resulted in the Board of Trustees changing its Operating Procedures to reflect this composition, which had previously been six elected Trustees and up to six appointed Trustees.

It is the ultimate decision-making body for the operation of the charity. There are two committees, Risk and Audit and Appointments and Remuneration, reporting through to the Board of Trustees along with two advisory groups, Membership and the Profession and Learning and Qualifications combined from January 2023. In 2023 the Board of Trustees approved the creation of a Finance Committee to have oversight of finance and investments and to support financial sustainability. It is expected to be operational in 2024.

Two Special Meetings of members were held in March and April of 2023, where members voted in favour of motions that resulted in refreshing the Board of Trustees with the aim of ensuring it was fit for purpose in defining and delivering a strategy that will be fit for purpose within the future landscape for Environmental Health and the profession that will be needed to serve within that landscape. These changes are reflected in the list of Trustees at the end of this report.



As part of their induction programme new Trustees are made aware of their responsibilities including an introduction to the objects, scope and policies of the charity, the use of charitable funds and in addition they are provided with further information on their legal duties as set out in detailed Charity Commission reference materials. Further updates are provided to all Trustees during the year as and when required.

The Risk and Audit Committee is responsible for overseeing the management of risks arising from all CIEH activities to ensure the charity fulfils its strategic aims and objects. It agrees the audit strategy with the external auditors, receives their management letter and ensures that issues are resolved through the risk management process.

The Appointments and Remuneration Committee has been established to assist the Board of Trustees in reviewing board composition (including skills, knowledge and experience), recommending the remuneration package of the CEO, reviewing the overall human resources strategy and ensuring that the remuneration policy for the organisation is in line with market practices.

The Board of Trustees approved the creation of a Finance Committee to oversee finance and investments, and the delivery of the finance strategy. This Committee is expected to be operational by mid 2024.

### **Statement of Trustees' responsibilities**

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Board of Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Observe the methods and principles in the Charities Statement Of Recommended Practice and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Board of Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply



with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements.

### Statement as to disclosure of information to our auditors

In the case of each of the persons who are Trustees of the charity at the date when this report was approved:

- So far as each of the Trustees is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- Each of the Trustees has taken all the steps that he or she ought to have taken as a Trustee to make himself or herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

### Reference and administrative details

<b>Name:</b>	The Chartered Institute of Environmental Health is also known as CIEH
<b>Constitution:</b>	CIEH was granted a Royal Charter on 27 July 1984
<b>Status:</b>	CIEH is a registered charity
<b>Number:</b>	290350
<b>The registered office is:</b>	Chadwick Court, 15 Hatfields, London SE1 8DJ
<b>Contact details are:</b>	Tel: 020 7827 5800 Fax: 020 7827 5862 Email: membership@cieh.org

### Trustees

The names of each member of the Board of Trustees are listed on page 51.

### Funds held as custodian trustee on behalf of others

CIEH holds funds as custodian trustee on behalf of others as disclosed in note 17. These funds are excluded from this report.



**Employees and Members**

The Board of Trustees would like to take this opportunity to thank all CIEH employees and all its volunteer members for their efforts in furthering the aims and objectives of the organisation.

**By order of the Board of Trustees**

A handwritten signature in black ink that reads "J Hedgley".

**Judith Hedgley**

-----  
**16 May 2024**



## Independent Auditors' Report to the Trustees of the Chartered Institute of Environmental Health

### Opinion

We have audited the financial statements of the Chartered Institute of Environmental Health ('the charity') and its subsidiary ('the group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2023 and of the group's 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 Charities Act 2011.

### 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustee's 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 charity's or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion: the information given in the financial statements is inconsistent in any material respect with the trustees' report; or sufficient and proper accounting records have not been kept by the parent charity; or the financial statements are not in agreement with the accounting records and returns; or we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 16 the trustees 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 group and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's 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 an auditor's report 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation, taxation legislation, and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management and judgements made in the property valuations. Our audit procedures to respond to these risks included enquiries of management, and the Risk and Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.



Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

### **Use of our report**

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

*Crowe U.K. LLP*

**Crowe U.K. LLP**  
Statutory Auditor

London

23 May 2024

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



## Consolidated Statement of Financial Activities

(SoFA) (Incorporating an Income and Expenditure Account) for the year ended 31 December 2023

		Group	
		2023	2022 Restated
		Unrestricted Funds	Unrestricted Funds
		£'000	£'000
	<i>Note</i>		
<b>Income from charitable activities:</b>			
Subscriptions and membership income	3	1,803	1,702
Education income	3	1,019	1,136
Conference income	3	778	635
<b>Income from other trading activities:</b>			
Commercial trading	3	2,063	1,687
<b>Income from investments</b>			
Income from investments	3,12.1	143	112
<b>Total income and endowments</b>		<b>5,806</b>	<b>5,272</b>
<b>Expenditure</b>			
<b>Expenditure on charitable activities:</b>			
Membership	4	2,430	2,807
Education	4	1,399	1,261
Conferences	4	1,167	1,341
<b>Expenditure on raising funds</b>			
Commercial trading operations	4	758	594
Investment management fee	4	34	34
<b>Total expenditure</b>		<b>5,788</b>	<b>6,037</b>
<b>Net income/(expenditure) for the year before exceptional items</b>		<b>18</b>	<b>(765)</b>
Exceptional gain on defined benefit scheme	9	0	6,007
<b>Net income / (expenditure) for the year before gains/(losses)</b>		<b>18</b>	<b>5,242</b>
(Loss) on investment property	12.1	(1,860)	(7,770)
Gain/(loss) on investments	12.1	238	(466)
<b>Net movement in funds before defined benefit pension scheme gain / (loss) and leasehold property revaluation (loss)/gain</b>		<b>(1,604)</b>	<b>(2,994)</b>
Leasehold property revaluation (loss)/gain	11	(540)	(2,980)
<b>Net movement in funds</b>		<b>(2,144)</b>	<b>(5,974)</b>
Funds and reserves brought forward at 1 January		8,493	14,467
<b>Funds carried forward at 31 December</b>		<b>6,349</b>	<b>8,493</b>



None of CIEH's or the group's activities were acquired or discontinued during the above two financial years. There were no recognised gains or losses other than those shown above. All funds carried forward are unrestricted. The notes on pages 26 to 50 form an integral part of these financial statements.

## Balance Sheets

as at 31 December 2023

	Note	Group		CIEH	
		2023 £	2022 Restated £	2023 £	2022 Restated £
<b>Fixed assets</b>					
Intangible assets	10	192	183	156	101
Tangible assets	11	2,479	3,073	2,455	3,045
Investments	12	13,620	15,200	13,620	15,200
		<b>16,291</b>	<b>18,456</b>	<b>16,231</b>	<b>18,346</b>
<b>Current assets</b>					
Stock		20	16	-	-
Debtors	14	1,113	1,161	1,305	1,166
Cash at bank and in hand		1,222	1,568	1,160	1,497
		<b>2,355</b>	<b>2,745</b>	<b>2,465</b>	<b>2,663</b>
<b>Creditors: amounts falling due within one year</b>	15	<b>(1,896)</b>	<b>(2,304)</b>	<b>(1,727)</b>	<b>(1,926)</b>
<b>Net current assets</b>		<b>459</b>	<b>441</b>	<b>738</b>	<b>737</b>
<b>Total assets less current liabilities</b>		<b>16,750</b>	<b>18,897</b>	<b>16,969</b>	<b>19,083</b>
<b>Creditors: amounts falling due after more than one year</b>	15	<b>(10,401)</b>	<b>(10,404)</b>	<b>(10,401)</b>	<b>(10,404)</b>
<b>Total net assets</b>		<b>6,349</b>	<b>8,493</b>	<b>6,568</b>	<b>8,679</b>
<b>The funds of the charity:</b>					
Unrestricted general funds	16				
General funds	16	3,309	1,561	3,528	1,747
Designated funds	16	3,040	6,932	3,040	6,932
<b>Total funds</b>	16	<b>6,349</b>	<b>8,493</b>	<b>6,568</b>	<b>8,679</b>

The notes on pages 26 to 50 form an integral part of these financial statements.

Approved and authorised for issue on behalf of the Board of Trustees on 16 May 2024

Judith Hedgley  
Chair, Board of Trustees



## Consolidated Cash Flow Statement

for the year ended 31 December 2023

	Note	2023		2022	
		£'000	£'000	£'000	£'000
<b>Cash flow from operating activities</b>	18		<b>(301)</b>		<b>(197)</b>
<b>Cash flows from investing activities:</b>					
Purchases of tangible assets	11	<b>(55)</b>		(96)	
Purchase of intangible assets	10	<b>(109)</b>		(75)	
Interest received / dividends	12	<b>122</b>		61	
<b>Net cash provided by investing activities:</b>			<b>(42)</b>		<b>(110)</b>
<b>Cash flows from financing activities:</b>					
Capital element of finance lease rentals		<b>(3)</b>		(3)	
<b>Net cash provided by financing activities</b>			<b>(3)</b>		<b>(3)</b>
<b>Net (decrease)/increase in cash and cash equivalents in year</b>	20		<b>(346)</b>		<b>(310)</b>
Cash and cash equivalents at the beginning of year			<b>1,568</b>		<b>1,878</b>
<b>Cash and cash equivalents at end of year</b>			<b>1,222</b>		<b>1,568</b>



## Notes to the Financial Statements

### 1. Accounting Policies

#### 1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments, which are included at their market value at the balance sheet date and leasehold and investment property, which are included at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities SORP (FRS102), the Charities Act 2011 and applicable accounting standards (FRS102). CIEH meets the definition of a public benefit entity under FRS102.

#### 1.2 Going concern

After reviewing the Group's forecasts and projections, the Board of Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future.

As stated in the Trustee's Annual Report, Trustees believe there are no material uncertainties that call into doubt the group and the charity's ability to continue as a going concern. The group therefore continues to adopt the going concern basis in preparing its accounts.

#### 1.3 Group financial statements

The financial statements consolidate the results of the Charity and its wholly owned subsidiary CIEH Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

#### 1.4 Leasehold property

On 20 December 2013, CIEH entered into a sale and leaseback agreement on the charity's property, Chadwick Court, located at 15 Hatfields, London. The property is held by the charity under a 150 year long lease and has been classified as a long leasehold property.

The Board of Trustees considers that the risks and rewards of ownership rest with the charity and consequently account for the long-leasehold as a finance lease.

The property is split between investment property (note 12) and tangible fixed assets (note 11). Both elements are measured at their fair value. The tangible fixed assets element of the property continues to be depreciated over the remaining term of the lease on a straight line basis. A valuation of the property was performed on 31 December 2023, by an independent valuer that holds the MRICS qualification and has recent experience of both the location and class of investment property being valued.



## Notes to the Financial Statements

continued as at 31 December 2023

### 1.5 Other fixed assets

#### Intangible fixed assets:

Intangible fixed assets are measured at cost less accumulated depreciation, and any accumulated impairment losses.

Both software and development costs are recognised as intangible assets when supplied by a third party. No depreciation is charged on assets under construction but computer software costs are transferred from under construction to assets when the software comes into use. At that point in time they start to be depreciated.

Depreciation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives, using the straight-line method. The principal rate for computer software and course development is 33%.

Both computer software and development, which are expected to generate future revenues and meet the other criteria allowable under FRS102 s18 'Intangible Assets other than goodwill' have been capitalised as appropriate.

#### Tangible fixed assets:

Tangible fixed assets are depreciated or amortised on a straight line basis to write off the cost of these assets over their estimated useful lives. The principal rates are:

Fixtures & Fittings	20%
Office equipment	33%
Computer hardware	33%

Assets under construction are transferred to fixtures and fittings when they come into use and at that point in time they are depreciated.

### 1.6 Stocks

Stocks of publications and course material are stated at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

All stock items are finished goods held for resale.



## Notes to the Financial Statements

continued as at 31 December 2023

### 1.7 Expenditure

All expenditure is accounted for on an accruals basis, inclusive of any VAT which cannot be recovered. Any VAT which is not recoverable by CIEH is included in allocated support costs, see note 5.

Direct expenditure is directly allocated to specific activities and has been included in those cost categories. Indirect costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of the direct usage in the various categories. Governance costs relate to the general running of the charity as opposed to those costs associated with income generation or charitable activity. These costs include Board of Trustee costs, audit costs and other strategic management costs, see note 6.

### 1.8 Income

Subscriptions and membership fees are accounted for on an accruals basis. No income is accrued in relation to unpaid subscriptions at the year-end. Amounts received in advance are deferred to the period to which they relate. Memberships renew annually with the majority renewing at the beginning of the calendar year.

Education income is accounted for on an accruals basis in respect of professional exams and public training courses.

Conference income is accounted for on an accruals basis and is generated from the delivery of CIEH events to its members and the public, as well as from the hire of its facilities (conference and meeting rooms), including the provision of catering, equipment and related services.

Commercial trading income is accounted for on an accruals basis and mainly represents income generated from our conference venue 15Hatfields.

Rents receivable are accounted for on an accruals basis.

### 1.9 Operating leases

Rentals paid under operating leases are included in the Consolidated Statement of Financial Activities on a straight-line basis over the term of the lease.



## Notes to the Financial Statements

continued as at 31 December 2023

### 1.10 Finance leases

The obligations under the finance lease for Chadwick Court is carried at amortised carrying value using the 'effective interest method', which allocates the interest expense over the period to maturity at a constant rate on the balance of the liability carried in the balance sheet for the relevant period. More detail in respect of the accounting estimates is detailed in note 1.15.

### 1.11 Pensions

CIEH operates a defined contribution scheme for all existing and new members, and the amount charged to the Consolidated Statement of Financial Activities in respect of pension costs and post-retirement benefits is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

### 1.12 Fund accounting

Unrestricted Undesignated General funds are unrestricted funds which are available for use at the discretion of the Board of Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

### 1.13 Investments

Profit or loss on investment is recognised in the Consolidated Statement of Financial Activities on a cash receivable basis. Investments are stated at market value at the balance sheet date. Investment property has been valued on a net initial yield basis. A gain or loss is "realised" when the disposal proceeds of investments (at market value) is different from its value at the start of the year. A gain or loss is "unrealised" when the market value of an investment at the end of the year is different from its value at the start of the year (or from the date it was purchased during the year).

### 1.14 Financial instruments

The group and charity only holds financial instruments which qualify as basic financial instruments in accordance with section 11 of FRS102. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value. Assets such as trade and other receivables, and liabilities such as trade and other creditors are measured at amortised cost. Listed investments are measured at fair value. The group and charity do not hold any financial instruments measured at fair value other than the listed investments disclosed in note 12.1.



## Notes to the Financial Statements

continued as at 31 December 2023

### 1.15 Significant estimates and areas of judgments

The preparation of financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent liabilities at the balance sheet date. Estimates and judgements are based on historical experience along with reasonable expectations around future events. Actual outcomes could differ from the estimates.

The property lease relating to Chadwick Court has been measured on a fair value basis in line with FRS102. In determining fair value CIEH commissioned a (Royal Institute of Chartered Surveyor's) RICS registered valuer to undertake the valuation of the property lease for financial reporting purposes. CIEH's property is unusual in having a very long lease and CIEH is required to reflect the obligations of the lease as a liability as well as account for the property asset as an investment property for the portion let out and as a fixed asset for the portion used by CIEH. We are informed by the valuer that the value of a leasehold is calculated by the 'profit' that can be generated from assigning (selling) the lease. Therefore, the rent payable to the ultimate landlord, as well as the rent generated by the tenants, the certainty of this rent now and into the future, as well as the condition of the property are all material to value. The Standard Red Book Valuation calculation includes the full rental liability and income under the lease, which would result in the finance lease liability element being accounted for twice. The Red Book recognises that there are situations when the valuation can be based on special assumptions. CIEH instructed the valuer to adopt a special valuation assumption to reduce the amount of rent assumed in the valuation by the amount of rent that is already accounted for in the lease liability calculation. Reducing the rent cost assumption increases the lease valuation.

The table below shows the Standard Red Book Valuation, the Valuation with Special Assumption, the Net carrying amount on the Balance Sheet of the valuation less the liability.

Year	Standard Red Book Valuation	Valuation with Special Assumption of a reduced rent payable under the headlease	Long Leasehold Liability	Net carrying amount on the Balance Sheet
2022	£7,200,000	£12,750,000	£9,949,158	£2,800,842
2023	£5,075,000	£10,350,000	£9,946,302	£403,698
Change in valuation	(£2,125,000)	(£2,400,000)	£2,856	£2,397,144

It should be noted that the Red Book valuation does not represent market value of the lease on the open market.



## Notes to the Financial Statements

continued as at 31 December 2023

### 1.16 Prior Year adjustment

A prior year adjustment has been made to reduce the income recognised for tenants at Chadwick Court and to recognise a liability in respect of the sinking fund and to reflect a change in accounting policy recognising Member Education Pathway Registration Income up front.

### 2. Subsidiary Activities

CIEH has one wholly owned UK trading subsidiary; CIEH Limited a company registered in England (01999717) and its registered office is Chadwick Court, 15 Hatfields, London SE1 8DJ. CIEH Limited, a company registered in England, carries out mainly primary purpose trading activities, providing learning outcomes and publishing a magazine.

A summary of the trading results for CIEH Limited is shown

	CIEH Limited	
	2023	2022
	£'000	£'000
Turnover	2,302	2,247
Total expenditure	(2,334)	(1,965)
Profit/(loss) for the year	(32)	282
Retained (losses) brought forward	(187)	(469)
<b>Retained in subsidiary</b>	<b>(219)</b>	<b>(187)</b>
Assets	723	551
Liabilities	(942)	(738)
<b>Net assets /(liabilities)</b>	<b>(219)</b>	<b>(187)</b>



## Notes to the Financial Statements

continued as at 31 December 2023

### 3. Income

	2023			2022 Restated		
	CIEH Ltd £'000	CIEH £'000	Group £'000	CIEH Ltd £'000	CIEH £'000	Group £'000
Subscriptions and membership	506	1,297	1,803	634	1,068	1,702
Education	883	136	1,019	935	201	1,136
Conferences	-	778	778	-	635	635
Commercial Trading	913	1,150	2,063	677	1,010	1,687
Investments	-	143	143	-	112	112
<b>Total income</b>	<b>2,302</b>	<b>3,504</b>	<b>5,806</b>	<b>2,246</b>	<b>3,026</b>	<b>5,272</b>

**Subscriptions and membership** income consists of membership fees, and other sources of income of a membership nature.

(including the membership magazine; Environmental Health News).

**Education** income is in respect of professional exams and public training courses.

**Conference** income arises from the delivery of events to members and the public.

**Commercial trading** income arises from 15Hatfields venue and events business, together with rent from letting part of Chadwick Court.



## Notes to the Financial Statements

continued as at 31 December 2023

### 4. Expenditure

	2023					2022				
	Direct costs	Staff costs	CIEH Ltd	CIEH Support	2023 Total	Direct costs	Staff costs	CIEH Ltd	CIEH Support	2022 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Membership	308	437	369	1,316	2,430	374	532	302	1,599	2,807
Education	117	311	213	758	1,399	118	289	136	718	1,261
Conference	182	176	177	632	1,167	103	330	144	764	1,341
Subtotal costs	607	924	759	2,706	4,996	595	1,151	582	3,081	5,409
Investment management fee					34					34
Commercial trading operations					758					594
<b>Total expenditure</b>					<b>5,788</b>					<b>6,037</b>



## Notes to the Financial Statements

continued as at 31 December 2023

### 5. Support Costs

	2023			2022		
	CIEH LTD £'000	CIEH £'000	Total £'000	CIEH LTD £'000	CIEH £'000	Total £'000
Staff costs	322	1,154	1,476	295	1,680	1,975
Office costs	193	215	408	83	265	348
Printing , postage and stationery	1	4	5	1	3	4
Rent, rates and maintenance	24	190	214	21	155	176
Light and heat	-	118	118	-	60	60
Publicity and marketing	74	43	117	49	64	113
Research and development	36	11	47	2	20	22
Telephones	9	21	30	9	18	27
Computers	-	3	3	-	7	7
Legal and professional	-	190	190	-	163	163
Insurance	11	38	49	16	30	46
Bank charges	17	23	40	15	26	41
Finance lease and loan interest	-	390	390	-	363	363
Governance costs (see note 6)	18	118	136	19	26	45
Irrecoverable VAT	-	36	36	-	31	31
Depreciation, and loss on disposal of tangible and intangible assets	54	152	206	72	170	242
<b>Support costs</b>	<b>759</b>	<b>2,706</b>	<b>3,465</b>	<b>582</b>	<b>3,081</b>	<b>3,663</b>



## Notes to the Financial Statements

continued as at 31 December 2023

### 6. Governance Costs

	2023	2022 Restated
	£'000	£'000
Board of Trustees and other meetings	11	10
General Meeting Costs	42	2
Governance costs	36	49
Auditors' remuneration	48	43
<b>Governance costs</b>	<b>137</b>	<b>104</b>

Governance costs relate to the Board and all Committees (Membership, Learning and the Profession Advisory Group, Appointments and Remunerations Committee, Risk and Audit Committee). It includes election and interview costs for governance roles including online voting software. Costs for the AGM and any special meetings including room hire, electronics and voting software. Legal and governance advice. Board secretarial and administration work. Meeting costs and expenses.

### 7. Net expenditure for the year

	Group	
	2023	2022
	£'000	£'000
This is stated after charging:		
Depreciation of tangible and intangible assets	206	242
Auditors' remuneration		
- audit work	43	42
- non-audit work	5	3
Finance lease and loan interest	390	363
Operating leases	28	28
	<b>206</b>	<b>242</b>



## Notes to the Financial Statements

continued as at 31 December 2023

### 8. Employee and Trustee Costs

	Group		CIEH	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Salaries	2,256	2,752	1,313	2,244
Social security costs	223	254	166	207
Other pension costs (note 9)	210	241	159	201
Temporary staff costs	28	13	17	7
Training, recruitment and welfare	67	147	67	147
	<b>2,784</b>	<b>3,407</b>	<b>1,722</b>	<b>2,806</b>

	2023 Number	2022 Number
Average number of full time employees:		
Subscription and membership	10	8
Educational activities	8	11
Conferences	4	5
Commercial	7	8
Central services	19	21
	<b>48</b>	<b>53</b>

	2023 Number	2022 Number
Employees whose emoluments were over £60,000 per annum:		
£60,000 - £69,999	2	3
£70,000 - £79,999	1	1
£80,000 - £89,999	2	1
£90,000 - £99,999	1	-
£100,000 - £109,999	0	-
£130,000-£139,000	0	1
£190,000 - £199,999	1	0



## Notes to the Financial Statements

continued as at 31 December 2023

The executive management team of 4.33 (2022: 4.7) were remunerated £537,775 (2022: £500,559). Included within this total there were company pension contributions totalling £60,148 (2022: £54,236). They received £9,824 benefits (2022: £8,695). The Group makes pension contributions on behalf of 6 (2022: 6) of the employees whose emoluments exceed £60,000.

During the year termination payments were agreed of £30,442 (2022: £314,727) and at the year-end Enil had not been paid (2022: £94,406).

No Board of Trustee member received any remuneration for services as a trustee (2022: none). Board of Trustee members received reimbursement of their travel and subsistence expenses incurred in the performance of their duties as Board of Trustee members. These expenses totalled £1,692 to 7 Trustees (2022: £2,226 to 7 Trustees). Transactions with Board of Trustee members, officers of CIEH, Directors of CIEH Limited are disclosed in note 24, related party transactions.

### 9. Pensions

During the year, costs relating to the pension fund to which CIEH contributes were as follows

	Group		CIEH	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Aviva	210	241	159	201
<b>Total pension contributions</b>	<b>210</b>	<b>241</b>	<b>159</b>	<b>201</b>

No employees or directors of CIEH or CIEH Limited and its subsidiary undertakings, are involved in the control or administration of any of the above funds.



## Notes to the Financial Statements

continued as at 31 December 2023

### 10. Intangible Fixed Assets Group

	Development £'000	Software £'000	Under Construction £'000	Total £'000
<b>Cost</b>				
At 1 January 2023	9	1,020	22	1,051
Transfer constructed asset				-
Additions			109	109
Disposals	(9)	(389)	-	(398)
At 31 December 2023	0	631	131	762
<b>Amortisation</b>				
At 1 January 2023	9	859		868
Charge for the year		100		100
Disposals	(9)	(389)	-	(398)
At 31 December 2023	0	570	-	570
<b>Net Book Value at 31 December 2023</b>		<b>61</b>	<b>131</b>	<b>192</b>
Net Book Value at 31 December 2022		161	22	183

### CIEH

	Development £'000	Software £'000	Under Construction £'000	Total £'000
<b>Cost</b>				
At 1 January 2023		169	22	191
Additions			109	109
Disposals		(27)	-	(27)
At 31 December 2023		142	131	273
<b>Amortisation</b>				
At 1 January 2023		90		90
Charge for the year		27		27
Disposals		-	-	0
At 31 December 2023		117	-	117
<b>Net Book Value at 31 December 2023</b>		<b>25</b>	<b>131</b>	<b>156</b>
Net Book Value at 31 December 2022		79	22	101

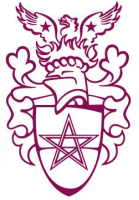


## Notes to the Financial Statements

continued as at 31 December 2023

### 11. Tangible Fixed Assets Group

	Leasehold Property £'000	Equipment & IT £'000	Under Construction £'000	Total Assets £'000
<b>Cost or Valuation</b>				
At 1 January 2023	2,870	1,126	-	3,996
Transfer	-	-	-	0
Additions	-	45	10	55
Revaluation	(540)	-	-	(540)
Disposals	-	(35)	-	(35)
At 31 December 2023	2,330	1,136	10	3,476
<b>Depreciation</b>				
At 1 January 2023	-	923	-	923
Charge for the year	-	100	-	100
Disposals	-	(26)	-	(26)
At 31 December 2023	-	997	-	997
<b>Net Book Value</b>				
<b>At 31 December 2023</b>	<b>2,330</b>	<b>139</b>	<b>10</b>	<b>2,479</b>
At 31 December 2022	2,870	203	-	3,073



## Notes to the Financial Statements

continued as at 31 December 2023

### Tangible Fixed Assets

#### CIEH

	Leasehold Property £'000	Equipment & IT £'000	Under Construction £'000	Total Assets £'000
<b>Cost or Valuation</b>				
At 1 January 2023	2,870	898	-	3,768
Transfer	-			-
Additions	-	41	10	51
Revaluation	(540)	-	-	(540)
Disposals	-	(33)	-	(33)
At 31 December 2023	2,330	906	10	3,246
<b>Depreciation</b>				
At 1 January 2023		723	-	723
Charge for the year	-	92	-	92
Disposals	-	(24)	-	(24)
At 31 December 2023	-	791	-	791
<b>Net Book Value</b>				
<b>At 31 December 2023</b>	<b>2,330</b>	<b>115</b>	<b>10</b>	<b>2,455</b>
At 31 December 2022	2,870	175	-	3,045

Long leasehold property relates to CIEH's property, Chadwick Court, held under finance lease from 20 December 2013. The lease is valued on a fair value basis using the method described in note 1. The carrying amount that would have been recognised had the assets been carried under the cost model is £2,434k.



## Notes to the Financial Statements

continued as at 31 December 2023

### 12. Investments

	Property Investments £'000	Listed Investments £'000	Total £'000
Value at 1 January 2023	9,880	5,320	15,200
Reversal of accrual	0	0	0
	9,880	5,320	15,200
Investment income		122	122
Management fee		-32	(32)
Disposals - loan interest		-48	(48)
Gains / (losses)	(1,860)	238	(1,622)
<b>Value at 31 December 2023</b>	<b>8,020</b>	<b>5,600</b>	<b>13,620</b>

65% of Chadwick Court has been let on a 10 year lease and therefore represents Investment Property to the Group. The lease is valued on a fair value basis using the method described in note 1.

#### 12.1 Subsidiary Undertakings

CIEH holds the entire equity interest in CIEH Limited, a company incorporated in the United Kingdom. The equity interest was donated to CIEH. The company is currently engaged in the delivery of the charity's primary purpose objectives.

### 13. Interest Payable

	Group	
	2023 £'000	2022 £'000
Loans payable within 5 years	47	21
Finance Lease	342	342
<b>Total interest payable</b>	<b>389</b>	<b>363</b>



## Notes to the Financial Statements

continued as at 31 December 2023

### 14. Debtors

	Group		CIEH	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade debtors	653	528	93	189
Amounts due from subsidiary undertakings	-	-	772	356
Other debtors	0	1	-	-
Prepayments and accrued income	460	632	440	621
	<b>1,113</b>	<b>1,161</b>	<b>1,305</b>	<b>1,166</b>



## Notes to the Financial Statements

continued as at 31 December 2023

### 15. Creditors

	Group		CIEH	
	2023 £'000	Restated 2022 £'000	2023 £'000	Restated 2022 £'000
<b>(i) Amounts falling due within one year</b>				
Obligations under finance leases	345	345	345	345
Trade creditors	183	171	148	75
Other taxes and social security	216	218	120	28
Accruals and deferred income	1,152	1,570	1,114	1,478
	<b>1,896</b>	<b>2,304</b>	<b>1,727</b>	<b>1,926</b>
<b>(ii) Amounts falling due after more than one year</b>				
<b>Loans and obligations under finance leases</b>				
Sterling repayable at various dates up to 2163	9,946	9,949	9,946	9,949
Less: instalments due within one year	(345)	(345)	(345)	(345)
Total obligations under finance leases	9,601	9,604	9,601	9,604
Other loans	800	800	800	800
	<b>10,401</b>	<b>10,404</b>	<b>10,401</b>	<b>10,404</b>
<b>Obligations under finance leases are payable as follows:</b>				
After more than one year but within five years	1,380	1,380	1,380	1,380
After five years	8,221	8,224	8,221	8,224
	<b>9,601</b>	<b>9,604</b>	<b>9,601</b>	<b>9,604</b>

Obligations under finance lease relate to the property lease for Chadwick Court. The term of the lease is 150 years expiring on 19 December 2163. Obligations are based on the initial rent of £345k per annum. In 2018 there was a rent review and an additional £85k per annum was added to the rent charge. This is recognised as an expense as incurred through the income and expenditure account. Rent reviews occur every 5 years with an upward only rent review to 35% of open market rent. The next review was due December 2023 and CIEH is in discussions with the landlord. A final decision expected during 2024.



