

Chartered Institution of Wastes Management
(CIWM) (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 2016

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Trustees' report

General Council members, key management personnel and advisers

General Council members

Members of General Council who are the Trustees of the Chartered Institution of Wastes Management (CIWM) and who all served in office throughout 2016 except where indicated were:

MP Bates BSc(Hons) PhD FCIWM	President & Chair of Scientific & Technical Committee
DC Wilson BA MA PhD CEnv MBE FCIWM	Senior Vice President
E Kiernan MSc CEnv FCIWM	Junior Vice President from October 2016
JI Baird BSc (Hons) PhD CEng MICE FCIWM	Immediate Past President
JR Quinn FCIWM	Immediate Past President until October 2016
S Corne BSc ACA CertEd	Honorary Treasurer from 13 June 2016
MC Thorpe MBA FCIWM	Chair of Executive Committee until 19 January 2017
TJ Nicoll BSc(Hons) MCIWM	Chair of Education, Training & Membership Committee
M Dunn	Chair of the Board of CIWM Enterprises Limited from 5 July 2016
CF Clark FCIWM	
RL Colley-Jones FCIWM	
DAP Cooke MCIWM	
T Cuthbert BSc(Hons) MCIWM	Appointed 13 June 2016
CP Devine MCIWM	Appointed 13 June 2016
SJ Didsbury FCIWM	
J Downer BSc MCIWM	
MG Ellis MCIWM	Appointed 13 June 2016
JM Ferguson, OBE, MA, BSc(Eng), BA(Hons), CEng, FICE, MIMechE FCIWEM, FCIWM,	Past President at 11 June 1991
JI Harper BSc MBA CGeol FGS MCIWEM FCIWM	
T March CEnv FCIWM MIMT	
AD Read BSC FCIWM CEnv	Appointed 13 June 2016
CSL Reynolds FCIWM	
MJ Sharp FCIWM	
J Skidmore CEnv FCIWM DMS MIMT	
T Walker BSc MA MSc MCIWM CEnv	
J Watts MCIWM	
AL Willetts BSc PhD FCIWM	Appointed 13 June 2016
SW Wise BSc PhD MCIWM	Appointed 13 June 2016

The following General Councillors resigned on 13 June 2016 – AA Banks; DR Greedy; SL Harwood-Clark; and T Jones; and K Simmonite was Chair of the Board of CIWM Enterprises Limited and MR Hewitt was Honorary Treasurer until their resignation on 13 June 2016.

The Trustees are saddened to record the death of MC Thorpe on 19 January 2017 who had been a Trustee for a number of years and most recently was Chair of the Executive Committee.

Trustees' report (continued)
Report of the General Council for the year ended 31 December 2016

Key Management Personnel

Dr CA Church AUS BSc DIC PhD MCIWM	Chief Executive - CIWM Group from 17 October 2016
CP James BSc(Hons) MA MCIWM	Chief Executive - WAMITAB
SJ Lee BSc CEnv FCIWM	Chief Executive to 17 October 2016
CJ Murphy BSc CEnv FCIWM	Deputy Chief Executive
SL Poulter	Managing Director of CIWM Enterprises Limited
KW Webster BA FCA DChA	Director of Finance - CIWM Group and Company Secretary

Registered office address

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Marefair,
Northampton,
NN1 1SX

Website: www.ciwm.co.uk

Advisers

Bankers:

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

National Westminster Bank Plc
41 The Drapery,
Northampton, NN1 2EY

Solicitors:

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

Investment managers

Brewin Dolphin Limited
12 Smithfield Street,
London,
EC1A 9BD

Rathbone Brothers PLC
8 Finsbury Circus,
London
EC2M 7AZ

Auditors:

