

Chartered Institution of Wastes Management
(incorporated by Royal Charter)

Trustees' report and consolidated financial
statements

Registered company number RC000777

A charity registered in England and Wales (1090968)
and in Scotland (SC037903)

31 December 2015

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Trustees' report

General Council members, key management personnel and advisers

General Council members

Members of General Council who all served in office throughout 2015 except where indicated were:

<i>JI Baird BSc (Hons) PhD CEng MICE FCIWM</i>	<i>President of the Chartered Institution</i>
<i>MP Bates BSc(Hons) PhD FCIWM</i>	<i>Senior Vice President & Chair of Scientific & Technical Committee</i>
<i>DC Wilson BA MA PhD CEnv MBE FCIWM</i>	<i>Junior Vice President from October 2015</i>
<i>JR Quinn FCIWM</i>	<i>Immediate Past President</i>
<i>DT Beadle BA CEnv FCIWM</i>	<i>Immediate Past President until October 2015</i>
<i>MR Hewitt CEng CEnv FICE FIMechE FIET FCIWM CCIM</i>	<i>Honorary Treasurer</i>
<i>MC Thorpe MBA FCIWM</i>	<i>Chair of Executive Committee</i>
<i>TJ Nicoll BSc(Hons) MCIWM</i>	<i>Chair of Education, Training & Membership Committee</i>
<i>K Simmonite CEnv FCIWM</i>	<i>Chair of the Board of CIWM Enterprises Limited</i>
<i>BE Dennis CEnv FCIWM</i>	<i>Resigned 23 June 2015</i>
<i>SJ Didsbury FCIWM</i>	
<i>J Downer BSc MCIWM</i>	<i>Appointed 23 June 2015</i>
<i>JI Harper BSc MBA CGeol FGS MCIWEM FCIWM</i>	
<i>JM Ferguson, OBE, MA, BSc(Eng), BA(Hons), CEng, FICE, MIMechE FCIWEM, FCIWM,</i>	<i>Past President at 11 June 1991</i>
<i>DR Greedy CEnv FCIWM</i>	
<i>SL Harwood-Clark CEnv FCIWM</i>	
<i>RL Colley-Jones FCIWM</i>	
<i>T Jones BSc (Hons) FCIWM</i>	
<i>E Kiernan MSc CEnv FCIWM</i>	
<i>T March CEnv FCIWM MIMT</i>	
<i>CSL Reynolds FCIWM</i>	
<i>MJ Sharp FCIWM</i>	
<i>J Skidmore CEnv FCIWM DMS MIMT</i>	
<i>AA Banks BA(Hons) MSc MCIWM</i>	<i>Appointed 23 June 2015</i>
<i>CF Clark FCIWM</i>	
<i>DAP Cooke MCIWM</i>	
<i>T Walker BSc MA MSc MCIWM CEnv</i>	
<i>J Watts MCIWM</i>	

Trustees' report (continued)
Report of the General Council for the year ended 31 December 2015

Key Management Personnel

SJ Lee BSc CEnv FCIWM	(Chief Executive)
CJ Murphy BSc CEnv FCIWM	(Deputy Chief Executive)
SL Poulter	(Managing Director of CIWM Enterprises Limited)
KW Webster BA FCA DChA	(Company Secretary)

Registered office address

9 Saxon Court,
St. Peter's Gardens, Marefair,
Northampton,
NN1 1SX

Website: www.ciwm.co.uk

Advisers

Bankers: HSBC Bank Plc
St Clair House,
5 Old Bedford Road,
Northampton, NN4 7AA

Solicitors: EMW Law
Seebeck House,
1 Seebeck Place,
Knowlhill, Milton Keynes
MK5 8FR

Investment Managers during 2015:
Arbuthnot Latham & Co. Limited
7 Wilson Street,
London
EC2M 2SN

Investment managers from January 2016:
Brewin Dolphin Limited
12 Smithfield Street,
London,
EC1A 9BD

Auditors: Kingston Smith LLP
Devonshire House,
60 Goswell Road,
London, EC1M 7AD

Trustees' report (continued)
Report of the General Council for the year ended 31 December 2015

Foreword

The Trustees of the Chartered Institution of Wastes Management wish to record their thanks in this report to M R Hewitt, long-standing Honorary Treasurer, for his tireless and guiding contribution, as he retires from that position at the 2016 CIWM Annual General Meeting.

Roger has been involved with the Chartered Institution as a Trustee since June 1989 and was elected as its Honorary Treasurer in June 1991. He was President of the Chartered Institution in 2000.

His key achievements over the years have included:

- Creation of the wholly-owned trading subsidiary, now known as "CIWM Enterprises Ltd" which has underpinned the trading and financial stability of CIWM;
- Leadership of strategically important partnership developments, especially with i2i Events Limited in the creation of a new joint exhibition meeting the needs of the whole industry;
- A leading role in the award of the Institution's Royal Charter in 2002 – for which he received the Institution Medal in 2003;
- Ground-breaking initiatives such as the creation, development and subsequent chairing of the industry's Awarding Body WAMITAB and key partnership working especially with the Environmental Services Association.

Roger has been a constant and key figure in the growth of the Chartered Institution, its partnerships and the stability and financial security our Institution has enjoyed through his period as Honorary Treasurer. We thank him for all of his efforts and commitment on behalf of the Institution and its members.

Signed

J Baird
President

M Thorpe
Chairman of Executive Committee

5 April 2016

Trustees' report (continued)
Report of the General Council for the year ended 31 December 2015

The General Council present their report and audited consolidated financial statements of the Chartered Institution and its subsidiary for the year ended 31 December 2015.

OBJECTIVES AND ACTIVITIES

Charitable Objects

The stated Objects of the Chartered Institution are to advance for the public benefit, the art and science of wastes management worldwide and so to promote education, the protection of public health and the preservation of the environment, and for that purpose to further promote and maintain good standards of practice, competence and conduct by all its members.

Charitable purposes that provide benefit to the public are defined by the Charities Act 2006. The Charity Commission have issued guidance concerning the sort of charitable activity that might fall within each of the charitable purposes defined by the Act including examples of the type of charity that might carry out appropriate activities.

The General Council has reviewed the definitions in the Act and considers that the Charitable Objects of the Chartered Institution fall within three of the charitable purposes, namely:

- the advancement of education;
- the advancement of environmental protection or improvement; and
- the advancement of health.

It has also reviewed the guidance issued by the Charity Commission and considers that the activities of the Chartered Institution comply with the criteria stated in that guidance for each of these three charitable purposes.

Objectives, Aims and Intended Impact

The vision that shapes the activities of the Chartered Institution and its overall aim of delivering relevant, high quality, identifiable impacts within these Objects is the promotion and development of continuous improvement in and the maintenance of high standards of professionalism in sustainable wastes and resources management.

The Chartered Institution's objectives for both the immediate future and in the longer term, are to:

- advance the scientific, technical and practical aspects of resources and wastes management for the benefit of the environment;
- promote high standards of practice, competence and conduct across the sector;
- promote the importance of independently recognised professional competence; and
- raise awareness and understanding of resource and waste issues amongst all sectors of society both within the United Kingdom and internationally.

The objectives set for each year reflect these educational, research and environmental aims and the importance placed both on supporting the individual and corporate members of the Chartered Institution in their work and career development and also on raising standards and competence throughout the resources and wastes management industry.

In setting the Chartered Institution's objectives and in planning its activities the General Council have given careful consideration to the Charity Commission's general guidance on public benefit and to its supplementary public benefit guidance on fee-charging. The General Council confirms that Trustees have complied with the duty in Section 17 of the Charities Act 2011, to have due regard to the Charity Commission's general guidance on public benefit.

Trustees' report (continued)
Report of the General Council for the year ended 31 December 2015

Principal activities

The Chartered Institution seeks to deliver its aims and objectives through a number of different activities, most of which, because of their relevance and importance, remain constants from year to year.

However, over the last few years it has become more and more evident that the Chartered Institution is being increasingly driven to extend its outward facing activities whilst also striving to maintain its services to the membership.

These outward facing activities focus on influencing the policy and legal regulations of the resources and waste management sector and also on influencing the sustainable performance of other industry sectors and of society generally and provide opportunities and challenges for the Chartered Institution to deliver significant outcomes in line with its charitable purposes for the public benefit. Those activities fall into a number of broad categories including:

- working closely with representatives of government departments and agencies to inform and influence the development of regulations and policy;
- working with partners to inform and influence the development of regulations and policy internationally and, specifically, within the European Union;
- supporting government at central, devolved and local levels, their agencies and other organisations in the delivery of projects with relevant outcomes including the improvement of environmental quality; waste reduction; the establishment of improved reporting and monitoring methodologies and systems;
- working in collaboration with relevant partners to establish, promote and deliver technical research, relevant training and educational resources, and professional competence schemes for the industry.

The more inward facing activities include:

- increasing membership; and
- supporting members throughout their careers to develop and extend their professional knowledge and competencies.

General Council and members generally are encouraging and supporting the Chartered Institution to develop and extend collaborative working arrangements, whether formal or informal. Such partnerships are enabling and, will enable, the Chartered Institution to use its own resources to leverage assistance from others to strengthen, widen and extend the scope and reach of all its activities so as to deliver the maximum possible impacts.

Volunteers

The General Council is grateful to the large number of members who support the Chartered Institution's work through their service on committees, Special Interest Groups, Centre Councils, and Working Parties and in representing the Chartered Institution on other outside bodies and organisations. This commitment by volunteers enables the Chartered Institution to draw on a depth and breadth of knowledge of resources and waste management and of other pertinent sectors and competencies which is unrivalled; and which establishes and enhances the Chartered Institution's status, reputation and influence.

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2015

ACHIEVEMENTS AND PERFORMANCE

Activities undertaken during the year

The Chartered Institution has sought to deliver the objectives and activities outlined above by undertaking a variety of specific initiatives and activities during the year, many in partnership with other organisations.

An important and developing partnership is that with the Environmental Services Association (ESA) established in late 2014 through formal agreements designed to enable the two organisations to work more closely together particularly on communications and liaison with government and other stakeholders. These collaboration arrangements were set in place under the umbrella of the company "Resources and Waste UK Limited". The first major publication was the development of a 'manifesto' and briefing on six key industry topics for the incoming Government which was published at the time of the General Elections in May 2015.

The Chartered Institution has been, and is, actively promoting the concept of the "circular materials economy" and to establish its relevance and application. Application of the principles of the circular materials economy will make the effective and sustainable management of resources and waste central to all sectors of the economy and society.