## Notes to the Financial Statements

continued as at 31 December 2023

### 16. Reconciliation of movement in total funds

	At 1 Jan 2023 £'000	Income £'000	Expenditure £'000	Transfer £'000	Gains/ (losses) £'000	At 31 Dec 2023 £'000
Unrestricted charity funds						
General funds	1,748	3,504	(3,455)	3,892	(2,161)	3,528
Designated Funds						
Fixed Assets	3,532	-	-	(2,442)	-	1,090
Capital and Projects	3,400	-	-	(1,450)	-	1,950
Pension Fund	-	-	-	-	0	-
<b>Total charity funds</b>	<b>8,680</b>	<b>3,504</b>	<b>(3,455)</b>	<b>-</b>	<b>(2,161)</b>	<b>6,568</b>
Subsidiary funds	(187)	2,302	(2,334)	-	-	(219)
<b>Total Funds</b>	<b>8,493</b>	<b>5,806</b>	<b>(5,789)</b>	<b>-</b>	<b>(2,161)</b>	<b>6,349</b>
Summarised as:						
General funds						
Charity	1,748	3,504	(3,455)	3,892	(2,161)	3,528
Subsidiary	(187)	2,302	(2,334)	-	-	(219)
Total general funds	1,561	5,806	(5,789)	3,892	(2,161)	3,309
Designated Funds	6,932	-	-	(3,892)	0	3,040
<b>Total Funds</b>	<b>8,493</b>	<b>5,806</b>	<b>(5,789)</b>	<b>-</b>	<b>(2,161)</b>	<b>6,349</b>
	Restated At 1 Jan 2022 £'000	Restated Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	Restated At 31 Dec 2022 £'000
Unrestricted charity funds	20,943	3,025	(4,072)	(6,932)	(11,216)	1,748
Designated Funds						
Fixed Assets				3,532		3,532
Capital and Projects				3,400		3,400
Pension fund	(6,007)	-	-	-	6,007	0
<b>Total charity funds</b>	<b>14,936</b>	<b>3,025</b>	<b>(4,072)</b>	<b>0</b>	<b>(5,209)</b>	<b>8,680</b>
Subsidiary funds	(469)	2,247	(1,965)	-	-	(187)
<b>Total Funds</b>	<b>14,467</b>	<b>5,272</b>	<b>(6,037)</b>	<b>0</b>	<b>(5,209)</b>	<b>8,493</b>

## Notes to the Financial Statements

continued as at 31 December 2023

### 16. Reconciliation of movement in total funds (contd.)

The Trustees of CIEH have created two new designated funds for

1. illiquid fixed assets. The value of illiquid fixed assets including investment property and related liabilities is £1.7m. This is because illiquid assets are not readily available to directly support members.
2. multi-year capital and project expenditure. Trustees believe that it is important to designate this type of expenditure as it affects the amount of reserves the Trustees can choose to apply to further activities in support of members. In 2022 the property capital fund was based on an estimate of £3.1m based on the surveyors report. During 2023 CIEH undertook a detailed property condition review and the estimated planned preventative maintenance costs for maintaining the building on an as is basis is £1.75m over the next 10 years. There is approved other capital and project spend of £0.2m. The total designated fund is £1.95m.

### 17. Projects

CIEH administers projects and funds on behalf of other entities as custodian trustee. Funds for two projects are held in separately identifiable accounts and income and expenditure is not included in the Statement of Financial Activities of CIEH. The balances on the projects and the funds held at 31 December 2023 are as follows

	2023	2022
	£'000	£'000
Emergency & Relief Fund	5	5
Bonnefoy Fund	21	21
	<hr/>	<hr/>



## Notes to the Financial Statements

continued as at 31 December 2023

### 18. Cashflows resulting from operations

Reconciliation of deficit for the financial year to net cash flow from operations	Group	
	2023 £'000	2022 £'000
<b>Cash flows from operating activities</b> (Deficit)/Surplus for the financial year	<b>(2,144)</b>	(5,974)
<b>Adjustments to exclude:</b>		
Depreciation of intangible assets	100	100
Depreciation of tangible assets	100	142
Sale of tangible fixed assets	6	-
Interest paid	340	342
Investment income	(143)	(112)
Exceptional gain on defined benefit scheme	-	(6,007)
Leasehold property revaluation (loss)/gain	2,400	10,750
Investments - management fee	32	34
Investments -unrealised losses / (gains)	(239)	465
Debtors - (increase) / decrease	48	90
Stock - (increase) / decrease	(4)	(5)
Creditors - increase / (decrease)	(408)	341
	<hr/>	<hr/>
Cash generated from operations	88	166
Interest paid	(389)	(363)
	<hr/>	<hr/>
<b>Net cash flow resulting from operating activities</b>	<b>(301)</b>	(197)
	<hr/>	<hr/>



## Notes to the Financial Statements

continued as at 31 December 2023

### 19. Analysis of net debt

Group	01-Jan 2023	Cash flow	31-Dec 2023
	£'000	£'000	£'000
Cash at bank and in hand	1,568	(346)	1,222
Debt due within one year			
Finance Lease	(345)	-	(345)
Debt due after more than one year	-		
Finance Lease	(9,604)	3	(9,601)
Other loans	(800)	-	(800)
	<u>(9,181)</u>	<u>(343)</u>	<u>(9,524)</u>

### 20. Reconciliation of net cashflow to movement in net debt

	2023		2022	
	£'000	£'000	£'000	£'000
Increase / (decrease) in cash in the year	(346)		(310)	
Loan	-		-	
Cash to repay loan	3		3	
	<u></u>	<u>(343)</u>	<u></u>	<u>(307)</u>
Movement in net debt in the year		(343)		(307)
Net debt at 1 January		(9,181)		(8,874)
Net debt at 31 December		<u>(9,524)</u>		<u>(9,181)</u>

### 21. Controlling Party

CIEH is run by its Board of Trustees, who are appointed by the members of CIEH and the board.



## Notes to the Financial Statements

continued as at 31 December 2023

### **22. Indemnity Insurance**

The Board of Trustees has affected an indemnity insurance policy to protect CIEH and its subsidiary undertakings from loss arising from the neglect or defaults of its Trustees, directors or employees and to indemnify them against loss arising from any claim against them jointly or severally by reason of any wrongful act in their capacity as Trustees, directors or officers. The premium on the insurance policy was £4,107 (2022: £4,241).

### **23. Capital Commitments**

At 31 December 2023 there were no group capital commitments (2022: £22,070 had been authorised and contracted for).

### **24. Related Party Transactions**

During the year CIEH received Gift Aid payments of £nil (2022:£nil) from The Environmental Health Registration Board, a company connected with CIEH.

As part of the provision of its training courses CIEH Limited commissions books, researches new courses and arranges for examination papers to be marked and moderated. Some of this work is undertaken for payment by persons who are members of the Chartered Institute of Environmental Health.

There were no related party transactions.



## Notes to the Financial Statements

continued as at 31 December 2023

### 25. Operating Leases

As prescribed by FRS102, total minimum future lease payments under operating leases are analysed below for the following periods; payable within one year; payable after one year but within 5 years; payable after 5 years

#### Operating leases as a lessee

	Group		CIEH	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Other assets				
Payable within 1 year	21	27	11	14
Payable during 2 to 5 years		21		10
	<b>21</b>	<b>48</b>	<b>11</b>	<b>24</b>

#### Operating leases as a lessor

	Group		CIEH	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Investment property				
Receivable within 1 year	836	837	836	837
Receivable during 2 to 5 years	4,140	3,698	4,140	3,698
Receivable 5+ years	409	1,466	409	1,466
	<b>5,385</b>	<b>6,001</b>	<b>5,385</b>	<b>6,001</b>



## Notes to the Financial Statements

continued as at 31 December 2023

### 26. Prior year adjustments

Prior year adjustment to Year 2022 reversing recognising deferred income up front for pathway registration income and to earlier years correcting the service charge sinking fund treatment for tenants at Chadwick Court so that it is held as a liability rather than taken as income.

	2022	
	CIEH	Group
	£'000	£'000
<b>Total Turnover</b>		
Total Turnover, as previously stated	2,953	5,199
Prior year adjustment	73	73
	<hr/>	<hr/>
Total Turnover, as restated	3,026	5,272
	<hr/> <hr/>	<hr/> <hr/>
<b>Total Creditors: amounts falling due within one year</b>		
Total Creditors, as previously stated	1,986	2,364
Prior year adjustment	(60)	(60)
	<hr/>	<hr/>
Total Creditors, as restated	1,926	2,304
	<hr/> <hr/>	<hr/> <hr/>
<b>Total Reserves</b>		
Total equity, as previously stated		8,433
Prior year adjustment		60
		<hr/>
Total reserves, as restated		8,493
		<hr/> <hr/>



## About CIEH

**President:** Mark Elliott (appointed 1 January 2024)

**Trustees who served during the year and Trustees who continue to serve:**

	<b>Role</b>	<b>Date of appointment</b>	<b>Date of resignation</b>
Stephanie Appiah-Anderson	Trustee	1 January 2022	29 March 2023
Julie Barratt	President	1 January 2021	14 August 2023
Nicholas Chapman	Trustee	26 July 2023	Current
Sterling Crew	Trustee	1 January 2021	29 March 2023
Sterling Crew	Trustee	1 May 2024	
Joan Elliott	Trustee	1 January 2022	22 February 2023
Mark Elliott	President	1 January 2023	Current
Jonathan Hayes	Trustee	1 January 2022	17 April 2023
Judith Hedgley	Chair	28 April 2023	Current
Sarah Johns	Deputy Chair	26 July 2023	Current
Roisin Kerr	Trustee	1 January 2020	17 April 2023
Rosemary Lee	Trustee	18 April 2023	26 July 2023
Penelope Dawson Malone	Trustee	26 July 2023	Current
Abigail Miller	Trustee	18 April 2023	26 July 2023
Madhu Murali	Trustee	25 June 2020	29 March 2023
Saravana Namasivayam	Trustee	1 January 2023	Current
David Newsum	Trustee	6 February 2023	1 June 2023
Daniel Oerther	Trustee	1 January 2020	30 November 2023
Nick Pahl	Trustee	27 April 2017	5 February 2023
Kathryn Preece	Trustee	26 July 2023	1 May 2024
Lindsay Shaw	Trustee	26 July 2023	Current
Kirpal Singh Tahim	Trustee	1 January 2019	30 November 2023
Vanessa Wardle	Trustee	1 January 2021	28 April 2023
James Johnson	Trustee	1 May 2024	
Kev Shawcross	Trustee	1 May 2024	

### CIEH Executive Management Team

Phil James	Chief Executive Officer (Resigned October 2023)
Fran McCloskey	Acting Chief Executive Officer (October 2023 – present)
	Director of Finance (October 2022 – October 2023)
Jon Buttolph	Executive Director of Professional Standards
Louise Hosking	Executive Director of Environmental Health (May 2023 – present)
Justin Turner	Executive Director of Commercial and Digital Innovation



### **Risk and Audit Committee**

Carol Healy (Chair)  
John Cragg (Term ended 31 December 2023)  
Michael Jackson (Term started 1 January 2024)  
Madhu Murali (Resigned 29 March 2023)  
Saravana Namasivayam  
Robert Spain (Term ended 31 December 2023)  
Matt Thwaite (Term started 1 April 2024)

### **Appointments and Remunerations Committee**

James Howe (Chair)  
Joan Elliot (resigned 22 February 2023)  
Judith Hedgley (resigned 1 April 2024)  
Maria Jennings  
Tracey Marshall (Term ended 30 September 2023)  
Andrea Sutherill (Term ended 31 December 2023)  
Nicholas Chapman (Term started 1 April 2024)  
Lamin Tamba (Term started 1 April 2024)

## **Advisors**

### **Bankers**

HSBC Bank Plc,  
60 Queen Victoria Street,  
London EC4N 4TR

### **Auditors**

Crowe U.K. LLP  
55 Ludgate Hill  
London, UK  
EC4M 7JW

### **Investment managers**

Cazenove Capital Management  
1 London Wall Place  
London EC2Y 5AU

**CHARTERED INSTITUTE OF ENVIRONMENTAL HEALTH**

England & Wales - Charity number 290350

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# Accounts

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Chartered Institute of  
Environmental Health



# Time to act

## Annual Report and Financial Statements

For the year ended 31 December 2022

Registered Charity No. 290350

Find more information about who we are  
and what we do at:

[cieh.org](https://cieh.org)



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## Trustees' Annual Report

The Board of Trustees present their report together with the Audited Financial Statements for the year ended 31 December 2022.

### Objectives and activities

The charitable objectives of the Chartered Institute of Environmental Health (CIEH) are to promote for the public benefit the theory and science of environmental health in all its aspects and to disseminate knowledge about environmental health.

To support the delivery of our vision of safer, cleaner and healthier environments for the benefit of people, businesses and local communities, the Board of Trustees has agreed the following strategic priorities:

- **A sustainable profession**
  - Position CIEH as leaders shaping the future of environmental health
  - Put our members at the heart of the conversation about the future of the profession
  - Work with partners to plan for the workforce of tomorrow
  - Raise the profile and attractiveness of environmental health careers
- **A sustainable organisation**
  - Develop new ways of working that mobilise member champions
  - Enhance our members' roles in shaping CIEH's activities
  - Streamline internal structures
  - Secure CIEH's financial future
- **A sustainable world**
  - Play our part in the race to achieve net zero
  - Work with partners to explore more sustainable ways of working
  - Work with government on key environmental issues
  - Promote environmental health to guide and support efforts by government, businesses, and the public

We have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and when planning our programme of activities. The activities of CIEH are outlined in this report and further details can be found in our Annual Review which is available to download from our website.

### Achievements and performance

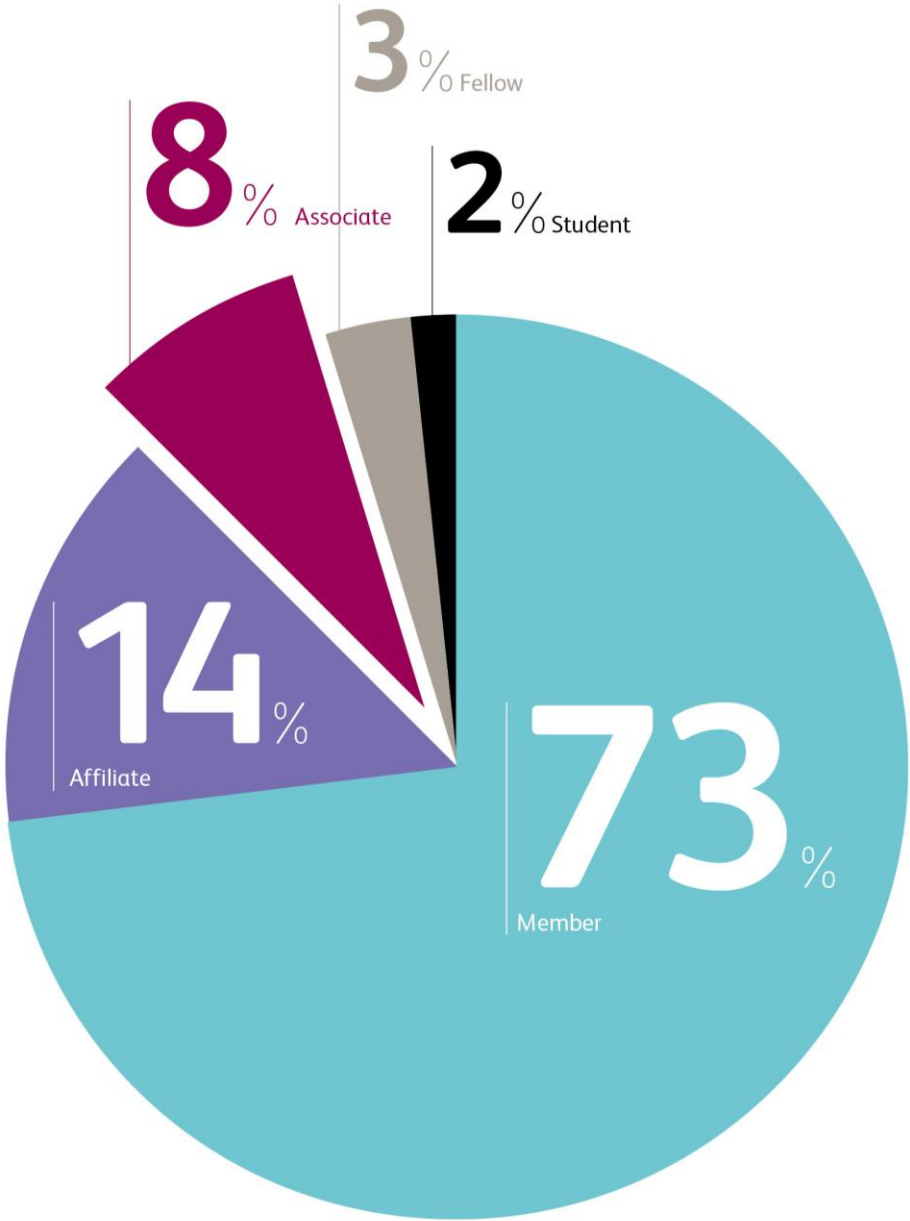
The Board of Trustees engaged in a thorough review of CIEH's strategy, focusing upon delivering sustainability for CIEH, for the environmental health profession, and for the impact and contribution upon our world. This strategic review heightened the attention given to the shape of the financial structure of the Institute. As the year drew to a close, significant action was taken to eliminate the long-standing pension scheme deficit, and to implement a restructuring of the staff team. These major step changes towards a more sustainable financial future for CIEH itself were accompanied by solid delivery across our suite of services and activities.



2022 saw us welcome 776 new members to CIEH, with 2,018 of you having achieved Chartered Status. Another milestone as we strengthen the profession and endeavour to expand our membership.

- 776 new members
- 7,255 members
- 2,018 members with Chartered Status

Our membership by grade





CIEH is committed to ensuring that members get the most out of our organisation, and 2022 saw us further develop our offer of outstanding professional development, networking, the latest industry news, and representation.

From low-cost bitesize training sessions to two-day conferences, we have an exciting and expanding programme of events. Our online events and training continue to be in high demand, offering flexible and easy access continual professional development. Last year alone we had 2,493 members attending our coffee catch ups. We will continue building informal member spaces to provide unique networking opportunities with your community.

We recognise the hard work of our member volunteers to represent the profession. The 2021 President's Commission saw the establishment of the CIEH Mentor network which continues to this day. Thanks to these mentors and career ambassadors, new environmental health professionals starting out in their careers now have invaluable support.

Alongside the creation of the Directory of Student Training Opportunities (DSTO), we also launched new interactive training exercises to support members on the pathway to registration. These sessions provide a safe place for students to make mistakes and learn from them, with the support of experienced mentors. We know that colleagues can find it difficult to get actual experience in these kinds of incidents, so these exercises have been developed to provide alternatives to real-life incidents.

There is also our flagship President's Challenge. Taking place each year, the President's Challenge builds a sense of community alongside raising money for charity. These challenges have brought together members and championed physical and mental health, whilst supporting various important causes along the way. It showcases the spirit of our members and our profession.

Whilst the COVID pandemic begins to fade, virtual events of all types have seen very significant growth, despite global restrictions being lifted upon live, face to face events. Virtual events have enabled CIEH to continue to engage with our members and stakeholders on a bigger scale than ever before; from community style coffee catch up meetings, webinars and conferences, to technical training.

Accessibility is a huge factor in our decisions to remain focussed on delivering online events and training. Prohibitive logistical and financial limitations on attendees are removed or at least reduced with virtual events.

And the numbers speak for themselves, our annual conferences saw on average a 20% increase in delegate numbers in 2022 from the previous year, and the feedback supports this trend with majority of attendees enjoying their online experience.

That said, we will continue to offer some training face to face, as it has been designed specifically for this purpose.



We continue to offer our popular in-house training – offering bespoke training solutions which can be delivered, face to face either at your offices or a venue of your choice. Whether the CIEH event, training, or meeting is virtual, in-person, or a hybrid, our goals will remain the same, to provide the best membership engagement, learning and development that we can offer, reflecting and delivering what our members need.

- **10,000 delegates attending CIEH courses**
- **6 headline conferences**
- **3,500 attending ‘Bitesize’ training and technical workshops**

Last year was incredibly busy for our learning and development activities and offer to our members. 2022 saw CIEH secure the postnominal letters REnvH from King Charles III and the Privy Council to underpin the professionalism of Registered Environmental Health Practitioners (EHPs). It also saw the first awards of Registered Environmental Health Practitioner status to candidates successfully completing our new pathway, alongside the first interactive training days for candidates undertaking their EHP portfolios.

But that was not all. CIEH launched our Advanced Professional Certificate in the Private Rented Sector (APC Housing) qualification in collaboration with the Mayor of London. We also launched a new student membership grade to support learners and practitioners at the beginning of their careers in environmental health.

CIEH is alive to the many workforce issues facing our profession and is committed to fighting to protect the pathways into environmental health. In this vein, we are proud of our role in working with local employers to persuade Wolverhampton University to maintain its environmental health degree and apprenticeship. We will continue to work as closely as possible with partner universities to fight the corner for environmental health courses.

Last year we also kicked off two new reviews. The first, a review of Chartered Status with almost 1,000 responses from members and other stakeholders to our online questionnaire alongside in-depth conversations at the online meetings. The second was a review of Continuing Professional Development requirements to make it more accessible to members and to better capture how they learn on the job.

Finally, we were successful in recruiting new members to sit on “fitness to practise” panels which consider potential misconduct by members.

- **123 enrolled on pathway to registered Environmental Health Practitioner**
- **56 enrolled on pathway to Food Safety Practitioner**
- **9 recognised partner universities**



A key aspect of acting on behalf of the profession is our policy and campaigning work to enhance CIEH's voice and influence.

To make the most of our opportunities and resources, CIEH embarked on a series of strategic projects aiming to provide an in-depth understanding of the issues facing the environmental health profession, the views and experiences of our members, and the policy and political landscape.

Workforce remains a policy priority for CIEH. Launched in 2021 our workforce survey on local authority environmental health teams in England, gave us strategic insight which we have used to direct our campaign efforts in areas we can have the most impact. We will be building on this going forwards.

We have continued our campaign to introduce a national landlord register in England and have worked alongside both our Housing Advisory Panel, as well as the Renters Reform Coalition, by sharing our views with the UK Government on proposals to introduce both a Decent Homes Standard for the private rented sector and for a Renters Reform Bill, producing consultation responses to both through close collaboration with members and our coalition partners amplifying the call for change.

Our CEO, joined by CIEH members with expertise in housing issues, discussed the public health impacts of poor housing during a meeting with the Chief Medical Officer, Professor Sir Chris Whitty. We have also continued to work with our partners at the End Fuel Poverty Coalition, to call for more support for households during the steep energy price rises, as well as targeted investment for insulation measures before the rollout of a national insulation programme.

Our flagship campaign has been around the Retained EU (Revocation and Reform) Bill which threatens to sunset regulatory standards. We worked across several coalition partnerships, including teaming up with CTSI as part of their "Safeguard our Standards" campaign; sending joint-letters to the Government and working with a steering group of supporters in the House of Lords to table amendments to the Bill. We have also written several joint letters to both the Prime Minister and several Secretaries of State, as well as having worked with over 25 MPs and Peers to table a raft of parliamentary questions aimed at clarifying the Government's stance on key issues such as food standards and environmental protection.

Furthermore, we collaborated with several Peers to table our own amendments to the Bill in the House of Lords, as well as providing a CIEH factsheet, enabling Peers to intervene in the Report Stage debate in the House of Lords. We also worked across our various advisory panels to produce a response to the Public Bill Committee's inquiry into the Bill as well as providing evidence to the UK Trade and Business Commission on the impact the Bill will have on regulatory standards.

Our activity alongside our partners and supporters contributed to the UK Government's U-turn, which removed a controversial clause to see any retained EU law that hadn't already been repealed, or replaced, fall off the statute book after 31st December 2023. We continue to work with our coalition partners to monitor and campaign around the likely impacts of the EU derived legislation that are still set to be removed from the statute book by the end of 2023.



CIEH continues to lead a coalition of public health organisations in calling for better regulation of all cosmetic treatments. We drafted and supported a key amendment to the Health and Care Bill, aimed at making the cosmetics industry safer in England, and worked closely with MPs and Peers from across the political spectrum to ensure it received cross-party support in both the House of Commons and the House of Lords. Having been successful in this campaign, we are now working closely with the Government to design the new regulatory framework.

Our campaign work on healthy air remained a high priority in 2022. Working alongside members of our Environmental Protection Advisory Panel, and coalition partners in the Healthy Air Campaign, we submitted our responses to Defra's proposed air quality targets, as well as the draft National Air Pollution Control Programme.

Finally, our recently launched CIEH Environmental Health Manifesto aims to bring together our various campaign and policy objectives in an influential and accessible document. From housing reform, energy efficiency, to making FHRs mandatory in England, to improving air quality targets, this document will form the basis of our 2023 campaigning activity.

- **156 appearances in print and online media**
- **73 press releases**
- **9 ministerial letters**
- **13 consultation responses**
- **2 oral evidence sessions**
- **6 parliamentary briefings**

### **Membership relations and engagement**

At the Annual Meeting in 2022, we were successful in securing Privy Council's permission to change our Byelaws to enable CIEH to award "REnvH" postnominal letters to Registered EHPs. These designations are now being widely used, along with our fully verifiable digital credentials.

Members also voted in favour of changing our Byelaws so that "Environmental Health Officer" is present equally alongside "Environmental Health Practitioner". Having made some adjustments to the wording of the motion in agreement with the proposers, this has enabled us to begin the consultation process, first with Privy Council, and then with organisations in our professional space who may have cause to object to the proposal. Once this consultation process has been satisfactorily concluded, an amended motion can be put to a future AGM, so that the matter can be voted on again by members before being put to Privy Council for their final approval.

In the third motion, members Raised the importance of ensuring that advice provided by fully qualified EHOs is considered at all relevant meetings of the CIEH, including the Executive Management Team, and to ensure that the CIEH is properly represented at meetings with Government Departments and other agencies in England by persons holding such qualifications, in order to deliver the objects under our Charter. We created a new post of Executive Director of Environmental Health on the Executive Management Team, with the remit to lead a new member engagement strategy to support and empower CIEH members to represent the Institute at such meetings and other occasions. Central to this is the review



and improvement of CIEH's Advisory Panels, so that members are able to participate with an emphasis on maximising expertise and minimising administrative burden. This work will include the establishment of new Advisory Panels, and a framework that allows new interest- and task-groups to be born, to deliver outcomes, and to close down as appropriate.

The Board convened two Special Meetings in March and April of 2023, at the request of members. A number of specific issues were debated and voted upon, but the overall message from members is a clear call for greater transparency and greater participation in CIEH's affairs and activities. In response to these Special Meetings, three appointed Trustees resigned from the Board, two new appointments were made, and six new Trustees were elected. The Board has started working in earnest on the strategic direction for the CIEH, focusing predominantly on building stronger member engagement and greater transparency. Priority is being given to listening to members and encouraging members to contribute and to give their views through various consultation and collaboration channels, so that the member's voice is an inherent part of what we do.

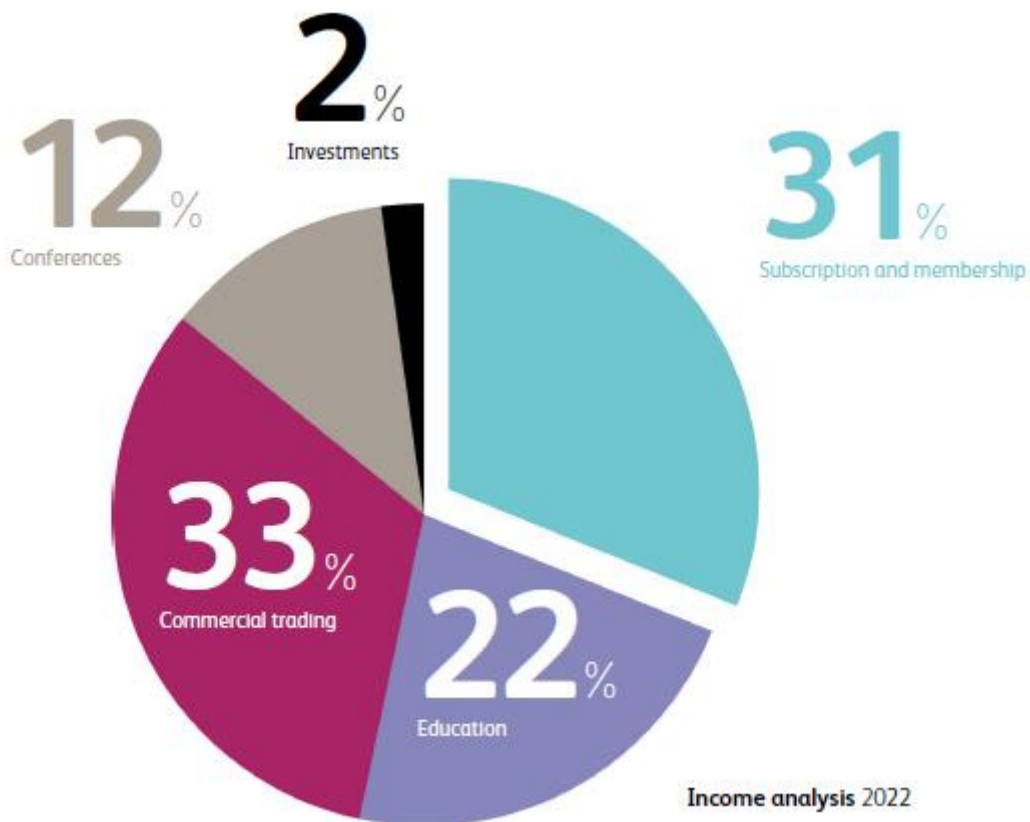
**Financial review**

**Income and expenditure**

CIEH’s net movement of -£6.1m on total funds (2021 +£4.6m) is a result of:

- total income of £5.2m (2021: £4.9m) an increase of 5%
- total expenditure of £6.0m (2021: £5.9m) an increase of 2%
- loss on investments of £0.5m (2021: gain of £0.5m)
- pension exceptional gain on exiting the pension scheme of £6m
- property lease asset valuation loss of £10.7m (2021: gain of £3.1m)

The income breakdown is shown in the chart below:



CIEH commercial and education income streams saw good recovery, with conference income stable offset by a reduction in regional income. Most noticeably for our trading subsidiary CIEH Ltd, 15Hatfields, our venue hire business saw a very good recovery albeit not quite to pre-pandemic levels. Rail strikes were a significant contributor to achieving full recovery.



Subscriptions and membership income is showing a reduction compared with 2021. Subscriptions and membership income includes membership as well as magazine advertising sales. Whilst membership numbers are relatively stable the accounting for deferred membership income has been revised to reflect the fact that members receive the benefit of membership for 12 full calendar months following the month of renewal. This has resulted in more income being deferred in 2022 than in 2021. Total cash receipts from membership have remained stable at £1.2m (2021: £1.2m). Magazine advertising sales reduced slightly.

Total expenditure includes restructuring costs of £0.4m. Excluding redundancy costs expenditure has decreased by 6%. There has been a modest decrease in non-staff costs and a significant decrease in operating pension costs.

CIEH was a member of a statutory defined benefit pension scheme, administered in accordance with the Local Government Pension Scheme Regulations 2013, the administering authority for the fund being the London Pension Fund Authority (LPFA). The decision in 2021 to close the defined benefit pension scheme to existing and new scheme members has resulted in significant operational savings in 2022.

In 2021 CIEH recorded a £6m pension deficit liability based on the accounting valuation provided by the Scheme Actuary. The pension deficit existed because the pension fund had liabilities in respect of retired members that were greater than the assets held in the fund. CIEH's closed membership of the pension fund in 2021 and as no signed repayment agreement was in place this allowed for a review of the liability during 2022. The Scheme Actuary recalculated the liabilities and assets during 2022 and as a result CIEH was able to negotiate a settlement that reduced the liability to nil. This has resulted in an exceptional gain of £6m.

Investment performance is commented on in the investment section below.