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

<p>Trustees' report (continued) Report of the General Council for the year ended 31 December 2016</p>
<p>The General Council present their report and audited consolidated financial statements of CIWM and its subsidiaries for the year ended 31 December 2016.</p>
<p>OBJECTIVES AND ACTIVITIES</p>
<p>Charitable Objects</p>
<p>The stated Objects of the CIWM Group 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.</p> <p>The Wastes Management Industry Training and Advisory Board (WAMITAB) became a subsidiary of CIWM on 25 July 2016. It is a registered charity and its stated Objects are to advance education in the sciences of waste management, waste disposal (including waste contracting, processing, management, recycling and transportation) and ancillary sectors including but not limited to facilities management, for the public benefit in both the United Kingdom and worldwide.</p> <p>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.</p> <p>The General Council has reviewed the definitions in the Act and considers that the Charitable Objects of CIWM fall within three of the charitable purposes, namely:</p> <ul style="list-style-type: none"> • the advancement of education; • the advancement of environmental protection or improvement; and • the advancement of health. <p>The Trustees of WAMITAB have reviewed the definitions in the Act and consider that the Charitable Objects of WAMITAB fall primarily within one of the charitable purposes, namely: the advancement of education. However, they also consider that the advancement of education in the resources and waste sector contributes to two other charitable purposes defined in the Charities Act 2006, namely:</p> <ul style="list-style-type: none"> • the advancement of environmental protection or improvement; and • the advancement of health. <p>The General Council of CIWM have also reviewed the guidance issued by the Charity Commission and consider that the activities of the CIWM Group comply with the criteria stated in that guidance for each of the respective charitable purposes noted above.</p>
<p>Objectives, Aims and Intended Impact</p>
<p>The vision that shapes the activities of the CIWM Group and its overall aim of delivering relevant, high quality, identifiable impacts within these Objects is the promotion and development of:</p> <ul style="list-style-type: none"> • continuous improvement in and the maintenance of high standards of professionalism in sustainable wastes and resources management; and • relevant and high quality qualifications and learning to support career progression, skills and technical competence in the facilities management and sustainable wastes and resources management sector.

Trustees' report (*continued*)

Report of the General Council for the year ended 31 December 2016

Objectives, Aims and Intended Impact (*continued*)

The CIWM Group'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.

Within this, WAMITAB's objectives for both the immediate future and in the longer term, are to:

- promote and award qualifications and learning that underpin high standards of education, practice and competence across the sectors it serves ;
- promote the importance of independently recognised qualifications and standards of competence;
- develop and support systems for the assessment and award of apprenticeships;
- advise environmental regulators on skills and qualifications in support of technical competence;
- influence the development of policy for new education frameworks and qualifications; and
- research, devise and develop qualifications and learning products to support skills and learning requirements in relevant adjacent industry sectors of the UK and overseas.

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 CIWM in their work and career development;
- raising standards and competence throughout the resources and wastes management industry;
- supporting individual learners in their work and educational development; and
- raising standards and competence throughout the resources and wastes management industry and broader facilities management industry.

In setting the CIWM Group's objectives and in planning the Group's 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, including the guidance "Public benefit: running a charity (PB2)".

Principal activities

CIWM delivers its aims and objectives through different activities, most of which, because of their relevance and importance, remain constant from year to year.

As a membership organisation, CIWM remains dedicated to seeking to improve the member experience and provide members with the tools and support to achieve success in their jobs and careers, including through qualifications and skills solutions promoted and awarded by WAMITAB.

CIWM works collaboratively internally and externally to share knowledge and good practice and to provide solutions for members, learners, customers, employees and the environment.

CIWM seeks to operate its organisation ethically and professionally with excellent customer service. It promotes, maintains, improves and recognises professional standards in the sector; and, through WAMITAB, promotes and awards qualifications and learning.

In all its work, CIWM endeavours to be forward-thinking and innovative in how it develops and implements service and policy ideas, ensuring value for money for members, learners, and customers.

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2016

Principal activities (continued)

CIWM has a strong outward facing role, focussing on using the knowledge, credibility and authority it derives from its members to:

- influence policy and regulatory developments affecting the resources and waste management sector in the UK and Ireland;
- influence the sustainable performance of other industry sectors and of society generally; and
- help to show the sector in an accurate and positive light in the media and in direct communications.

Work in these areas includes;

- working closely with representatives of government departments and agencies to inform and influence policy and regulatory developments in England, Ireland, Northern Ireland, Scotland and Wales and in the UK as a whole;
- working with partners (especially ISWA) to inform and influence policy and regulatory developments in the EU and more widely;
- 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; and relevant qualifications and skills solutions; and
- working in collaboration with relevant partners to establish, promote and deliver technical research, relevant training and educational resources, and professional competence schemes and learning for the industry.