Working with ESA through the auspices of Resources and Waste UK Limited and, with funding from the ESA Education Trust, research into the operation of the secondary raw materials market was commissioned. This subject is very important to both waste producers and waste management operators within the industry, especially given the current pressures on this market because of the volatility and falls in the prices of primary materials. The establishment of a viable and sustainable market in secondary raw materials is crucial to the effective and efficient circular materials economy. The research was undertaken by Eunomia and resulted in a report "Managing the Risk from Secondary Raw Material Price Movements" which was published in November 2015.

The Circular Economy was also the subject of the Presidential Report commissioned for John Quinn and was the theme for his presidential year (October 2014/2015). The "Task and Finish" group established to take the recommendations of the report forward recommended to the Scientific and Technical Committee a number of appropriate changes for the Institution itself. Input and comment on this subject was also sought from members and stakeholders, which confirmed that the priorities and drivers for the Chartered Institution, the industry, government and others, probably for at least the next decade, must be to strive to achieve resource efficiency.

The importance of this subject was further confirmed through the publication on 2 December 2015 of the Circular Economy package by the European Union. The Chartered Institution will be considering this package and its implications during 2016; and it is clear that the Circular Economy and the "circular materials economy" will be continuing themes not only for 2016 but well into the future.

Another key topic of the year has been the resurgence of Waste Crime. This has focussed attention on the reduced resources available to Governments and particularly for enforcement operations; and it has been picked up as a unifying cause throughout the industry sector with Governments, regulators, waste management companies and others all working together. Working with the Waste Management Industry Training Board (WAMITAB) and the Waste Trade Association Group (TAG), the Chartered Institution has helped to inform and influence the response of industry, regulator and government to this burgeoning environmental problem.

Relevant to this topic, and also more generally, was the completion by the Environment Agency, supported by a number of organisations including the Chartered Institution, of the EU Life+ project "Electronic Duty of Care" (EDOC). This project has established a modern electronic system for waste transfer notes enabling waste producers and waste management companies to comply with duty of care requirements more easily and cost effectively. The functionality provided by this electronic system of transfer notes to collate and analyse data on waste streams will be of great benefit to policy makers, regulators and other stakeholders. The Chartered Institution has been, and continues, promoting this system and encouraging take up as widely as possible. It also chairs the ongoing EDOC Technical Advisory Group.

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2015

Activities undertaken during the year (continued)

Hand in hand with collaborative work to improve waste data and act against waste crime, the Chartered Institution has also devoted resources and effort to helping members and others improve and extend their knowledge, skills and professionalism. This work has been undertaken in a number of ways including:

- delivering the first tri-partite "Resourcing the Future" annual conference in June 2015 in Central London drawing in two partners – the Resources Association and the Environmental Services Association;
- delivering conferences in the other three countries within the United Kingdom in conjunction with the regional Centres and CIWM Enterprises Limited;
- delivery by the CIWM Republic of Ireland Centre of "The Irish Waste Management Conference: Weighing Up the Future" in partnership with the Waste Management Association of Ireland;
- hosting master class and round table events on subjects such as Waste Planning and Hazardous Waste;
- delivering through its regional Centres low cost events & networking opportunities for members & others;
- providing free membership to all students throughout the full term of their courses, thus enabling them to draw on the benefits of membership to assist them in their studies;
- maintaining the Continuing Competence scheme for England and Wales in conjunction with WAMITAB;
- providing a full review of the Continuing Competence scheme for England and Wales including updating all the syllabi; developing new questions and reviewing and extending all the question banks ready for the launch of the next two year cycle of the scheme in April 2016;
- working with WAMITAB to develop Continuing Competence schemes in the other UK countries;
- hosting and running free webinars for members and non-members on a variety of topics including "Closed Landfill Sites" which was delivered in conjunction with an EU funded project and "Waste Crime" which drew in partners including the Environment Agency, Country Landowners Association and ESA.

The Chartered Institution is grateful to a number of organisations who support some of these national and regional events - particularly Wastepack (who fund bursaries for delegates to all the conferences and the National CIWM New Members Network event) and to Zero Waste Scotland who support the Scottish Resources Conference.

Through its trading subsidiary, CIWM Enterprises Limited, the Chartered Institution continues to deliver training courses and other events both within the United Kingdom and also internationally. This includes offering bespoke courses focussed specifically for individual customers; during 2015 courses of this nature have been delivered to a number of customers in a variety of sectors including construction and facilities management.

The Chartered Institution continues to develop and extend its e-learning and other online tools through its partnership with Cloud Sustainability Limited. Tools available include the Waste Smart Foundation Certificate and Waste Expert with delivery to customers provided either through the CIWM Knowledge Hub or other appropriate platforms. Other e-learning modules have been developed including "An Introduction to Waste Legislation" and "Waste as a Resource" and "Waste Aware" which went live in Spring 2015. CIWM Enterprises is working jointly with Cloud Sustainability to market the Waste Expert tool.

The Chartered Institution continues to work alongside other partners including the Health and Safety Executive to strengthen and develop the WISH (Waste Industry Safety and Health) forums. The Chartered Institution has developed a new website for WISH and now hosts it on their behalf.

The European Union funded Leonardo Mobility Skills Exchange Programme to Denmark and Sweden led by the CIWM Midlands Centre concluded with a fifth group travelling to Denmark and Sweden to work alongside colleagues in host companies to focus on the exchange of knowledge and skills in health and safety practices. A total of 25 participants benefitted from this exchange programme during its 18 month term. The exchanges resulted in the transfer of skills and experience in both directions; and feedback from participants, the Leonardo scheme itself, the various host companies and project partners, the City of Copenhagen and AVFALL Sverige, was

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2015

Activities undertaken during the year (continued)

very positive. A concluding workshop and reception event was held at the end of the last exchange in late February 2015 with the President, John Quinn, attending to formally represent the Chartered Institution and thank the partners and others for their commitment and efforts in this very successful project.

Opportunities to promote the work and aims of the Chartered Institution abroad are taken up wherever possible. During 2015 the Deputy Chief Executive has continued to work with UKTI, hosting a number of inward delegations to the RWM Exhibition in September and outward delegations, including to Panama. Staff again visited the United Arab Emirates to support the growing group of members located in that area. The Chartered Institution also provides free "online" membership to members located in low-income developing countries as identified by the World Bank.

The Chartered Institution continues to seek ways to reduce reliance on hard copy communications to reduce wasteful use of resources and to improve efficiency. 2015 has seen a further extension of the use of electronic methods to communicate with members and disseminate news to the industry more widely with social media (especially the two Twitter accounts for the Chief Executive Officer @steveleeciwm and the News feed @CIWM) and through the high profile CIWM Journal website which is the first port of call for members and others seeking up-to-date news and comment on the industry. The majority of the Centres are now also using Twitter and Eventbrite to promote their regional events and to contact members.

Electronic membership subscription notices and invoicing have been the norm for several years, and the vast majority of all other correspondence of all kinds is sent electronically. Further opportunities to extend the use of remote and teleconferencing technology are being taken up at both Head Office and in the Centres.

Modernisation of business information and systems was also a fundamental objective of the expenditure incurred and staff time devoted to the development and implementation of a new Customer Relations Management database. It replaces several existing databases and provides important advantages through the aggregation of all data into one place, reducing the difficulties and inefficiencies which result from trying to keep several different records fully up-to-date and in sync. Launched in late November 2015, one of the first tasks undertaken was sending the 2016 subscription notices to members.

This is the largest IT project undertaken by the Chartered Institution in the last decade, but is indicative of the investment and efforts being made every year to ensure that the Institution's IT infrastructure keeps pace with new technological developments and functionality, and with a key aim of constantly seeking to enhance security.

One of the Chartered Institution's key aims is to influence and inform policy development and it delivers this in a number of ways including through responding to government and other consultations. It also commissions research into relevant topics and during 2015 a report on "Recycling calculation methodologies in the European Union" was prepared. It was reported on by the incoming President, Professor James Baird at the Inauguration event held in the City Chambers in Glasgow in October 2015.

With the reduction in importance of barriers between different industry sectors and the key importance of the effective and efficient use of resources, the Chartered Institution is working to broaden the scope and reach of its influence into other sectors, particularly the utility sectors of water, energy and also construction. Collaboration and partnership with other key organisations aids this and the Chartered Institution continues to seek and develop partnerships with others where appropriate.

As reported in the section about Future Plans, the Trustees commenced in 2015 a major project to review the constitution with a view to modernising its Committee structure and procedures. It is anticipated that this review will be ongoing through 2016 and into 2017.

Membership growth and retention are key drivers for the Chartered Institution and Trustees are pleased to note that although the target of 2% growth which had been set for 2015 was not achieved, membership numbers remained constant compared to 2014. This is an encouraging result as it is the first year that no reduction in membership numbers has been recorded since the start of the current economic downturn in late 2009.

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2015

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

2015 has been a year of investment and development in the Institution's infrastructure.

There is a constant requirement to keep the Chartered Institution's infrastructure up to date and fit for purpose, particularly the IT technology upon which so much of current membership and commercial communications and relationships depends. With the objectives of improving current capabilities, accessing administrative efficiencies and taking advantage of newly available software functionality, General Council approved a major IT infrastructure project to replace the existing separate membership and customer databases with a single comprehensive customer relationship database. This has been a major investment both in cost and also in the commitment of staff time and resources to develop and implement the software. It was acknowledged when the project was approved that committing resources and, particularly staff time, to this project might adversely affect the ability to deliver other activities and thus affect the financial outcome for the year.

It has been unfortunate that 2015 has also seen a deterioration of the general economic climate both regionally in the United Kingdom and Europe and also on a global scale evidenced by, for example, a collapse of prices in the commodity and secondary materials markets and further constraints being placed on public sector expenditure. Like many other businesses including both professional organisations and commercial companies, the Chartered Institution has been affected by this downturn in commercial activity with a resultant reduction in revenues, particularly for its wholly owned trading subsidiary, CIWM Enterprises Limited.

These two factors have together impacted upon the financial results for the year and the Chartered Institution has recorded a net operating deficit for the year of £318,092 (2014: £70,810 surplus).