The valuation loss on the property lease relates to Chadwick Court. CIEH owned the property until 2013 when it sold and leased back the property under a 150-year lease. In 2019 CIEH sublet the top three floors of the property. At that point CIEH was required to treat those three floors as investment property and value the lease annually on a fair value basis rather than a historical cost basis. In 2021 CIEH decided to change the accounting treatment for the lower two floors to be on the same basis. The cumulative recorded gains in respect of the annual valuations up to 31 December 2021 is £16.3m. The loss recorded this year of £10.7m reduces the cumulative gains to £5.6m. The valuation of the lease is an area of significant estimate and judgement and CIEH has increased its disclosures in respect of the lease and its accounting treatment, particularly in note 1.15.

Any loss or gain represents the change in valuation of the lease at each year end. As it is a valuation it has no impact on the cash position of CIEH. As it is an asset it is allocated to the fixed asset designated reserve and as such the valuation loss has no impact on the free reserves of CIEH. The lease is valued by Gerald Eve, a surveyor that is registered with the Royal Institute of Chartered Surveyors, using the Red Book methodology of valuation.



The main factors that contributed to the reduction in valuation in 2022 are

#### *Market conditions*

- The impact of the mini-budget announced in September 2022
- The impact of hybrid working
- Continued difficult economic conditions

Market conditions have resulted in different yield assumptions that reduces the value, compared to the previous valuation, by approx. £8.1m

#### *Property condition*

- The ability to let it at market rent rates given the condition of the property, particularly when compared with other available properties
- A requirement to meet an energy performance certification (EPC) rating of B by 2030

Capital expenditure required to address lettable and EPC requirements reduces the value, compared to the previous valuation, by approx. £2.5m

#### **Balance sheet**

Total funds for the Group stand at £8.4m (2020: £14.5m) with the movement predominantly being due to:

- Elimination of the pension scheme liability of £6m
- property valuation losses of £10.7m
- investment losses of £0.5m
- reduction in net current assets of £0.8m

Commentary on pension, property and investment items are included above in the highlights section. Net current assets have reduced by £0.8m to £0.4m. A significant factor is the operating losses of CIEH. The current ratio remains positive at 1.2 (2021: 1.6).

#### **Investments**

Cazenove Capital Management (an operating division of Schroder & Co) advise the Board of Trustees in the construction of a suitable investment portfolio and manage the investment into specific funds to be held within the portfolio. Cazenove ensure that investments are made into funds that follow good corporate social responsibility and that Environmental Social and Governance (ESG) issues are considered by the organisations in which investments were made. In addition, an explicit ethical restriction applies to the fund excluding all direct investments in tobacco.



The strategic target of the listed investment fund is to achieve a long-term return of 4% above inflation with a risk profile of less than 5% probability of making a capital loss exceeding 10% of the portfolio value within any one year. We saw the value of our listed investment fund decrease over the year by 7% (2020: gain of 2%). The global supply chain crisis in 2022 driven by the pandemic and the war in Ukraine was a major contributing factor to the global financial instability in 2022. Global markets were also impacted by fears of economic recession.

### **2022 performance**

CIEH: -7.0%

CPI+4% (long-term target): +15.0%

ARC £ Steady Growth Index (peer group comparator): -10.2%

Multi-asset portfolios suffered over 2022 in a challenging year for most asset classes. Global equities (MSCI AC World) fell -8% in sterling terms and UK gilts (FTA Govt All Stocks) were down -25% over the course of the year. Positive performance within equities was found in the UK where Oil & Gas and Mining companies led the way and in Commodities which benefitted from the Russian invasion of Ukraine.

Inflation rose globally, initially driven by increased raw material prices as a result of the Ukraine invasion but latterly more sticky as wage growth and service-sector prices remained high, especially in the UK. Higher inflation led to central banks markedly raising rates to try and calm the price rises, leading to decade-high rates in most countries.

The CIEH portfolio has a strategic allocation of 70% to equities, 10% bonds, 10% property, 8% alternatives and 2% cash. Over 2022, we reduced the equity to an underweight position, favouring cash throughout the year and beginning to increase the bond exposure towards the end of the year on the back of higher yields in government debt. We also continue to favour alternative assets. While they face stiffer competition from bonds as a source of diversification, we think they still have an important role to play in portfolio construction.

While the CIEH portfolio was +3% ahead of the ARC peer group over 2022, high levels of inflation in the UK have made meeting the inflation plus return target more challenging in the shorter term. Despite this, we remain confident in the ability to meet this target over the longer term.

### **Reserves**

The Board of Trustees has reviewed the reserves policy of CIEH. The review included consideration of factors such as income volatility, expenditure flexibility and liquidity of assets held. The Board of Trustees believe it is important the CIEH hold sufficient reserves to reflect illiquid assets, the risks that may require CIEH to use its reserves, and the strategic and operating needs of the organisation. As a result of the review changes were made to the designated funds as well as the reserves policy.



Funds have now been designated for

- Illiquid fixed assets. The value of illiquid fixed assets including investment property and related liabilities is £3.5m. This is because illiquid assets are not readily available to directly support members.
- Multi-year capital and project expenditure. Trustees believe that it is important to designate this type of expenditure as it affects the amount of reserves the Trustees can choose to apply to further activities in support of members. The property valuation report by Gerald Eve indicated potential capital costs of £3.1m over the next 2 –7 years, and there is approved other capital and project spend of £0.3m. The total designated fund is £3.4m. CIEH is currently undertaking a more detailed property condition review with a view to better understanding property capital requirements in the next 2-7 years.

The designated fund for pensions has now been eliminated following the nil settlement on the deficit.

The reserves policy agreed by the Board of Trustees is to target an undesignated reserves fund of £4m. This is made up of

- Rental annual income of £1m will drop to nil if the tenant leaves the property. A reserve of £2m was deemed appropriate as it may take up to 2 years to replace the tenant.
- Investments experience gains and losses and the Board of Trustees are keen to ensure a reserve is available should the market value of investments drop significantly. A reserve of £1m was deemed appropriate based on 20% of the carrying value of investments.
- A reserve of £1m for all other non-rent expenditure was deemed appropriate based on 20% of non-rent expenditure budget.

At 31 December 2022 Group undesignated reserves were £1.5m. The reserves policy is therefore only partially funded. As we look to the future our focus will be on developing a financially sustainable operating model capable of increasing the funding ratio of the reserve policy and the long-term aim is to be fully funded.

### **Going concern**

The Board of Trustees having carefully reviewed the financial position of CIEH Group, including the financial projections for 2023 and 2024, are satisfied that there are sufficient funds at the date of signature of the financial statements to manage any downturn in the UK and global economy. The Board having reflected on the level of liquid reserves held also considers that there is a reasonable expectation that CIEH has adequate resources to continue in operational existence for the foreseeable future and for these reasons the Board of Trustees continues to adopt the going concern basis in preparing the financial statements.

### **Subsidiaries**

CIEH is the sole member and owns the entire issued share capital of its subsidiary, CIEH Ltd. Further details of the financial performance of CIEH Ltd are disclosed in note 2 to the Consolidated Statement of Financial Activities.

## Management of risk

Good risk management is fundamental to the sustainability of CIEH although it should be recognised that it is impossible to eliminate all risk in an activity. The role of risk management is to identify the key risks facing the organisation and plan how these can be mitigated through specific measures. Overall responsibility for risk management rests with the Board of Trustees who manage the process through formal reviews at board meetings and through the Risk and Audit Committee. Day to day responsibility is delegated to the Executive Team who identify and evaluate risks that relate to their areas and manage the mitigation plans accordingly.

The key risks to the organisation and the principal processes in place to manage these risks are set out below:

<b>Risk</b>	<b>Key controls and mitigation</b>
<p><b>Colleagues</b> Failure to attract and retain competent, motivated, diverse and healthy staff team resulting in capability to deliver CIEH's strategy goals.</p>	<p>Recruitment activity shows that CIEH is able to attract talented new staff. A remuneration review is proceeding in 2023 to bring pay and reward scheme up to date with greater transparency and attention to equality and inclusion. HR indicators in place to monitor the stability, service and productivity of the staff team, as well as efforts to advance quality, diversity and inclusion.</p>
<p><b>Net Income</b> Failure to generate sufficient income and/or maintain appropriate levels of fixed costs required to deliver CIEH's objectives, quality of services and financial sustainability.</p>	<p>2023-2025 business plan is modelled on reaching a surplus trading position. Full exit from, and settlement of defined benefit pension scheme debt completed in 2022. Restructuring of the staff team reduces cost base for future years. Financial sustainability elevated to prominence within strategic priorities.</p>
<p><b>Pension</b> Financial shortfall in defined benefit pension fund posing existential threat to the future sustainability of CIEH.</p>	<p>Full exit from the pension scheme and full settlement of all debt liabilities has been completed.</p>
<p><b>Investments</b> Poor investment performance, resulting in erosion of CIEH's reserves and financial instability.</p>	<p>Investment managers' performance monitored by Executive Team and Board. Detailed strategic review of property holding is underway to inform Trustees about options for the future and gain tighter control over the performance of the asset.</p>
<p><b>Organisational Structure</b> Failure to adapt organisational structure to support achievement of CIEH's strategic objectives.</p>	<p>The Executive Management Team (EMT) are prioritizing a review of organisational structure to ensure that it is in the best shape to deliver CIEH's strategic objectives and address pressures on capacity. The Board and EMT are considering how governance and membership structures will work in tandem to deliver improved performance to facilitate member engagement and leadership on the strategic priority, Future of Environmental Health.</p>
<p><b>Membership</b> Reduction in membership numbers due to socio-economic factors, major changes in the EH profession or underperformance of CIEH.</p>	<p>Membership levels and associated metrics are monitored regularly, alongside complaints and compliments.</p>
<p><b>Data and cyber security</b></p>	<p>Policies and procedures are in place alongside monitoring of training and testing outcomes.</p>

<p>Cyber breach, resulting in lost data, prolonged inability to access systems, potential fines and reputational damage.</p>	
<p><b>Governance</b> CIEH’s governance, oversight and decision-making arrangement do not support effective delivery of objectives and strategy.</p>	<p>Governance processes are in line with good practice, and regularly reviewed, including appraisals of the Board, Committees and governance office holders. The Board has access to legal advice when required and is regularly and routinely supported by an external governance adviser. The Board is also pursuing a full review of governance to support strategic objectives including the improvement of financial performance.</p>
<p><b>Professional Development</b> Failure to keep qualifications pathways and standards up to date with the needs of the profession.</p>	<p>Regular engagement with members, employers by the executive team, including ongoing consultation on Chartered Environmental Health Practitioner. Oversight by the Board, supported by the Membership Learning and Profession Advisory Group.</p>
<p><b>Policy Positions</b> Member and stakeholder dissatisfaction with CIEH’s policy positions.</p>	<p>CIEH’s Policy Advisory panels have been refreshed and are undergoing further development and transformation to ensure greater participation and leadership from members with relevant expertise and interest in subject areas. Campaign and policy updates are regularly reported to members in our weekly member connect newsletter, and via subject-specific newsletters to those members who opt to select them. Regular meetings with stakeholders provide opportunities for checks and balances on policy positions, including participation in a number of multi-stakeholder alliances. Feedback mechanisms are in place to hear from members when CIEH appears to fall short of expectations.</p>

## Looking to the future

The shared passion for environmental health, and the profound difference our members’ work makes to people’s lives form the foundation to advance the profession, and to increase the influence and our impact that CIEH has as a vibrant community of practice.

Following a period of significant change in the early part of 2023, the Board of Trustees will be looking to learn lessons from a review of issues brought forward by members at two Special Meetings. These centre largely around greater member participation and engagement in the activities of the Institute, and changes to governance structures to enable this. The Board will be looking to ensure that CIEH is inclusive and represents the views from all our membership, including those in all sectors; public, private, military, third sector and universities, as well as in the devolved nations.

With the arrival of new Trustees to the Board, priorities will be placed upon investing time and energy in Board and Trustee development, to apply leadership and governance to a review of CIEH’s strategic priorities. There is considerable work to be done in relation to financial sustainability, membership growth, professional training and development, and increasing our influence and profile.



Work is already underway in respect of financial sustainability; a review of our governance in respect of financial matters, the development of a finance strategy to define and achieve financial sustainability and resilience that has at its core the development of a sustainable operating model, as well as a review of how CIEH can maximise its return from the property at Chadwick Court.

CIEH has already made a lot of progress towards sustainability. The budget for 2023 is set at a significantly improved financial operating result before any gains and losses. Whilst CIEH expects a small operating deficit in 2023 this will be significantly reduced compared to previous years.

### **Structure, governance and management**

The Board of Trustees is the governing body for CIEH and determines the overall direction and development of the organisation. The Board of Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

The Board of Trustees is composed of nine Trustees elected by CIEH members, up to three appointed by the Board (on the recommendation of the Appointments and Remuneration Committee) and the President. A vote of members at a Special Meeting held in March 2023 resulted in the Board of Trustees changing its Operating Procedures to reflect this composition, which had previously been six elected Trustees and up to six appointed Trustees.

It is the ultimate decision-making body for the operation of the charity. There are two committees, Risk and Audit and Appointments and Remuneration, reporting through to the Board of Trustees along with two advisory groups, Membership and the Profession and Learning and Qualifications combined from January 2023.

Two Special Meetings of members were held in March and April of 2023, where members voted in favour of removing elected Trustees, one of whom was replaced. During this time, three of the appointed Trustees resigned from the Board. Two new appointments were made during this period to ensure that the Board remained quorate and able to function. In July 2023, six new Trustees were elected. These changes are reflected in the list of Trustees at the end of this report.

As part of their induction programme new Trustees are made aware of their responsibilities including an introduction to the objectives, scope and policies of the charity, the use of charitable funds and in addition they are provided with further information on their legal duties as set out in detailed Charity Commission reference materials. Further updates are provided to all Trustees during the year as and when required.

The Risk and Audit Committee is responsible for overseeing the management of risks arising from all CIEH activities to ensure the charity fulfils its strategic aims and objects. It agrees the audit strategy with the external auditors, receives their management letter and ensures that issues are resolved through the risk management process.

The Appointments and Remuneration Committee has been established to assist the Board of Trustees in reviewing board composition (including skills, knowledge and experience), recommending the remuneration package of the CEO, reviewing the overall human resources strategy and ensuring that the remuneration policy for the organisation is in line with market practices.



A review of the governance structure is already underway in respect of our governance of financial matters. A decision on that review is expected in the second half of 2023 with implementation to be complete by early 2024.

### **Statement of Trustees' responsibilities**

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- observe the methods and principles in the Charities Statement Of Recommended Practice and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Board of Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements.

### **Statement as to disclosure of information to our auditors**

In the case of each of the persons who are Trustees of the charity at the date when this report was approved:

- so far as each of the Trustees is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- each of the Trustees has taken all the steps that he or she ought to have taken as a Trustee to make himself or herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.



## Reference and administrative details

<b>Name:</b>	The Chartered Institute of Environmental Health is also known as CIEH
<b>Constitution:</b>	CIEH was granted a Royal Charter on 27 July 1984
<b>Status:</b>	CIEH is a registered charity
<b>Number:</b>	290350
<b>The registered office is:</b>	Chadwick Court, 15 Hatfields, London SE1 8DJ
<b>Contact details are:</b>	Tel: 020 7827 5800 Fax: 020 7827 5862 Email: membership@cieh.org

## Trustees

The names of each member of the Board of Trustees are listed on page 49.

## Funds held as custodian trustee on behalf of others

CIEH holds funds as custodian trustee on behalf of others as disclosed in note 17. These funds are excluded from this report.

## Employees and Members

The Board of Trustees would like to take this opportunity to thank all CIEH employees and all its volunteer members involved in running its Hubs and special interest groups throughout the UK for their efforts in furthering the aims and objectives of the organisation.

## By order of the Board of Trustees

Judith Hedgley

-----  
17 August 2023



# Independent Auditors' Report to the Trustees of the Chartered Institute of Environmental Health

## Opinion

We have audited the financial statements of the Chartered Institute of Environmental Health for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Charity and Group Balance Sheets, the Consolidated 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

1. give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2022 and of the group's net movement in funds for the year then ended;
2. have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
3. have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group or charity'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 Trustees' Annual Report. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

1. adequate accounting records have not been kept by the parent charity; or
2. sufficient accounting records have not been kept; or
3. the parent charity financial statements are not in agreement with the accounting records and returns; or
4. we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees for the financial statements**

As explained more fully in the Trustees' responsibilities statement set out on page 18 the Trustees 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 group's and the parent charity'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 group or the parent charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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



Based on our understanding of the group and the environment in which it operates, we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an Auditor's 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 charity's Trustees as a body for our audit work, for this report, or for the opinions we have formed.

*Haysmacintyre LLP*

Haysmacintyre LLP  
Statutory Auditors  
Date: 18 August 2023

10 Queen Street Place  
London  
EC4R 1AG

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



## Consolidated Statement of Financial Activities

(SoFA) (Incorporating an Income and Expenditure Account) for the year ended 31 December 2022

		Group	
		2022	2021
		Unrestricted Funds	Unrestricted Funds
		£'000	£'000
	<i>Note</i>		
<b>Income from charitable activities:</b>			
Subscriptions and membership income	3	1,629	1,807
Education income	3	1,136	1,026
Conference income	3	635	743
<b>Income from other trading activities:</b>			
Commercial trading	3	1,687	1,259
<b>Other income</b>			
Grants	3	-	41
<b>Income from investments</b>			
Income from investments	3,12.1	112	66
<b>Total income and endowments</b>		<b>5,199</b>	<b>4,942</b>
<b>Expenditure</b>			
<b>Expenditure on charitable activities:</b>			
Membership	4	2,807	2,893
Education	4	1,261	1,404
Conferences	4	1,341	1,061
<b>Expenditure on raising funds</b>			
Commercial trading operations	4	594	528
Investment management fee	4	34	33
<b>Total expenditure</b>		<b>6,037</b>	<b>5,919</b>
<b>Net expenditure for the year before exceptional items</b>		<b>(838)</b>	<b>(977)</b>
Exceptional gain on defined benefit scheme	9	6,007	-
<b>Net expenditure for the year before</b>		<b>5,169</b>	<b>(977)</b>
Loss on investment property	12.1	(7,770)	(250)
(Loss)/Gain on investments	12.1	(466)	487
<b>Net movement in funds before defined benefit pension scheme gain / (loss) and leasehold property revaluation (loss)/gain</b>		<b>(3,067)</b>	<b>(740)</b>
Pension scheme - Actuarial gain / (loss)	9	-	1,919
Leasehold property revaluation (loss)/gain	11	(2,980)	3,377
<b>Net movement in funds</b>		<b>(6,047)</b>	<b>4,556</b>
Funds and reserves brought forward at 1 January		14,480	9,924
<b>Funds carried forward at 31 December</b>		<b>8,433</b>	<b>14,480</b>

None of CIEH's or the group's activities were acquired or discontinued during the above two financial years. There were no recognised gains or losses other than those shown above. All funds carried forward are unrestricted. The notes on pages 26 to 48 form an integral part of these financial statements.



## Balance Sheets

as at 31 December 2022

	Note	Group		CIEH	
		2022 £	2021 £	2022 £	2021 £
<b>Fixed assets</b>					
Intangible assets	10	183	208	101	83
Tangible assets	11	3,073	6,100	3,045	6,086
Investments	12	15,200	23,393	15,200	23,393
		<b>18,456</b>	<b>29,701</b>	<b>18,346</b>	<b>29,562</b>
<b>Current assets</b>					
Stock		16	11	-	-
Debtors	14	1,161	1,251	1,166	1,467
Cash at bank and in hand		1,568	1,878	1,498	1,866
		<b>2,745</b>	<b>3,140</b>	<b>2,664</b>	<b>3,333</b>
<b>Creditors: amounts falling due within one year</b>	15	<b>(2,364)</b>	<b>(1,947)</b>	<b>(1,986)</b>	<b>(1,532)</b>
<b>Net current assets</b>		<b>381</b>	<b>1,193</b>	<b>678</b>	<b>1,801</b>
<b>Total assets less current liabilities</b>		<b>18,837</b>	<b>30,894</b>	<b>19,024</b>	<b>31,363</b>
<b>Creditors: amounts falling due after more than one year</b>	15	<b>(10,404)</b>	<b>(10,407)</b>	<b>(10,404)</b>	<b>(10,407)</b>
<b>Total net assets before pension deficit</b>		<b>8,433</b>	<b>20,487</b>	<b>8,620</b>	<b>20,956</b>
Pension scheme funding deficit	9	-	(6,007)	-	(6,007)
<b>Total net assets</b>		<b>8,433</b>	<b>14,480</b>	<b>8,620</b>	<b>14,949</b>
<b>The funds of the charity:</b>					
Unrestricted general funds	16				
Undesignated funds	16	1,501	20,487	1,688	20,956
Designated funds	16	6,932	(6,007)	6,932	(6,007)
<b>Total funds</b>	16	<b>8,433</b>	<b>14,480</b>	<b>8,620</b>	<b>14,949</b>

The notes on pages 26 to 48 form an integral part of these financial statements.

Approved and authorised for issue on behalf of the Board of Trustees on 17 August 2023

Judith Hedgley  
Chair, Board of Trustees

Sarah Johns  
Deputy Chair, Board of Trustees



## Consolidated Cash Flow Statement for the year ended 31 December 2022

Note	2022		2021	
	£'000	£'000	£'000	£'000
<b>Cash flow from operating activities</b>	18	(197)		79
<b>Cash flows from investing activities:</b>				
Purchases of tangible assets	11	(96)	(31)	
Purchase of intangible assets	10	(75)	(71)	
Interest received / dividends	12	61	-	
<b>Net cash provided by investing activities:</b>		(110)		(102)
<b>Cash flows from financing activities:</b>				
Capital element of finance lease rentals		(3)	(2)	
Other loans		-	400	
<b>Net cash provided by financing activities</b>		(3)		398
<b>Net (decrease)/increase in cash and cash equivalents in year</b>	20	(310)		375
Cash and cash equivalents at the beginning of year		1,878		1,503
<b>Cash and cash equivalents at end of year</b>		1,568		1,878

## Notes to the Financial Statements

### 1. Accounting Policies

#### 1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments, which are included at their market value at the balance sheet date and leasehold and investment property, which are included at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015), the Charities Act 2011 and applicable accounting standards (FRS102).

#### 1.2 Going concern

After reviewing the Group's forecasts and projections, the Board of Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future.

As stated in the Trustee's Annual Report, Trustees believe there are no material uncertainties that call into doubt the group and the charity's ability to continue as a going concern. The group therefore continues to adopt the going concern basis in preparing its accounts.

#### 1.3 Leasehold property

On 20 December 2013, CIEH entered into a sale and leaseback agreement on the charity's property, Chadwick Court, located at 15 Hatfields, London. The property is held by the charity under a 150 year long lease and has been classified as a long leasehold property.

The Board of Trustees considers that the risks and rewards of ownership rest with the charity and consequently account for the long-leasehold as a finance lease.

The property is split between investment property (note 12) and tangible fixed assets (note 11). Both elements are measured at their fair value. The tangible fixed assets element of the property continues to be depreciated over the remaining term of the lease on a straight line basis.

A valuation of the property was performed on 17 January 2023, by an independent valuer that holds the MRICS qualification and has recent experience of both the location and class of investment property being valued.



## Notes to the Financial Statements

continued as at 31 December 2022

### 1.4 Other fixed assets

#### Intangible fixed assets:

Intangible fixed assets are measured at cost less accumulated depreciation, and any accumulated impairment losses.

Both software and development costs are recognised as intangible assets when supplied by a third party. No depreciation is charged on assets under construction but computer software costs are transferred from under construction to assets when the software comes into use. At that point in time they start to be depreciated.

Depreciation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives, using the straight-line method. The principal rate for computer software and course development is 33%.

Both computer software and development, which are expected to generate future revenues and meet the other criteria allowable under FRS102 s18 'Intangible Assets other than goodwill' have been capitalised as appropriate.

#### Tangible fixed assets:

Tangible fixed assets are depreciated or amortised on a straight line basis to write off the cost of these assets over their estimated useful lives. The principal rates are

Fixtures & Fittings	20%
Office equipment	33%
Computer hardware	33%

Assets under construction are transferred to fixtures and fittings when they come into use and at that point in time they are depreciated.

### 1.5 Stocks

Stocks of publications and course material are stated at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

All stock items are finished goods held for resale.



## Notes to the Financial Statements

continued as at 31 December 2022

### 1.6 Expenditure

All expenditure is accounted for on an accruals basis, inclusive of any VAT which cannot be recovered. Any VAT which is not recoverable by CIEH is included in allocated support costs, see note 5.

Direct expenditure is directly allocated to specific activities and has been included in those cost categories. Indirect costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of the direct usage in the various categories.

Governance costs relate to the general running of the charity as opposed to those costs associated with income generation or charitable activity. These costs include Board of Trustee costs, audit costs and other strategic management costs, see note 6.

### 1.7 Income

Subscriptions and membership fees are accounted for on an accruals basis. No income is accrued in relation to unpaid subscriptions at the year-end. Amounts received in advance are deferred to the period to which they relate.

Education income is accounted for on an accruals basis in respect of professional exams and public training courses.

Conference income is accounted for on an accruals basis and is generated from the delivery of CIEH events to its members and the public, as well as from the hire of its facilities (conference and meeting rooms), including the provision of catering, equipment and related services.

Grant income received during the year relate to the coronavirus job retention scheme (CJRS) and is recognised in the period which the grant was awarded.

Commercial trading income is accounted for on an accruals basis and mainly represents income generated from our conference venue 15Hatfields.

Rents receivable are accounted for on an accruals basis.

### 1.8 Research and development

Research and development expenditure for products is charged to the Consolidated Statement of Financial Activities in the year in which it is incurred.

### 1.9 Operating leases

Rentals paid under operating leases are included in the Consolidated Statement of Financial Activities on a straight-line basis over the term of the lease.



## Notes to the Financial Statements

continued as at 31 December 2022

### 1.10 Finance leases

The obligations under the finance lease for Chadwick Court is carried at amortised carrying value using the 'effective interest method', which allocates the interest expense over the period to maturity at a constant rate on the balance of the liability carried in the balance sheet for the relevant period.

### 1.11 Pensions

CIEH operates a defined contribution scheme for all existing and new members, and the amount charged to the Consolidated Statement of Financial Activities in respect of pension costs and post-retirement benefits is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

### 1.12 Fund accounting

Unrestricted Undesignated General funds are unrestricted funds which are available for use at the discretion of the Board of Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

### 1.13 Investments

Profit or loss on investment is recognised in the Consolidated Statement of Financial Activities on a cash receivable basis. Investments are stated at market value at the balance sheet date. Investment property has been valued on a net initial yield basis. A gain or loss is "realised" when the disposal proceeds of investments (at market value) is different from its value at the start of the year. A gain or loss is "unrealised" when the market value of an investment at the end of the year is different from its value at the start of the year (or from the date it was purchased during the year).

### 1.14 Financial instruments

The group and charity only holds financial instruments which qualify as basic financial instruments in accordance with section 11 of FRS102. Assets such as trade and other receivables, and liabilities such as trade and other creditors are measured at amortised cost. Listed investments are measured at fair value. The group and charity do not hold any financial instruments measured at fair value other than the listed investments disclosed in note 12.1.



## Notes to the Financial Statements

continued as at 31 December 2022

### 1.15 Significant estimates and areas of judgments

The preparation of financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent liabilities at the balance sheet date. Estimates and judgements are based on historical experience along with reasonable expectations around future events. Actual outcomes could differ from the estimates.

The property lease relating to Chadwick Court has been measured on a fair value basis in line with FRS102. In determining fair value CIEH commissioned a (Royal Institute of Chartered Surveyor's) RICS registered valuer to undertake the valuation of the property lease for financial reporting purposes. CIEH's property is unusual in having a very long lease and CIEH is required to reflect the obligations of the lease as a liability as well as account for the property asset as an investment property for the portion let out and as a fixed asset for the portion used by CIEH. We are informed by the valuer that the value of a leasehold is calculated by the 'profit' that can be generated from assigning (selling) the lease. Therefore, the rent payable to the ultimate landlord, as well as the rent generated by the tenants, the certainty of this rent now and into the future, as well as the condition of the property are all material to value. The Standard Red Book Valuation calculation includes the full rental liability and income under the lease, which would result in the finance lease liability element being accounted for twice. The Red Book recognises that there are situations when the valuation can be based on special assumptions. CIEH instructed the valuer to adopt a special valuation assumption to reduce the amount of rent assumed in the valuation by the amount of rent that is already accounted for in the lease liability calculation. Reducing the rent cost assumption increases the lease valuation.

The table below shows the Standard Red Book Valuation, the Valuation with Special Assumption, the Net carrying amount on the Balance Sheet of the valuation less the liability.

Year	Standard Red Book Valuation	Valuation with Special Assumption of a reduced rent payable under the headlease	Long Leasehold Liability	Net carrying amount on the Balance Sheet
2021	£17,700,000	£23,500,000	£9,952,014	£13,545,135
2022	£7,200,000	£12,750,000	£9,949,158	£2,800,842
Change in valuation	(£10,500,000)	(£10,750,000)	£2,856	£10,744,293

## Notes to the Financial Statements

continued as at 31 December 2022

### 2. Subsidiary Activities

CIEH has one wholly owned UK trading subsidiary; CIEH Limited a company registered in England (01999717) and its registered office is Chadwick Court, 15 Hatfields, London SE1 8DJ. CIEH Limited, a company registered in England, carries out mainly primary purpose trading activities, providing learning outcomes and publishing a magazine.

A summary of the trading results for CIEH Limited is shown

	CIEH Limited	
	2022	2021
	£'000	£'000
Turnover	2,247	1,601
Total expenditure	(1,965)	(1,797)
Profit/(loss) for the year	282	(196)
Retained (losses) brought forward	(469)	(273)
<b>Retained in subsidiary</b>	<b>(187)</b>	(469)
Assets	551	408
Liabilities	(738)	(877)
<b>Net assets /(liabilities)</b>	<b>(187)</b>	(469)



## Notes to the Financial Statements

continued as at 31 December 2022

### 3. Income

	2022			2021		
	CIEH Ltd £'000	CIEH £'000	Group £'000	CIEH Ltd £'000	CIEH £'000	Group £'000
Subscriptions and membership	634	995	1,629	586	1,221	1,807
Education	935	201	1,136	814	212	1,026
Conferences	-	635	635	-	743	743
Commercial Trading	677	1,010	1,687	163	1,096	1,259
Government Grants	-	-	-	38	3	41
Investments	-	112	112	-	66	66
<b>Total income</b>	<b>2,246</b>	<b>2,953</b>	<b>5,199</b>	<b>1,601</b>	<b>3,341</b>	<b>4,942</b>

**Subscriptions and membership** income consists of membership fees, and other sources of income of a membership nature (including the membership magazine; Environmental Health News).

**Education** income is in respect of professional exams and public training courses.

**Conference** income arises from the delivery of events to members and the public.

**Commercial trading** income arises from 15 Hatfields venue and events business, together with rent from letting part of Chadwick Court.