General Council and members generally are encouraging and supporting the CIWM Group to develop and extend collaborative working arrangements, whether formal or informal. Such partnerships are enabling and, will enable, the Group 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 (estimated to be in excess of 400) who support and contribute to the organisation's work through their service on committees, Special Interest Groups, Centre Councils, and Working Parties and in representing the Group on other outside bodies and organisations. This commitment by volunteers enables the CIWM Group 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 CIWM's status, reputation and influence.

ACHIEVEMENTS AND PERFORMANCE

Activities undertaken during the year

The CIWM Group 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, including:

Tackling general environmental issues and problems

This work is an important element in the CIWM Group's work for the public benefit and the remit of its charitable purposes; and during 2016 it has worked on several issues including focussing on combatting Waste Crime.

Waste Crime is a topic that has brought the whole the industry sector together to work collaboratively on initiatives to address this growing environmental problem. Collaborating with other sponsors (Natural Resources Wales and

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2016

Activities undertaken during the year (continued)

the Environment Agency) both CIWM and WAMITAB have given financial assistance and practical support during 2016 to the "Right Waste, Right Place" project led by Environmental Services Association (ESA). This is a coalition of public bodies, including Natural Resources Wales, the Environment Agency, the NFU, Veolia, Travis Perkins, Build UK, URoC, FSB, SUEZ and LARAC to support and promote a campaign aimed primarily at SMEs. It aims to raise awareness of the Duty of Care legislation and provide practical information to help companies, partnerships, family businesses and sole traders from a broad range of sectors to comply and help keep waste out of the hands of waste criminals.

Trustees note that CIWM played an important part in driving the consensus to upgrade regulatory powers and welcomed their launch in April 2016. CIWM delivered two free webinars on these new powers for an audience of waste producers, managers, waste carriers and brokers aimed at encouraging both compliance and prevention.

Uptake of the "Electronic Duty of Care" (EDOC) project which established a modern electronic system for waste transfer notes to enable waste producers and waste management companies to comply with duty of care requirements more easily and cost effectively continues to increase. This efficient system is another important element in the fight against Waste Crime which CIWM continues to promote and is actively supporting recent initiatives in Scotland to make use of the system compulsory. Steve Lee, former CEO of CIWM, chaired the working group of representatives from Scotland, Northern Ireland and England tasked with reviewing the future development and improvement of the EDOC system. CIWM also continues to chair the ongoing EDOC Technical Advisory Group.

Influencing and communicating

From the date the Referendum was announced the question of whether the United Kingdom should leave the EU and, from June 2016, the detail and implications of Brexit have dominated this section of CIWM's work. Trustees decided that CIWM should not take a position on the decision but prior to the vote, CIWM sought and reported views from its members presenting both sides of the debate. Following the result, CIWM has sought to ensure that the environmental issues in general, and waste and sustainable resource objectives in particular, are highlighted and given the prominence and weight they merit.

Collaborative working on policy issues has continued through Resource and Waste UK (R&W UK) the partnership with ESA that has created a single voice championing the future of resource management. R&W UK has issued comment on a number of matters including the EAC report on 'The Future of the Natural Environment after the EU Referendum' and the Industrial Strategy Green Paper.

Research on a forward looking topic highlighted as important by Professor Margaret Bates, (incoming President from October 2016) was published in early 2017. The report is entitled "Digital Technology and consumer trends. Future Scenarios for Waste and Resources Management." This report complemented the "Reuse in the UK and Ireland – a State of the Nations Report" launched at her Presidential inauguration which assessed the state of reuse in the industry sector in the UK and Ireland, reviewing the impact and effectiveness of activities such as car boot sales, online selling/swopping services and upcycling.

Electronic methods remain essential to communicate with members and disseminate news to the industry more widely with social media key to this (especially the two Twitter accounts for the Chief Executive Officer @DrColinChurch and the News feed @CIWM). The CIWM Journal website is the first port of call for members and others seeking up-to-date news and comment on the industry.

Partnerships with other charities

During the period to 31 December 2016, WAMITAB Trustees have received reports from the Water Conservation Trust and Robinson College relating to grants it made to them in previous years. The monies donated to the Water Conservation Trust are being used to extend their MSc bursary programme to include research into waste management; and Robinson College made the first grant to a PhD student from the Lord Lewis Research

Trustees' report (*continued*)

Report of the General Council for the year ended 31 December 2016

Activities undertaken during the year (*continued*)

Studentship in Chemistry for the 2016/17 academic year. The initial tranche of £250,000 from a total donation of £500,000 was paid to the Environmental Services Association Education Trust (ESA ET) in June 2016. ESA ET is a charity whose main charitable purpose is to further education and training in waste management."