Expenditure incurred on both the purchase of and staff resources invested in the IT infrastructure project and also the costs of researching a possible business opportunity has been allocated against reserves held in Funds designated by Trustees to cover the financial expenditure on major projects of this nature. The transfers made are £120,120 to the Fixed Asset Replacement Reserve Designated Fund in respect of the IT infrastructure project and £78,249 to the Development Reserve Designated Fund in respect of the potential business opportunity. These transfers have resulted in a reduction of £198,369 in the total Designated Funds from £1,544,758 to £1,346,389. After recognition of realised and unrealised investment gains of £39,793 (2014: £72,090 net losses) and after the allocation of costs to Designated Funds described above, the net deficit achieved on day-to-day activities which are accounted for as General Funds is £77,435, which Trustees consider more accurately reflects the difficult trading and commercial conditions outlined above.

Summarising, the net deficit to be transferred to all reserves (that is Designated, Restricted and General Funds) is £278,299 (2014: £1,280) which means that the Chartered Institution's funds have decreased by £278,299 from £4,475,059 to £4,196,760.

This is a disappointing result but Trustees are confident that the investment in new IT infrastructure will provide returns in future years through improved efficiency and the ability to communicate better with both members and customers. The Chartered Institution has a strong balance sheet with substantial accumulated financial reserves providing the strength and depth both to enable it to implement major projects of this nature and also to face the implications of volatile and changing economic circumstances. The strength of the Chartered Institution's financial reserves provide the Trustees with confidence that these challenges can be addressed and overcome. Trustees and senior staff have been, and continue, to work on developing and establishing strategies and initiatives to address these challenges and to implement robust budgets and plans to bring the Chartered Institution's financial results into sustainable annual surpluses in order to re-establish and further strengthen its financial position.

Further work and expenditure will be incurred during 2016 on the IT infrastructure project and General Council advises members that the emphasis of this financial investment continues to be the extension and development of services both for members and others within the waste and resource management sectors and also more widely for the general public benefit.

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2015

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

The two principal sources of income received by the Chartered Institution have been and continue to be subscription receipts from members and revenue generated by the commercial trading activities of its wholly owned subsidiary company, CIWM Enterprises Limited. The investment in the new customer relation database should result in improved efficiency and greater functionality and ability to reach out to members and others to advertise and explain the benefits of membership and the other products and services that the Chartered Institution can provide. The development of membership both through new growth and greater retention was a key focus for 2015 and further emphasis is being placed on this in 2016 and beyond. Interest in the other services provided by the Chartered Institution including particularly bespoke and in-house training courses and other events remains good and indicates that the subjects covered are relevant to members and non-members for their technical content, appropriateness and topicality both in the commercial and professional fields.

Reserves policy

The General Council has reviewed the reserves of the Chartered Institution and has concluded that the area of greatest financial risk continues to be a material reduction in the trading of its commercial subsidiary company, CIWM Enterprises Limited. A reduction in trading of those activities would result in a corresponding reduction in the annual Gift Aid made from the subsidiary to the Chartered Institution.

Free reserves, which are the Unrestricted General Funds, as at 31 December 2015 were £2,805,508 (2014: £2,882,943) and, whilst Trustees consider that these should prove sufficient for short to medium term purposes, they also consider that it would be prudent to continue to accumulate reserves to maintain and strengthen the financial security of the Chartered Institution. Accordingly, Trustees are budgeting and preparing medium term business plans with the aim, as far as possible, of achieving a return to achieving modest annual surpluses in order to maintain reserves at about this amount. This level of reserves is required both to enable the Chartered Institution to be able to maintain an appropriate level and range of activities irrespective of the general economic situation; and also to enable it to continue to invest in the general development and maintenance of its infrastructure and to deliver further improvements in the services and products offered to members, the resource and waste management industry and the wider community.

The Chartered Institution also holds reserves which Trustees have designated for particular purposes which are described more fully in the Notes to the financial statements. At 31 December 2015 these Designated Funds total £1,346,389 (2014: £1,544,758). These Designated Funds are available to help the Chartered Institution to finance major projects and, Trustees expect to continue to use them in the short and medium term to invest in further improvements to the Chartered Institution's infrastructure, in particular further developments during 2016 and the next few years to the new database, and to enable them to react to appropriate business development opportunities that might arise.

Investment policy and objectives

General Council, through the Finance and Executive Committees, obtains expert investment management advice from the discretionary investment managers. The Chartered Institution's investment policy emphasises capital appreciation, which is further enhanced by the reinvestment of all investment income received on the portfolio.

Investment performance against Objectives

The Chartered Institution's investments were managed throughout 2015 by Arbuthnot Latham, the Chartered Institution's discretionary investment managers. Investment income was £24,465 (2014: £19,601) and was re-invested into the portfolio. World stock markets remained volatile during 2015 and recorded downturns in values during the last months of the year which has resulted in the investment portfolio recording unrealised losses for the

Trustees' report (continued)
Report of the General Council for the year ended 31 December 2015

Investment performance against Objectives (continued)

year which total £32,948 (2014: £23,272 unrealised gains). Disposals of investments made during 2015 resulted in realised gains of £72,741 (2014: £20,421).

During the year the Trustees received investment performance information from the discretionary investment managers, Arbuthnot Latham, and commissioned detailed statistical analysis from specialist advisers, State Street Analytics Limited.

During 2015 Trustees through the Finance Committee, held tenders for the provision of investment management advice and for the discretionary management of the investment portfolio. Trustees are pleased to advise that this tender and interview process has resulted in the Chartered Institution appointing Brewin Dolphin Limited as discretionary investment advisers. Work is in progress to transfer management of the portfolio from Arbuthnot Latham to Brewin Dolphin. Trustees wish to record their thanks to Arbuthnot Latham for their work and advice over the period since their appointment in January 2008.

On 9 August 2013 the Chartered Institution subscribed £200,066 for 337 Ordinary shares in Cloud Sustainability Limited alongside other investors (both institutions and individuals) in an Equity Financing round which raised £765,834 capital for the company. This investment in an unlisted security is held as a Mixed Motive investment and is carried in the Financial Statements at fair value; the detailed Accounting Policy in Note 1 to the Financial Statements provides further details about how fair value is established. As noted in the 2013 Trustees' Report, Cloud Sustainability was a relatively new company whose principal activity is the provision of online educational resources and other online tools in the sustainability and waste management sectors. At the time the Chartered Institution made its investment in August 2013, Cloud Sustainability had completed the development of its principal product, the online tool "Waste Expert", and was raising capital both to enable it to take that product to market and to provide funding for the development of further electronic tools and learning. Experience gained has demonstrated that "Waste Expert" is an innovative and flexible online software system. However, the path to market proved more difficult than expected with longer lead times from enquiry to purchase and, Cloud Sustainability raised further additional working capital £357,393 through a Second Equity Financing round on 29 January 2015. The Chartered Institution participated in this Financing round investing a further £33,013 by subscribing for a further 132 Ordinary shares in the company. The shares issued in the Second Financing Round were priced at a discount to those issued in August 2013 and accordingly, Trustees decided that it would be prudent to make a provision of £115,783 in the Financial Statements for the year ending 31 December 2014. to reflect the possible reduction in value in the Chartered Institution's original investment.

Although the prospects for both "Waste Expert" and Cloud Sustainability remain positive and the company has made progress during 2015, it has, nonetheless, found it necessary to raise additional working capital of approx £236,000 through the issue of shares in a Third Equity Financing round which concluded on 1 March 2016. The Chartered Institution did not participate in this financing round. As the new shares issued by the company in this Third Equity Financing round were offered at the same price per share as that used in the Second Equity Financing round, Trustees consider that no further provision against the value of the Chartered Institution's investment is required at this time. Therefore, the Institution's total investment in Cloud Sustainability is 469 Ordinary shares which are stated in the financial statements at a carrying value of £117,297.

The main product developed by Cloud Sustainability has now been purchased by several major organisations in the resources and waste management sector and a leading facilities management organisation to provide an enhanced service to their customers. The company continues to target other leading waste management and waste producing organisations, and leads generated to date are encouraging.

This investment was made alongside a partnership agreement between Cloud Sustainability Limited and CIWM Enterprises Limited to develop the Chartered Institution's ability to offer members and others high quality e-learning modules via the CIWM Knowledge Hub and other platforms. Trustees are pleased to advise that this partnership continues to provide valuable low cost resources for members and others whilst also generating a return on the investment in it.

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2015

Awards

The income from the Chartered Institution's permanent endowment funds is available for the granting of professional awards as shown in Note 16 to the financial statements. These professional awards were presented at high profile events either in June at an industry dinner or in November 2015 at the Awards for Environmental Excellence which celebrate best practice throughout the industry and its customer sectors. In Spring 2013, General Council accepted funds of £26,785 from the organising committee of the predecessor event to the Scottish Resources Conference to establish the Scottish Waste Award to be awarded annually and a third award was presented at the October 2015 Scottish event.

Risk Management

General Council is responsible for the management of the risks faced by the Chartered Institution. Detailed considerations of risk are delegated to the Senior Management Team.

The following key controls are used by the Chartered Institution to help to mitigate the risks:

- formal agendas and detailed minutes for all Committee and Board activity;
- detailed terms of reference for all Committees, Boards etc;
- formal external training on roles and responsibilities for all Trustees and senior staff;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational structure and lines of reporting with clear authorisation and approval levels; and
- regular monitoring and review of Disaster Recovery Plan and Business Continuity Plan.

Updates on the Bribery Act 2010 have been provided during 2015 to General Councillors, Centre Councillors and staff. Appropriate record keeping is maintained, including a Register of General Councillors' Interests.

A continued priority has been to extend and improve the support and resources available to help members & Centres deliver high quality local events and services. There has, therefore, been further development of the online toolkit of policies, procedures, guidance and other resources entitled "the CIWM Member Volunteer Toolkit" which was launched at the New Member Network conference in April 2014. It includes detailed information on volunteering within the Institution, and case studies written by members discussing their roles & responsibilities and identifying personal & corporate benefits. The Finance Guidance for Centres is available online, albeit as a draft document awaiting some minor final amendments; it is supplemented by routine circulation to all Centres of ad hoc specific advice by the Chartered Institution's Finance department. Work commenced during 2015 on the development of further information about Trustee roles and this will be continued and extended during 2016.

The Audit Committee reviews the financial risks of the Chartered Institution. Kingston Smith LLP, as part of their audit, provide management reports to the trustees, advising on recommendations to improve internal controls.

The General Council has reviewed the major risks to which the Chartered Institution is exposed and considers that the principal risks are financial stability and the need to modernise the Chartered Institution's decision making and governance structures. The emphasis placed on budgeting, business plans, investment in infrastructure and the development of services and products are important factors in the management of financial risks. Trustees are prioritising the ongoing constitutional review as key to renewing the decision making and governance structures to fit with modern requirements.