**Government grants** income relates to the Coronavirus Job Retention Scheme (CJRS)/Furlough.

### 4. Expenditure

	2022					2021				
	Direct costs £'000	Staff costs £'000	CIEH Ltd £'000	CIEH Support £'000	2022 Total £'000	Direct costs £'000	Staff costs £'000	CIEH Ltd £'000	CIEH Support £'000	2021 Total £'000
Membership	374	532	302	1,599	2,807	339	439	338	1,777	2,893
Education	118	289	136	718	1,261	145	352	145	762	1,404
Conference	103	330	144	764	1,341	108	279	108	566	1,061
Subtotal costs	595	1,151	582	3,081	5,409	592	1,070	591	3,105	5,358
Investment management fee					34					33
Commercial trading operations					594					528
<b>Total expenditure</b>					<b>6,037</b>					<b>5,919</b>

Basis of apportionment: Direct costs

## Notes to the Financial Statements

continued as at 31 December 2022

### 5. Support Costs

	2022			2021		
	CIEH LTd £'000	CIEH £'000	Total £'000	CIEH LTd £'000	CIEH £'000	Total £'000
Staff costs	295	1,680	1,975	344	2,017	2,361
Office costs	83	265	348	65	205	270
Printing, postage and stationery	1	3	4	2	5	7
Rent, rates and maintenance	21	155	176	(4)	(4)	(8)
Light and heat	-	60	60	-	50	50
Publicity and marketing	49	64	113	54	57	111
Research and development	2	20	22	-	-	-
Telephones	9	18	27	10	25	35
Computers	-	7	7	-	1	1
Legal and professional	-	163	163	2	127	129
Insurance	16	30	46	13	24	37
Bank charges	15	26	41	20	19	39
Finance lease	-	363	363	-	342	342
Governance costs (see note 6)	19	26	45	16	25	41
Irrecoverable VAT	-	31	31	-	34	34
Depreciation of tangible and intangible assets	72	170	242	69	178	247
<b>Support costs</b>	<b>582</b>	<b>3,081</b>	<b>3,663</b>	<b>591</b>	<b>3,105</b>	<b>3,696</b>

### 6. Governance Costs

Governance costs are the general running costs of the charity. Included in here are the costs of the Board of Trustees and associated costs including audit costs.

	2022 £'000	2021 £'000
Board of Trustees and other meetings	2	9
Auditors' remuneration	43	32
<b>Governance costs</b>	<b>45</b>	<b>41</b>

### 7. Net Expenditure for the Year

	Group	
	2022 £'000	2021 £'000
This is stated after charging:		
Depreciation of tangible and intangible assets	242	247
Auditors' remuneration		
- audit work	42	34
- non-audit work	3	3
Finance lease and loan interest	363	342
Operating leases	28	100



## Notes to the Financial Statements

continued as at 31 December 2022

### 8. Employee and Trustee Costs

Employee costs for the Group and the Charity were:

	Group		CIEH	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Salaries	2,752	2,139	2,244	1,350
Social security costs	254	235	207	149
Other pension costs (note 9)	241	1,074	201	981
Temporary staff costs	13	27	7	27
Training, recruitment and welfare	147	28	147	18
Pension scheme closure costs	-	161	-	162
	<b>3,407</b>	<b>3,664</b>	<b>2,806</b>	<b>2,687</b>

	2022 Number	2021 Number
Average number of full time employees:		
Subscription and membership	8	12
Educational activities	11	13
Conferences	5	2
Commercial	8	6
Central services	21	18
	<b>53</b>	<b>51</b>

	2022 Number	2021 Number
Employees whose emoluments were over £60,000 per annum:		
£60,000 - £69,999	3	3
£70,000 - £79,999	1	1
£80,000 - £89,999	1	1
£90,000 - £99,999	-	-
£100,000 - £109,999	-	-
£130,000-£139,000	1	1

The executive management team of 4.7 (2021: 5) were remunerated £500,559 (2021: £529,684) with company pension contributions totalling £54,236 (2021: £68,848). They received £8,695 benefits (2021: £NIL). The Group makes pension contributions on behalf of 6 (2020: 6) of the employees whose emoluments exceed £60,000.

During the year termination payments were agreed of £314,727 and at the year-end £94,406 had not been paid.



## Notes to the Financial Statements

continued as at 31 December 2022

No Board of Trustee member received any remuneration for services as a trustee (2021: none). Board of Trustee members received reimbursement of their travel and subsistence expenses incurred in the performance of their duties as Board of Trustee members. These expenses totalled £2,226 to 7 Trustees (2021: £493 to 2 Trustees). Transactions with Board of Trustee members, officers of CIEH, Directors of CIEH Limited are disclosed in note 24, related party transactions.

### 9. Pensions

During 2022 CIEH signed a termination agreement with the London Pension Fund Authority Scheme. Following a revaluation of the debt CIEH settled the debt at nil. As a result, the liability of £6m recorded in 2021 has been released to the SoFA. This is treated as an exceptional gain in accordance with the requirements of FRS102.

During the year, costs relating to the various pension funds to which CIEH contributes were as follows:

	Group		CIEH	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
London Pension Fund Authority	-	1,016	-	939
Aegon	-	40	-	33
Aviva	241	9	201	9
Other Pensions	-	9	-	-
<b>Total pension contributions</b>	<b>241</b>	<b>1,074</b>	<b>201</b>	<b>981</b>

The London Pension Fund Authority Scheme was closed in 2021.

The Aegon UK PLC scheme is a defined contribution scheme. CIEH's contributions are up to 13%. No employees or directors of CIEH or CIEH Limited and its subsidiary undertakings, are involved in the control or administration of any of the above funds.



## Notes to the Financial Statements

continued as at 31 December 2022

### 9. Pensions (contd.)

The return on the Fund (on a bid value to bid value basis) for the year to 31 December 2021 is nil as CIEH is no longer a member of the Scheme. The estimated asset allocation for the CIEH as at 31 December 2021 is as follows:

Employer asset share - bid value	31 Dec 2022		31 Dec 2021	
	£'000	%	£'000	%
Equities	-	-	7,541	57
Gilts	-	-	2,726	23%
Other bonds	-	-	1,165	7%
Property	-	-	1,068	9%
Cash	-	-	619	6%
<b>Total</b>	-	-	13,119	100%

Life expectancy from age 65 years	31 Dec 2022	31 Dec 2021
Retiring today		
Males	-	22.5
Females	-	25.1
Retiring in 20 years		
Males	-	22.5
Females	-	25.7

#### Assumptions as at 31 December:

	2022	2021	2020
	% p.a.	% p.a.	% p.a.
Discount rate	-	1.85%	1.40%
Salary increases	-	3.85%	3.30%
Pension increases	-	2.85%	2.30%



## Notes to the Financial Statements

continued as at 31 December 2022

### 9. Pensions (contd.)

Balance sheet as at 31 December 2021

Net pension liability as at 31 December

	2022 £'000	2021 £'000	2020 £'000
Present value of the defined benefit obligation	-	(19,130)	(18,453)
Fair value of Fund assets (bid value)	-	13,123	11,333
Deficit	-	(6,007)	(7,120)
<b>Net defined benefit liability</b>	-	(6,007)	(7,120)

Statement of profit or loss for the year to 31 December 2021

The amounts recognised in the SoFA are:

	Year to 31 Dec 2022 £'000	Year to 31 Dec 2021 £'000
Service cost	-	958
Net interest on the defined benefit liability	-	98
Administration expenses	-	15
<b>Total</b>	-	1,071



## Notes to the Financial Statements

continued as at 31 December 2022

### 9. Pensions (contd.)

Asset and benefit obligation reconciliation for the year to 31 December 2021

#### Reconciliation of opening and closing balance of the present value of the defined benefit obligation

	Year to 31 Dec 2022 £'000	Year to 31 Dec 2021 £'000
Opening defined benefit obligation	-	18,453
Current service cost	-	958
Interest cost	-	257
Change in financial assumptions	-	279
Estimated benefits paid net of transfers in	-	(387)
Experience loss/(gain) on defined benefit obligation	-	(336)
Change in demographic assumptions	-	(225)
Past service costs, including curtailments	-	-
Contributions by Scheme participants	-	131
<b>Closing defined benefit obligation</b>	<b>-</b>	<b>19,130</b>

#### Reconciliation of opening and closing balances of the fair value of Fund assets

	Year to 31 Dec 2022 £'000	Year to 31 Dec 2021 £'000
Opening fair value of Fund assets	-	11,333
Interest on assets	-	159
Return on assets less interest	-	1,637
Other actuarial gains/(losses)	-	-
Administration expenses	-	(15)
Contributions by employer including unfunded	-	265
Contributions by Fund participants	-	131
Estimated benefits paid plus unfunded net of transfers in	-	(387)
<b>Closing fair value of Fund assets</b>	<b>-</b>	<b>13,123</b>

## Notes to the Financial Statements

continued as at 31 December 2022

### 9. Pensions (contd.)

#### Sensitivity analysis

	£'000	£'000	£'000
Adjustment to discount rate	+0.1%	<b>0.0%</b>	-0.1%
Present value of total obligation	-	-	-
Projected service cost	-	-	-
Adjustment to long term salary increase	+0.1%	<b>0.0%</b>	-0.1%
Present value of total obligation	-	-	-
Projected service cost	-	-	-
Adjustment to pension increases and deferred Revaluation	+0.1%	<b>0.0%</b>	-0.1%
Present value of total obligation	-	-	-
Projected service cost	-	-	-
Adjustment to life expectancy assumptions	+1 year	<b>None</b>	-1 year
Present value of total obligation	-	-	-
Projected service cost	-	-	-

Re-measurements in other comprehensive income

#### Re-measurements of the net assets / (defined liability)

	Year to 31 Dec 2022 £'000	Year to 31 Dec 2021 £'000
Return on Fund assets in excess of interest	-	1,637
Other actuarial gains/(losses) on assets	-	-
Change in financial assumptions	-	(279)
Experience gain/(loss) on defined benefit obligation	-	336
Change in demographic assumptions	-	225
<b>Re-measurement of the net assets/(defined liability)</b>	-	<b>1,919</b>

#### Projections for the year to 31 December 2023

	Year to 31 Dec 2023 £'000
Service cost	-
Net interest on the defined liability	-
Administration expenses	-
<b>Total loss</b>	<b>-</b>
Employer contributions	-

No employees or directors of CIEH or CIEH Limited and its subsidiary undertakings, are involved in the control or administration of any of the above funds.



## Notes to the Financial Statements

continued as at 31 December 2022

### 10. Intangible Fixed Assets

#### GROUP

	Development £'000	Software £'000	Under Construction £'000	Total £'000
<b>Cost</b>				
At 1 January 2022	9	880	87	976
Transfer constructed asset	-	87	(87)	-
Additions	-	53	22	75
Disposals	-	-	-	-
At 31 December 2022	9	1,020	22	1,051
<b>Amortisation</b>				
At 1 January 2022	9	759	-	768
Charge for the year	-	100	-	100
Disposals	-	-	-	-
At 31 December 2022	9	859	-	868
<b>Net Book Value at 31 December 2022</b>	-	<b>161</b>	<b>22</b>	<b>183</b>
Net Book Value at 31 December 2021	2	121	87	208

#### CIEH

	Development £'000	Software £'000	Under Construction £'000	Total £'000
<b>Cost</b>				
At 1 January 2022	-	135	-	135
Additions	-	34	22	56
Disposals	-	-	-	-
At 31 December 2022	-	169	22	191
<b>Amortisation</b>				
At 1 January 2022	-	52	-	52
Charge for the year	-	38	-	38
Disposals	-	-	-	0
At 31 December 2022	-	90	-	90
<b>Net Book Value at 31 December 2022</b>	-	<b>79</b>	<b>22</b>	<b>101</b>
Net Book Value at 31 December 2021	-	83	-	83



## Notes to the Financial Statements

continued as at 31 December 2022

### 11. Tangible Fixed Assets

<b>GROUP</b>	<b>Leasehold Property £'000</b>	<b>Equipment &amp; IT £'000</b>	<b>Under Construction £'000</b>	<b>Total Assets £'000</b>
<b>Cost or Valuation</b>				
At 1 January 2022	5,850	1,019	11	6,880
Transfer	-	11	-11	0
Additions	-	96	-	96
Revaluation	(2,980)	-	-	(2,980)
Disposals	-	-	-	-
At 31 December 2022	2,870	1,126	-	3,996
<b>Depreciation</b>				
At 1 January 2022	-	781	-	781
Charge for the year	-	142	-	142
Disposals	-	-	-	-
At 31 December 2022	-	923	-	923
<b>Net Book Value At 31 December 2022</b>	<b>2,870</b>	<b>203</b>	<b>-</b>	<b>3,073</b>
At 31 December 2021	5,850	239	11	6,100
<b>CIEH</b>				
<b>Cost or Valuation</b>				
At 1 January 2022	5,850	815	11	6,676
Transfer	-	11	(11)	-
Additions	-	73	-	73
Revaluation	(2,980)	-	-	(2,980)
Disposals	-	-	-	-
At 31 December 2022	2,870	898	-	3,768
<b>Depreciation</b>				
At 1 January 2022	-	590	-	590
Charge for the year	-	133	-	133
Disposals	-	-	-	-
At 31 December 2022	-	723	-	723
<b>Net Book Value At 31 December 2022</b>	<b>2,870</b>	<b>175</b>	<b>-</b>	<b>3,045</b>
At 31 December 2021	5,850	225	11	6,086

Long leasehold property relates to CIEH's property, Chadwick Court, held under finance lease from 20 December 2013. The lease is valued on a fair value basis using the method described in note 1. The carrying amount that would have been recognised had the assets been carried under the cost model is £2,454k.



## Notes to the Financial Statements

continued as at 31 December 2022

### 12. Investments

#### 12.1 Investments

	Property Investments £'000	Listed Investments £'000	Cash and cash equivalents £'000	Total £'000
Value at 1 January 2022	17,650	5,571	172	23,393
Investment income	-	51	61	112
Management fee	-	-	(34)	(34)
Transfer between funds	-	(250)	250	-
Cash withdrawal	-	-	(14)	(14)
Loan interest	-	-	(21)	(21)
Additions	-	1,171	(1,171)	-
Disposal proceeds	-	(1,271)	1,271	-
Gains / (losses)	(7,770)	(468)	2	(8,236)
<b>Value at 31 December 2022</b>	<b>9,880</b>	<b>4,804</b>	<b>516</b>	<b>15,200</b>

65% of Chadwick Court has been let on a 10 year lease and therefore represents Investment Property to the Group. The lease is valued on a fair value basis using the method described in note 1.

#### 12.2 Subsidiary Undertakings

CIEH holds the entire equity interest in CIEH Limited, a company incorporated in the United Kingdom. The equity interest was donated to CIEH. The company is currently engaged in the delivery of the charity's primary purpose objectives.

### 13. Interest Payable

	Group	
	2022 £'000	2021 £'000
Loan payable within 5 years	21	12
Finance Lease	342	342
<b>Total interest payable</b>	<b>363</b>	<b>354</b>



## Notes to the Financial Statements

continued as at 31 December 2022

### 14. Debtors

	Group		CIEH	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade debtors	528	276	189	50
Amounts due from subsidiary undertakings	-	-	356	463
Other debtors	1	35	-	34
Prepayments and accrued income	632	940	621	920
	<b>1,161</b>	<b>1,251</b>	<b>1,166</b>	<b>1,467</b>

### 15. Creditors

	Group		CIEH	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
<b>(i) Amounts falling due within one year</b>				
Obligations under finance leases	345	345	345	345
Trade creditors	158	302	62	237
Other taxes and social security	218	143	28	26
Accruals and deferred income	1,643	1,157	1,551	924
	<b>2,364</b>	<b>1,947</b>	<b>1,986</b>	<b>1,532</b>
<b>(ii) Amounts falling due after more than one year</b>				
<b>Loans and obligations under finance leases</b>				
Sterling repayable at various dates up to 2163	9,949	9,952	9,949	9,952
Less: instalments due within one year	345	345	345	345
Total obligations under finance leases	<b>9,604</b>	<b>9,607</b>	<b>9,604</b>	<b>9,607</b>
Other loans	800	800	800	800
	<b>10,404</b>	<b>10,407</b>	<b>10,404</b>	<b>10,407</b>
<b>Obligations under finance leases are payable as follows:</b>				
After more than one year but within five years	1,380	1,380	1,380	1,380
After five years	8,224	8,227	8,224	8,227
	<b>9,604</b>	<b>9,607</b>	<b>9,604</b>	<b>9,607</b>

Obligations under finance lease relate to the property lease for Chadwick Court. The term of the lease is 150 years expiring on 19 December 2163. Obligations are based on the initial rent of £354k per annum. In 2018 there was a rent review and an additional £85k per annum was added to the rent charge. This is treated as an operating lease. Rent reviews occur every 5 years with an upward only rent review to 35% of open market rent. The next review is due 20 December 2023.



## Notes to the Financial Statements

continued as at 31 December 2022

### 16. Reconciliation of movement in total funds

	At 1 Jan 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	At 31 Dec 2022 £'000
Unrestricted charity funds						
Undesignated funds	20,956	2,952	(4,072)	(6,932)	(11,216)	1,688
Designated Funds						
Fixed Assets	-	-	-	3,532	-	3,532
Capital and Projects	-	-	-	3,400	-	3,400
Pension Fund	(6,007)	-	-	-	6,007	-
<b>Total charity funds</b>	<b>14,949</b>	<b>2,952</b>	<b>(4,072)</b>	<b>-</b>	<b>(5,209)</b>	<b>8,620</b>
Subsidiary funds	(469)	2,247	(1,965)	-	-	(187)
<b>Total Funds</b>	<b>14,480</b>	<b>5,199</b>	<b>(6,037)</b>	<b>-</b>	<b>(5,209)</b>	<b>8,433</b>
Summarised as:						
Undesignated funds						
Charity	20,956	2,952	(4,072)	(6,932)	(11,216)	1,688
Subsidiary	(469)	2,247	(1,965)	-	-	(187)
Total undesignated funds	20,487	5,199	(6,037)	(6,932)	(11,216)	1,501
Designated Funds	(6,007)	-	-	6,932	6,007	6,932
<b>Total Funds</b>	<b>14,480</b>	<b>5,199</b>	<b>(6,037)</b>	<b>-</b>	<b>(5,209)</b>	<b>8,433</b>
	At 1 Jan 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	At 31 Dec 2021 £'000
Unrestricted charity funds	17,318	3,379	(3,355)	-	3,614	20,956
Pension fund	(7,120)	-	(806)	-	1,919	(6,007)
<b>Total charity funds</b>	<b>10,198</b>	<b>3,379</b>	<b>(4,161)</b>	<b>-</b>	<b>5,533</b>	<b>14,949</b>
Subsidiary funds	(274)	1,563	(1,758)	-	-	(469)
<b>Total Funds</b>	<b>9,924</b>	<b>4,942</b>	<b>(5,919)</b>	<b>-</b>	<b>5,533</b>	<b>14,480</b>

## Notes to the Financial Statements

continued as at 31 December 2022

### 16. Reconciliation of movement in total funds (contd.)

The Trustees of CIEH have created two new designated funds for

- Illiquid fixed assets. The value of illiquid fixed assets including investment property and related liabilities is £3.5m. This is because illiquid assets are not readily available to directly support members.
- Multi-year capital and project expenditure. Trustees believe that it is important to designate this type of expenditure as it affects the amount of reserves the Trustees can choose to apply to further activities in support of members. The property valuation report by Gerald Eve indicated potential capital costs of £3.1m over the next 2 – 7 years, and there is approved other capital and project spend of £0.3m. The total designated fund is £3.4m. CIEH is currently undertaking a more detailed property condition review with a view to better understanding property capital requirements in the next 2-7 years.

The designated fund for pensions has now been eliminated following the nil settlement on the deficit.

### 17. Projects

CIEH administers projects and funds on behalf of other entities as custodian trustee. Funds for two projects are held in separately identifiable accounts and income and expenditure is not included in the Statement of Financial Activities of CIEH. The balances on the projects and the funds held at 31 December 2022 are as follows

	2022	2021
	£'000	£'000
Emergency & Relief Fund	5	5
Bonnefoy Fund	21	21
	<hr/>	<hr/>

## Notes to the Financial Statements

continued as at 31 December 2022

### 18. Cashflows resulting from operations

Reconciliation of deficit for the financial year to net cash flow from operations	Group	
	2022 £'000	2021 £'000
<b>Cash flows from operating activities</b> (Deficit)/Surplus for the financial year	<b>(6,047)</b>	4,556
<b>Adjustments to exclude:</b>		
Depreciation of intangible assets	100	86
Depreciation of tangible assets	142	161
Interest paid	342	354
Investment income	(112)	(66)
Pension scheme - actuarial (gains) / losses	-	(1,919)
Exceptional gain on defined benefit scheme	(6,007)	-
Leasehold property revaluation (loss)/gain	10,750	(3,377)
Investments - management fee	34	33
Investments -unrealised losses / (gains)	465	(237)
Debtors - (increase) / decrease	90	62
Stock - (increase) / decrease	(5)	4
Creditors - increase / (decrease)	414	(30)
Pension charged to SOFA	-	1,016
Pension contributions	-	(210)
	<hr/>	<hr/>
Cash generated from operations	166	432
Interest paid	(363)	(354)
	<hr/>	<hr/>
<b>Net cash flow resulting from operating activities</b>	<b>(197)</b>	79
	<hr/> <hr/>	<hr/> <hr/>



## Notes to the Financial Statements

continued as at 31 December 2022

### 19. Analysis of net debt

Group	01-Jan 2022 £'000	Cash flow £'000	31-Dec 2022 £'000
Cash at bank and in hand	1,878	(310)	1,568
Debt due within one year			
Finance Lease	(345)	-	(345)
Debt due after more than one year			
Finance Lease	(9,607)	3	(9,604)
Other loans	(800)	-	(800)
	<u>(8,874)</u>	<u>(307)</u>	<u>(9,181)</u>

### 20. Reconciliation of net cashflow to movement in net debt

	2022		2021	
	£'000	£'000	£'000	£'000
Increase / (decrease) in cash in the year	(310)		375	
Loan	-		(400)	
Cash to repay loan	3		3	
	<u>          </u>	<u>(307)</u>	<u>          </u>	<u>(24)</u>
Movement in net debt in the year				
Net debt at 1 January		(8,874)		(8,852)
Net debt at 31 December		<u>(9,181)</u>		<u>(8,874)</u>

### 21. Controlling Party

CIEH is run by its Board of Trustees, who are appointed by the members of CIEH and the board.



## Notes to the Financial Statements

continued as at 31 December 2022

### 22. Indemnity Insurance

The Board of Trustees has affected an indemnity insurance policy to protect CIEH and its subsidiary undertakings from loss arising from the neglect or defaults of its Trustees, directors or employees and to indemnify them against loss arising from any claim against them jointly or severally by reason of any wrongful act in their capacity as Trustees, directors or officers. The premium on the insurance policy was £4,241 (2021: £3,803).

### 23. Capital Commitments

At 31 December 2022 group capital commitments of £22,070 had been authorised and contracted for (2021: £158,787 authorised and £139,787 had been spent).

### 24. Related Party Transactions

During the year CIEH received Gift Aid payments of £0 (2021:£0) from The Environmental Health Registration Board, a company connected with CIEH.

As part of the provision of its training courses CIEH Limited commissions books, researches new courses and arranges for examination papers to be marked and moderated. Some of this work is undertaken for payment by persons who are members of the Chartered Institute of Environmental Health.

There were no related party transactions.

### 25. Operating Leases

As prescribed by FRS102, total minimum future lease payments under operating leases are analysed below for the following periods; payable within one year; payable after one year but within 5 years; payable after 5 years

	Group		CIEH	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Other assets				
Payable within 1 year	27	12	14	-
Payable during 2 to 5 years	21	21	10	-
	<b>48</b>	33	<b>24</b>	-



## About CIEH

**President** Julie Barratt

**Trustees who served during the year and Trustees who continue to serve:**

	<b>Role</b>	<b>Date of appointment</b>	<b>Date of resignation</b>
Stephanie Appiah-Anderson	Trustee	1 January 2022	29 March 2023
Julie Barratt	President	1 January 2021	14 August 2023
Maurice Brennan	Trustee	1 January 2020	2 June 2022
Sterling Crew	Trustee	1 January 2021	29 March 2023
Joan Elliott	Trustee	1 January 2022	22 February 2023
Jonathan Hayes	Trustee	1 January 2022	17 April 2023
Judith Hedgley	Chair	28 April 2023	<i>Current</i>
Terenja Humphries	Chair (to 31 December 2022)	1 January 2017	31 December 2022
Roisin Kerr	Trustee	1 January 2020	17 April 2023
Rosemary Lee	Trustee	18 April 2023	26 July 2023
Abigail Miller	Trustee	18 April 2023	26 July 2023
Madhu Murali	Trustee	25 June 2020	29 March 2023
Saravana Namasivayam	Trustee	1 January 2023	<i>Current</i>
David Newsum	Trustee	2 June 2022	31 December 2022
David Newsum contd.		6 February 2023	1 June 2023
Daniel Oerther	Deputy Chair (to 31 December 2022)	1 January 2020	<i>Current</i>
Nick Pahl	Trustee	27 April 2017	5 February 2023
Kirpal Singh Tahim	Trustee	1 January 2019	<i>Current</i>
Vanessa Wardle	Trustee	1 January 2021	28 April 2023
Lindsay Shaw	Trustee	26 July	<i>Current</i>
Nick Chapman	Trustee	26 July	<i>Current</i>
Sarah Johns	Deputy Chair	26 July	<i>Current</i>
Penelope Dawson Malone	Trustee	26 July	<i>Current</i>
Kathryn Preece	Trustee	26 July	<i>Current</i>

### CIEH Executive Management Team

Phil James	Chief Executive
Chrstine Kanu	Executive Director of Finance and Corporate Services (Resigned February 2022)
Katie Stevens	Executive Director of Finance and Corporate Services (Appointed Jan 2022, Resigned July 2022)
Deborah Wood	Executive Director of Membership and External Affairs (Resigned December 2022)
Jon Buttolph	Associate Director of Membership and Professional Development
Justin Turner	Associate Director of Operations
Fran McCloskey	Executive Director of Finance and Corporate Services (Appointed October 2022)
Louise Hosking	Executive Director of Environmental Health



### Risk and Audit Committee

Carol Healy (Chair)  
John Cragg  
Madhu Murali (resigned 29 March 2023)  
Saravana Namasivayam (to 31 December 2022, rejoined from 8 May 2023)  
Robert Spain

### Appointments and Remunerations Committee

James Howe (Chair)  
Maurice Brennan (to 2 June 2022)  
Joan Elliot (from 13 June 2022 to 22 February 2023)  
Amanda Clarke (to 31 December 2022)  
Tracey Marshall  
Andrea Sutherill  
Maria Jennings (from 1 January 2023)  
Judith Hedgley (from 5 May 2023)

## Advisors

**Bankers** HSBC Bank Plc,  
60 Queen Victoria  
Street,  
London EC4N 4TR

**Auditors** Haysmacintyre LLP,  
10 Queen Street Place,  
London EC4R 1AG

**Investment managers** Cazenove Capital Management, 1 London Wall Place,  
London EC2Y 5AU

**CHARTERED INSTITUTE OF ENVIRONMENTAL HEALTH**

England & Wales - Charity number 290350

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# Accounts

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# Shining the light on environmental health

## Annual Report and Financial Statements

For the year ended 31 December 2021

Registered Charity No. 290350

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# Trustees' Annual Report

## The Board of Trustees present their report together with the Audited Financial Statements for the year ended 31 December 2021.

### Objectives and activities

The Charitable Objects of CIEH are to promote for the public benefit the theory and science of environmental health in all its aspects and to disseminate knowledge about environmental health.

To support the delivery of our vision of safer, cleaner and healthier environments for the benefit of people, businesses and local communities, the Board of Trustees has agreed the following corporate objectives:

- To develop world class services to enable better standards of professional practice and to promote environmental health as an attractive and rewarding career
- To build an engaged, vibrant community of members and clients who are committed to being the best they can be throughout their careers
- To demonstrate public benefit, enhance the image of environmental health and influence the political and legal framework to better enable excellent practice
- To ensure CIEH targets its finances and other resources towards advancing the profession, efficiently and sustainably

We have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and when planning our programme of activities. The activities of CIEH are outlined in this report and further details can be found in our Annual Review which is available to download from our website.

### Achievements and performance

With the work of environmental health professionals being pushed to the forefront due to the pandemic, and, of course, Brexit, CIEH has been straining every nerve to ensure that our members are supported and celebrated.

Reflecting the need for greater support and community, there has been strong enthusiasm for the "Coffee and Catch Up" series of webinars organised by volunteers and supported by CIEH. With our members under pressures, and unable to meet face to face, these catch ups have provided a welcome place for people to talk about their experiences, share advice, trade anecdotes, and discuss the issues facing our shared profession.

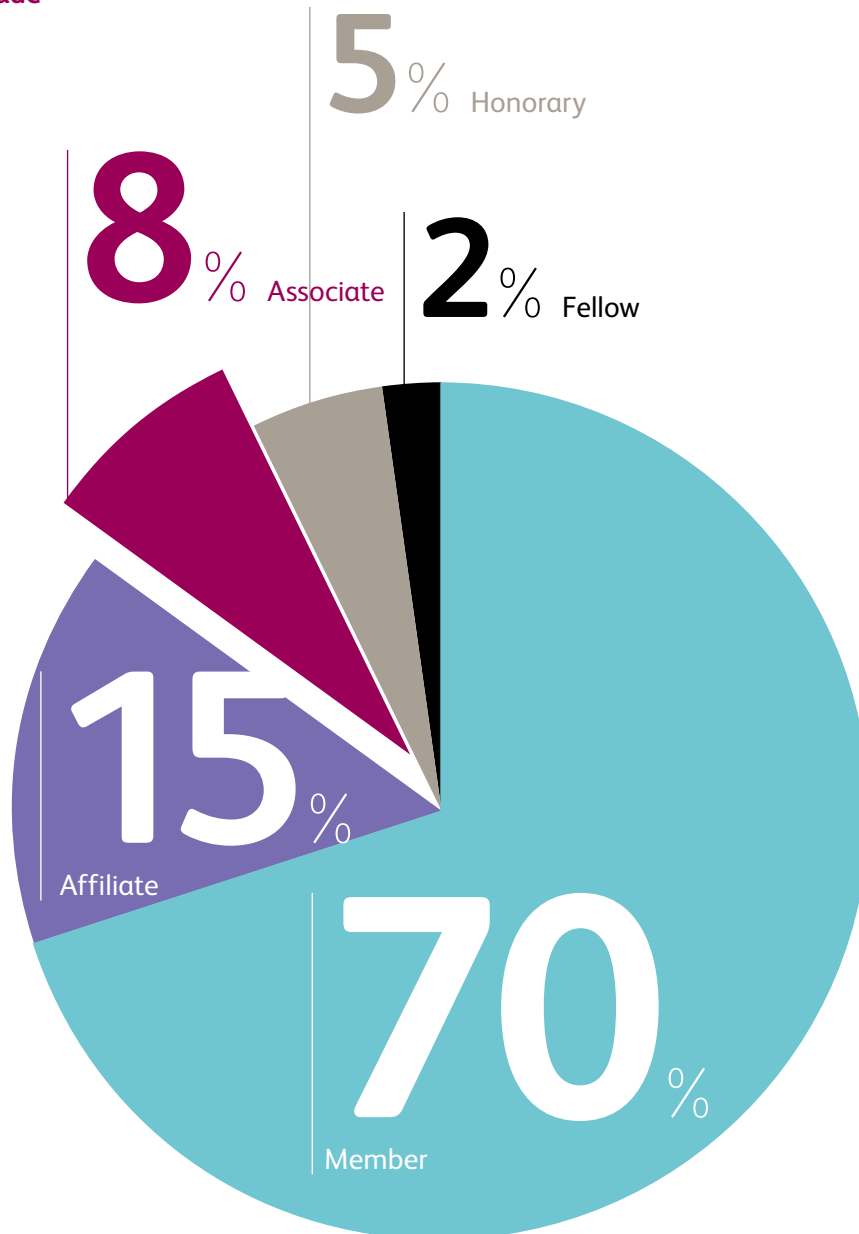
We have also been providing free webinars to support members on key issues, such as egg safety and allergen management in food in advance of the introduction of Natasha's Law.