Improving and extending knowledge, skills and professionalism

The CIWM Group has focussed efforts on this task to further both the educational and also the general environmental charitable purposes. Specific activities during 2016 included delivering:

- the "Resourcing the Future" annual conference in June 2016 in Central London drawing in two partners – the Resources Association and the Environmental Services Association;
- the Scottish Resources Conference in conjunction with Zero Waste Scotland, the Scottish Government and local CIWM Centre;
- the CIWM Resource Conference Cymru in conjunction with the Welsh Government, WRAP Cymru and the CIWM Cymru Centre;
- "The Irish Waste Management Conference: Weigher to from here?" delivered by the CIWM Republic of Ireland Centre in partnership with the Waste Management Association of Ireland;
- low cost events & networking opportunities for members & others through its regional Centres;
- training courses to both UK and international customers in a variety of sectors including ones adjacent to the wastes and resources management sector, such as construction and facilities management;
- e-learning and other online tools, including the Waste Smart Foundation Certificate; and
- a study tour to Oslo delivered by the London and Southern Counties Centre.

CIWM is grateful to a number of organisations who support some of these national and regional events - particularly Wastepack who again funded bursaries for delegates to all the conferences and to Zero Waste Scotland who support the Scottish Resources Conference. CIWM Regional Centres also sponsor students and others to attend these conferences.

Working together CIWM and WAMITAB have:

- maintained the Continuing Competence scheme for England and Wales;
- completed 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 two year cycle in April 2016;
- worked with government agencies and others in the devolved nations of the UK to develop appropriate competence schemes; and
- worked with the Northern Ireland Environment Agency (NIEA) in support of both primary and continuing competence.

Other educational activities delivered include:

- 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;
- hosting and running free webinars for members and other on a variety of topics including duty of care and re-use – this latter webinar focussed on the CIWM Presidential Report "Reuse in the UK and Ireland – a State of the Nations Report" launched on 18 October 2016 by incoming President, Professor Margaret Bates;
- hosting and running free webinars for non-members including on electronic duty of care for local authorities; vehicle route optimisation and a webinar entitled "Thriving when times are tough".

Trustees' report (*continued*)

Report of the General Council for the year ended 31 December 2016

Activities undertaken during the year (*continued*)

Health and safety

This topic remains a key priority as the industry sector struggles to address and improve performance.

The CIWM Group has been and continues to work alongside other partners on various initiatives to help the industry address this issue, including:

- working with the Health and Safety Executive to strengthen and develop the WISH (Waste Industry Safety and Health) forums;
- developing and from February 2017 hosting a new website for WISH;
- collaborating with the Fire Protection Association, the Chief Fire Officers Association and WISH to develop a two day training course on Fire Prevention Plans;
- the CIWM Midlands Centre working with partners in Denmark and Sweden to take forward the excellent results of the European Union funded Leonardo Mobility Skills Exchange Programme to set up a forum facilitating continued inter-company exchanges focussing on the transfer of skills and experience in health and safety practices.

Other work on health and safety issues has included the publication by the Healthcare Waste Special Interest Group of two publications. In February 2016 "Managing Healthcare Type Waste from Non-Healthcare Activities" and in July 2016 "Community Healthcare Waste Management – Waste from the Home Environment".

Supporting members and the industry overseas

Opportunities to promote the work and aims of CIWM abroad are taken up wherever possible.

During his Presidential term, Professor Jim Baird, visited the United Arab Emirates to support the growing group of members located in that area. As part of that visit he conducted a number of interviews as part of the process to certify members at Chartered Waste Manager status.

CIWM is the United Kingdom National Member of ISWA. Several members are involved in ISWA Working Groups and Committees; and a delegation was sent to the ISWA Annual Congress in Serbia.

During 2016 WAMITAB has continued to work with its overseas partners in Italy, Cyprus and Poland on the Erasmus EwasteR project; the focus of which is the design and testing of new management skills for the development of the waste electrical and electronic equipment recycling and re-use systems in Europe.

The Deputy Chief Executive has continued to host a number of inward delegations either through the Department of International Trade (DIT, formerly UKTI) or directly.