Trustees confirm that appropriate systems have been established to mitigate other risks identified; but recognise that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2015

FUTURE PLANS

The 2013 Strategy Review indicated that the Chartered Institution should adopt three main themes for its future plans; namely:

- raising its profile and extending its communications output and reach;
- technical and policy development in sustainable resources and waste management;
- improving and extending the provision of a 'Value Added' service to members and others.

These three themes inform and influence the development, planning and performance of the Chartered Institution's activities which General Council undertakes in conjunction with the three key committees responsible for segmental interests using detailed Action Plans.

The Chartered Institution has been and, will continue throughout 2016 and beyond, to use its resources and influence to promote and influence initiatives targeted at 'resource' efficiency and the development of sustainability across all sectors – private, public, commercial, industrial and not for profit.

Trustees consider that it will continue to be important to work collaboratively with other organisations and will, therefore, continue developing and strengthening existing partnerships. Resources will also be devoted to extending the communications and outreach work already in progress through Resources and Waste UK Limited, the partnership arrangement with the Environmental Services Association. Where appropriate they will also encourage the establishment of new arrangements whether for ad hoc topics or on a longer term basis.

The specific main themes for 2016 will continue to be:

- the Circular economy, its implications for the resources and waste management sector and its further development;
- working with others in the fight against waste crime and to improve available waste data;
- further improvements in the Chartered Institution's infrastructure, especially in relation to IT;
- progressing the review and modernisation of the Chartered Institution's constitution and Committee structure;
- the development of membership and of services to members.

The budgets for the year and forward financial planning will also be kept under careful review with Trustees and senior managers seeking all appropriate opportunities to improve the Chartered Institution's financial position.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity was formed in 1898, incorporated as a company limited by guarantee in 1908 and from 1981 was known as the Institute of Wastes Management. On 1 March 2002 it was granted a Royal Charter of Incorporation and was renamed the Chartered Institution of Wastes Management and, for the purposes of the Charities Act 2011, is a charitable company (registered company number RC000777) and has no share capital. It is registered with the Charity Commission in England and Wales under charity number 1090968 and with the Office of the Scottish Charity Regulator under charity number SC037903.

The Chartered Institution's governing instruments are the Royal Charter, its Bye-Laws, Regulations and Practice Directions sealed on 1 March 2002. Trustees decided at their meeting on 16 October 2013 to undertake a detailed review of the constitution and prioritised a number of matters including the election processes and Committee structure; work on this review is still ongoing. The governing document can be viewed on the Chartered Institution's website.

Trustees' report (continued)
Report of the General Council for the year ended 31 December 2015

Appointment and election of General Council members

The directors of the charitable company are its trustees for the purposes of charity law and throughout this report are collectively referred to as the General Council or Council members. As set out in Regulation 10 of the constitution of the Chartered Institution, the General Council consists of:

- (a) The Honorary Officers – President, Senior Vice-President, Junior Vice-President, & Honorary Treasurer. An amendment to Regulation 10 approved by members of the Chartered Institution at the Annual General Meeting on 12 June 2012 established the role of Honorary Vice Treasurer as a new Honorary Officer of the Chartered Institution under Bye Law 59(3)
- (b) The Chairman (President of the Chartered Institution) is elected annually by the General Council
- (c) The immediate Past President who remains a member for one year only after retiring as President
- (d) Past Presidents as at 11 June 1991 who have been members of the General Council continuously since that date may retain their position as General Councillors for such period of time as they wish
- (e) General Councillors who are elected by the corporate members of the Chartered Institution from each Centre (the geographic regions of the Chartered Institution) – the number of General Councillors representing each Centre is related to the number of corporate members in that Centre. Corporate members are those in the following classes of membership: Fellow, Member and Licentiate
- (f) Chairman of Education, Training and Membership Committee
- (g) Chairman of Scientific and Technical Committee
- (h) Chair of the Board of CIWM Enterprises Limited.

Under Bye Law 58 no General Councillor could serve more than two consecutive terms of three years without retiring thereafter for a period of at least three years. An amendment to Bye Law 58 removing this condition was approved by members of the Chartered Institution at the Annual General Meeting on 15 June 2010. This amendment to the Bye Laws was approved by Her Majesty the Queen by an Order in Council approved at Her Privy Council meeting on 15 December 2010.

General Councillors are elected for a term of three years; retire by rotation and are eligible to stand for re-election.

No appointment has been made to the role of Honorary Vice Treasurer.

The Chair of Executive Committee is elected by and from the Elected General Councillors.

The details of the General Councillors who served during 2015 are given on pages 1 and 2.

Training of General Councillors

General Council approved new provision for training and induction of General Councillors at their March 2013 meeting. Every newly elected General Councillor receives induction training from the CEO; this has been completed for all Trustees newly elected during 2015. All General Councillors must attend training on Trustee responsibilities sourced via the National Council for Voluntary Organisations (NCVO); arrangements are being made for all General Councillors newly elected during 2015 to attend scheduled NCVO training course.

Where appropriate, copies of the Charity Commission's newsletters, NCVO newsletters and other relevant guidance are circulated to all General Councillors. Periodically, General Councillors receive presentations and training from suitably qualified professional consultants. Information specific to the Chartered Institution is made available both to General Councillors and others online in the CIWM Member Volunteer Toolkit.

Trustees' report (continued)
Report of the General Council for the year ended 31 December 2015

Organisational Management

The Chartered Institution is operated through its General Council, which has a number of principal committees responsible for segmental interests. Administration is effected through an Executive Committee, three standing committees and a professional administrative structure at headquarters. The Chartered Institution also has four review committees; Finance, Personnel, Audit and Corporate Governance and Professional Ethics. The Audit and Corporate Governance and Professional Ethics Committees have independent chairmen with relevant specialist skills and competencies, who are appointed for three year terms of office.

Details of General Council members, key management personnel and professional advisers are given on pages 1 and 2, together with information explaining how General Councillors are appointed to office. The members of the General Council are also the directors for the purpose of the Companies Act 2006.

Group Structure and Relationships

The Chartered Institution has one trading subsidiary, CIWM Enterprises Limited, a separate organisation which arranges training courses, seminars and conferences, produces journals and publications and sells advertising to the wastes management industry. These activities are conducted on an arm's length basis and the two organisations, whilst part of the same group, are managed independently.

The Chartered Institution also has five dormant subsidiaries, Clean Britain Awards Limited; Waste Smart Limited; Water Smart (UK) Limited; Energy Smart Training Limited and Resource Smart Limited.

The Chartered Institution was also the sole member of CIWM (RPM), a company limited by guarantee incorporated on 14 December 1999. CIWM (RPM) was also registered as a charity in England and Wales (registered number 1084599). It was registered with Entrust as an Environmental Body until being deregistered on 19 September 2008, and always operated independently of the Chartered Institution. The financial statements of CIWM (RPM) have not, therefore, been included in these consolidated financial statements as the Chartered Institution has not exercised control over the activities of the company. On 23 December 2015 an application was made to the Registrar of Companies to have CIWM (RPM) removed from the Register of Companies. The remaining funds (£11,148) held by CIWM (RPM) at that date were formally transferred by its Trustees to the Chartered Institution to be used to support work undertaken in connection with the educational and research charitable purposes and are held as a ring-fenced fund.

The Chartered Institution works extensively at regional and local levels through its Centres and their councils and honorary officers. Centres provide members with free and low cost regional events on a variety of topics and also work closely with local and regional organisations. The Centres in the Republic of Ireland, Scotland, Wales and Northern Ireland work closely with their respective governments and other stakeholders.

On 13 November 2014 the Chartered Institution entered into a formalised partnership arrangement with the Environmental Services Association to include closer working in respect of technical and policy development; support to members and others in the Centres. From May 2015, the CIWM Journal has included material prepared by ESA, and ESA's own publication "Resource Management and Recovery" is no longer being published. To facilitate this partnership working, on 4 June 2014 the Chartered Institution's dormant company IWM Professional Services Limited was renamed Resources and Waste UK Limited and, on 19 January 2015, the transfer of 50 ordinary shares (being 50% of the share capital of the company) to the Environmental Services Association (ESA) was registered – the shares having been sold for a cash consideration of £50 being par value. From 19 January 2015, the company, Resources and Waste UK Limited has been jointly owned by the Chartered Institution and the Environmental Services Association.

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2015

Remuneration policy for key management personnel

The General Councillors consider that the senior management team, who report regularly to the Executive Committee, comprise the key management personnel of the Chartered Institution in charge of directing, controlling, running and operating the Chartered Institution on a day to day basis. The pay of senior managers is reviewed annually and increased, as appropriate, in line with average earnings.

REFERENCE AND ADMINISTRATIVE INFORMATION

General Council members, key management personnel, and other administrative information

The General Councillors, key management personnel and principal address of the Chartered Institution are as listed on pages 1 and 2. Particulars of the Chartered Institution's professional advisers are given on page 2.

Auditors

Pursuant to Section 485 of the Companies Act 2006, the re-appointment of Kingston Smith LLP as auditors of the company will be considered at the forthcoming Annual General Meeting on 14 June 2016.

Statement on disclosure of information to auditors

Each person who is a General Councillor at the date of approval of this report confirms that:

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

Statement of responsibilities of the General Council of the Chartered Institution of Wastes Management in respect of the report of the General Council and the financial statements

The Trustees (who are also directors of the Chartered Institution of Wastes Management for the purposes of company law) are responsible for preparing the Trustees' Report (called Report of the General Council) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales and Scotland requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period.

In preparing these financial statements, the General Council are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the charitable company will continue its activities.