Over the last year we reviewed the criteria for Fellowship with a focus on senior practitioners who have made significant contributions to the profession. A formal relaunch will take place in 2022.

2021 also saw us welcome 810 new members to CIEH, with 1,867 of you having achieved Chartered Status. Another milestone as we strengthen the profession and endeavour to expand our membership.

- **810 new members**
- **7,241 members**
- **1,867 members with Chartered Status**

## Our membership by grade



Like many organisations, over the last two years CIEH has enthusiastically embraced technology to ensure that, while we might be prevented from running our traditional face-to-face events, we can still provide access to essential learning and engagement opportunities for all our members across the UK.

2021 demonstrated that our pivot to online delivery has strongly benefited our members, providing not only cost-effective training solutions but also a more efficient and flexible way of learning to fit around the day to day working pressures faced by environmental

health professionals. This is reflected in the dramatic increase in delegates attending our courses.

Although we are moving towards the end of the pandemic, our CIEH event strategy for 2022 will predominantly remain online. As well as the benefits to members, this also supports our drive for a more sustainable and inclusive event programme, reducing travel for delegates and negating its impact on the environment, and minimising our use of in-house resources such as catering and printed delegate packs.

However, we continue to work with our 15Hatfields venue team to explore Hybrid solutions and face to face delivery. CIEH remains focused on delivering the right type of events in the most appropriate way possible to meet the varied needs and priorities of our members. We will continue to offer a host of learning solutions, from technical bitesize training events to online conferences.

- **7,000 delegates attending CIEH courses**
- **Over 2,700 delegates attending 1 or more “bitesize” training event**
- **7 conferences**

In 2021 we worked extensively with a number of stakeholders, including employers in the public and private sectors, to develop a modernised qualification process for Environmental Health Practitioners (EHPs). This culminated in the launch of the new EHP pathway in September.

September also saw the launch of our new online professional Registers for EHPs, Chartered EHPs and Food Safety Practitioners, with accompanying digital credentials to allow our members to showcase their expertise with pride.

Building on our positive relationships with the FSA, we have been able to ensure that the new pathways to qualification mirror their new competency framework.

Our new Advanced Professional Certificate in the Private Rented Sector qualification launched in October, with the first intake attending Middlesex University. The qualification was developed with the support of the Mayor of London and will be available to all our accredited Universities from 2022.

To cap off an incredibly busy year, we have also been hosting academics forums and embarking on university visits, all with a view to passionately promoting the profession and encouraging people that environmental health is the career for them.

- **240 practitioners enrolled on our Chartered Practitioner program**
- **221 final EHRB Certificates of Registration**
- **9 Recognised Partner Universities**

A key element of successfully shining the light on environmental health is our policy and campaigning work to enhance CIEH’s voice and influence.

To make the most of our opportunities and resources, CIEH embarked on a series of strategic projects aiming to provide an in-depth understanding of the issues facing the environmental health profession, the views and experiences of our members, and the policy and political landscape.

At the beginning of 2021, we launched a major workforce survey for environmental health, for the first time in six years. We combined this with a wide-ranging member survey, and finally a partnership with ComRes to poll and engage with politicians, the public, and vital stakeholders. All of this has served to direct our campaigning activities to areas where we can have the most impact.

Our workforce survey report fed into the Cross Government Regulatory Review, with the findings being used to call on the Chancellor of the Exchequer to create an apprenticeships fund for local authorities. This culminated in a joint submission to the UK Government, alongside the Local Government Association and the Chartered Trading Standards Institute, to put regulatory services on a more sustainable footing.

We have continued our campaign to introduce a national landlord register in England and have teamed up with the Renters Reform Coalition to amplify the call for change. We have also continued to work with our partners at the End Fuel Poverty Coalition, to call for more support for households during the steep energy price rises.

Our flagship campaign has been on the cosmetics industry. Research carried out in 2020 by CIEH and the Institute of Licensing (IoL) found that current legislation is not able to guarantee consumer safety when undertaking a cosmetic treatment on the high street or in their home.

Following these reports, CIEH has been leading a coalition of public health organisations in calling for better regulation of all cosmetic treatments. We drafted and supported a key amendment to the Health and Care Bill, aimed at making the cosmetics industry safer in England, and worked closely with MPs and Peers from across the political spectrum to ensure it received cross-party support in both the House of Commons and the House of Lords.

- **156 appearances across national, broadcast, regional and trade media**
  - **57 press releases**
  - **10 consultation responses**
  - **5 flagship policy reports**
  - **6 parliamentary briefings**
  - **2 oral evidence sessions**
- 

We have made permanent new ways of working which encourages a flexible hybrid way of working. Our staff team work mainly from home, with access to office space in Chadwick Court for necessary face to face meetings. We have re-configured the previous staff accommodation space for commercial use for 15Hatfields, making sure we are making best use of the asset that is our building in Central London. We have invested in a new training development portal for staff who can tailor their training and development needs, and we have consulted with staff and introduced a new defined contribution pension scheme which will support our plans for longer term financial sustainability.

# Financial review

## Highlights

In 2021, economic challenges, such as Brexit, were again compounded by the financial and ongoing global impact of the pandemic. Despite the implementation of social distancing measures due to COVID-19 and the resultant reduction in face-to-face activities, income increased by 16.4% compared to the prior year, a reflection of the significant steps that had been taken to enhance our digital capabilities.

Most noticeably for our trading subsidiary CIEH Ltd, a continued focus on efficiency in planned areas of expenditure led to a reduction in spend per £1 income, resulting in a trading loss of £0.2m compared to £0.5m loss in the prior year - as shown in note 2 to the financial statements.

In the year to 31 December 2021, we continued to concentrate on stabilising our baseline activity to provide a solid foundation for our future, supporting CIEH through an ongoing time of significant change. Decisive action has been taken to modernise CIEH's own financial framework so that it is fit for purpose, and we are better able to support our members.

Since 1978, CIEH has been a member of a statutory defined benefit pension scheme, administered in accordance with the Local Government Pension Scheme Regulations 2013, the administering authority for the fund being the London Pension Fund Authority (LPFA). The most recent tri-annual valuation shows £6m pension deficit liability with an estimated cessation liability of £11.2m.

In order to manage the risk of any future deficit - arising through the assets of the fund decreasing in value due to expected market volatility and/or liabilities increasing due to changes in mortality rates, changes in obligations or changes in measurement - after staff consultation, the Board took the final decision to close the defined benefit pension scheme to existing and new scheme members. All staff have been transferred to a new direct contribution pension scheme. Dialogue with LPFA is progressing, with a view to securing agreement for a repayment plan over a suitable period of time.

CIEH's net movement of +£4.6m on total funds (2020 -£1.4m) is a result of:

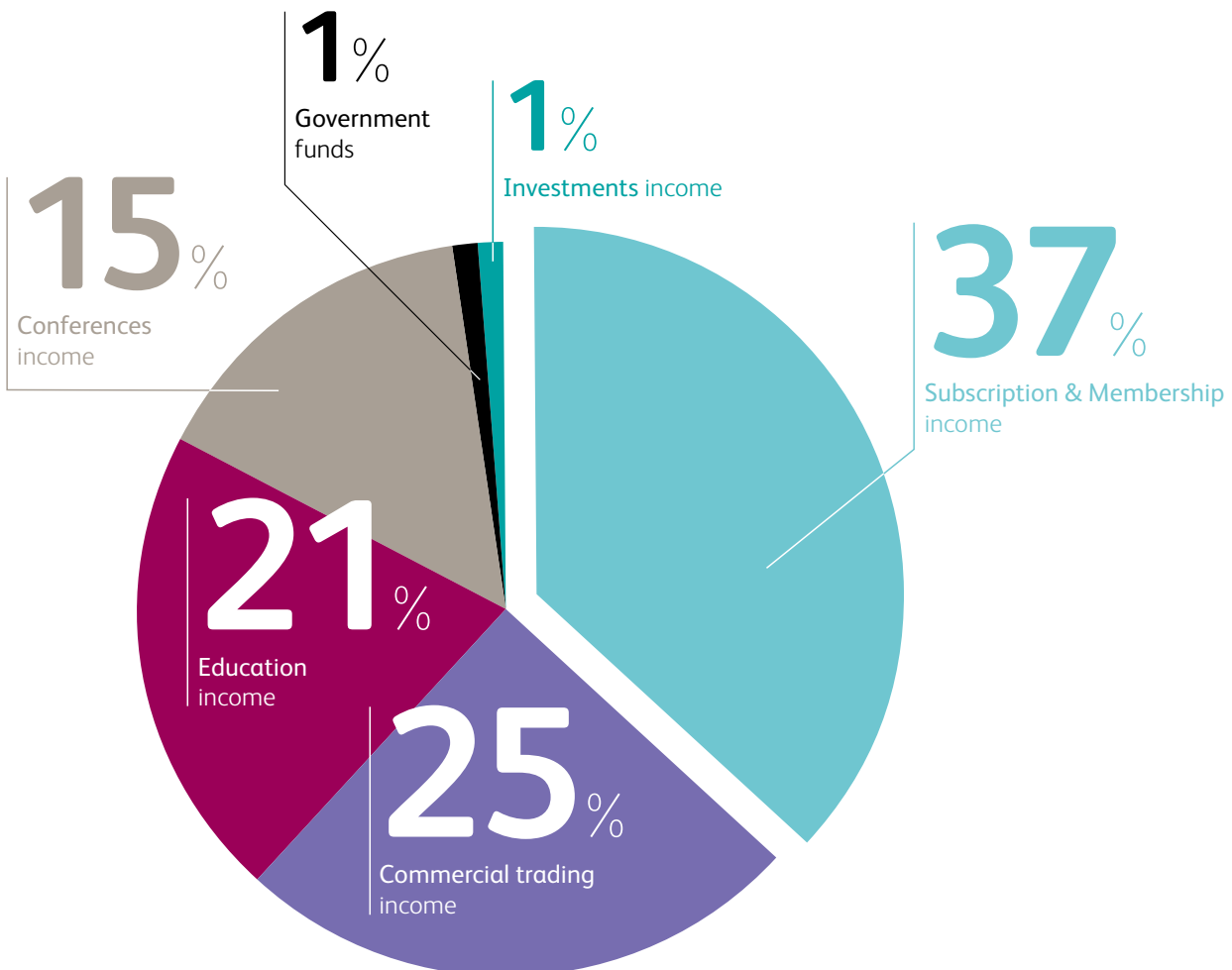
- total income of £4.9m, an increase of 16.4% from the previous year's figure of £4.2m
- total expenditure of £5.9m increased from the previous year's figure of £5.3m
- unrealised gain on investments of £0.5m and pension actuarial gain of £1.9m
- gain on the fixed asset long leasehold property of £3.4m, reflecting a change in accounting policy from a cost to revaluation model (see note 1.3 to the financial statements) - offset by a £0.25m decrease in the market value of the investment property

As we look ahead to the future, our focus will be on building on viable opportunities for growth and continuing to strengthen yet further our learning and development offers to members, which will result in improved financial performance in the medium to long term.

### Income and expenditure

The consolidated results for the year show that we continue to make strides in improving our financial performance despite the ongoing challenges presented by the COVID-19 global pandemic. Our expenditure exceeded income by £1m (2020: £1m). The income breakdown is shown in the chart below:

Subscriptions and membership income continues to play an important part in funding the services of CIEH, representing 37% (2020: 38%) of the overall income of the organisation.



Income analysis 2021

During 2021, we greatly enhanced our digital capabilities, offering a dynamic series of webinars, events, and digital content, easily accessible for our members across the UK. Income from education activities rose to £1m (2020: £0.9m) and from conferences rose to £0.8m (2020: £0.3m). Reflecting the impact of the pandemic, commercial trading amounted to £1.3m (2020: £1.2m), with coronavirus job retention scheme/furlough grant income amounting to £41k (2020: £0.1m) and investment returns reducing by £75k.

Expenditure on charitable activities rose to £5.4m (2020: £4.7m), representing a decrease to £1.47p (2020: £1.74p) per £1 charitable income. Expenditure on raising funds remained the same at £0.5m (2020: £0.5m). Fixed costs have been lowered by the move to hybrid working, with flexible and alternative employment measures being considered as part of capacity building efforts.

### Balance sheet

Total funds for the Group stand at £14.5m (2020: £9.9m) with the movement predominantly being due to pension scheme actuarial gain of £1.9m, investment gain of £0.5m and £3.4m gain on the fixed asset property - due to the decision to change the measurement basis for the tangible fixed assets element of the property from the cost model to the revaluation model; despite an operating loss of £1m and a reduction in the market value of the investment property of £250k. Further details are set out in notes 9 and 12 to the financial statements.

Debtors decreased marginally to £1.2m (2020: £1.3m) whilst creditors decreased to £1.9m (2020: £2m). The current ratio is healthy at 1.6 (2020: 1.4), meaning CIEH has 1.6 times the liquid assets needed to cover all short-term liabilities.

### Investments and reserves

Cazenove Capital Management (an operating division of Schroder & Co) advise the Board of Trustees in the construction of a suitable investment portfolio and manage the investment into specific funds to be held within the portfolio. Cazenove ensure that investments are made into funds that follow good corporate social responsibility and that Environmental Social and Governance (ESG) issues are considered by the organisations in which investments were made. In addition, an explicit ethical restriction applies to the fund excluding all direct investments in tobacco.

The strategic target of the fund is to achieve a long-term return of 4% above inflation with a risk profile of less than 5% probability of making a capital loss exceeding 10% of the portfolio value within any one year. 2021 was another extraordinary year for investment markets. We saw the value of our investment fund increase over the year by 2% (2020: gain of 13.4%) with underlying volatility caused by the global pandemic and its impact on economic outlook.

CIEH conducts an annual review of its reserves, which encompasses the nature of the income and expenditure streams, the need to match variable income with long term commitments and the nature of the reserves. Total funds as at 31 December 2021 were £14.5m (2020: £9.9m) represented by unrestricted general funds of £20.5m (2020: £17.0m) and a pension fund deficit of £6m (2020: £7.1m). The pension fund is a long-term funding issue that does not impact on day-to-day funding requirements.

The reserves policy agreed by the Board of Trustees is to hold at least six months' expenditure within general funds and based upon the 2021 results, this figure is £2.9m (2020: £2.7m). Our free reserves, at the end of 2021, stand at £7.5m being listed investments of £5.6m along with cash and cash equivalents of £1.9m.

### Going concern

The Board of Trustees having carefully reviewed the financial position of CIEH Group, including the financial projections for 2022 and 2023, are satisfied that there are sufficient funds at the date of signature of the financial statements to manage any foreseeable downturn in the UK and global economy. The Board having reflected on the level of liquid reserves held also considers that there is a reasonable expectation that CIEH has adequate resources to continue in operational existence for the foreseeable future and for these reasons the Board of Trustees continues to adopt the going concern basis in preparing the financial statements.

### Subsidiaries

CIEH is the sole member and owns the entire issued share capital of its subsidiary, CIEH Ltd. Further details of the financial performance of CIEH Ltd are disclosed in note 2 to the Consolidated Statement of Financial Activities.

### Management of risk

Good risk management is fundamental to the sustainability of CIEH although it should be recognised that it is impossible to eliminate all risk in an activity. The role of risk management is to identify the key risks facing the organisation and plan how these can be mitigated through specific measures. Overall responsibility for risk management rests with the Board of Trustees who manage the process through formal reviews at board meetings and through the Risk and Audit Committee. Day to day responsibility is delegated to the Executive Team who identify and evaluate risks that relate to their areas and manage the mitigation plans accordingly.

The key risks to the organisation and the principal processes in place to manage these risks are set out in the table below:

## Risk

## Key controls and mitigations

### Membership

Membership retention levels fall due to poor member engagement or renewal process difficult for members.

Engagement with members and the broader professional community has improved with an increase in the quality and quantity of online events. The CIEH business plan will continue to support enhanced engagement activity, together with significant additional outreach activity by senior staff and members.

### Professional development

New qualification pathway having significant gaps leading to stakeholder needs not being met.

Inclusive engagement with stakeholders so appropriate feedback mechanisms help inform the shape of the qualification pathway.

### Financial

Erosion of CIEH reserves by deficit trading or poor investment performance.

Medium-term financial strategy in place to deliver surplus trading position during 2023.

Investment strategy has been reviewed with a balanced approach adopted in line with agreed risk profile.

Pension funding risks where there is a shortfall in defined benefit pension fund.

On 31 October 2021, the defined benefit pension scheme was closed to future accrual, with the exit of all existing and new scheme members. All staff have been transferred to a new direct contribution pension scheme with Aviva.

Engagement with LPFA who administer the fund along with provision of security covenant for any pension scheme deficits.

### Voice and influence

Volatile political landscape adversely impacting our policy and campaigning or membership dissatisfied with policy position.

Closely monitoring political developments, building in flexibility to campaign planning allowing us to react quickly to deliver clear, effective and targeted campaigns.

### Business transformation

Inability to adapt organisational structure to support strategy programme.

Business activity reviews regularly undertaken ensuring improved collaboration across the organisation.

Technology compliance breach and cyber security risks including loss of data and breach of regulations including GDPR and PCI DSS.

Security programme in place covering identification of staff knowledge, targeted training and ongoing testing of security measures. Cyber security measures in place including regular refresher training and 'mystery shopper' approach to test awareness.

New Dark Trace system implemented to increase security monitoring. Insurance cover also in place to help mitigate financial impact of breach.

## Looking to the future

**Having grasped the nettle and taken decisive steps to modernise CIEH and secure its future, the coming year presents an opportunity to build on these endeavours, both internally and through our external activities.**

2022 opened with an important Board discussion on what diversity and inclusion means to us all. A theme that will be built on throughout the year, with CIEH's executive management team focusing on how we can become a more inclusive organisation.

We are refreshing our professional framework, Chartered programme and CPD policy, ensuring that the standards we uphold on behalf of the public enable an inclusive, diverse profession and one that presents an attractive and accessible career option for people in every corner of our society.

Launched in 2021, but very much a major project for this upcoming year, the Directory of Student Training Opportunities (DSTO) will be a key focus. It is a compendium of one-off training opportunities to help students undertaking their professional registration to complete their Environmental Health Portfolio and Higher Certificate in Food Control.

CIEH will be continuing to ensure that we have long term sustainability, embedding our new Business Central finance system, and focussing on growing our commercial side of the business. This includes supporting our sustainable events venue, 15Hatfields, as it expands its operations to welcome back the clients and organisations looking for face to face meetings and events.

Engaging across government to ensure the environmental health profession is understood and supported is a vital strand of our work going forwards, and we will be intensifying our joint working with the LGA and CTSI to advocate for our members within the new Department for Housing, Levelling-Up and Communities (DHLUC).

We will also be driving forwards our successful campaign to improve the safety of the cosmetics industry in England by working with government and stakeholders to help design a new licensing scheme for practitioners.

We are now also putting the finishing touches to our new campaign around climate change. Encompassing all aspects of CIEH, our climate change campaign will focus on showcasing the vital role of environmental health professionals in fighting climate change, highlight what steps CIEH itself is taking to strive for Net Zero, and provide a series of webinars and training opportunities to support members and external organisations become more sustainable in their activities.

And finally, we will be revamping and relaunching our member-led policy advisory panels. These panels, covering each of our key policy areas, serve as essential platforms for members to lend us their expertise and to help shape our campaigning activity. Relaunching them will give all our members an excellent opportunity to be engaged and to be influential.

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# Structure, governance and management

**The Board of Trustees is the governing body for CIEH and determines the overall direction and development of the organisation. The Board of Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.**

The Board of Trustees is composed of six trustees elected by CIEH members, up to six appointed by the Board (on the recommendation of the Appointments and Remuneration Committee) and the President. It is the ultimate decision-making body for the operation of the charity. There are two committees, Risk & Audit and Appointments & Remuneration, reporting through to the Board of Trustees along with two advisory groups, Membership & the Profession and Learning & Qualifications.

As part of their induction programme new trustees are made aware of their responsibilities including an introduction to the objectives, scope and policies of the charity, the use of charitable funds and in addition they are provided with further information on their legal duties as set out in detailed Charity Commission reference materials. Further updates are provided to all trustees during the year as and when required.

The Risk & Audit Committee is responsible for overseeing the management of risks arising from all CIEH activities to ensure the charity fulfils its strategic aims and objects. It agrees the audit strategy with the external auditors, receives their management letter and ensures that issues are resolved through the risk management process.

The Appointments & Remuneration Committee has been established to assist the Board of Trustees in reviewing board composition (including skills, knowledge and experience), recommending the remuneration package of the CEO, reviewing the overall human resources strategy and ensuring that the remuneration policy for the organisation is in line with market practices.

# Statement of Trustees' Responsibilities

Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- observe the methods and principles in the Charities SORP and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Board of Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements.

## Auditors

Haysmacintyre LLP have indicated their willingness to continue in office and will be proposed for reappointment at a meeting of the Board of Trustees.

## Statement as to disclosure of information to our auditors

In the case of each of the persons who are trustees of the charity at the date when this report was approved:

- so far as each of the trustees is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- each of the trustees has taken all the steps that he or she ought to have taken as a trustee to make himself or herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

### Reference and administrative details

<b>Name:</b>	The Chartered Institute of Environmental Health is also known as CIEH
<b>Constitution:</b>	CIEH was granted a Royal Charter on 27 July 1984
<b>Status:</b>	CIEH is a registered charity
<b>Number:</b>	290350
<b>The registered office is:</b>	Chadwick Court, 15 Hatfields, London SE1 8DJ
<b>Contact details are:</b>	Tel: 020 7827 5800 Fax: 020 7827 5862 Email: membership@cieh.org

### Trustees

The names of each member of the Board of Trustees are listed on page 44.

### Funds held as custodian trustee on behalf of others

CIEH holds funds as custodian trustee on behalf of others as disclosed in note 17. These funds are excluded from this report.

### Employees and Members

The Board of Trustees would like to take this opportunity to thank all CIEH employees and all its volunteer members involved in running its Hubs and special interest groups throughout the UK for their efforts in furthering the aims and objectives of the organisation.

**By order of the Board of Trustees**  
**Terenja Humphries**

  
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28 April 2022

# Independent Auditors' Report to the Trustees of the Chartered Institute of Environmental Health

## Opinion

We have audited the financial statements of the Chartered Institute of Environmental Health for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Charity and Group Balance Sheets, the Consolidated 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2021 and of the group's net movement in funds 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 Charities Act 2011.

## Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group/charity'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 Trustees' Annual Report. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- adequate accounting records have not been kept by the parent charity; or
- sufficient accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees 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 group's and the parent charity'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 group or the parent charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the group and the environment in which it operates, we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Charity's Royal Charter, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's 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 charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

*Haysmacintyre LLP*

Haysmacintyre LLP  
Statutory Auditors

**Date:** 18th May 2022

10 Queen Street Place  
London  
EC4R 1AG

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# Consolidated Statement of Financial Activities

(SoFA) (Incorporating an Income and Expenditure Account)  
for the year ended 31 December 2021

		Group	
		2021	2020
		Unrestricted funds	Unrestricted funds
		£'000	£'000
	Note		
<b>Income from charitable activities</b>			
Subscription and membership	3	1,807	1,598
Education	3	1,026	875
Conferences	3	743	263
Regions	3	-	6
<b>Income from other trading activities</b>			
Commercial trading	3	1,259	1,220
<b>Other income</b>			
Grants	3	41	144
<b>Income from investments</b>			
Investments	3/12.1	66	141
<b>Total income and endowments</b>		<b>4,942</b>	<b>4,247</b>
<b>Expenditure</b>			
Expenditure on charitable activities			
Subscription and membership	4	2,893	2,433
Education	4	1,404	1,545
Conferences	4	1,061	787
Regions	4	-	4
<b>Expenditure on raising funds</b>			
Commercial trading operations	4	528	529
Investment management fee	4	33	32
<b>Total expenditure</b>		<b>5,919</b>	<b>5,330</b>
<b>Net expenditure for the year before gains/(losses)</b>		<b>(977)</b>	<b>(1,083)</b>
Loss on investment property	12.1	(250)	-
Gain on investments	12.1	487	2,344
<b>Net movement in funds before defined benefit scheme gain and leasehold property gain</b>		<b>(740)</b>	<b>1,261</b>
Pension scheme – actuarial gain/(loss)	9	1,919	(2,617)
Leasehold property gain	11	3,377	-
<b>Net movement in funds</b>		<b>4,556</b>	<b>(1,356)</b>
Funds brought forward at 1 January		9,924	11,280
<b>Funds carried forward at 31 December</b>		<b>14,480</b>	<b>9,924</b>

None of CIEH's or the group's activities were acquired or discontinued during the above two financial years. There were no recognised gains or losses other than those shown above. All funds carried forward are unrestricted.

The notes on pages 22 to 43 form an integral part of these financial statements.

# Balance Sheets

as at 31 December 2021

		Group		CIEH	
	Note	2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>Fixed assets</b>					
Intangible fixed assets	10	208	244	83	60
Tangible fixed assets	11	6,100	2,853	6,086	2,832
Investments	12.1	23,393	23,122	23,393	23,123
		<b>29,701</b>	26,199	<b>29,562</b>	26,014
<b>Current assets</b>					
Stocks		11	15	–	–
Debtors	14	1,251	1,313	1,467	1,503
Cash at bank and in hand		1,878	1,503	1,866	1,491
		<b>3,140</b>	2,831	<b>3,333</b>	2,994
<b>Creditors: amounts falling due within one year</b>	15(i)	<b>(1,947)</b>	(1,976)	<b>(1,532)</b>	(1,680)
<b>Net current assets</b>		<b>1,193</b>	855	<b>1,801</b>	1,314
<b>Total assets less current liabilities</b>		<b>30,894</b>	27,054	<b>31,363</b>	27,328
<b>Creditors: amounts falling due after more than one year</b>	15(ii)	<b>(10,407)</b>	(10,010)	<b>(10,407)</b>	(10,010)
<b>Total net assets before pension deficit</b>		<b>20,487</b>	17,044	<b>20,956</b>	17,318
Defined benefit pension scheme liability	9	(6,007)	(7,120)	(6,007)	(7,120)
<b>Total net assets</b>		<b>14,480</b>	9,924	<b>14,949</b>	10,198
<b>Funds and reserves</b>					
Unrestricted general funds	16	20,487	17,044	20,956	17,318
Pension fund	16	(6,007)	(7,120)	(6,007)	(7,120)
<b>Total funds</b>	16	<b>14,480</b>	9,924	<b>14,949</b>	10,198

The notes on pages 22 to 43 form an integral part of these financial statements.

Approved and authorised for issue  
on behalf of the Board of Trustees on  
28 April 2022

  
Terenja Humphries,  
Chair, Board of Trustees

  
Daniel Oerther,  
Deputy Chair, Board of Trustees

# Consolidated Cash Flow Statement

for the year ended 31 December 2021

	Note	2021		2020	
		£'000	£'000	£'000	£'000
<b>Cash flow from operating activities</b>	18		79		(151)
<b>Cash flow from investing activities</b>					
Purchase of intangible assets	10	(71)		(103)	
Purchase of tangible assets	11	(31)		(48)	
Cash withdrawal from investments	12.1	-		1,000	
<b>Net cash provided by investing activities</b>			(102)		849
<b>Cash flows from financing activities</b>					
Capital element of finance lease rentals		(2)		(2)	
Other loans		400		400	
<b>Net cash provided by financing activities</b>			398		398
<b>Change in cash and cash equivalents in year</b>			375		1,096
<b>Cash and cash equivalents at beginning of year</b>			1,503		407
<b>Cash and cash equivalents at end of year</b>			1,878		1,503

The notes on pages 22 to 43 form an integral part of these financial statements.

# Notes to the Financial Statements

as at 31 December 2021

## 1 Accounting Policies

### 1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments, which are included at their market value at the balance sheet date. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015), the Charities Act 2011 and applicable accounting standards (FRS102).

### 1.2 Going concern

The ongoing COVID-19 pandemic necessitated a review of the Charity's finances with a medium term strategy in place to deliver a surplus trading position during 2023.

After reviewing the Group's forecasts and projections, the Board of Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future.

As stated in the Trustee's Annual Report, trustees believe there are no material uncertainties that call into doubt the group and the charity's ability to continue as a going concern. The group therefore continues to adopt the going concern basis in preparing its accounts.

### 1.3 Leasehold property

On 20 December 2013, CIEH entered into a sale and leaseback agreement on the charity's property, Chadwick Court, located at 15 Hatfields, London. The property is held by the charity under a 150 year long lease and has been classified as a long-leasehold property.

The Board of Trustees considers that the risks and rewards of ownership rest with the charity and consequently account for the long-leasehold as a finance lease.

The property is split between investment property (note 12) and tangible fixed assets (note 11). The investment property element is measured at its fair value. The Trustees have taken the decision to change the measurement basis for the tangible fixed assets element from the cost model to the revaluation model. This is due to the change in use of the property following the introduction of flexible working, with activity now focusing primarily on revenue-generation rather than administration/support for CIEH's charitable activity. In accordance with FRS102 s.10.10A, this change of accounting policy does not give rise to a prior period adjustment but is accounted for as a revaluation in the year. The gain on revaluation has been recognised in the Statement of Financial Activities. The tangible fixed assets element of the property continues to be depreciated over the remaining term of the lease on a straight line basis.

A valuation of the property was performed on 31 January 2022, by an independent valuer that holds the MRICS qualification and has recent experience of both the location and class of investment property being valued.

### 1.4 Other fixed assets

#### Intangible fixed assets:

Intangible fixed assets are measured at cost less accumulated depreciation, and any accumulated impairment losses.

Both software and course development costs are recognised as intangible assets when supplied by a third party. No depreciation is charged on assets under construction but computer software costs are transferred from under construction to assets when the software comes into use. At that point in time they start to be depreciated.

Depreciation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives, using the straight-line method. The principal rate for computer software and course development is 33%.

Both computer software and course development, which are expected to generate future revenues and meet the other criteria allowable under FRS102 s18 'Intangible Assets other than goodwill' have been capitalised as appropriate.

#### Tangible fixed assets:

Tangible fixed assets are depreciated or amortised on a straight line basis to write off the cost of these assets over their estimated useful lives. The principal rates are

Fixtures & Fittings	20%
Office equipment	33%
Computer hardware	33%

Assets under construction are transferred to fixtures and fittings when they come into use and at that point in time they are depreciated.

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 1 Accounting Policies *continued*

#### 1.5 Stocks

Stocks of publications and course material are stated at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

All stock items are finished goods held for resale.

#### 1.6 Expenditure

All expenditure is accounted for on an accruals basis, inclusive of any VAT which cannot be recovered. Any VAT which is not recoverable by CIEH is included in allocated support costs, see note 5.

Direct expenditure is directly allocated to specific activities and has been included in those cost categories. Indirect costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of the direct usage in the various categories.