CIWM also supports the DIT stand at the RWM Exhibition in September; and provides free "online" membership to members located in low-income developing countries as identified by the World Bank.

Use of Technology

As reported in the 2015 Trustee report, the modernisation of business information and systems was a fundamental objective of the resources committed to the development and implementation of a new Customer Relations Management database. This has now had an opportunity to embed and advantage is being taken of the facilities offered to reduce and streamline administration. Electronic and online delivery is now standard for, among other things:

- membership subscription notices and reminders;
- customer invoices and statements;
- circulation of papers for CIWM business meetings;
- ballots for elections to Trustee, regional Centre and Committee positions; and
- membership applications.

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2016

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Economic and commercial conditions have remained challenging during 2016. Many of the CIWM Group's products and services fall into the category of "optional spend" for which recovery and growth is always slower. The continued imposition of constraints upon public sector expenditure continues to impact revenues, particularly those of CIWM's trading subsidiary, CIWM Enterprises Limited. The effect of this together with the continued commitment of staff time and resources to the development and implementation of a new comprehensive customer relationship database has impacted upon results for the year.

However, the new single customer and contact database is beginning to deliver efficiencies particularly by providing members and others with greater online functionality. During Summer 2016 the online event booking system was rolled out to include the regional Centre events, providing greater accessibility for delegates and supporting the volunteers in the regions who organise and deliver these locally based events. This investment in vital infrastructure is being consolidated and progressed through the development of a full Technology strategy which will inform ongoing work through 2017 and beyond.

CIWM has recorded net operating expenditure (a deficit) on Unrestricted General Reserves for the year of £236,683 (2015: £318,092 deficit).

The results of WAMITAB have been consolidated from the date it became a wholly owned subsidiary of CIWM – 25 July 2016. WAMITAB is a registered charity in its own right and its reserves can only be expended in furtherance of its charitable objectives. They are, therefore, shown as a Restricted Fund. WAMITAB's income and expenditure for the period has been recorded separately from the other results of the CIWM Group in a separate column.

After including the results of WAMITAB and the other Endowment funds, consolidated net operating income (a surplus) of £2,525,187 is reported. This result reflects the inclusion for the first time in CIWM's financial position of the net accumulated reserves held by WAMITAB on the date it became a wholly owned subsidiary of CIWM; these totalled £2,745,702 and, as required by accounting regulations, have been recorded in the Statement of Financial Activities as a donation received during the year, thus increasing the Group's income. This is an accounting presentation only.

WAMITAB's results on its usual business activities during the period it has been a member of the CIWM Group (i.e. from 25 July to 31 December 2016) was a surplus of £15,385.

Further details about WAMITAB and its 'acquisition' by the CIWM Group are given in the Group Structure and Relationships section of this Report and also in Notes 8 and 13 to the Financial Statements.

After recognition of realised and unrealised investment gains of £159,982 (2015: £39,793 net gains) the net consolidated income to be transferred to all reserves was £2,685,169 (2015: £278,299) which means that the CIWM Group consolidated funds have increased from £4,196,760 to £6,881,929.

As explained below in the section on Reserves, Trustees have reconsidered the purposes for which reserves are required and have reassessed the need for Designated Reserves. They have decided that the only Designated Reserve required going forwards is that relating to the replacement of Fixed Assets. Accordingly funds held in the previous Designated Funds as at 31 December 2016 entitled Development reserve, Regional Development reserve, Waste Smart reserve and the Strategic Development reserve have been transferred back into General unrestricted funds. The amount transferred from Designated Reserves to Unrestricted General Funds is £766,509. This has resulted in the CIWM Group Unrestricted General Funds increasing from £2,805,508 to £3,460,969.

The net operating deficit of £236,683 is a disappointing result but Trustees remain confident in the underlying strength of CIWM and its brands and the demand from members and others for the services and benefits the Group provides. The Group consolidated balance sheet remains strong with substantial accumulated financial reserves providing the strength and depth to enable it to meet and overcome challenging economic circumstances. Trustees and senior staff have been, and continue, to work on developing and establishing strategies and initiatives to

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2016

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

address these challenges and to implement robust budgets and plans to bring the CIWM Group's financial results into sustainable annual surpluses in order to re-establish and further strengthen its financial position. This work includes commissioning an in-depth research study to inform the future development of products and services both for members, learners and customers in the industry sectors the Group serves.