The General Council are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008; the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Royal Charter. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Council are responsible for the maintenance and integrity of the charity and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the General Council

M R Hewitt
Honorary Treasurer

5 April 2016

9 Saxon Court,
Marefair,
Northampton,
NN1 1SX

Report of the independent auditors to the members of the Chartered Institution of Wastes Management

We have audited the financial statements of the Chartered Institution of Wastes Management for the year ended 31 December 2015 which comprise the Consolidated Statement of Financial Activities incorporating the Consolidated Summary Income and Expenditure Account, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard Applicable in UK and Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006; and to the charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in respect of the consolidated financial statements, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 16 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2015 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept proper, adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Sandra De Lord
Senior Statutory Auditor
for and on behalf of Kingston Smith LLP,
Statutory Auditor

Kingston Smith LLP
Devonshire House
60 Goswell Road
London, EC1M 7AD

Consolidated statement of financial activities
for the year ended 31 December 2015

	Note	Unrestricted funds			Total funds 2015 £	Total funds 2014 £
		General Funds £	Designated Funds £	Endowment & Restricted funds £		
Income						
Income from charitable activities:						
Membership subscriptions		998,815	-	-	998,815	1,010,930
Regional centre income		212,129	-	-	212,129	211,282
Income from trading activity:						
Commercial trading operations		1,500,520	-	-	1,500,520	1,946,059
Investment income	8	24,465	-	-	24,465	19,601
Interest receivable		26,998	-	-	26,998	32,289
Grant income	9	46,844	-	-	46,844	69,960
Other income		117,778	-	-	117,778	111,669
Total income		2,927,549	-	-	2,927,549	3,401,790
Expenditure						
Expenditure on raising funds						
Investment management		(15,120)	-	-	(15,120)	(13,448)
Commercial trading operations		(1,456,282)	-	-	(1,456,282)	(1,681,710)
Charitable activities:						
Staff costs		(821,649)	(195,740)	-	(1,017,389)	(865,060)
Regional centre expenses		(195,582)	(7,863)	-	(203,445)	(210,326)
Committee directed costs		(107,321)	-	-	(107,321)	(176,021)
Committee running costs		(49,706)	-	-	(49,706)	(75,679)
Premises costs, postage, stationery, communications		(185,539)	(90,021)	-	(275,560)	(180,991)
Institution awards		(3,247)	-	(2,495)	(5,742)	(7,828)
Honoraria		(6,928)	-	-	(6,928)	(7,620)
Travel and accommodation		(28,300)	(7,719)	-	(36,019)	(27,334)
Insurances and other Professional fees		(31,379)	-	-	(31,379)	(48,087)
Amortisation		(3,097)	-	-	(3,097)	-
Depreciation		(25,826)	-	-	(25,826)	(26,782)
Financing costs		(11,827)	-	-	(11,827)	(10,094)
Total operating expenditure		(2,941,803)	(301,343)	(2,495)	(3,245,641)	(3,330,980)
Net operating income/ (expenditure)		(14,254)	(301,343)	(2,495)	(318,092)	70,810
Net gains/ (losses) on investment assets		39,793			39,793	(72,090)
Net income/ expenditure		25,539	(301,343)	(2,495)	(278,299)	(1,280)
Transfers between funds		(102,974)	102,974	-	-	-
Net movement in funds	5	(77,435)	(198,369)	(2,495)	(278,299)	(1,280)
Total funds brought forward	16	2,882,943	1,544,758	47,358	4,475,059	4,476,339
Total funds carried forward	16	2,805,508	1,346,389	44,863	4,196,760	4,475,059

The Charity has no recognised gains or losses for the year (2014: £nil) other than as detailed above.

The net movements in the Charity's funds for the year arise from the Charity's continuing activities.

Full details of comparative figures for the year ended 31 December 2014 and movements in the Unrestricted funds and Endowment and Restricted Funds during that year are shown in Note 17 to these financial statements.

The notes on pages 23 to 42 form part of these financial statements.

Consolidated balance sheet as at 31 December 2015

	Note	2015		2014	
		£	£	£	£
Fixed assets					
Intangible assets	11		182,751		-
Tangible assets	11		518,930		520,989
Investments	12		1,416,736		1,330,997
			<u>2,118,417</u>		<u>1,851,986</u>
Current assets					
Debtors	13	411,714		445,913	
Investments		575,000		575,000	
Cash at bank and on deposit		1,552,848		2,210,553	
		<u>2,539,562</u>		<u>3,231,466</u>	
Creditors: amounts falling due within one year	14	<u>(461,219)</u>		<u>(608,393)</u>	
Net current assets			<u>2,078,343</u>		<u>2,623,073</u>
Total assets less current liabilities			<u>4,196,760</u>		<u>4,475,059</u>
Net assets			<u>4,196,760</u>		<u>4,475,059</u>
Endowment funds					
Permanent	16		24,573		24,573
Restricted funds	16		20,290		22,785
Unrestricted funds					
Designated funds	16		1,346,389		1,544,758
General funds	16		2,805,508		2,882,943
Total funds	16		<u>4,196,760</u>		<u>4,475,059</u>

The notes on pages 23 to 42 form part of these financial statements.

These financial statements were approved by the General Council on 5 April 2016 and were signed on its behalf by:

J Baird
President

MR Hewitt
Honorary Treasurer

Charity balance sheet
as at 31 December 2015

	Note	2015		2014	
		£	£	£	£
Fixed assets					
Intangible assets	11		182,751		-
Tangible assets	11		518,930		520,989
Investments	12		1,416,896		1,331,207
			<u>2,118,577</u>		<u>1,852,196</u>
Current assets					
Debtors	13	276,814		179,242	
Investments		575,000		575,000	
Cash at bank and on deposit		1,482,658		2,177,723	
		<u>2,334,472</u>		<u>2,931,965</u>	
Creditors: amounts falling due within one year	14	<u>(286,289)</u>		<u>(339,102)</u>	
Net current assets			2,048,183		2,592,863
Total assets less current liabilities			<u>4,166,760</u>		<u>4,445,059</u>
Net assets			<u>4,166,760</u>		<u>4,445,059</u>
Endowment funds					
Permanent	16		24,573		24,573
Restricted funds	16		20,290		22,785
Unrestricted funds					
Designated funds	16		1,346,389		1,544,758
General funds	16		2,775,508		2,852,943
Total funds	16		<u>4,166,760</u>		<u>4,445,059</u>

The notes on pages 23 to 42 form part of these financial statements.

These financial statements were approved by the General Council on 5 April 2016 and were signed on its behalf by:

J Baird
President

MR Hewitt
Honorary Treasurer

Consolidated Statement of Cash Flows
for the year ended 31 December 2015

	2015 £	2014 £
Cash flow/(outflow) from operating activities		
Net cash (used in)/ provided by operating activities	(502,821)	(40,586)
Cash flows from investing activities		
Interest, dividends and other investment income received	51,463	51,890
Proceeds from disposal of fixed asset investments excluding endowment funds	260,154	275,133
Acquisition of fixed asset investments excluding endowment funds	(256,886)	(305,781)
Payments to acquire tangible fixed assets	(209,614)	(19,483)
	<u>(154,883)</u>	<u>1,759</u>
Net decrease in cash and cash equivalents	(657,705)	(38,827)
Cash and cash equivalents at beginning of year	2,210,553	2,249,380
Cash and cash equivalents at end of year	<u>1,552,848</u>	<u>2,210,553</u>

Reconciliation of net income/ (expenditure) to net cash flow from operating activities

	2015 £	2014 £
Net expenditure including endowments	(278,299)	(1,280)
Adjustments for:		
Amortisation/Depreciation charges	28,923	26,782
Net (gains)/ losses on investments	(89,007)	96,453
Investment income	(51,463)	(51,890)
Decrease/ (increase) in debtors	34,199	(30,979)
Increase/ (decrease) in creditors	(147,174)	(79,672)
Net cash (used in)/ provided by operating activities	<u>(502,821)</u>	<u>(40,586)</u>

Notes

(forming part of the financial statements)

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

These financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)' – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the requirements of the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008; the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended); the provisions of the Royal Charter & the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention, modified by the recognition of certain investments and financial assets and liabilities measured at fair value through income and expenditure within the Statement of Financial Activities.

Reconciliation with previous Generally Accepted Accounting Practice and Transition to the Charities SORP (FRS 102) and FRS 102

These financial statements for the year ended 31 December 2015 are the first financial statements of the Chartered Institution of Wastes Management prepared in accordance with the Charities SORP (FRS 102) and FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. The last financial statements prepared under previous UK GAAP were for the year ended 31 December 2014 and the date of transition to the Charities SORP (FRS 102) and FRS 102 was 1 January 2014.

In preparing these financial statements, the Trustees have considered whether in applying the accounting policies required by the Charities SORP (FRS 102) and FRS 102 the restatement of comparative items was required. The Trustees consider that the transition to the Charities SORP (FRS 102) and FRS 102 has not affected the reported financial position and financial performance. Restatements of comparative items are as set out below. The transition has not required any changes to the accounting policies adopted.

One adjustment has been made to the disclosure shown in the current and comparative years' Statement of Financial Activities in respect of Governance costs. These are no longer presented as a separate category of expenditure in the Statement of Financial Activities as they are now regarded as part of the Support costs which are allocated to the cost of activities undertaken by the Charity. Disclosure concerning Support costs is given in Note 4 below.

The preparation of financial statements in conformity with the Charities SORP (FRS 102) and FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the charity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Notes (continued)

1 *Accounting policies (continued)*

Preparation of the financial statements on a going concern basis

The Chartered Institution reported a cash outflow for the year of £658k on a group basis and £695k for the charity alone. The Trustees consider that measures taken and to be taken subsequent to the year end to strengthen revenues and to control expenditure, and the underlying financial strength of the Chartered Institution's balance sheet, will together secure the immediate future of the Chartered Institution for a period of at least 12 months from the date of signing these accounts and that, on this basis, the charity is a going concern and therefore the accounts are prepared on a going concern basis.

Basis of consolidation and Group financial statements

The financial statements consolidate the financial statements of the Chartered Institution of Wastes Management and its wholly owned non-charitable subsidiaries, CIWM Enterprises Limited (trading), Resources and Waste UK Limited (dormant), Clean Britain Awards Limited (dormant), Waste Smart Limited (dormant), Water Smart (UK) Limited (dormant), Energy Smart Training Limited (dormant) and Resource Smart Limited (dormant) on a line-by-line basis. These financial statements are all made up to 31 December 2015.

In accordance with the exemptions contained within Section 408 of the Companies Act 2006 a separate Statement of Financial Activities for the charity alone has not been presented.

Fund accounting

General unrestricted funds comprise accumulated surpluses and deficits on general funds and cumulative realised and unrealised gains of the investments. They are available for use at the discretion of the General Council in furtherance of the general charitable objectives.

Designated funds are unrestricted funds which have been put aside at the discretion of the General Council for particular purposes and comprise:

Fixed assets replacement reserve

This represents amounts needed to maintain the Chartered Institution's fixed asset base.

Development reserve

This designation is intended to allow for the future development of the Chartered Institution.

Regional development

The Regional Development reserve has been set up to enable the Chartered Institution to continue its programme of placing regional development officers in the regions.