Governance costs relate to the general running of the charity as opposed to those costs associated with income generation or charitable activity. These costs include Board of Trustee costs, audit costs and other strategic management costs, see note 6.

#### 1.7 Income and endowments

Subscriptions and membership fees are accounted for on an accruals basis. No income is accrued in relation to unpaid subscriptions at the year-end. Amounts received in advance are deferred to the period to which they relate.

Education income is accounted for on an accruals basis in respect of professional exams and public training courses.

Conference income is accounted for on an accruals basis and is generated from the delivery of CIEH events to its members and the public, as well as from the hire of its facilities (conference and meeting rooms), including the provision of catering, equipment and related services.

Grant income received during the year relate to the coronavirus job retention scheme (CJRS) and is recognised in the period which the grant was awarded.

Commercial trading income is accounted for on an accruals basis and mainly represents income generated from our conference venue 15Hatfields. Rents receivable are accounted for on an accruals basis.

#### 1.8 Research and development

Research and development expenditure for products is charged to the Consolidated Statement of Financial Activities in the year in which it is incurred.

#### 1.9 Operating leases

Rentals paid under operating leases are included in the Consolidated Statement of Financial Activities on a straight line basis over the term of the lease.

#### 1.10 Finance leases

The obligations under the finance lease for Chadwick Court is carried at amortised carrying value using the 'effective interest method', which allocates the interest expense over the period to maturity at a constant rate on the balance of the liability carried in the balance sheet for the relevant period.

#### 1.11 Pensions

Until 31 October 2021, CIEH operated a defined benefit pension scheme. The scheme was reopened to new members from 1 May 2014, operating as CIEH's nominated scheme as part of Auto Enrolment. The amounts charged in resources expended are the current service costs. Gains and losses on settlements and curtailments are included as part of staff costs. Vested past service costs are recognised immediately in the Consolidated Statement of Financial Activities. The interest cost and the expected return on assets are charged to net finance charges within support costs. Actuarial gains and losses are recognised immediately as 'Actuarial Losses'.

The defined benefit scheme is funded, with the assets of the scheme held separately from those of the group, in separate trustee-administered funds. The pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities.

Actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 1 Accounting Policies *continued*

On 31 October 2021, the defined benefit pension scheme was closed to existing and new scheme members and CIEH will be entering into a Deferred Debt Arrangement (DDA). Under a DDA, as an exiting employer, CIEH will become a deferred employer in the Fund, with no active members, and remain responsible for paying any existing or future secondary rate of contributions to fund any current or future deficit.

The secondary rate of contributions will be reviewed at each actuarial valuation until the termination of the agreement. As a deferred employer, CIEH will remain an ongoing concern for the Fund. The DDA will therefore be monitored throughout the recovery period chosen, regular updates of CIEH's funding position will be provided to the Fund and the level of covenant will also be monitored annually by the administering authority, to determine whether a review, or a possible termination of the agreement, is required.

As the DDA agreement is yet to be finalised, it has been assumed that no future employer contributions will be made in the projected pension expense.

CIEH operates a defined contribution scheme for all existing and new members, and the amount charged to the Consolidated Statement of Financial Activities in respect of pension costs and post-retirement benefits is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

#### 1.12 Fund accounting

**General funds** are unrestricted funds which are available for use at the discretion of the Board of Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

#### 1.13 Investments

Profit or loss on investment is recognised in the Consolidated Statement of Financial Activities on a cash receivable basis.

Investments are stated at market value at the balance sheet date. Investment property has been valued on a net initial yield basis.

A gain or loss is "realised" when the disposal proceeds of investments (at market value) is different from its value at the start of the year.

A gain or loss is "unrealised" when the market value of an investment at the end of the year is different from its value at the start of the year (or from the date it was purchased during the year).

#### 1.14 Financial instruments

The group and charity only holds financial instruments which qualify as basic financial instruments in accordance with section 11 of FRS102. Assets such as trade and other receivables, and liabilities such as trade and other creditors are measured at amortised cost. Listed investments are measured at fair value.

The group and charity do not hold any financial instruments measured at fair value other than the listed investments disclosed in note 12.1

#### 1.15 Significant estimates and areas of judgments

The preparation of financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent liabilities at the balance sheet date.

Estimates and judgements are based on historical experience along with reasonable expectations around future events. Actual outcomes could differ from the estimates. This is especially the case of the valuation of the group's investment property and defined benefit pension liability. The valuation methodologies applied are considered to be the best estimate of market value.

The investment property and tangible fixed asset element of the property have been measured on a fair value basis in line with FRS102 i.e. "the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction" and adjusted to its gross in consideration of the fact that cost elements are already fully recognised as long term liabilities.

# Notes to the Financial Statements

## continued

as at 31 December 2021

### 2 Subsidiary activities

	CIEH Limited		
	2021	2020	
	£'000	£'000	
Turnover	1,601	1,408	CIEH has one wholly owned UK trading subsidiary; CIEH Limited a company registered in England (01999717) and its registered office is: ChadwickCourt, 15 Hatfields, London SE1 8DJ.
Total expenditure	(1,796)	(1,968)	
(Loss) for the year	(195)	(560)	CIEH Limited, a company registered in England, carries out mainly primary purpose trading activities, providing learning outcomes and publishing a magazine.
Retained profits b/f	(274)	286	
<b>Retained in subsidiary</b>	<b>(469)</b>	<b>(274)</b>	A summary of the trading results for CIEH Limited is shown.
Assets	408	594	
Liabilities	(877)	(868)	
<b>Net liabilities</b>	<b>(469)</b>	<b>(274)</b>	

### 3 Income and endowments

	2021			2020		
	£'000	£'000	£'000	£'000	£'000	£'000
	CIEH Ltd	CIEH	Group	CIEH Ltd	CIEH	Group
Subscriptions and membership	586	1,221	1,807	418	1,180	1,598
Education	814	212	1,026	653	222	875
Conferences	–	743	743	–	263	263
Regions	–	–	–	–	6	6
Commercial trading	163	1,096	1,259	225	995	1,220
Government grants	38	3	41	103	41	144
Investments	–	66	66	–	141	141
<b>Total income and endowments</b>	<b>1,601</b>	<b>3,341</b>	<b>4,942</b>	<b>1,399</b>	<b>2,848</b>	<b>4,247</b>

**Subscriptions and membership** income consists of membership fees, and other sources of income of a membership nature (including the membership magazine; Environmental Health News).

**Education** income is in respect of professional exams and public training courses.

**Conference** income arises from the delivery of events to members and the public.

**Commercial trading** income arises from 15Hatfields venue and events business, together with rent from letting part of Chadwick Court.

**Government grants** income relates to the Coronavirus Job Retention Scheme (CJRS)/Furlough.

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 4 Expenditure

	2021		2020	
	£'000	Total £'000	£'000	Total £'000
<b>Subscription Membership</b>				
Direct costs	339		324	
Staff costs	439		437	
CIEH Ltd support	338		385	
CIEH support	1,777	2,893	1,287	2,433
<b>Education</b>				
Direct costs	145		190	
Staff costs	352		370	
CIEH Ltd support	145		227	
CIEH support	762	1,404	758	1,545
<b>Conferences</b>				
Direct costs	108		82	
Staff costs	279		283	
CIEH Ltd support	108		97	
CIEH support	566	1,061	325	787
Regions		–		4
Commercial trading		528		529
Investment management fee		33		32
<b>Total expenditure</b>		<b>5,919</b>		<b>5,330</b>

Basis of apportionment: Direct costs

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 5 Support costs

	2021			2020		
	CIEH Ltd £'000	CIEH £'000	Total £'000	CIEH Ltd £'000	CIEH £'000	Total £'000
Staff costs	344	2,017	2,361	365	1,470	1,835
Office costs	65	205	270	103	158	261
Printing, postage and stationery	2	5	7	2	5	7
Rent, rates and maintenance	(4)	(4)	(8)	3	18	21
Light and heat	–	50	50	–	45	45
Publicity and marketing	54	57	111	38	37	75
Telephones	10	25	35	8	15	23
Computers	–	1	1	1	2	3
Legal and professional	2	127	129	1	32	33
Insurance	13	24	37	14	26	40
Bank charges	20	19	39	19	11	30
Finance lease interest	–	342	342	–	342	342
Governance costs	16	25	41	17	30	47
Irrecoverable VAT	–	34	34	–	29	29
Depreciation of tangible and intangible assets	69	178	247	138	151	289
<b>Support costs</b>	<b>591</b>	<b>3,105</b>	<b>3,696</b>	<b>709</b>	<b>2,371</b>	<b>3,080</b>

### 6 Governance costs

	2021 £'000	2020 £'000
Board of Trustees and other meetings	9	14
Auditors' remuneration	32	33
<b>Governance costs</b>	<b>41</b>	<b>47</b>

Governance costs are the general running costs of the charity. Included in here are the costs of the Board of Trustees and associated support costs including external audit.

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 7 Net expenditure for the year

	Group		CIEH	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
This is stated after charging:				
Depreciation of tangible and intangible assets	247	289	178	151
Auditors' remuneration				
– audit work	34	27	19	15
– non-audit work	3	8	2	3
Finance lease interest	342	342	342	342
Operating lease rentals	15	32	–	–

### 8 Employee and trustee costs

The employee costs for the Group and the charity were:

	Group		CIEH	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Wages and salaries	2,139	2,173	1,350	1,340
Social security	235	223	149	141
Pension costs	1,074	706	981	600
Temporary staff	28	41	27	35
Training and recruitment	28	39	18	24
Pension scheme closure costs	162	–	162	–
	<b>3,666</b>	<b>3,182</b>	<b>2,687</b>	<b>2,140</b>

Central services staff (finance, IT, HR, marketing and administration) are employed by CIEH and are partially recharged to the subsidiary company on a direct costs basis.

The pension scheme closure costs of £162k related to compensation payments made to staff and the new defined contribution pension scheme as a result of changes to the pre-existing defined benefit pension scheme. Staff were given the option to either be paid in cash or to have the payment paid directly into their new defined contribution pension scheme.

	2021	2020	2021	2020
	Number	Number	£'000	£'000
Subscription and membership	12	12	439	438
Education	13	13	352	371
Conferences	2	2	279	284
Commercial trading	6	6	235	251
Central services	18	18	2,361	1,838
	<b>51</b>	<b>51</b>	<b>3,666</b>	<b>3,182</b>

These costs have been allocated to the most appropriate individual headings within the Statement of Financial Activities.

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 8 Employee and trustee costs *continued*

	2021	2020
	Number	Number
Employees whose emoluments were over £60,000 per annum:		
£60,000 – £69,999	3	1
£70,000 – £79,999	1	2
£80,000 – £89,999	1	–
£90,000 – £99,999	–	1
£110,000 – £119,999	1	–
	6	4

The executive management team of five (2020: five) were remunerated £460,835 (2020: £412,692) with company pension contributions totalling £68,848 (2020: £50,898). They received no other benefits (2020: £0).

The Group makes pension contributions on behalf of six (2020: four) of the employees whose emoluments exceed £60,000.

No Board of Trustee member received any remuneration for services as a trustee (2020: none).

Board of Trustee members received reimbursement of their travel and subsistence expenses incurred in the performance of their duties as Board of Trustee members. These expenses totalled £493 to 11 trustees (2020: £1,232 to 11 trustees).

Transactions with Board of Trustee members, officers of CIEH, Directors of CIEH Limited are disclosed in note 24, related party transactions.

### 9 Pensions

During the year, costs relating to the various pension funds to which CIEH contributes were as follows:

	Group		CIEH	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
London Pension Fund Authority (LPFA)	1,016	663	939	554
Aegon UK PLC	40	34	33	22
Other	18	9	9	9
<b>Total pension costs</b>	<b>1,074</b>	706	<b>981</b>	585

The LPFA scheme is a successor to the last GLC fund and is a Career Average Revalued Earnings (CARE) scheme. It is actuarially valued on a three year cycle. In line with the 2021 valuation, CIEH's contributions are 12.8% (2020:15.5%).

In accordance with Financial Reporting Standard Number 102, CIEH is required to disclose certain information concerning assets, liabilities, income and expenditure related to defined benefit pension schemes for its employees. Certain employees of CIEH participate in the LPFA scheme, part of the Local Government Pension Scheme, a defined benefit statutory scheme. The Fund is administered by LPFA in accordance with the Local Government Pension Regulations 2007/08, as amended.

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 9 Pensions *continued*

The return on the Fund (on a bid value to bid value basis) for the year to 31 December 2021 is estimated to be 15.84%. The actual return on the Fund assets over the year may be different. The estimated asset allocation for the CIEH as at 31 December 2021 is as follows:

Employer asset share – bid value	31 Dec 2021		31 Dec 2020	
	£'000	%	£'000	%
Equities	7,541	57%	6,183	55%
Gilts	2,726	21%	2,623	23%
Other bonds	1,165	9%	761	7%
Property	1,068	8%	1,040	9%
Cash	619	5%	726	6%
<b>Total</b>	<b>13,119</b>	<b>100%</b>	<b>11,333</b>	<b>100%</b>

The assumed life expectations from age 65 are:

Life expectancy from age 65 years	31 Dec 2021	31 Dec 2020
Retiring today		
Males	22.5	22.2
Females	25.1	24.7
Retiring in 20 years		
Males	22.5	23.6
Females	25.7	26.2

The financial assumptions used to calculate the results are as follows:

Assumptions as at	31 Dec 2021	31 Dec 2020	31 Dec 2019
	% p.a	% p.a	% p.a
Discount rate	1.85%	1.40%	2.05%
Salary increases	3.85%	3.30%	3.80%
Pension increases	2.85%	2.30%	2.30%

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 9 Pensions *continued*

Balance sheet as at 31 December 2021

<b>Net pension liability as at</b>	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>	<b>31 Dec 2019</b>
	£'000	£'000	£'000
Present value of the defined benefit obligation	(19,130)	(18,453)	(14,892)
Fair value of Fund assets (bid value)	<u>13,123</u>	<u>11,333</u>	<u>10,799</u>
Deficit	<u>(6,007)</u>	<u>(7,120)</u>	<u>(4,093)</u>
<b>Net defined benefit liability</b>	<b><u>(6,007)</u></b>	<b><u>(7,120)</u></b>	<b><u>(4,093)</u></b>

Statement of profit or loss for the year to 31 December 2021

<b>The amounts recognised in the SoFA are:</b>	<b>Year to 31 Dec 2021</b>	<b>Year to 31 Dec 2020</b>
	£'000	£'000
Service cost	958	567
Net interest on the defined liability	98	81
Administration expenses	<u>15</u>	<u>14</u>
<b>Total</b>	<b><u>1,071</u></b>	<b><u>662</u></b>

Asset and benefit obligation reconciliation for the year to 31 December 2021

<b>Reconciliation of opening and closing balance of the present value of the defined benefit obligation</b>	<b>Year to 31 Dec 2021</b>	<b>Year to 31 Dec 2020</b>
	£'000	£'000
Opening defined benefit obligation	18,453	14,892
Current service cost	958	567
Interest cost	257	302
Change in financial assumptions	279	2,280
Estimated benefits paid net of transfers in	(387)	(429)
Experience loss/(gain) on defined benefit obligation	(336)	714
Change in demographic assumptions	(225)	–
Past service costs, including curtailments	–	–
Contributions by Scheme participants	<u>131</u>	<u>127</u>
<b>Closing defined benefit obligation</b>	<b><u>19,130</u></b>	<b><u>18,453</u></b>

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 9 Pensions *continued*

#### Reconciliation of opening and closing balances of the fair value of Fund assets

	Year to 31 Dec 2021	Year to 31 Dec 2020
	£'000	£'000
Opening fair value of Fund assets	11,333	10,799
Interest on assets	159	221
Return on assets less interest	1,637	273
Other actuarial gains	-	125
Administration expenses	(15)	(14)
Contributions by employer including unfunded	265	231
Contribution by Fund participants	131	127
Estimated benefits paid plus unfunded net of transfers in	(387)	(429)
<b>Closing fair value of Fund assets</b>	<b>13,123</b>	<b>11,333</b>

The total return on fund assets for the year to 31 December 2021 is £1,697,000.

#### Sensitivity analysis

	£'000	£'000	£'000
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	18,740	19,130	19,529
Projected service cost	-	-	-
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	19,133	19,130	19,127
Projected service cost	-	-	-
Adjustment to pension increases and deferred Revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	19,522	19,130	18,746
Projected service cost	-	-	-
Adjustment to life expectancy assumptions	+0.1%	0.0%	-0.1%
Present value of total obligation	20,015	19,130	18,285
Projected service cost	-	-	-

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 9 Pensions *continued*

Re-measurements in other comprehensive income

<b>Re-measurements of the net assets / (defined liability)</b>	<b>Year to 31 Dec 2021</b>	<b>Year to 31 Dec 2020</b>
	<b>£'000</b>	<b>£'000</b>
Return on Fund assets in excess of interest	1,637	273
Other actuarial gains on assets	–	125
Change in financial assumptions	(279)	(2,301)
Experience gain/(loss) on defined benefit obligation	336	(714)
Change in demographic assumptions	225	–
	<u>1,919</u>	<u>(2,617)</u>
<b>Re-measurement of the net assets / (defined liability)</b>	<b>1,919</b>	<b>(2,617)</b>

<b>Projections for the year to 31 December 2022</b>	<b>Year to 31 Dec 2022</b>
	<b>£'000</b>
Service cost	–
Net interest on the defined liability	112
Administration expenses	17
Total loss	<u>129</u>
Employer contributions	–

The projections for the year to 31 December 2022 exclude the capitalised cost of any early retirements or augmentations which may occur after 31 December 2021.

The Aegon UK PLC scheme is a **defined contribution scheme**. CIEH's contributions are 11%. CIEH also contributes 11% to employees' personal pension schemes.

No employees or directors of CIEH or CIEH Limited and its subsidiary undertakings, are involved in the control or administration of any of the above funds

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 10 Intangible fixed assets

<b>CIEH</b>	<b>Computer software</b>	<b>Asset under construction</b>	<b>Total assets</b>
<b>Cost or Valuation</b>	£'000	£'000	£'000
At 1 January 2021	28	60	88
Transfer	60	(60)	–
Additions	47	–	47
At 31 December 2021	<u>135</u>	<u>–</u>	<u>135</u>
<b>Depreciation</b>			
At 1 January 2021	28	–	28
Charge for year	24	–	24
At 31 December 2021	<u>52</u>	<u>–</u>	<u>52</u>
<b>Net Book Value</b>			
<b>At 31 December 2021</b>	<u><b>83</b></u>	<u><b>–</b></u>	<u><b>83</b></u>
At 31 December 2020	<u>–</u>	<u>60</u>	<u>60</u>

<b>Group</b>	<b>Course development</b>	<b>Computer software</b>	<b>Assets under construction</b>	<b>Total assets</b>
<b>Cost or Valuation</b>	£'000	£'000	£'000	£'000
At 1 January 2021	9	760	140	909
Additions	–	71	–	71
Transfers	–	53	(53)	–
Disposals	–	(4)	–	(4)
At 31 December 2021	<u>9</u>	<u>880</u>	<u>87</u>	<u>976</u>
<b>Depreciation</b>				
At 1 January 2021	7	679	–	686
Charge for the year	2	84	–	86
Disposals	–	(4)	–	(4)
At 31 December 2021	<u>9</u>	<u>759</u>	<u>–</u>	<u>768</u>
<b>Net Book Value</b>				
<b>At 31 December 2021</b>	<u><b>–</b></u>	<u><b>121</b></u>	<u><b>87</b></u>	<u><b>208</b></u>
At 31 December 2020	<u>2</u>	<u>81</u>	<u>140</u>	<u>224</u>

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 11 Tangible fixed assets

<b>CIEH</b>	<b>Long leasehold property</b>	<b>Equipment Fixtures &amp; Fittings</b>	<b>Asset under construction</b>	<b>Total assets</b>
<b>Cost or Valuation</b>	£'000	£'000	£'000	£'000
At 1 January 2021	2,839	796	–	3,635
Fair value revaluation	3,011	–	–	3,011
Additions	–	24	11	35
Disposals	–	(5)	–	(5)
At 31 December 2021	<u>5,850</u>	<u>815</u>	<u>11</u>	<u>6,676</u>
<b>Depreciation</b>				
At 1 January 2021	347	458	–	804
Charge for the year	19	135	–	154
Fair value revaluation	(366)	–	–	(366)
Disposals	–	(3)	–	(3)
At 31 December 2021	<u>–</u>	<u>590</u>	<u>–</u>	<u>590</u>
<b>Net Book Value</b>				
<b>At 31 December 2021</b>	<u><b>5,850</b></u>	<u><b>225</b></u>	<u><b>11</b></u>	<u><b>6,086</b></u>
At 31 December 2020	<u>2,492</u>	<u>340</u>	<u>–</u>	<u>2,832</u>

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 11 Tangible fixed assets *continued*

Group	Long leasehold property	Equipment Fixtures & Fittings	Asset under construction	Total assets
<b>Cost or Valuation</b>	£'000	£'000	£'000	£'000
At 1 January 2021	2,839	1,002	–	3,841
Fair value revaluation	3,011	–	–	3,011
Additions	–	20	11	31
Disposals	–	(3)	–	(3)
At 31 December 2021	<u>5,850</u>	<u>1,019</u>	<u>11</u>	<u>6,880</u>
<b>Depreciation</b>				
At 1 January 2021	347	641	–	988
Charge for the year	19	142	–	161
Fair value revaluation	(366)	–	–	(366)
Disposals	–	(3)	–	(3)
At 31 December 2021	<u>–</u>	<u>780</u>	<u>–</u>	<u>780</u>
<b>Net Book Value</b>				
<b>At 31 December 2021</b>	<u><b>5,850</b></u>	<u><b>239</b></u>	<u><b>11</b></u>	<u><b>6,100</b></u>
At 31 December 2020	<u>2,492</u>	<u>361</u>	<u>–</u>	<u>2,853</u>

Long leasehold property relates to CIEH's property, Chadwick Court, held under finance lease from 20 December 2013.

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

## 12 Investments

### 12.1 Investments

Investment portfolio held at Cazenove Capital Management comprises of:

	Investment Property	Listed Investments	Cash and cash equivalents	Total 2021
	£'000	£'000	£'000	£'000
Value at 1 January 2021	17,900	5,054	169	23,123
Investment income	–	–	66	66
Management fee	–	–	(33)	(33)
Cash withdrawal	–	–	–	–
Additions	–	1,836	(1,836)	–
Disposal proceeds	–	(2,052)	2,052	–
(Losses) / gains	(250)	733	(246)	237
<b>Value at 31 December 2021</b>	<b>17,650</b>	<b>5,571</b>	<b>172</b>	<b>23,393</b>

65% of Chadwick Court has been let on a 10 year lease and therefore represents Investment Property to the Group. The fair value of the investment property was determined by reference to a red book valuation adjusted to disregard the element of ground rent already recognised as a finance lease in these financial statements.

Amounts are receivable under operating leases as follows:

Group and CIEH	2021	2020
	£'000	£'000
Within one year	1,054	851
Within two to five years	4,219	4,219
After more than five years	2,517	3,572
<b>Total</b>	<b>7,790</b>	<b>8,642</b>

### 12.2 Subsidiary undertakings

#### CIEH Limited

CIEH holds the entire equity interest in CIEH Limited, a company incorporated in the United Kingdom. The equity interest was donated to CIEH. The company is currently engaged in the delivery of the charity's primary purpose objectives.

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 13 Interest payable

	Group		CIEH	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Loan payable within 5 years	12	–	12	–
Finance lease	342	342	342	342
<b>Total interest payable</b>	<b>354</b>	<b>342</b>	<b>354</b>	<b>342</b>

### 14 Debtors

	Group		CIEH	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Amounts falling due within one year:				
Trade debtors	276	428	50	67
Amounts owed by subsidiary undertakings	–	–	463	572
Other debtors	35	11	34	9
Prepayments and accrued income	940	874	920	854
<b>Total debtors</b>	<b>1,251</b>	<b>1,313</b>	<b>1,467</b>	<b>1,502</b>

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 15 Creditors

	Group		CIEH	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>(i) Amounts falling due within one year</b>				
Obligation under finance lease	345	345	345	345
Trade creditors	302	404	237	369
Taxes and social security	143	75	26	7
Accruals and deferred income	<u>1,157</u>	<u>1,152</u>	<u>924</u>	<u>959</u>
	<u>1,947</u>	<u>1,976</u>	<u>1,532</u>	<u>1,680</u>

**Deferred income** £728k (2020: £595k) is income taken in advance of the period over which the service is being provided. The increase in deferred income is due to the investment property transferring from half rent in 2020 to full rent in the year.

	Group		CIEH	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>(ii) Amounts falling due after more than one year</b>				
Finance lease	9,607	9,610	9,607	9,610
Other loans	<u>800</u>	<u>400</u>	<u>800</u>	<u>400</u>
	<u>10,407</u>	<u>10,010</u>	<u>10,407</u>	<u>10,010</u>
<b>Obligations under finance lease are payable as follows:</b>				
After more than one year but within five years	1,380	1,380	1,380	1,380
After five years	<u>8,227</u>	<u>8,230</u>	<u>8,227</u>	<u>8,230</u>
	<u>9,607</u>	<u>9,610</u>	<u>9,607</u>	<u>9,610</u>

**Finance lease** CIEH property, Chadwick Court, is held under a 150 year finance lease from 20 December 2013. The total value of the minimum lease rentals payable over the life of the lease is £51.8m.

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 16 Reconciliation of movement in total funds

	At 1 Jan 2021	Income	Expenditure	Transfers	Gains/ (losses)	At 31 Dec 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted charity funds	17,318	3,379	(3,355)	–	3,614	<b>20,956</b>
Pension fund	(7,120)	–	(806)	–	1,919	<b>(6,007)</b>
<b>Total Charity Funds</b>	<b>10,198</b>	<b>3,379</b>	<b>(4,161)</b>	<b>–</b>	<b>5,533</b>	<b>14,949</b>
Subsidiary Funds	(274)	1,563	(1,758)	–	–	<b>(469)</b>
<b>Total Funds</b>	<b>9,924</b>	<b>4,942</b>	<b>(5,919)</b>	<b>–</b>	<b>5,533</b>	<b>14,480</b>

	At 1 Jan 2020	Income	Expenditure	Transfers	Gains/ (losses)	At 31 Dec 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted charity funds	15,086	2,942	(3,055)	–	2,344	<b>17,318</b>
Pension fund	(4,093)	–	(410)	–	(2,617)	<b>(7,120)</b>
<b>Total Charity Funds</b>	<b>10,993</b>	<b>2,942</b>	<b>(3,456)</b>	<b>–</b>	<b>(273)</b>	<b>10,198</b>
Subsidiary Funds	286	1,305	(1,865)	–	–	<b>(274)</b>
<b>Total Funds</b>	<b>11,280</b>	<b>4,247</b>	<b>(5,329)</b>	<b>–</b>	<b>(273)</b>	<b>9,924</b>

### 17 Projects

CIEH administers projects and funds on behalf of other entities as custodian trustee. Funds for two projects are held in separately identifiable accounts and income and expenditure is not included in the Statement of Financial Activities of CIEH.

The balances on the projects and the funds held at 31 December 2021 are as follows

	2021	2020
	£'000	£'000
Emergency & Relief Fund	5	5
Bonnefof Fund	21	21

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 18 Cash flow resulting from operations

Reconciliation of deficit for the financial year to net cash inflow from operations	Group	
	2021	2020
	£'000	£'000
<b>Cash flows from operating activities</b>		
Surplus/(deficit) for the financial year	4,556	(1,356)
<b>Adjustments to exclude:</b>		
Depreciation of intangible assets	86	124
Depreciation of tangible assets	161	165
Interest payable	354	342
Investment income	(66)	(141)
Fair Value revaluation	(3,377)	–
Pension scheme actuarial losses/(gains)	(1,919)	2,617
Investment management fees	33	32
Investment: (losses)	(237)	(2,344)
Debtors decrease	62	(126)
Stock decrease	4	8
Creditors increase / (decrease)	(30)	460
Pension charged to SoFA	1,016	662
Pension contributions	(210)	(251)
Cash generated from operations	433	191
Interest paid	(354)	(342)
<b>Net cash flow resulting from operations</b>	<b>79</b>	<b>(151)</b>

### 19 Analysis of net debt

Group	At 1 Jan 2021	Cash flow	At 31 Dec 2021
	£'000	£'000	£'000
Cash at bank and in hand	1,503	375	1,878
Debt due within one year:			
Finance lease	(345)	–	(345)
Debt due after more than one year:			
Finance lease	(9,610)	3	(9,607)
Other loans	(400)	(400)	(800)
	<u>(8,852)</u>	<u>(22)</u>	<u>(8,874)</u>

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 20 Reconciliation of net cash flow to movement in net debt

	2021		2020	
	£'000	£'000	£'000	£'000
Increase/decrease in cash in the year	375		96	
Capital element of finance lease rentals	3		3	
Other loans	(400)		(400)	
Movement in net debt in the year		(22)		(301)
Net debt at 1 January		(8,852)		(9,551)
<b>Net debt at 31 December</b>		<b>(8,874)</b>		<b>(9,852)</b>

### 21 Controlling party

CIEH is run by its Board of Trustees, who are appointed by the members of CIEH and the board.

### 22 Indemnity insurance

The Board of Trustees has affected an indemnity insurance policy to protect CIEH and its subsidiary undertakings from loss arising from the neglect or defaults of its trustees, directors or employees and to indemnify them against loss arising from any claim against them jointly or severally by reason of any wrongful act in their capacity as trustees, directors or officers. The premium on the insurance policy was £3,803 (2020: £3,342).

### 23 Capital commitments

At 31 December 2021 group capital commitments of £158,787 (of which £139,787 had been spent at 31 December) had been authorised and contracted for (2020: £158,787 authorised and £139,787 had been spent).

# Notes to the Financial Statements

## *continued*

as at 31 December 2021

### 24 Related party transactions

During the year CIEH received Gift Aid payments of £0 (2020: £0) from The Environmental Health Registration Board, a company connected with CIEH.

As part of the provision of its training courses CIEH Limited commissions books, researches new courses and arranges for examination papers to be marked and moderated. Some of this work is undertaken for payment by persons who are members of the Chartered Institute of Environmental Health.

During 2021 V Wardle, a member of the Board of CIEH Limited was paid £95 (2020: £nil) for services for work on behalf of CIEH.

There were no other related party transactions.