Waste Smart

The reserve has been created in order to further the future development of this product.

The Strategic Development reserve

The Strategic Development reserve has been set up to enable the Chartered Institution to establish and develop partnership and other project arrangements in key areas of business activity.

Endowment funds

Permanent

These are assets which must be held permanently by the charity. The capital element of permanent endowment funds is not utilised, only the income from permanent endowment funds is utilised.

Restricted funds

Restricted funds are funds received by the Chartered Institution for particular purposes and expenditure is restricted to that particular project.

Notes (continued)

1 Accounting policies (continued)

Income

Income is recognised when the charity or its trading subsidiary has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income includes amounts received and receivable during the year by the Chartered Institution at headquarters and the ten regional centres, and the turnover of the company's subsidiary, CIWM Enterprises Limited. It comprises subscriptions, donations, grants and charges for services provided stated net of value added tax. Income from Centres is incorporated on the basis of returns.

Income from government and other grants, whether "capital" grants or "revenue" grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probably that the income will be received and the amount can be measured reliably and is not deferred.

Interest receivable and investment income

Interest on funds held on deposit and income generated by Fixed Asset investments, including dividend income and interest, are included when receivable and the amounts can be measured reliably by the charity. This is normally upon notification by the bank or the discretionary investment managers of the interest paid or payable, or the income credited to the investment portfolio.

Donated services and facilities

Donated professional services are recognised as income when the charity has control over the item, any conditions associated with the donated professional services have been met, the receipt of economic benefit from the use by the charity of the services is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Members of the Chartered Institution is not recognised – please refer to the Trustees' Annual Report for more information about their contribution.

On receipt, donated professional services are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be accounted for reliably. Expenditure is classified under the following activity headings:

Expenditure on raising funds comprises the costs of commercial trading and fees paid for the discretionary management of the fixed asset investment portfolio and their associated support costs.

Charitable activities – expenditure includes the costs of administering the professional activities of the Chartered Institution, supporting the regional Centres and membership and other activities undertaken to further the purposes of the charity and their associated support costs.

Other expenditure represents those items not falling into any other heading.

Any irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of Support Costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Chartered Institution's professional and charitable activities. These costs have been allocated between the costs of raising funds, expenditure on charitable activities and other expenditure. The bases on which support costs have been allocated are set out in Note 4.

Notes (continued)**1 Accounting policies** (continued)**Operating Leases**

The Chartered Institution classifies the lease of printing equipment and cars as operating leases; the title to the equipment remains with the lessor and the equipment is replaced at the end of the lease period (printing equipment every 5 years and cars every 3 years) whilst the economic life of such equipment is normally longer. Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Tangible Fixed assets and depreciation

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated at rates calculated to write off the cost less estimated residual value by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	-	2% on cost
Office equipment	-	33 $\frac{1}{3}$ % on cost
Fixtures and fittings	-	33 $\frac{1}{3}$ % on cost
Motor vehicle	-	33 $\frac{1}{3}$ % on cost

No depreciation is provided on freehold land.

Intangible Fixed assets and amortisation

Individual intangible fixed assets costing £500 or more are capitalised at cost and are amortised at rates calculated to write off the cost by equal instalments over their estimated useful economic lives up to a maximum of ten years as follows:

Computer Software	-	20% on cost
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At the end of each reporting period, the residual values and useful lives of tangible and intangible assets are reviewed and adjusted if necessary and if circumstances indicate that the carrying value may not be recoverable then it is adjusted for impairment.

Quoted Investments

Investments listed on a recognised stock exchange are initially measured at their cost and subsequently measured at fair value at the balance sheet date. All movements in value arising from investment changes or revaluations are shown as part of the Statement of Financial Activities and are included within unrestricted funds.

Realised gains and losses and unrealised gains and losses are not separated in the Statement of Financial Activities.

Mixed motive Investments

Mixed motive investments are held by the Chartered Institution both to generate a return on capital invested for the charity, but also to contribute to its charitable purposes.

The Chartered Institution's investment in Cloud Sustainability Limited takes the form of Ordinary shares which are measured at fair value. As the shares are not quoted on a recognised stock market, the Chartered Institution has adopted the principles and methodology set out in the International Private Equity and Venture Capital Valuation Guidelines to establish the current fair value of the investment. Those guidelines advise that, in the absence of an external open market for the shares, the best indicator of, and evidence for, the current fair value per share is the actual price recorded in recent external transactions involving third parties.

Notes (continued)

1 Accounting policies (continued)

Interests in subsidiaries and associated entities

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. All the subsidiaries except CIWM Enterprises Limited are currently dormant.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

The Chartered Institution only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Creditors and provisions

Creditors and provision are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

Pensions

Following auto-enrolment effective from 1 May 2015, the group operates one defined contribution pension scheme, the Legal and General Work Save Pension Plan, and all employees are eligible to join it. All existing employees and all employees joining since 1 May 2015 were automatically enrolled into the Legal and General Work Save Pension Plan, unless they have exercised their right to opt out of scheme membership. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

2 Legal status of the Charity

The Chartered Institution of Wastes Management is a Royal Charter company domiciled and is registered as a charity in England and Wales and in Scotland. It has no share capital and, in the event of the charity being wound up, no liability rests with either the Trustees or its members. The Trustees are listed on page 1. The registered office is 9 Saxon Court, St Peter's Gardens, Northampton, NN1 1SX.

Notes *(continued)*

3 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision & future periods if the revision affects both current & future periods.

The following judgements have had the most significant effect on amounts recognised in the financial statements:

- a) Recognition of the fair value of the mixed motive investment in Cloud Sustainability Limited. The assumptions used for fair value measurement are set out above.
- b) The company makes an estimate of the recoverable value of trade and other debtors based on the ageing profile of debtors and historical experience.
- c) The annual amortisation charge for intangible assets is sensitive to changes in the estimated lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates.
- d) The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates.

Key sources of estimation uncertainty

For the years ended 31 December 2015 and 2014 the Trustees consider that there were no key sources of estimation uncertainty.

Notes (continued)**4 Analysis of Support Costs**

The breakdown of support costs and how these were allocated between charitable activities, the cost of raising funds, and other activities for the year to 31 December 2015 is shown below.

	Charitable Activities	Expenditure on raising funds	Other	Staff costs on projects transferred to Designated Funds	Total allocated 2015	Basis
	£	£	£	£	£	
Governance – see below	110,493	9,105	-	-	119,598	Staff time and actual costs incurred
Finance & IT	77,755	120,322	11,808	43,359	253,244	Staff time and usage
HR & General Administration	<u>49,722</u>	<u>20,109</u>	<u>-</u>	<u>84</u>	<u>69,915</u>	Staff time
Total	<u>237,970</u>	<u>149,536</u>	<u>11,808</u>	<u>43,443</u>	<u>442,757</u>	

The breakdown of support costs and how these were allocated between charitable activities, the cost of raising funds, and other activities for the year to 31 December 2014 is shown below.

	Charitable Activities	Expenditure on raising funds	Other	Total allocated 2014	Basis
	£	£	£	£	
Governance (see below)	113,898	9,095	-	122,993	Staff time and actual costs incurred
Finance & IT	88,671	135,866	5,288	229,825	Staff time and usage
HR & General Administration	<u>52,928</u>	<u>15,616</u>	<u>-</u>	<u>68,544</u>	Staff time
Total	<u>255,497</u>	<u>160,577</u>	<u>5,288</u>	<u>421,362</u>	

Governance Costs

Governance costs represent the support necessary to deliver the management and reporting requirements for the Chartered Institution, the General Council and the other Committees, including strategic planning for future development, complying with constitutional and statutory requirements, and satisfying public accountability. They primarily comprise relevant proportions of senior management time, but also include the cost of external audit, legal and other professional advice.

	2015	2014
	£	£
General Council and other Committee costs	23,004	20,827
Audit fees	18,701	17,200
Legal and professional fees	7,984	16,327
Staff costs	<u>69,909</u>	<u>68,639</u>
	<u>119,598</u>	<u>122,993</u>

Notes (continued)**5 Movement in net funds for the year**

	2015 £	2014 £
<i>Movement in net funds is stated after charging:</i>		
Auditors' remuneration:		
Audit fees	18,701	17,200
	<u>10,101</u>	<u>8,600</u>
- group	505	495
- charity	3,097	-
Non audit fees	25,826	26,782
Amortisation of intangible fixed assets	11,138	13,450
Depreciation of tangible fixed assets		
Operating lease payments		

6 Payments to General Council members

No Trustees received emoluments during the period (2014: £Nil) other than as disclosed in note 7.

As permitted by the constitutional documents, reimbursement of expenses incurred when travelling to, or engaged upon, the business of the charity or its trading subsidiary amount to:-

	2015 £	2014 £
Group	27,312	22,278
Charity	26,829	21,910
Number of Trustees	26	28

7 Staff numbers and costs

The average number of persons employed by the group during the year was 43 (2014: 41) and the average number of full-time equivalent employees (including casual and part-time staff) during the period was as follows:

	2015 Number	2014 Number
Charitable activities	16	14
Commercial trading	17	17
Support	5	5
	<u>38</u>	<u>36</u>

The aggregate payroll costs of these persons were as follows:

	2015 £	2014 £
Wages and salaries	1,400,912	1,334,807
Social security costs	140,334	133,601
Pension contributions to defined contribution pension scheme	95,898	80,316
	<u>1,637,144</u>	<u>1,548,724</u>

Notes (continued)**7 Staff numbers and costs (continued)**

All employees are eligible to join the Group health insurance scheme and premiums paid in respect of those who have opted for membership was: 2015 £20,726 (2014:£18,230). The Group also provides all employees with insurance cover for Death in Service and Permanent Health Insurance- premiums paid: 2015 £28,842 (2014:£33,105)

Key management personnel include the Trustees, the Chief Executive, the Deputy Chief Executive, the Company Secretary and the Managing Director of CIWM Enterprises Limited. The total pay and benefits received by key management personnel were £362,856 (2014: £353,507).

The number of employees whose emoluments (salaries and benefits in kind) exceeded £60,000 during the year was as follows:

	2015 No	2014 No
£60,001 - £70,000	2	2
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1
	<u> </u>	<u> </u>

Pension contributions relating to these employees earning more than £60,000 amounted to £37,160 (2014: £37,160).

Cars are provided for the Chief Executive and Deputy Chief Executive for both business and personal use; all fuel expenses relating to private mileage are paid by these employees themselves. The Managing Director of CIWM Enterprises Ltd receives a fixed monthly car allowance as part of salary.

8 Income from fixed asset investments

	2015 £	2014 £
Income from fixed asset investments:		
Listed and common investment funds	24,465	19,601
	<u> </u>	<u> </u>

9 Grant Income

Included in Grant Income is:

Income reimbursing expenditure incurred on two LIFE+ projects "EDOC" and "Equal" which are partially funded by EU LIFE+ grants; and one Leonardo Mobility Project where costs incurred are fully funded by EU grants. The grant income received from the EU for these projects during 2015 was: "EDOC" £4,971 (2014: £4,067); "Equal" £6,462 (2014: £6,636) and Leonardo Mobility project £16,190 (2014: £40,009);

A grant from the Welsh Government towards the costs of the Welsh Regional Development Officer -2015 £19,221 (2014: £19,248).

As at 31 December 2015 the awarding bodies have not notified the Institution that there are any unfulfilled conditions relating to any of these grants.

10 Indemnity insurance

The Chartered Institution operates a trustees' and officers' liability insurance cover at a cost of £3,180 (2014: £3,180).

Notes (continued)

11 Intangible and Tangible Fixed Assets

Group and Charity

	Intangible Fixed Assets	Tangible Fixed Assets			
	Computer Software £	Freehold land and buildings £	Fixtures & Fittings/Office Equipment £	Motor Vehicle £	Tangible Fixed Assets Total £
<i>Cost</i>					
At 1 January 2015	-	716,303	374,286	-	1,090,589
Additions	185,848	-	11,417	12,350	23,767
Disposals	-	-	-	-	-
At 31 December 2015	185,848	716,303	385,703	12,350	1,114,356
<i>Amortisation/Depreciation</i>					
At 1 January 2015	-	216,481	353,119	-	569,600
Charge for year	3,097	11,240	13,214	1,372	25,826
Disposals	-	-	-	-	-
At 31 December 2015	3,097	227,721	366,333	1,372	595,426
<i>Net book value</i>					
At 31 December 2015	182,751	488,582	19,370	10,978	518,930
At 31 December 2014	-	499,822	21,167	-	520,989

The freehold land and buildings are stated at cost in these financial statements. An external valuation of the freehold land and buildings was carried out in December 2003; this indicated an open market value of £650,000, this compares to the current book value of £488,582 (2014: £499,822).

The cost of freehold land and buildings includes £561,981 of depreciable assets.

The net book value at 31 December 2015 represents fixed assets used for:

	Freehold land and buildings £	Fixtures & Fittings/Office Equipment £	Computer Software £	Motor Vehicle £	Total £
Headquarters	488,582	19,370	182,751	10,978	701,681

12 Fixed asset investments

	Group 2015 £	Group 2014 £	Charity 2015 £	Charity 2014 £
Listed investments	1,299,439	1,246,713	1,299,439	1,246,713
Investment in unlisted securities	117,297	84,284	117,297	84,284
Group undertakings	-	-	160	210
	1,416,736	1,330,997	1,416,896	1,331,207

Notes (continued)**12 Fixed asset investments** (continued)**Listed investments:**

	Group and Charity 2015 £	Group and Charity 2014 £
Market value at 1 January 2015	1,246,713	1,196,736
Additions at cost	223,873	305,781
Disposals at market value	(260,154)	(275,133)
Net gain/ (loss)	89,007	19,329
	<hr/>	<hr/>
Market value at 31 December 2015	1,299,439	1,246,713
	<hr/>	<hr/>
Historical cost at 31 December 2015	1,180,541	1,094,867
	<hr/>	<hr/>

The market value of listed investments held by the group can be summarised as follows:

	2015 £	2014 £
Listed investments (excluding cash held on deposit within the portfolio)	1,221,340	1,217,618
UK common investment funds	-	-
	<hr/>	<hr/>

Individual investments which are considered significant in relation to total values are:

	2015
Polar Capital Funds PLC	7.18%
Old Mutual Global Equity Absolute Return Fund	5.42%
JP Morgan American Investment Trust PLC	7.10%
	<hr/>

Unlisted investment – Mixed Motive investment

	2015 £	2014 £
Value at 1 January 2015	84,284	200,066
Additions	33,013	-
Impairment	-	(115,782)
	<hr/>	<hr/>
Value at 31 December 2015	117,297	84,284
	<hr/>	<hr/>

Notes (continued)**12 Fixed asset investments** (continued)**Shares in group undertakings:**

	Charity 2015	Charity 2014
	£	£
CIWM Enterprises Limited	2	2
Resources and Waste UK Limited	50	100
Clean Britain Awards Limited	100	100
Waste Smart Limited	2	2
Water Smart (UK) Limited	2	2
Energy Smart Training Limited	2	2
Resource Smart Limited	2	2
	<hr/>	<hr/>
	160	210
	<hr/> <hr/>	<hr/> <hr/>

The following table sets out the subsidiaries of the Chartered Institution of Wastes Management at 31 December 2015:

Name	Country of incorporation	Nature of business	Proportion of equity held
CIWM Enterprises Limited	England and Wales	Conferences & training	100%
Resources and Waste UK Limited	England and Wales	Dormant	50%
Clean Britain Awards Limited	England and Wales	Dormant	100%
Waste Smart Limited	England and Wales	Dormant	100%
Water Smart (UK) Limited	England and Wales	Dormant	100%
Energy Smart Training Limited	England and Wales	Dormant	100%
Resource Smart Limited	England and Wales	Dormant	100%

The issued share capital of CIWM Enterprises Limited is £2, divided into 2 ordinary shares of £1 each and shareholders' funds at 31 December 2015 totalled £30,002. The company retained a profit of £Nil in 2015 (2014: £Nil). Turnover in 2015 was £1,522,253 (2014: £1,974,994).

The Chartered Institution was the sole member of CIWM (RPM), a company limited by guarantee and incorporated on 14 December 1999. CIWM (RPM) was also registered as a charity in England and Wales (registered number 1084599). It was registered with Entrust as an Environmental Body until being deregistered on 19 September 2008, and always operated independently of the Chartered Institution. The financial statements of CIWM (RPM) have not, therefore, been included in these consolidated financial statements as the Chartered Institution has not exercised control over the activities of the company. On 23 December 2015 an application was made to the Registrar of Companies to have CIWM (RPM) removed from the Register of Companies.

On 19 January 2015, 50 Ordinary shares in Resources and Waste UK Limited were sold to the Environmental Services Association at par value to facilitate the creation of a partnership between the Chartered Institution and the Environmental Services Association. During 2015 the partnership has focussed activities on communication and public relations work. All costs and expenses of this partnership are borne directly by the two partners; accordingly, Resources and Waste UK Limited does not itself trade and remains a dormant company. Further information in respect of this arrangement is provided in the Trustees' Report.

Notes (continued)**13 Debtors**

	Group 2015 £	Group 2014 £	Charity 2015 £	Charity 2014 £
Trade debtors	327,743	391,962	26,076	43,635
Amounts owed by subsidiary undertaking	-	-	187,196	107,291
Other debtors and taxation	15,181	31,652	11,132	9,731
Prepayments and accrued income	68,790	22,299	52,410	18,585
	<u>411,714</u>	<u>445,913</u>	<u>276,814</u>	<u>179,242</u>

Included in Other Debtors is an amount of £4,713 (2014: £Nil) relating to the EU LIFE+ "Equal" project.

14 Creditors: amounts falling due within one year

	Group 2015 £	Group 2014 £	Charity 2015 £	Charity 2014 £
Trade creditors	64,145	58,729	39,640	29,655
Amounts owed to subsidiary undertaking	-	-	158	158
Other creditors:				
Other creditors	67,234	95,864	40,651	60,592
Other taxation and social security	74,036	83,527	28,288	29,832
Accruals	110,856	183,301	78,929	106,332
Deferred income	144,948	186,972	98,623	112,533
	<u>461,219</u>	<u>608,393</u>	<u>286,289</u>	<u>339,102</u>

Included in Other Creditors at 31 December 2015 are amounts received under EU advance grant instalment payment terms for the EU funded LIFE+ project "Equal" of £Nil (2014: £1,749) and for the Leonardo Mobility Project of £Nil (2014: £15,197).

15 Deferred income

	Group 2015 £	Group 2014 £	Charity 2015 £	Charity 2014 £
At beginning of the year	186,972	203,292	112,533	137,082
Movement in the year	(42,024)	(16,320)	(13,910)	(24,549)
	<u>144,948</u>	<u>186,972</u>	<u>98,623</u>	<u>112,533</u>

Within the charity deferred income comprises membership subscriptions and within the group deferred income also includes training course fees, and journal subscriptions; all amounts relate to the next accounting period.

Notes (continued)**16 Statement of funds****Group – for the year ended 31 December 2015**

	1 January 2015 £	Income £	Expenditure £	Investment (Losses)Gains £	Transfers £	31 December 2015 £
General funds:	2,882,943	2,927,549	(2,941,803)	39,793	(102,974)	2,805,508
Designated funds:						
Fixed assets replacement reserve	700,000	-	(120,120)	-	-	579,880
Development reserve	500,000	-	(78,249)	-	-	421,751
Regional development	100,000	-	(102,974)	-	102,974	100,000
Waste Smart	125,000	-	-	-	-	125,000
Strategic Development reserve	119,758	-	-	-	-	119,758
Total unrestricted funds	4,427,701	2,927,549	(3,243,146)	39,793	-	4,151,897
Endowment funds:						
<i>Permanent endowment Funds:</i>						
James Jackson award – est. 1948	250	-	-	-	-	250
PEEL Peoples Cup – est. 1988	1,000	-	(250)	-	250	1,000
James Sumner award – est. 1982	12,323	-	(1,000)	-	1,000	12,323
Henry Daley Memorial Award	6,000	-	(63)	-	63	6,000
Frank Robinson Memorial Award est. 2007	5,000	-	-	-	-	5,000
Total endowment funds	24,573	-	(1,313)	-	1,313	24,573
Restricted Funds:						
Scottish Waste Award est. 2013	22,785	-	(2,495)	-	-	20,290
Total restricted funds	22,785	-	(2,495)	-	-	20,290
Total funds	4,475,059	2,927,549	(3,246,954)	39,793	1,313	4,196,760

General funds represent the free funds of the charity which are not designated for particular purposes.

The Designated funds are unrestricted funds which have been put aside at the discretion of the General Council for the particular purposes described in Note 1 "Fund accounting".