### 25 Operating leases

As prescribed by FRS102, total minimum future lease payments under operating leases are analysed below for the following periods; payable within one year; payable after one year but within 5 years; payable after 5 years

	Group		CIEH	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>Other assets</b>				
Payable within 1 year	12	36	–	–
Payable during 2 to 5 years	21	9	–	–
	<u>33</u>	<u>45</u>	<u>–</u>	<u>–</u>

# About CIEH

**President** Julie Barratt

## Trustees who served during the year and continue to serve: \*

Terenja Humphries (Chair)  
 Daniel Oerther (Deputy Chair)  
 Julie Barratt  
 Maurice Brennan  
 Sterling Crew  
 Roisin Kerr  
 Madhu Murali  
 David Newsum (no longer serving)  
 Nick Pahl  
 Jessica Tabois (no longer serving)  
 Kirpal Singh Tahim  
 Vanessa Wardle

## Risk and Audit Committee

Carol Healy (Chair)  
 John Cragg  
 Madhu Murali  
 Saravana Namasivayam  
 Robert Spain

## Appointments and Remunerations Committee

James Howe (Chair)  
 Maurice Brennan  
 Amanda Clarke  
 Tracey Marshall  
 Andrea Sutherill

## CIEH Executive Management Team \*

Phil James	Chief Executive
Christine Kanu	Executive Director of Finance and Corporate Services (Resigned Feb 2022)
Katie Stevens	Executive Director of Finance and Corporate Services (Appointed Jan 2022)
Deborah Wood	Executive Director of Membership and External Affairs
Jon Buttolph	Associate Director of Membership and Professional Development
Justin Turner	Associate Director of Operations

## Advisers

### Bankers

HSBC Bank Plc,  
 60 Queen Victoria Street,  
 London EC4N 4TR

### Auditors

Haysmacintyre LLP,  
 10 Queen Street Place,  
 London EC4R 1AG

### Investment managers

Cazenove Capital Management,  
 1 London Wall Place,  
 London EC2Y 5AU

\* Governance office holders who held office at any time in 2021 and who have been appointed between the end of the year and 30 April 2022 are shown, for completeness.

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cieh.org

**CHARTERED INSTITUTE OF ENVIRONMENTAL HEALTH**

England & Wales - Charity number 290350

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# Accounts

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Chartered Institute of  
Environmental Health



# Annual Report and Financial Statements

For the year ended 31 December 2020

Registered Charity No. 290350

Find more information about who we are  
and what we do at:

[cieh.org](https://cieh.org)

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# Trustees' Annual Report

The Board of Trustees present their report together with the Audited Financial Statements for the year ended 31 December 2020..

## Objectives and activities

The Charitable Objects of CIEH are to promote for the public benefit the theory and science of environmental health in all its aspects and the dissemination of knowledge about environmental health.

To support the delivery of our corporate strategy, "Growth with Purpose", the Board of Trustees has agreed the following corporate objectives:

- Ensure that CIEH is recognised as the voice of the environmental health profession by its members, stakeholders, key decision-makers and the public
- Build on our existing membership base, whilst increasing the number and diversity of environmental health professionals joining CIEH
- Provide multiple pathways into the profession and support a wide range of practitioners to transition into, or progress through, their environmental health career
- Create and maintain a professional, collaborative and inclusive culture.

We have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and when planning our programme of activities. The activities of CIEH are outlined in this report and further details can be found in our Annual Review which is available to download from our website.

## Achievements and performance

The last year saw our members rally around the flag and support our profession during the pandemic.

We were delighted to welcome 800 new members to CIEH, and to see the first 23 members to successfully complete the Chartered Practitioner programme, becoming Chartered Environmental Health Practitioners. We celebrated this with an online graduation ceremony in December.

We are passionate about promoting our members and reaching out to the next generation of EHPs. In August 2020, we launched the #ChooseEnvironmentalHealth campaign to coincide with the announcement of A-Level and GCSE results in England. Its aim was to raise awareness of environmental health as a rewarding career choice, with a particular focus on encouraging more 16 to 19 year-olds to pursue environmental health degrees. It built on the format and success of the previous "What is environmental health?" campaign, for which we were delighted to win the Best Video Award at the Association Awards 2020.

Using social media to reach the target audience, we signposted to fresh content including new career stage webpages, video soundbites from recent graduates, and an online careers fair aimed at students considering their 2021 UCAS applications. Following World Environmental Health Day on 26 September, we also targeted those considering changing their career to environmental health with a short video interview and a pre-recorded webinar of inspirational EHPs who had done just that.

- **800 new members**
- **7,211 members**
- **1,930 members with Chartered Status**
- **Members by grade: Affiliate 17%, Associate 8%, Member 69%, Fellow 2%, Honorary 4%**

The change in landscape caused by COVID-19 has posed a significant challenge to our flagship events programme. With face-to-face meetings and events being seriously curtailed throughout the year, we have worked closely with our members to create a comprehensive and accessible series of webinars and learning opportunities dedicated to addressing the key issues facing our profession. It has allowed us to bring expert opinion and frontline experience together on a platform that ensures full accessibility for members across the United Kingdom.

- **Over 80 online events delivered**
  - **3 headline conferences**
  - **1,583 delegates**
- 

Although positive news on vaccines and a roadmap to end to lockdown give us hope that life might return to normal later in the year, we expect social distancing measures and restrictions to continue to seriously affect our networking and events programme

in the first half of 2021. However, this has the immediate benefit of reducing travel for members and substantially lowering our impact on the environment which has always been a key goal for CIEH.

Our successful “CIEH-conversations” webinar programme continues to grow, and we are now committed to delivering at least 12 over the course of the next year, completely free to members.

We will also continue to deliver essential legislative updates and access to expertise from our trainers in key aspects of environmental health. We have converted the majority of our technical workshops to online delivery and are excited about a new range of courses and content for 2021 that we will be able to offer. Our innovative online bitesize training events are great examples of our new approach and have proved very popular.

In 2019 we continued to broaden the routes into our profession. In the spring we launched a new streamlined Chartered Practitioner Programme for those with the EHRB certificate of registration. We also supported the launch of the new BSc Environmental Health Practitioner apprenticeship in the summer, which gained the maximum £22,000 funding per apprentice.

- **225 practitioners on our Chartered Practitioner programme**
  - **221 final EHRB Certificates of Registration**
  - **9 Recognised Partner Universities**
- 

Work commenced on the development of our new Advanced Professional Certificate in Food Hygiene and Standards Controls to ensure that food enforcement remains a key part of the work our members do. In addition, we also worked with members to develop a new way of accrediting University degree courses to ensure that future practitioners remain relevant and competent. In the autumn we celebrated the success of both University graduates and newly Chartered practitioners at our first Graduation ceremony.

We worked with the Food Standards Agency to create training material for Imported Food Training Development ‘Legislation and Enforcement’. We continued to invest in our learning products launching a new food allergen awareness training course under our flexible work-based learning programme and we continued to invest in our elearning courses updating these with new designs and certificates.

- **65 appearances in print and online national media**
  - **132 appearances in regional media across the UK**
  - **11 consultation responses**
  - **4 flagship policy reports**
  - **6 parliamentary briefings**
- 

The COVID-19 pandemic deeply impacted CIEH’s external affairs and advocacy strategies. In the face of a rapidly changing landscape, we undertook a full review of our campaigning goals and priorities in order to thrive in the new environment.

The role of environmental health in supporting government efforts to tackle COVID-19 has led to an increased profile for the profession and a better understanding of environmental health in general. We have endeavoured to build on this and demonstrate both the value of environmental health to government and society, and increase CIEH’s influence with key decision makers.

We have become more streamlined, nimble, and flexible, in our policy and external affairs activity, allowing us to significantly raise the profile of the profession and our influencing capabilities. The media coverage we have achieved over the last 12 months is testament to the success of our approach. We secured coverage across the political spectrum in both print and online national outlets, such as the BBC, the Daily Mail, and The Guardian, alongside broadcast, trade, and regional media.

In addition to cultivating our media profile, we have worked closely with MPs, Peers, and government departments, to influence key legislation, on wide-ranging issues such as the Trade Bill, the Environment Bill, cosmetics, noise, and the Food Law Code of Practice, both at a UK level and in the devolved administrations.

We have worked hand-in-hand with CIEH members on our policy panels to create parliamentary briefings, flagship policy reports, and respond to a multitude of government consultations.

Our work on housing has seen us gain a seat on the Ministry of Housing Communities and Local Government (MHCLG) project board for the second phase of the Housing Health and Safety Rating System (HHSRS).

We have also successfully worked in partnership with other charities and organisations to advance the cause of environmental health. We have worked with the Healthy Air Campaign coalition of charities to campaign on air quality, we joined the newly created Renters Reform Coalition to campaign for more security and better standards of housing, and we launched our pivotal cosmetics reports in partnership with the Institute of Licensing.

## Financial review

### Highlights

Like many other organisations up and down the country, in 2020 business operations were impacted by the global pandemic. The implementation of social distancing measures due to COVID-19 and the resultant reduction in face to face activities understandably led to a temporary drop in income most noticeably for our trading subsidiary CIEH Ltd which necessitated targeted reduction in planned areas of key expenditure. The subsidiary's trading results were a loss of £0.5m (2019: £0.07m profit) as shown in note 2 to the financial statements.

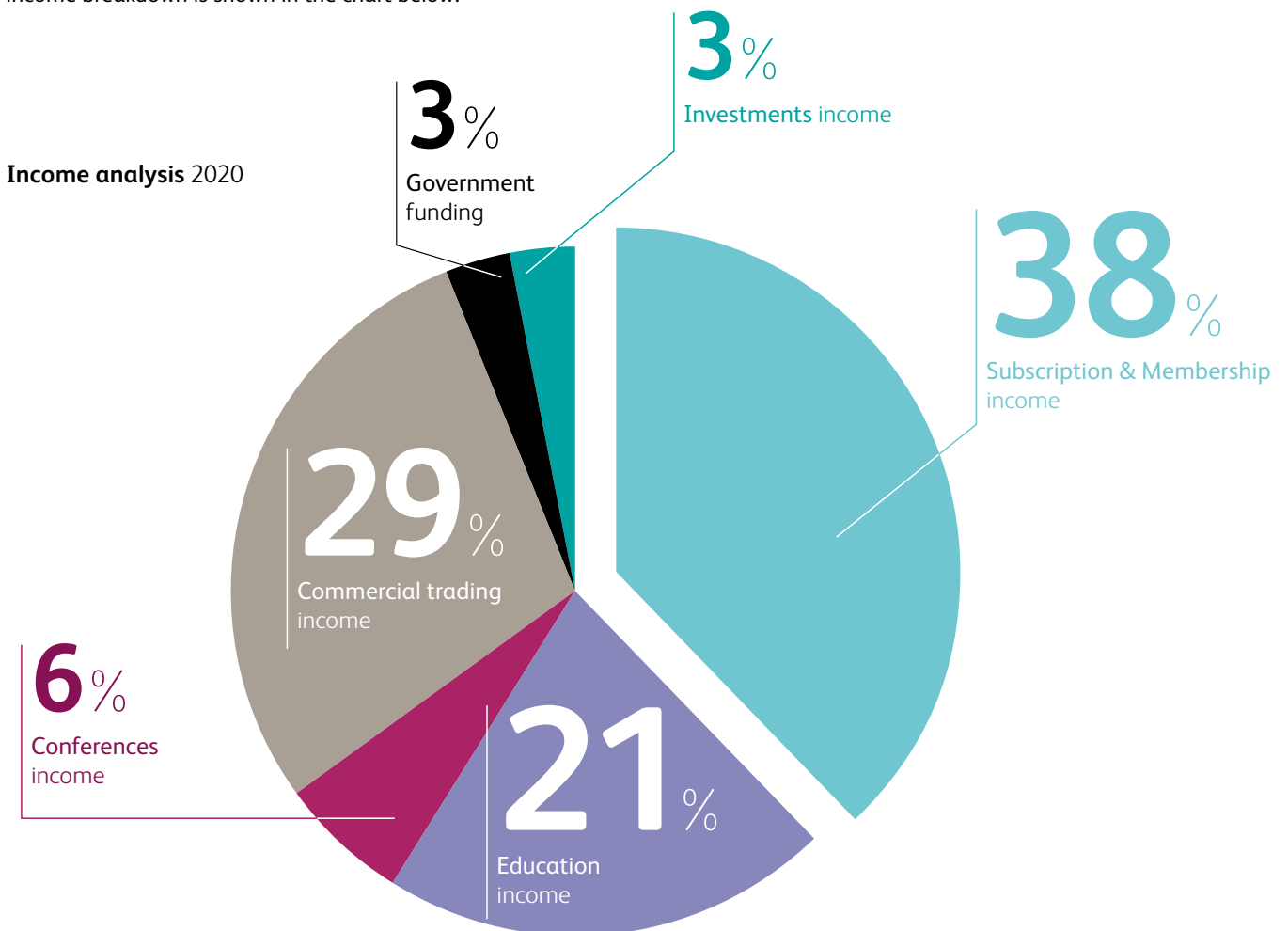
Key financial highlights include:

- group operating loss of £1m compared to prior year loss of £0.8m
- total income of £4.2m reduced from the previous year's figure of £5.3m
- total expenditure of £5.3m reduced from the previous year's figure of £6.1m

As we look ahead to the future, our focus will be on building on viable opportunities for growth which will result in improved financial performance in the medium to long term.

### Income and expenditure

The consolidated results for the year show that we continue to make great strides in improving our financial performance despite the ongoing challenges presented by the COVID-19 global pandemic. Our net expenditure exceeded income by £1m (2019: £0.8m). The income breakdown is shown in the chart below:



Subscriptions and membership income continues to play an important part in funding the services of CIEH and represents 38 % of the overall income of the organisation.

Income from education activities fell to £0.8m (2019: £1.1m), conferences fell to £0.3m (2019: £0.5m), commercial trading fell to £1.2m (2019: £1.6m), Coronavirus job retention scheme/furlough grant income rose to £0.1m (2019: £Nil), investments fell to £0.1m (2019: £0.2m).

Expenditure on charitable activities fell to £4.8m (2019: £5.3m) and expenditure on raising funds fell to £0.5m (2019: £0.8m). Key cost reduction measures included placing 40 % of staff on furlough and for retained staff not on furlough implementing a reduced working week for three months during which time staff salaries were also reduced by 20 %.

## Balance sheet

Total funds for the Group stand at £9.9m (2019: £11.2m) with the movement predominantly being due to operating loss of £1m, investment gain of £2.3m and pension scheme actuarial loss of £2.6m. Further details of which are set out in notes 9 and 12 to the financial statements.

Debtors increased marginally to £1.3m (2019: £1.2m) whilst creditors increased to £2m (2019: £1.5m).

## Investments and reserves

Cazenove Capital Management (an operating division of Schroder & Co) advise the Board of Trustees in the construction of a suitable investment portfolio, and manage the investment into specific funds to be held within the portfolio. Cazenove ensure that investments are made into funds that follow good corporate social responsibility and that Environmental, Social and Governance (ESG) issues are considered by the organisations in which investments were made. In addition, an explicit ethical restriction applies to the fund excluding all direct investments in tobacco.

The strategic target of the fund is to achieve a long term return of 4 % above inflation with a risk profile of less than 5 % probability of making a capital loss exceeding 10 % of the portfolio value within any one year. 2020 was an extraordinary year for investment markets. We saw the value of our investment fund decrease over the year by 1 % (2019: gain of 13.4 %) with underlying volatility caused by the global pandemic and its impact on economic outlook, the US elections as well as the end of the Brexit transition period.

CIEH conducts an annual review of its reserves, which encompasses the nature of the income and expenditure streams, the need to match variable income with long term commitments and the nature of the reserves. Total funds as at 31 December 2020 were £9.9m (2019: £11.2m) represented by unrestricted general funds of £17.0m (2019: £15.3m) and a pension fund deficit of £7.1m (2019: £4.1m). The pension fund is a long term funding issues that does not impact on day to day funding requirements.

The reserves policy agreed by the Board of Trustees is to hold at least six months' expenditure within general funds and based upon the 2020 results, this figure is £2.6m (2019: £3.1m). Our current liquid funds, at the end of 2020, stand at £6.2m being listed investments of £5m along with cash and cash equivalents of £1.2m.

## Going concern

The Board of Trustees having carefully reviewed the financial position of CIEH Group, including the financial projections for 2021 and 2022, are satisfied that there are sufficient funds at the date of signature of the financial statements to manage any foreseeable downturn in the UK and global economy. The Board having reflected on the level of liquid reserves held also considers that there is a reasonable expectation that CIEH has adequate resources to continue in operational existence for the foreseeable future and for these reasons the Board of Trustees continues to adopt the going concern basis in preparing the financial statements.

## Subsidiaries

CIEH is the sole member and owns the entire issued share capital of its subsidiary, CIEH Ltd. Further details of the financial performance of CIEH Ltd are disclosed in note 2 to the Consolidated Statement of Financial Activities.

## Management of risk

Good risk management is fundamental to the sustainability of CIEH although it should be recognised that it is impossible to eliminate all risk in an activity. The role of risk management is to identify the key risks facing the organisation and plan how these can be mitigated through specific measures. Overall responsibility for risk management rests with the Board of Trustees who manage the process through formal reviews at board meetings and through the Risk and Audit committee. Day to day responsibility is delegated to the Executive Team who identify and evaluate risks that relate to their areas and manage the mitigation plans accordingly.

The key risks to the organisation and the principal processes in place to manage these risks are set out in the table below:

Risk	Key controls and mitigations
<b>Membership</b>	
Membership retention levels fall due to poor member engagement or renewal process difficult for members.	Engagement with members and the broader professional community has improved with an increase in the quality and quantity of online events. The CIEH business plan will continue to support enhanced engagement activity, together with significant additional outreach activity by senior staff and members.
<b>Professional Development</b>	
New qualification pathway having significant gaps leading to stakeholder needs not being met.	Inclusive engagement with stakeholders so appropriate feedback mechanisms help inform shape of qualification pathway.
<b>Financial</b>	
Erosion of CIEH reserves by deficit trading or poor investment performance.	Medium-term financial strategy in place to deliver surplus trading position during 2022.  Investment strategy has been reviewed with a balanced approach adopted in line with agreed risk profile.
Pension funding risks where there is a shortfall in defined benefit pension fund.	Engagement with LPFA who administer the fund along with provision of security covenant for any pension scheme deficits.
<b>Voice and influence</b>	
Volatile political landscape adversely impacting our policy and campaigning or membership dissatisfied with policy position.	Closely monitoring political developments, building in flexibility to campaign planning allowing us to react quickly to deliver clear, effective and targeted campaigns.
<b>Business Transformation</b>	
Inability to adapt organisational structure to support strategy programme.	Business activity reviews regularly undertaken ensuring improved collaboration across the organisation.  Enhanced management training and support systems being implemented.
Technology compliance breach and cyber security risks including loss of data and breach of regulations including GDPR and PCI DSS.	Security programme in place covering identification of staff knowledge, targeted training and ongoing testing of security measures. Improvements in updating and patching systems. Insurance cover also in place to help mitigate financial impact of breach. Data cleansing exercise undertaken to ensure compliance with agreed data retention policies.

## Looking to the future

With new leadership now in place, CIEH can look to the coming year with confidence and a renewed sense of purpose. Together with our new CEO, President, and Chair, we will continue the task of evolving the organisation to ensure that it continues to both survive and thrive in this radically altered landscape.

We will be reviewing our corporate strategy, assessing where best to commit resource, and evaluating opportunities to move our organisation forward. All of this is essential if we are to safeguard our heritage and ensure that we remain the voice of environmental health for years to come.

Cultivating a deeper understanding of our profession, and its standing with government and key stakeholders, is integral to realising this ambition. To this end, we have been conducting a comprehensive workforce survey which aims to gather information on the state of the environmental health workforce in local authorities, private and third sectors. We hope to publish the results of this survey in spring 2021.

COVID-19 will inevitably continue to dominate many aspects of our activity in 2021, and we will continue to support our members and work with government to ensure that environmental health helps to shape plans as we look to move out of lockdown, hopefully for the last time.

There is also a substantial opportunity to build on the increased profile environmental health has had throughout the pandemic, and we will be exploring how best we can consolidate our position and ensure that our profession has a permanent place near the top of government. The work our new President is doing on calling for a Chief Environmental Health Officer for England is a key strand of this.

However, COVID-19 cannot be our sole focus. Our campaigning activity will build on our successes over the last 12 months, with environmental protection, housing, cosmetics, and food standards, once again forming the core of our focus. The impact of Brexit on trade, food, and environmental standards, is substantial, as are the FSA's proposed changes to food competence and the Food Law Code of Practice, and we will continue to work closely with members to influence developments.

We also remain passionate about working with our members to shape our qualifications, and routes to qualification, and to ensure that our learning and development opportunities are absolutely right for our profession. We are excited about taking this forward into the new year. Our qualifications will be complemented by a new accessible and modern Registration process for Environmental Health Practitioners that alongside Chartered Status will be the hallmark of professionalism and competence.

2021 is going to be another year of change for CIEH, but we remain absolutely committed to keeping our members at the heart of everything we do. There are many challenges, but also a great number of opportunities.

## Structure, governance and management

In the United Kingdom, each member of CIEH has been allocated a geographic region, referred to as a Hub, based on the former boundaries of the English regional government offices and the Countries of Wales, Scotland and Northern Ireland. All members have access to both the local Hubs and CIEH specialist communities.

The Board of Trustees is the governing body for CIEH and determines the overall direction and development of the organisation. The Board of Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

The Board of Trustees is composed of six trustees elected by CIEH members, up to six appointed by the Board (on the recommendation of the Appointments and Remuneration Committee) and the President. It is the ultimate decision making body for the operation of the charity. There are two committees, Risk & Audit and Appointments & Remuneration, reporting through to the Board of Trustees along with two advisory groups, Membership & the Profession and Learning & Qualifications.

As part of their induction programme new trustees are made aware of their responsibilities including an introduction to the objectives, scope and policies of the charity, the use of charitable funds and in addition they are provided with further information on their legal duties as set out in detailed Charity Commission reference materials. Further updates are provided to all trustees during the year as and when required.

The Risk and Audit Committee is responsible for overseeing the management of risks arising from all CIEH activities to ensure the charity fulfils its strategic aims and objects. It agrees the audit strategy with the external auditors, receives their management letter and ensures that issues are resolved through the risk management process.

The Appointments & Remuneration Committee has been established to assist the Board of Trustees in reviewing board composition (including skills, knowledge and experience), recommending the remuneration package of the CEO, reviewing the overall human resources strategy and ensuring that the remuneration policy for the organisation is in line with market practices.

## Statement of Trustees' Responsibilities

Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- observe the methods and principles in the Charities SORP and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Board of Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements.

### Auditors

Haysmacintyre LLP have indicated their willingness to continue in office and will be proposed for reappointment at a meeting of the Board of Trustees.

### Statement as to disclosure of information to our auditors

In the case of each of the persons who are trustees of the charity at the date when this report was approved:

- so far as each of the trustees is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- each of the trustees has taken all the steps that he or she ought to have taken as a Trustee to make himself or herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

## Reference and administrative details

<b>Name:</b>	The Chartered Institute of Environmental Health is also known as CIEH
<b>Constitution:</b>	CIEH was granted a Royal Charter on 27 July 1984
<b>Status:</b>	CIEH is a registered charity
<b>Number:</b>	290350
<b>The registered office is:</b>	Chadwick Court, 15 Hatfields, London SE1 8DJ
<b>Contact details are:</b>	Tel: 020 7827 5800 Fax: 020 7827 5862 Email: membership@cieh.org

## Trustees

The names of each member of the Board of Trustees are listed on page 38.

## Funds held as custodian trustee on behalf of others

CIEH holds funds as custodian trustee on behalf of others as disclosed in note 20. These funds are excluded from this report.

## Employees and Members

The Board of Trustees would like to take this opportunity to thank all CIEH employees and all its volunteer members involved in running its Hubs and special interest groups throughout the UK for their efforts in furthering the aims and objectives of the organisation.

**By order of the Board of Trustees**  
**Terenja Humphries**



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27 May 2021

# Independent Auditors' Report To The Trustees Of The Chartered Institute Of Environmental Health

## Opinion

We have audited the financial statements of the Chartered Institute of Environmental Health for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Charity and Group Balance Sheets, the Consolidated 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2020 and of the group's net movement in funds 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 Charities Act 2011.

## Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 Auditor's responsibilities for the audit of financial statements section of our report. We are independent of the group 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 group/charity'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 Trustees' Annual Report. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- adequate accounting records have not been kept by the parent charity; or
- sufficient accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees 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 group's and the parent charity'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 group or the parent charity or to cease operations, or have no realistic alternative but to do so.

## Auditor's 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the group and the environment in which it operates, we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Charity's Royal Charter, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's 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 charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

*Haysmacintyre LLP*

**Haysmacintyre LLP**  
**Statutory Auditors**  
27 May 2021

**10 Queen Street Place, London, EC4R 1AG**

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# Consolidated Statement of Financial Activities

(SoFA) (Incorporating an Income and Expenditure Account)

for the year ended 31 December 2020

		Group	
		2020	2019
		Unrestricted funds	Unrestricted funds
		£'000	£'000
	Note		
<b>Income from charitable activities</b>			
Subscription and membership	3	1,598	1,789
Education	3	875	1,116
Conferences	3	263	548
Regions	3	6	27
<b>Income from other trading activities</b>			
Commercial trading	3	1,220	1,601
<b>Other income</b>			
Grants	3	144	-
<b>Income from investments</b>			
Investments	3/12.1	141	208
<b>Total income and endowments</b>		<b>4,247</b>	<b>5,289</b>
<b>Expenditure</b>			
Expenditure on charitable activities			
Subscription and membership	4	2,433	2,424
Education	4	1,545	1,460
Conferences	4	787	1,400
Regions	4	4	16
<b>Expenditure on raising funds</b>			
Commercial trading operations	4	529	759
Investment management fee	4	32	43
<b>Total expenditure</b>		<b>5,330</b>	<b>6,102</b>
<b>Net expenditure for the year before gains /(losses)</b>		<b>(1,083)</b>	<b>(813)</b>
(Loss) / gain on investments	12.1	2,344	11,271
<b>Net movement in funds before defined benefit scheme gain</b>			
Pension scheme – actuarial loss	9	(2,617)	393
<b>Net movement in funds</b>		<b>(1,356)</b>	<b>10,851</b>
Funds brought forward at 1 January		11,280	429
<b>Funds carried forward at 31 December</b>		<b>9,924</b>	<b>11,280</b>

None of the CIEH's or the group's activities were acquired or discontinued during the above two financial years. There were no recognised gains or losses other than those shown above.

The notes on pages 18 to 38 form an integral part of these financial statements.

# Balance Sheets

as at 31 December 2020

	Note	Group		CIEH	
		2020 £'000	2019 £'000	2020 £'000	2019 £'000
<b>Fixed assets</b>					
Intangible fixed assets	10	244	244	60	-
Tangible fixed assets	11	2,853	2,970	2,832	2,957
Investments	12.1	23,122	21,671	23,122	21,671
		<b>26,199</b>	24,885	<b>26,013</b>	24,628
<b>Current assets</b>					
Stocks		15	24	-	-
Debtors	14	1,313	1,187	1,503	906
Cash at bank and in hand		1,503	407	1,491	399
		<b>2,831</b>	1,618	<b>2,994</b>	1,305
<b>Creditors: amounts falling due within one year</b>	15(i)	<b>(1,976)</b>	(1,517)	<b>(1,680)</b>	(1,234)
<b>Net current assets</b>		<b>855</b>	101	<b>1,314</b>	71
<b>Total assets less current liabilities</b>		<b>27,054</b>	24,986	<b>27,328</b>	24,699
<b>Creditors: amounts falling due after more than one year</b>	15(ii)	<b>(10,010)</b>	(9,613)	<b>(10,010)</b>	(9,613)
<b>Total net assets before pension deficit</b>		<b>17,044</b>	15,373	<b>17,318</b>	15,086
Defined benefit pension scheme liability	9	(7,120)	(4,093)	(7,120)	(4,093)
<b>Total net assets</b>		<b>9,924</b>	11,280	<b>10,198</b>	10,993
<b>Funds and reserves</b>					
Unrestricted general funds	16	17,044	15,373	17,318	15,086
Pension fund	16	(7,120)	(4,093)	(7,120)	(4,093)
<b>Total funds</b>	16	<b>9,924</b>	11,280	<b>10,198</b>	10,993

The notes on pages 18 to 38 form an integral part of these financial statements.

Approved and authorised for issue  
on behalf of the Board of Trustees on  
27 May 2021

  
Terenja Humphries,  
Chair, Board of Trustees

  
Daniel Oerther,  
Deputy Chair, Board of Trustees

# Consolidated Cash Flow Statement

for the year ended 31 December 2020

	Note	2020		2019	
		£'000	£'000	£'000	£'000
<b>Cash flow from operating activities</b>	18		(151)		(791)
<b>Cash flow from investing activities</b>					
Purchase of intangible assets	10	(103)		(53)	
Purchase of tangible assets	11	(48)		(313)	
Cash withdrawal from investments	12.1	<u>1,000</u>		<u>1,050</u>	
<b>Net cash provided by investing activities</b>			<b>849</b>		684
<b>Cash flows from financing activities</b>					
Capital element of finance lease rentals		(2)		(3)	
Other loans		<u>400</u>		<u>-</u>	
<b>Net cash provided by financing activities</b>			<b>398</b>		(3)
<b>Change in cash and cash equivalents in year</b>			<b>1,096</b>		(110)
<b>Cash and cash equivalents at beginning of year</b>			<b>407</b>		517
<b>Cash and cash equivalents at end of year</b>			<b><u>1,503</u></b>		<u>407</u>

The notes on pages 18 to 38 form an integral part of these financial statements.

# Notes to the Financial Statements

for the year ended 31 December 2019

## 1 Accounting Policies

### 1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments, which are included at their market value at the balance sheet date. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015), the Charities Act 2011 and applicable accounting standards (FRS102).

### 1.2 Going concern

The ongoing COVID-19 pandemic necessitated a review the Charity's finances with a medium term strategy in place to deliver a surplus trading position during 2022.

After reviewing the group's forecasts and projections, the Board of Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future.

As stated in the Trustee's Annual Report, Trustees believe there are no material uncertainties that call into doubt the Group and the Charity's ability to continue as a going concern. The group therefore continues to adopt the going concern basis in preparing its accounts.

### 1.3 Leasehold property

On 20 December 2013, CIEH entered into a sale and leaseback agreement on the charity's property, Chadwick Court, located at 15 Hatfields, London. The property is held by the charity under a 150 year long lease and has been classified as a long leasehold property.

The Board of Trustees considers that the risks and rewards of ownership rest with the charity and consequently account for the long-leasehold as a finance lease. The property is split between investment property, measured at fair value (see note 12), and tangible fixed assets, measured on a cost basis (see note 11). For the tangible fixed asset element, depreciation is charged over its revised useful economic life of 150 years on a straight line basis.

### 1.4 Other fixed assets

#### Intangible fixed assets:

Intangible fixed assets are measured at cost less accumulated depreciation, and any accumulated impairment losses.

Both software and course development costs are recognised as intangible assets when supplied by a third party. No depreciation is charged on assets under construction but computer software costs are transferred from under construction to assets when the software comes into use. At that point in time they start to be depreciated.

Depreciation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives, using the straight-line method. The principal rate for computer software and course development is 33%.

Both computer software and course development, which are expected to generate future revenues and meet the other criteria allowable under FRS102 s18 'Intangible Assets other than goodwill' have been capitalised as appropriate.

#### Tangible fixed assets:

Tangible fixed assets are depreciated or amortised on a straight line basis to write off the cost of these assets over their estimated useful lives. The principal rates are:

Fixtures & Fittings	20%
Office equipment	33%
Computer hardware	33%

Assets under construction are transferred to fixtures and fittings when they come into use and at that point in time they are depreciated.

### 1.5 Stocks

Stocks of publications and course material are stated at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

All stock items are finished goods held for resale.

### 1.6 Expenditure

All expenditure is accounted for on an accruals basis, inclusive of any VAT which cannot be recovered. Any VAT which is not recoverable by CIEH is included in allocated support costs, see note 5.