Notes (continued)**16 Statement of funds** (continued)**Group – for the year ended 31 December 2014**

	1 January 2014 £	Income £	Expenditure £	Investment (Losses)Gains £	Transfers £	31 December 2014 £
General funds:	2,881,223	3,401,790	(3,228,195)	(72,090)	(99,785)	2,882,943
Designated funds:						
Fixed assets replacement reserve	700,000	-	-	-	-	700,000
Development reserve	500,000	-	-	-	-	500,000
Regional development	100,000	-	(99,785)	-	99,785	100,000
Waste Smart	125,000	-	-	-	-	125,000
Strategic Development reserve	119,758	-	-	-	-	119,758
Total unrestricted funds	4,425,981	3,401,790	(3,327,980)	(72,090)	-	4,427,701
Endowment funds:						
<i>Permanent endowment Funds:</i>						
James Jackson award – est. 1948	250	-	-	-	-	250
PEEL Peoples Cup – est. 1988	1,000	-	(250)	-	250	1,000
James Sumner award – est. 1982	12,323	-	(1,000)	-	1,000	12,323
Henry Daley Memorial Award	6,000	-	(63)	-	63	6,000
Frank Robinson Memorial Award est. 2007	5,000	-	-	-	-	5,000
Total endowment funds	24,573	-	(1,313)	-	1,313	24,573
Restricted Funds:						
Scottish Waste Award est. 2013	25,785	-	(3,000)	-	-	22,785
Total restricted funds	25,785	-	(3,000)	-	-	22,785
Total funds	4,476,339	3,401,790	(3,332,293)	(72,090)	1,313	4,475,059

Notes (continued)**16 Statement of funds** (continued)**Charity – for the year ended 31 December 2015**

	1 January 2015 £	Income £	Expenditure £	Investment (losses)/gains £	Transfers £	31 December 2015 £
General funds:	2,852,943	1,432,973	(1,447,227)	39,793	(102,974)	2,775,508
Designated funds:						
Fixed assets replacement reserve	700,000	-	(120,120)	-	-	579,880
Development reserve	500,000	-	(78,249)	-	-	421,751
Regional development	100,000	-	(102,974)	-	102,974	100,000
Waste Smart	125,000	-	-	-	-	125,000
Strategic Development reserve	119,758	-	-	-	-	119,758
Total unrestricted funds	4,397,701	1,432,973	(1,748,570)	39,793	-	4,121,897
Endowment funds:						
<i>Permanent endowment funds:</i>						
James Jackson award – est. 1948	250	-	-	-	-	250
PEEL Peoples Cup – est. 1988	1,000	-	(250)	-	250	1,000
James Sumner award – est. 1982	12,323	-	(1,000)	-	1,000	12,323
Henry Daley Memorial award	6,000	-	(63)	-	63	6,000
Frank Robinson Memorial Award est. 2007	5,000	-	-	-	-	5,000
Total endowment funds	24,573	-	(1,313)	-	1,313	24,573
Restricted Funds:						
Scottish Waste Award est. 2013	22,785	-	(2,495)	-	-	20,290
Total restricted funds	22,785	-	(2,495)	-	-	20,290
Total funds	4,445,059	1,432,973	(1,752,378)	39,793	1,313	4,166,760

The Permanent endowment funds were established to provide capital funds for investment from which the income arising should be applied for awards to further the objectives of the Chartered Institution. To separate individual movements for each award would be unduly onerous given the size of the funds. Therefore, the net deficit between income arising and awards made has been treated as a movement on general funds.

In Spring 2013, General Council accepted funds of £26,785 from the organising committee of the Scottish Waste and Resources Conference (predecessor event to the current Scottish Waste Conference) to establish the Scottish Waste Award. This is awarded annually through an awarding committee until the monies available have been exhausted.

Notes (continued)

16 Statement of funds (continued)

Charity – for the year ended 31 December 2014

	1 January 2014 £	Income £	Expenditure £	Investment (losses)/gains £	Transfers £	31 December 2014 £
General funds:	2,851,223	1,671,390	(1,497,795)	(72,090)	(99,785)	2,852,943
Designated funds:						
Fixed assets replacement reserve	700,000	-	-	-	-	700,000
Development reserve	500,000	-	-	-	-	500,000
Regional development	100,000	-	(99,785)	-	99,785	100,000
Waste Smart	125,000	-	-	-	-	125,000
Strategic Development reserve	119,758	-	-	-	-	119,758
Total unrestricted funds	4,395,981	1,671,390	(1,597,580)	(72,090)	-	4,397,701
Endowment funds:						
<i>Permanent endowment funds:</i>						
James Jackson award – est. 1948	250	-	-	-	-	250
PEEL Peoples Cup – est. 1988	1,000	-	(250)	-	250	1,000
James Sumner award – est. 1982	12,323	-	(1,000)	-	1,000	12,323
Henry Daley Memorial award	6,000	-	(63)	-	63	6,000
Frank Robinson Memorial Award est. 2007	5,000	-	-	-	-	5,000
Total endowment funds	24,573	-	(1,313)	-	1,313	24,573
Restricted Funds:						
Scottish Waste Award est. 2013	25,785	-	(3,000)	-	-	22,785
Total restricted funds	25,785	-	(3,000)	-	-	22,785
Total funds	4,446,339	1,671,390	(1,601,893)	(72,090)	1,313	4,445,059

Notes (continued)

17 Consolidated Statement of Financial Activities for the year ended 31 December 2014

	Note	Unrestricted funds			Total funds 2014 £
		General Funds £	Designated Funds £	Endowment & Restricted funds £	
Income					
Income from charitable activities:					
Membership subscriptions		1,010,930	-	-	1,010,930
Regional centre income		211,282	-	-	211,282
Income from trading activities					
Commercial trading operations		1,946,059	-	-	1,946,059
Investment income	8	19,601	-	-	19,601
Interest receivable		32,289	-	-	32,289
Grant income	9	69,960	-	-	50,712
Other income		111,669	-	-	130,917
		<hr/>	<hr/>	<hr/>	<hr/>
Total income		3,401,790	-	-	3,401,790
Expenditure					
Expenditure on raising funds					
Investment management		(13,448)	-	-	(13,448)
Commercial trading operations		(1,681,710)	-	-	(1,681,710)
Charitable activities:					
Staff costs		(781,093)	(83,967)	-	(865,060)
Regional centre expenses		(200,186)	(10,140)	-	(210,326)
Committee directed costs		(176,021)	-	-	(176,021)
Committee running costs		(75,679)	-	-	(75,679)
Premises costs, postage, stationery, communications		(180,991)	-	-	(180,991)
Institution awards		(4,828)	-	(3,000)	(7,828)
Honoraria		(7,620)	-	-	(7,620)
Travel and accommodation		(21,656)	(5,678)	-	(27,334)
Other expenditure:					
Insurances and other Professional fees		(48,087)	-	-	(48,087)
Amortisation		-	-	-	-
Depreciation		(26,782)	-	-	(26,782)
Financing costs		(10,094)	-	-	(10,094)
		<hr/>	<hr/>	<hr/>	<hr/>
Total operating expenditure		(3,228,195)	(99,785)	(3,000)	(3,330,980)
		<hr/>	<hr/>	<hr/>	<hr/>
Net operating income/ (expenditure)		173,595	(99,785)	(3,000)	70,810
		<hr/>	<hr/>	<hr/>	<hr/>
Net gains/(losses) on investment assets		(72,090)			(72,090)
		<hr/>	<hr/>	<hr/>	<hr/>
Net income/expenditure		101,505	(99,785)	(3,000)	(1,280)
		<hr/>	<hr/>	<hr/>	<hr/>
Transfers between funds		(99,785)	99,785		-
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds	5	1,720	-	(3,000)	(1,280)
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds brought forward	16	2,881,223	1,544,758	50,358	4,476,339
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward	16	2,882,943	1,544,758	47,358	4,475,059
		<hr/>	<hr/>	<hr/>	<hr/>

Notes (continued)**18 Analysis of group net assets between funds**

	Unrestricted Funds	Endowment & Restricted funds	Total
	£	£	£
<i>Fund balances at 31 December 2015 are represented by:</i>			
Tangible and intangible fixed assets	701,681	-	701,681
Investments	1,371,873	24,573	1,396,446
Current assets	2,539,562	20,290	2,559,852
Current liabilities	(461,219)	-	(461,219)
	<hr/>	<hr/>	<hr/>
Total net assets	4,151,897	44,863	4,196,760
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	Unrestricted Funds	Endowment & Restricted funds	Total
	£	£	£
<i>Fund balances at 31 December 2014 are represented by:</i>			
Tangible and intangible fixed assets	520,989	-	520,989
Investments	1,283,639	24,573	1,308,212
Current assets	3,231,466	22,785	3,254,251
Current liabilities	(608,393)	-	(608,393)
	<hr/>	<hr/>	<hr/>
Total net assets	4,427,701	47,358	4,475,059
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

In the opinion of the Trustees, sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

19 Commitments

Future minimum lease commitments under non-cancellable operating leases at 31 December 2015 were as follows:

	Group 2015	Group 2014	Charity 2015	Charity 2014
	£	£	£	£
<i>Operating leases which expire:</i>				
In less than one year	1,582	3,237	1,582	3,237
In the second to fifth years inclusive	8,674	18,157	8,674	18,157
	<hr/>	<hr/>	<hr/>	<hr/>
	10,256	21,394	10,256	21,394
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)

20 Related party transactions

Payments made to trustees for other services during the year were as follows:

<i>Payment To:</i>		<i>Payment From:</i>	£
T March	- training	CIWM Enterprises Ltd	7,732
T March	- Centre Secretary (Honorary)	CIWM	690
J Baird	- President (Honorary)	CIWM	1,068
MR Hewitt	- Honorary Treasurer (Honorary)	CIWM	835
			<hr/>
			10,325
			<hr/> <hr/>

All transactions relating to payments made by CIWM Enterprises Limited to Trustees for training services are on a third party arms length basis at rates comparable with payments to other tutors. Fee rates paid to all tutors are monitored and assessed regularly against market rates payable both in the waste industry sector and more widely.

The honoraria are payments made to Trustees who also undertake certain additional duties as Honorary Officers either of the Institution or of a Regional Centre. Trustees are presently re-considering both the nature and value of these payments.

21 Taxation

As a charity, the Chartered Institution of Wastes Management is exempt from tax on the income and gains arising from its charitable activities and its investments to the extent that the income and gains are applied for charitable purposes.