Direct expenditure is directly allocated to specific activities and has been included in those cost categories. Indirect costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of the direct usage in the various categories.

Governance costs relate to the general running of the charity as opposed to those costs associated with income generation or charitable activity. These costs include Board of Trustee costs, audit costs and other strategic management costs, see note 6.

### 1.7 Income and endowments

Subscriptions and membership fees are accounted for on an accruals basis. No income is accrued in relation to unpaid subscriptions at the year-end. Amounts received in advance are deferred to the period to which they relate.

Education income is accounted for on an accruals basis in respect of professional exams and public training courses.

Conference income is accounted for on an accruals basis and is generated from the delivery of CIEH events to its members and the public, as well as from the hire of its facilities (conference and meeting rooms), including the provision of catering, equipment and related services.

Grant income received during the year relate to the coronavirus job retention scheme (CJRS) and is recognised in the period which the grant was awarded.

Commercial trading income is accounted for on an accruals basis and mainly represents income generated from our conference venue 15Hatfields. Rents receivable are accounted for on an accruals basis.

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 1.8 Research and development

Research and development expenditure for products is charged to the Consolidated Statement of Financial Activities in the year in which it is incurred.

### 1.9 Operating leases

Rentals paid under operating leases are included in the Consolidated Statement of Financial Activities on a straight line basis over the term of the lease.

### 1.10 Finance leases

The obligations under the finance lease for Chadwick Court is carried at amortised carrying value using the 'effective interest method', which allocates the interest expense over the period to maturity at a constant rate on the balance of the liability carried in the balance sheet for the relevant period.

### 1.11 Pensions

CIEH operates a **defined benefit pension** scheme. The scheme was reopened to new members from 1 May 2014, operating as CIEH's nominated scheme as part of Auto Enrolment. The amounts charged in resources expended are the current service costs. Gains and losses on settlements and curtailments are included as part of staff costs. Vested past service costs are recognised immediately in the Consolidated Statement of Financial Activities. The interest cost and the expected return on assets are charged to net finance charges within support costs. Actuarial gains and losses are recognised immediately as 'Actuarial Losses'.

The defined benefit scheme is funded, with the assets of the scheme held separately from those of the group, in separate trustee-administered funds. The pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities.

Actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

CIEH also operates a **defined contribution** scheme and the amount charged to the Consolidated Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

### 1.12 Fund accounting

**General funds** are unrestricted funds which are available for use at the discretion of the Board of Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

### 1.13 Investments

Profit or loss on investment is recognised in the Consolidated Statement of Financial Activities on a cash receivable basis.

Investments are stated at market value at the balance sheet date. Investment property has been valued on a net initial yield basis.

A gain or loss is "realised" when the disposal proceeds of investments (at market value) is different from its value at the start of the year.

A gain or loss is "unrealised" when the market value of an investment at the end of the year is different from its value at the start of the year (or from the date it was purchased during the year).

### 1.14 Financial instruments

The group and charity only holds financial instruments which qualify as basic financial instruments in accordance with section 11 of FRS102. Assets such as trade and other receivables, and liabilities such as trade and other creditors are measured at amortised cost. Listed investments are measured at fair value.

The group and charity do not hold any financial instruments measured at fair value other than the listed investments disclosed in note 12.1

### 1.15 Significant estimates and areas of judgments

The preparation of financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent liabilities at the balance sheet date.

Estimates and judgements are based on historical experience along with reasonable expectations around future events. Actual outcomes could differ from the estimates. This is especially the case of the valuation of the group's investment property and defined benefit pension liability. The valuation methodologies applied are considered to be the best estimate of market value.

As disclosed in note 12.1, CIEH's investment property has been revalued by an independent valuer in the current year. The Red Book valuation was performed on the basis of the net rental yield, with deduction of the full annual lease rentals payable. This valuation has therefore been adjusted for accounting purposes to add back lease rentals of £345k per annum, which are recognised in the finance lease liability disclosed in note 15, because to do otherwise would be to understate the charity's net assets.

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 2 Subsidiary activities

	CIEH Limited		
	2020 £'000	2019 £'000	
Turnover	1,408	2,618	
Total expenditure	(1,968)	(2,550)	
Profit / (loss) for the year	(560)	68	
Retained profits b/f	286	218	
<b>Retained in subsidiary</b>	<b>(274)</b>	<b>286</b>	

CIEH has one wholly owned UK trading subsidiary; CIEH Limited.

CIEH Limited, a company registered in England, carries out mainly primary purpose trading activities, providing learning outcomes and publishing a magazine.

A summary of the trading results for CIEH Limited is shown below.

### 3 Income and endowments

	2020			2019		
	£'000 CIEH Ltd	£'000 CIEH	£'000 Group	£'000 CIEH Ltd	£'000 CIEH	£'000 Group
Subscriptions and membership	418	1,180	1,598	593	1,196	1,789
Education	653	222	875	1,016	100	1,116
Conferences	–	263	263	–	548	548
Regions	–	6	6	–	27	27
Commercial trading	225	995	1,220	915	686	1,601
Grants	103	41	144	–	–	–
Investments	–	141	141	–	208	208
<b>Total income and endowments</b>	<b>1,399</b>	<b>2,848</b>	<b>4,247</b>	<b>2,524</b>	<b>2,765</b>	<b>5,289</b>

**Subscriptions and membership** income consists of membership fees, and other sources of income of a membership nature (including the membership magazine; Environmental Health News).

**Education** income is in respect of professional exams and public training courses.

**Conference** income arises from the delivery of events to members and the public.

**Commercial trading** income arises from 15Hatfields venue and events business, together with rent from letting part of Chadwick Court.

**Grant** (CJRS)/furlough income relates to the Coronavirus Job Retention Scheme.

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 4 Expenditure

	2020		2019	
	Memo £'000	Total £'000	Memo £'000	Total £'000
Subscription Membership				
Direct costs	324		335	
Staff costs	437		506	
CIEH Ltd support	385		431	
CIEH support	<u>1,287</u>	2,433	<u>1,152</u>	2,424
Education				
Direct costs	190		185	
Staff costs	370		403	
CIEH Ltd support	227		238	
CIEH support	<u>758</u>	1,545	<u>634</u>	1,460
Conferences				
Direct costs	82		196	
Staff costs	283		281	
CIEH Ltd support	97		252	
CIEH support	<u>325</u>	787	<u>671</u>	1,400
Regions		4		16
Commercial trading		529		759
Investment management fee		<u>32</u>		<u>43</u>
<b>Total expenditure</b>		<b><u>5,330</u></b>		<b><u>6,102</u></b>

Basis of apportionment: Direct costs

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 5 Support costs

	2020			2019		
	CIEH Ltd £'000	CIEH £'000	Total £'000	CIEH Ltd £'000	CIEH £'000	Total £'000
Staff costs	365	1,470	1,835	511	1,371	1,882
Office costs	103	158	262	106	189	295
Printing, postage and stationery	2	5	7	7	7	14
Rent, rates and maintenance	3	18	21	5	136	141
Light and heat	–	45	45	–	54	54
Publicity and marketing	38	37	75	68	33	101
Telephones	8	15	24	20	20	40
Computers	1	2	3	2	2	4
Legal and professional	1	32	32	1	10	11
Insurance	14	26	40	21	21	42
Bank charges	19	11	30	27	14	41
Finance lease interest	–	342	342	–	346	346
Governance costs	17	30	47	13	51	64
Irrecoverable VAT	–	29	29	–	67	67
Depreciation of tangible and intangible assets	138	151	289	140	136	276
<b>Support costs</b>	<b>709</b>	<b>2,371</b>	<b>3,080</b>	<b>921</b>	<b>2,457</b>	<b>3,379</b>

### 6 Governance costs

	2020 £'000	2019 £'000
Board of Trustees and other meetings	14	37
Auditors' remuneration	33	27
<b>Governance costs</b>	<b>47</b>	<b>64</b>

Governance costs are the general running costs of the charity. Included in here are the costs of the Board of Trustees and associated support costs including external audit.

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 7 Net expenditure for the year

	Group		CIEH	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
<i>This is stated after charging:</i>				
Depreciation of tangible and intangible assets	289	277	151	138
Auditors' remuneration				
– audit work	27	27	15	15
– non-audit work	8	8	3	3
Finance lease interest	342	346	342	346
Operating lease rentals	32	32	–	–

### 8 Employee and trustee costs

The employee costs for the Group and the charity were:

	Group		CIEH	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Wages and salaries	2,173	2,139	1,340	1,222
Social security	223	224	141	135
Pension costs	706	755	600	641
Temporary staff	41	216	35	91
Training and recruitment	39	35	24	17
	<b>3,182</b>	<b>3,369</b>	<b>2,140</b>	<b>2,106</b>

Central services staff (finance, IT, HR, marketing and administration) are employed by CIEH and are partially recharged to the subsidiary company on a direct costs basis.

	2020	2019	2020	2019
	Number	Number	£'000	£'000
Subscription and membership	12	11	438	506
Education	13	14	371	403
Conferences	2	2	284	281
Commercial trading	6	6	251	297
Central services	18	16	1,838	1,882
	<b>51</b>	<b>49</b>	<b>3,182</b>	<b>3,369</b>

These costs have been allocated to the most appropriate individual headings within the Statement of Financial Activities.

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 8 Employee and trustee costs *continued*

	2020	2019
	Number	Number
Employees whose emoluments were over £60,000 per annum:		
£60,000 – £69,999	1	1
£70,000 – £79,999	2	–
£80,000 – £89,999	–	1
£90,000 – £99,999	1	–
£140,000 – £149,999	–	1
	<u>4</u>	<u>3</u>

The executive management team of five (2019: four) were remunerated £367,505 (2019: £293,185) with company pension contributions totalling £41,167 (2019: £37,528). They received no other benefits (2019: £0).

The Group makes pension contributions on behalf of four (2019: three) of the employees whose emoluments exceed £60,000.

No Board of Trustee member received any remuneration for services as a trustee (2019: none).

Board of Trustee members received reimbursement of their travel and subsistence expenses incurred in the performance of their duties as Board of Trustee members. These expenses totalled £1,232 to 11 trustees (2019: £4,049 to 11 trustees).

Transactions with Board of Trustee members, officers of CIEH, Directors of CIEH Limited are disclosed in note 24, related party transactions.

### 9 Pensions

During the year, costs relating to the various pension funds to which CIEH contributes were as follows:

	Group		CIEH	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
London Pension Fund Authority (LPFA)	663	728	554	624
Aegon UK PLC	34	18	22	8
Other	9	9	9	9
<b>Total pension costs</b>	<u>706</u>	<u>755</u>	<u>585</u>	<u>641</u>

The LPFA scheme is a successor to the last GLC fund and is a Career Average Revalued Earnings (CARE) scheme. It is actuarially valued on a three year cycle. In line with the 2019 valuation, CIEH's contributions are 15.5% (2019:12.8%).

In accordance with Financial Reporting Standard Number 102, CIEH is required to disclose certain information concerning assets, liabilities, income and expenditure related to defined benefit pension schemes for its employees. Certain employees of CIEH participate in the LPFA scheme, part of the Local Government Pension Scheme, a defined benefit statutory scheme. The Fund is administered by LPFA in accordance with the Local Government Pension Regulations 2007/08, as amended.

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 9 Pensions *continued*

The return on the Fund (on a bid value to bid value basis) for the year to 31 December 2020 is estimated to be 17%. The actual return on the Fund assets over the year may be different. The estimated asset allocation for the CIEH as at 31 December 2020 is as follows:

Employer asset share – bid value	31 Dec 2020		31 Dec 2019	
	£'000	%	£'000	%
Equities	6,183	55%	5,836	54%
Target Return Portfolio	2,623	23%	2,680	25%
Infrastructure	761	7%	718	7%
Property	1,040	9%	992	9%
Cash	726	6%	573	5%
<b>Total</b>	<b>11,333</b>	<b>100%</b>	<b>10,799</b>	<b>100%</b>

The assumed life expectations from age 65 are:

	31 Dec 2020	31 Dec 2019
<b>Life expectancy from age 65 years</b>		
Retiring today		
Males	22.2	22.2
Females	24.7	24.6
Retiring in 20 years		
Males	23.6	23.5
Females	26.2	26.1

The financial assumptions used to calculate the results are as follows:

Assumptions as at	31 Dec 2020	31 Dec 2019	31 Dec 2018
	% p.a	% p.a	% p.a
Discount rate	1.4%	2.05%	2.8%
Salary increases	3.3%	3.8%	3.9%
Pension increases	2.3%	2.3%	2.4%

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 9 Pensions *continued*

Balance sheet as at 31 December 2020

<b>Net pension liability as at</b>	<b>31 Dec 2020</b>	<b>31 Dec 2019</b>	<b>31 Dec 2018</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Present value of the defined benefit obligation	(18,453)	(14,892)	(13,310)
Fair value of Fund assets (bid value)	<u>11,333</u>	<u>10,799</u>	<u>9,285</u>
Deficit	<u>(7,120)</u>	<u>(4,093)</u>	<u>(4,025)</u>
<b>Net defined benefit liability</b>	<b><u>(7,120)</u></b>	<b><u>(4,093)</u></b>	<b><u>(4,025)</u></b>

Statement of profit or loss for the year to 31 December 2020

<b>The amounts recognised in the SoFA are:</b>	<b>Year to 31 Dec 2020</b>	<b>Year to 31 Dec 2019</b>
	<b>£'000</b>	<b>£'000</b>
Service cost	567	606
Net interest on the defined liability	81	110
Administration expenses	<u>14</u>	<u>12</u>
<b>Total</b>	<b><u>662</u></b>	<b><u>728</u></b>

Asset and benefit obligation reconciliation for the year to 31 December 2020

<b>Reconciliation of opening and closing balance of the present value of the defined benefit obligation</b>	<b>Year to 31 Dec 2020</b>	<b>Year to 31 Dec 2019</b>
	<b>£'000</b>	<b>£'000</b>
Opening defined benefit obligation	14,892	13,310
Current service cost	567	545
Interest cost	302	370
Change in financial assumptions	2,280	1,436
Estimated benefits paid net of transfers in	(429)	(399)
Experience loss/(gain) on defined benefit obligation	714	–
Change in demographic assumptions	–	(556)
Past service costs, including curtailments	–	61
Contributions by Scheme participants	<u>127</u>	<u>125</u>
<b>Closing defined benefit obligation</b>	<b><u>18,453</u></b>	<b><u>14,892</u></b>

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 9 Pensions *continued*

#### Reconciliation of opening and closing balances of the fair value of Fund assets

	Year to 31 Dec 2020	Year to 31 Dec 2019
	£'000	£'000
Opening fair value of Fund assets	10,799	9,285
Interest on assets	221	260
Return on assets less interest	273	1,273
Administration expenses	125	–
Administration expenses	(14)	(12)
Contributions by employer including unfunded	231	267
Contribution by Fund participants	127	125
Estimated benefits paid plus unfunded net of transfers in	(429)	(399)
<b>Closing fair value of Fund assets</b>	<b>11,333</b>	<b>10,799</b>

The total return on fund assets for the year to 31 December 2020 is £494,000.

#### Sensitivity analysis

	£'000	£'000	£'000
Adjustment to discount rate	+0.1%	<b>0.0%</b>	-0.1%
Present value of total obligation	18,075	<b>18,453</b>	18,839
Projected service cost	894	<b>924</b>	955
Adjustment to long term salary increase	+0.1%	<b>0.0%</b>	-0.1%
Present value of total obligation	18,456	<b>18,453</b>	18,450
Projected service cost	924	<b>924</b>	924
Adjustment to pension increases and deferred revaluation	+0.1%	<b>0.0%</b>	-0.1%
Present value of total obligation	18,833	<b>18,453</b>	18,081
Projected service cost	954	<b>924</b>	895
Adjustment to life expectancy assumptions	+1 year	<b>None</b>	-1 year
Present value of total obligation	19,099	<b>18,453</b>	17,829
Projected service cost	955	<b>924</b>	894

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 9 Pensions *continued*

Re-measurements in other comprehensive income

<b>Re-measurements of the net assets / (defined liability)</b>	<b>Year to 31 Dec 2020</b>	<b>Year to 31 Dec 2019</b>
	<b>£'000</b>	<b>£'000</b>
Return on Fund assets in excess of interest	273	1,273
Other actuarial gains/(losses) on assets	125	–
Change in financial assumptions	(2,280)	(1,436)
Experience gain/(loss) on defined benefit obligation	(714)	–
Change in demographic assumptions	–	556
	<u>(2,596)</u>	<u>393</u>
<b>Re-measurement of the net assets / (defined liability)</b>	<b>(2,596)</b>	<b>393</b>

### Projections for the year to 31 December 2021

	<b>Year to 31 Dec 2021</b>
	<b>£'000</b>
Service cost	924
Net interest on the defined liability	98
Administration expenses	15
Total loss	<u>1,037</u>
Employer contributions	254

The projections for the year to 31 December 2021 exclude the capitalised cost of any early retirements or augmentations which may occur after 31 December 2020.

The Aegon UK PLC scheme is a **defined contribution scheme**. CIEH's contributions are 11%. CIEH also contributes 11% to employees' personal pension schemes.

No employees or directors of CIEH or CIEH Limited and its subsidiary undertakings, are involved in the control or administration of any of the above funds.

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 10 Intangible fixed assets

<b>CIEH</b>	<b>Computer software</b>	<b>Total assets</b>
<b>Cost or Valuation</b>	£'000	£'000
At 1 January 2020	28	28
At 31 December 2020	<u>28</u>	<u>28</u>
<b>Depreciation</b>		
At 1 January 2020	28	28
At 31 December 2020	<u>28</u>	<u>28</u>
<b>Net Book Value</b>		
<b>At 31 December 2020</b>	<u>–</u>	<u>–</u>
At 31 December 2019	<u>–</u>	<u>–</u>

<b>Group</b>	<b>Course development</b>	<b>Computer software</b>	<b>Assets under construction</b>	<b>Total assets</b>
<b>Cost or Valuation</b>	£'000	£'000	£'000	£'000
At 1 January 2020	9	697	105	811
Additions	–	7	96	103
Transfers	–	61	(61)	–
Disposals	–	(5)	–	(5)
At 31 December 2020	<u>9</u>	<u>760</u>	<u>140</u>	<u>909</u>
<b>Depreciation</b>				
At 1 January 2020	4	563	–	567
Charge for the year	3	121	–	124
Disposals	–	(5)	–	(5)
At 31 December 2020	<u>7</u>	<u>679</u>	<u>–</u>	<u>686</u>
<b>Net Book Value</b>				
<b>At 31 December 2020</b>	<u>2</u>	<u>81</u>	<u>140</u>	<u>224</u>
At 31 December 2019	<u>5</u>	<u>134</u>	<u>105</u>	<u>244</u>

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 11 Tangible fixed assets

<b>CIEH</b>	<b>Long leasehold property</b>	<b>Equipment Fixtures &amp; Fittings</b>	<b>Total assets</b>
<b>Cost or Valuation</b>	£'000	£'000	£'000
At 1 January 2020	2,839	775	3,614
Additions	–	24	24
Disposals	–	(3)	(3)
At 31 December 2020	<u>2,839</u>	<u>796</u>	<u>3,635</u>
<b>Depreciation</b>			
At 1 January 2020	329	328	657
Charge for the year	18	133	151
Disposals	–	(3)	(3)
At 31 December 2020	<u>347</u>	<u>458</u>	<u>804</u>
<b>Net Book Value</b>			
<b>At 31 December 2020</b>	<u><b>2,492</b></u>	<u><b>340</b></u>	<u><b>2,832</b></u>
At 31 December 2019	<u>2,510</u>	<u>447</u>	<u>2,957</u>

<b>Group</b>	<b>Long leasehold property</b>	<b>Equipment Fixtures &amp; Fittings</b>	<b>Total assets</b>
<b>Cost or Valuation</b>	£'000	£'000	£'000
At 1 January 2020	2,839	957	3,796
Additions	–	48	48
Disposals	–	(3)	(3)
At 31 December 2020	<u>2,839</u>	<u>1,002</u>	<u>3,841</u>
<b>Depreciation</b>			
At 1 January 2020	329	497	826
Charge for the year	18	147	165
Disposals	–	(3)	(3)
At 31 December 2020	<u>329</u>	<u>641</u>	<u>988</u>
<b>Net Book Value</b>			
<b>At 31 December 2020</b>	<u><b>2,492</b></u>	<u><b>361</b></u>	<u><b>2,853</b></u>
At 31 December 2019	<u>2,510</u>	<u>460</u>	<u>2,970</u>

Long leasehold property relates to CIEH's property, Chadwick Court, held under finance lease from 20 December 2013.

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 12 Investments

#### 12.1 Investments

Investment portfolio held at Cazenove Capital Management comprises of:

	Investment Property	Listed Investments	Cash and cash equivalents	Total 2020
	£'000	£'000	£'000	£'000
Value at 1 January 2020	15,300	5,938	433	21,671
Investment income	–	–	141	141
Management fee	–	–	(34)	(34)
Cash withdrawal	–	–	(1,000)	(1,000)
Additions	–	4,355	(4,355)	–
Disposal proceeds	–	(4,983)	4,983	–
(Losses) / gains	2,600	(256)	–	(2,344)
<b>Value at 31 December 2020</b>	<b>17,900</b>	<b>5,054</b>	<b>168</b>	<b>23,122</b>

65% of Chadwick Court has been let on a 10 year lease and therefore represents Investment Property to the Group. The fair value of the investment property was determined by reference to a red book valuation adjusted to disregard the element of ground rent already recognised as a finance lease in these finance statements.

The valuation was performed by Colliers International LLP.

Amounts are receivable under operating leases as follows:

#### Group and CIEH

	2020	2019
	£'000	£'000
Within one year	851	526
Within two to five years	4,219	4,015
After more than five years	3,572	4,627
<b>Total</b>	<b>8,642</b>	<b>9,168</b>

#### 12.2 Subsidiary undertakings

##### CIEH Limited

CIEH holds the entire equity interest in CIEH Limited, a company incorporated in the United Kingdom. The equity interest was donated to the CIEH. The company is currently engaged in the delivery of the charity's primary purpose objectives.

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 13 Interest payable

	Group		CIEH	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Finance lease	<u>342</u>	<u>346</u>	<u>342</u>	<u>346</u>
<b>Total interest payable</b>	<b><u>342</u></b>	<b><u>346</u></b>	<b><u>342</u></b>	<b><u>346</u></b>

### 14 Debtors

	Group		CIEH	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	428	534	67	242
Amounts owed by subsidiary undertakings	–	–	572	32
Other debtors	11	15	9	13
Prepayments and accrued income	<u>874</u>	<u>638</u>	<u>854</u>	<u>619</u>
<b>Total debtors</b>	<b><u>1,313</u></b>	<b><u>1,187</u></b>	<b><u>1,502</u></b>	<b><u>906</u></b>

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 15 Creditors

	Group		CIEH	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
<b>(i) Amounts falling due within one year</b>				
Obligation under finance lease	345	345	345	345
Trade creditors	404	78	369	47
Taxes and social security	75	144	7	21
Accruals and deferred income	1,152	950	959	821
	<b>1,976</b>	<b>1,517</b>	<b>1,680</b>	<b>1,234</b>
<b>(ii) Amounts falling due after more than one year</b>				
Finance lease	9,610	9,613	9,610	9,613
Other loans	400	–	400	–
	<b>10,010</b>	<b>9,613</b>	<b>10,010</b>	<b>9,613</b>
<b>Obligations under finance lease are payable as follows:</b>				
After more than one year but within five years	1,380	1,380	1,380	1,380
After five years	8,230	8,233	8,230	8,233
	<b>9,610</b>	<b>9,613</b>	<b>9,610</b>	<b>9,613</b>

**Finance lease** CIEH property, Chadwick Court, is held under a 150 year finance lease from 20 December 2013. The total value of the minimum lease rentals payable over the life of the lease is £51.8m.

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 16 Reconciliation of movement in total funds

	At 1 Jan 2020	Income	Expenditure	Transfers	Gains/ (losses)	At 31 Dec 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted general funds	15,086	2,942	(3,055)	–	2,344	17,318
Pension fund	(4,093)	–	(410)	–	(2,617)	(7,120)
Total Charity Funds	10,993	2,942	(3,456)	–	(273)	10,198
Subsidiary Funds	286	1,305	(1,865)	–	–	(274)
<b>Total Funds</b>	<b>11,280</b>	<b>4,247</b>	<b>(5,329)</b>	<b>–</b>	<b>(273)</b>	<b>9,924</b>

	At 1 Jan 2019	Income	Expenditure	Transfers	Gains/ (losses)	At 31 Dec 2019
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted general funds	4,236	2,670	(3,089)	–	11,270	15,086
Pension fund	(4,025)	–	(461)	–	393	(4,093)
Total Charity Funds	211	2,670	(3,550)	–	11,663	10,993
Subsidiary Funds	218	2,618	(2,550)	–	–	286
<b>Total Funds</b>	<b>429</b>	<b>5,289</b>	<b>(6,102)</b>	<b>–</b>	<b>11,664</b>	<b>11,280</b>

### 17 Projects

CIEH administers projects and funds on behalf of other entities as custodian trustee. Funds for two projects are held in separately identifiable accounts and income and expenditure is not included in the Statement of Financial Activities of CIEH. The balances on the projects and the funds held at 31 December 2020 are as follows:

	2020	2019
	£'000	£'000
Emergency & Relief Fund	5	5
Bonnefoy Fund	21	21

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 18 Cash flow resulting from operations

Reconciliation of deficit for the financial year to net cash inflow from operations	Group	
	2020 £'000	2019 £'000
Cash flows from operating activities		
Surplus/(deficit) for the financial year	(1,356)	10,851
<b>Adjustments to exclude:</b>		
Depreciation of intangible assets	124	127
Depreciation of tangible assets	165	150
Interest element of finance lease rentals	342	346
Investment income	(141)	(208)
Pension scheme actuarial gains	2,617	(393)
Investment management fees	32	43
Investment: gains	2,344	(11,271)
Debtors decrease / (increase)	(126)	(712)
Stock decrease / (increase)	8	1
Creditors increase / (decrease)	460	156
Pension charged to SoFA	662	728
Pension contributions	(251)	(267)
Cash generated from operations	191	(449)
Interest paid	(342)	(342)
<b>Net cash flow resulting from operations</b>	<b>(151)</b>	<b>(791)</b>

### 19 Analysis of net debt

Group	At 1 Jan 2020 £'000	Cash flow £'000	At 31 Dec 2020 £'000
Cash at bank and in hand	407	1,096	1,503
Debt due within one year:			
Finance lease	(345)	–	(345)
Debt due after more than one year:			
Finance lease	(9,613)	3	(9,610)
Other loans	–	(400)	(400)
	<u>(9,551)</u>	<u>699</u>	<u>(8,852)</u>

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 20 Reconciliation of net cash flow to movement in net debt

	2020		2019	
	£'000	£'000	£'000	£'000
Increase/decrease in cash in the year	1,096		(110)	
Capital element of finance lease rentals	3			
Other loans	(400)		2	
Movement in net debt in the year		699		(108)
Net debt at 1 January		(9,551)		(9,443)
<b>Net debt at 31 December</b>		<b>(8,852)</b>		<b>(9,551)</b>

### 21 Controlling party

CIEH is run by its Board of Trustees, who are appointed by the members of CIEH and the board.

### 22 Indemnity insurance

The Board of Trustees has affected an indemnity insurance policy to protect CIEH and its subsidiary undertakings from loss arising from the neglect or defaults of its trustees, directors or employees and to indemnify them against loss arising from any claim against them jointly or severally by reason of any wrongful act in their capacity as trustees, directors or officers. The premium on the insurance policy was £3,342 (2019: £3,028).

### 23 Capital commitments

At 31 December 2020 group capital commitments of £158,787 (of which £139,787 had been spent at 31 December) had been authorised and contracted for (2019: £124,280 authorised and £104,755 had been spent).

# Notes to the Financial Statements

## *continued*

for the year ended 31 December 2020

### 24 Related party transactions

During the year CIEH received Gift Aid payments of £0 (2019: £34,000) from The Environmental Health Registration Board, a company connected with CIEH.

As part of the provision of its training courses CIEH Limited commissions books, researches new courses and arranges for examination papers to be marked and moderated. Some of this work is undertaken for payment by persons who are members of the Chartered Institute of Environmental Health.

During 2020 and the prior year 2019 no member of the Board of CIEH Limited was paid for services for work on behalf of CIEH.

There were no other related party transactions in the current year or the prior year.

### 25 Operating leases

As prescribed by FRS102, total minimum future lease payments under operating leases are analysed below for the following periods; payable within one year; payable after one year but within 5 years; payable after 5 years.

	Group		CIEH	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
<b>Other assets</b>				
Payable within 1 year	36	36	–	–
Payable during 2 to 5 years	9	45	–	–
	<u>45</u>	<u>81</u>	<u>–</u>	<u>–</u>

# About CIEH

**President** Julie Barratt

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## Trustees who served during the year and continue to serve:\*

Terenja Humphries (Chair)  
Daniel Oerther (Deputy Chair)  
Julie Barratt (Appointed 1 January 2021)  
Maurice Brennan  
Siraj Choudhury (Resigned 31 December 2020)  
Sterling Crew (Appointed 1 January 2021)  
Kevin Gould (DC) (Resigned 25 June 2020)  
Jonathan Hayes (Resigned 31 December 2020)  
Roisin Kerr  
Madhu Murali (Appointed 25 June 2020)  
David Newsum  
Nick Pahl  
Jessica Tabois  
Kirpal Tahim  
Vanessa Wardle (Appointed 1 January 2021)  
Dawn Welham (Resigned 31 December 2020)  
Jo Wyatt (Resigned 31 December 2020)

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## CIEH Executive Management Team

Phil James	Chief Executive (Appointed 6 January 2021)
Christine Kanu	Executive Director of Finance and Corporate Services
Deborah Wood	Executive Director of Membership and External Affairs
Jon Buttolph	Associate Director of Membership and Professional Development
Justin Turner	Associate Director of Operations

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## Standing boards / committees for 2020

### Risk and Audit Committee\*

Carol Healy (Chair)  
Roy Coulter (Chair) (Resigned 31 December 2020)  
John Cragg (Appointed 1 January 2021)  
Jonathan Hayes (Resigned 31 December 2020)  
Madhu Murali (Appointed 1 January 2021)  
Saravana Namasivayam  
Robert Spain

### Appointments and Remunerations Committee\*

James Howe (Chair)  
Steve Othen (Chair) (Resigned 31 December 2020)  
Maurice Brennan (Appointed 25 June 2020)  
Amanda Clarke  
Tracey Marshall (Appointed 1 October 2020)  
Andrea Sutherill (Appointed 1 January 2021)

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## Advisers

### Bankers

HSBC Bank Plc,  
60 Queen Victoria Street,  
London EC4N 4TR

### Auditors

Haysmacintyre LLP  
10 Queen St. Pl.,  
London EC4R 1AG

### Investment managers

Cazenove Capital Management,  
1 London Wall Place,  
London EC2Y 5AU

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\* Governance office holders who held office at any time in 2019 and who have been appointed between the end of the year and 30 April 2020 are shown, for completeness.

To find out more visit:  
[www.cieh.org](http://www.cieh.org)

Get in touch  
[info@cieh.org](mailto:info@cieh.org)



[cieh.org](http://cieh.org)