Further work and expenditure will be incurred during 2017 on the IT infrastructure, including reworking the websites and extending their functionality and helping the regional Centres to use the new database to promote and deliver their local and regional events. Trustees consider that this work together with other activities will continue to deliver and develop improved and extended services both for members and others within the waste and resource management sectors and also more widely for the general public benefit.

Reserves policy

The total unrestricted funds (that is the Designated funds and the General Funds) held by the charitable group as at 31 December 2016 were £4,040,849 (2015: £4,151,897). This excludes funds held by WAMITAB shown as Restricted because they can only be used in furtherance of the charitable purposes of this separate charity.

Reserves are required to provide the charity with a firm financial foundation and to provide the stability required to fund day-to-day operations. They also provide the funding for future investment whether on essential capital requirements to support the operational delivery of the charity's aims and purposes, or on the research and development of new activities or longer term initiatives.

The Trustees have reviewed the reserves of CIWM taking into account relevant factors, including:

- forecasts for levels of income for the current and future years, taking into account the reliability of each source of income and the prospects for developing new income sources;
- forecasts for expenditure for the current and future years on the basis of planned activity; and
- analysis of any future specific financing needs, for example to maintain and replace tangible and intangible fixed assets;

Based on this detailed review and also taking into account relevant regulatory requirements, Trustees have concluded that reserves at a value of approximately £1.9 million are required to finance the charity's day-to-day operations. Trustees have assessed that a further amount of approximately £580k should be retained to fund maintenance and further development of critical infrastructure, including IT systems in particular the database, and this amount is included in a Designated Fund – the Fixed Asset Replacement Reserve.

Trustees have, therefore, concluded that at 31 December 2016, allowing for the items referred to above, the remaining reserves are available for general expenditure. This assessment is kept under regular review through scrutiny of the monthly accounts, comparisons of results against budgets and consideration of current activities. A full review and update is also carried out, at least, annually

Investment policy and objectives

CIWM and WAMITAB each hold a portfolio of investments for which Trustees obtain expert investment management advice from the respective discretionary investment managers.

CIWM's policy is medium risk emphasising capital appreciation; WAMITAB's investment policy is low risk emphasising both capital appreciation and income growth with an overarching target to provide a total return of, at least, RPI plus 3%. All investment income received on both portfolios is also reinvested.

In January 2017 Trustees approved an updated ethical investment policy for the CIWM portfolio.

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2016

Investment performance against Objectives

CIWM's investments were managed until April 2016 by Arbuthnot Latham, at which time they were transferred to the management of Brewin Dolphin, CIWM's discretionary investment managers. WAMITAB's portfolio has been managed throughout the year by Rathbone Brothers PLC on a discretionary management basis.

The two portfolios generated investment income of £87,313 (2015: £24,465) which was re-invested. World stock markets have moved upwards particularly during the last months of the year resulting in the investment portfolios recording unrealised gains for the year which total £129,329 (2015: £32,948 unrealised losses). Disposals of investments made during 2016 from the two portfolios resulted in realised gains of £30,653 (2015: £72,741).

During the year the Trustees of CIWM and WAMITAB received investment performance information and other general investment advice and comment from the respective discretionary investment managers.

In addition to the CIWM Group's listed investments, CIWM also held 469 Ordinary shares in Cloud Sustainability Limited as a mixed motive investment. Post year end, on 20 June 2017, Ditto AI Limited purchased the entire issued share capital of Cloud Sustainability Limited at a valuation of £2 million in a share for share transaction. CIWM now holds, as a mixed motive unlisted investment, 8,456,450 Ordinary Shares in Ditto AI Limited

Ditto AI Ltd are a software development company specialising in artificial intelligence platforms for use in several industry sectors. It is understood that Ditto AI Ltd intend to raise further capital in the next few months to finance further product development and expansion; and that they will be using Cloud's Waste Expert product as an exemplar of Ditto AI Ltd's technology's capabilities. It is expected that further capital investment will be made to enhance and develop the Waste Expert product, with the waste and resource management sector remaining an important product area for the Ditto Group in the immediate future.

Based on the valuation placed on Cloud Sustainability Limited by this transaction, CIWM's shares in this unlisted security (now Ditto AI Limited) are valued at £132,075; however, no alteration has been made to reflect the small gain over the carrying value of £117,297 shown in the Financial Statements as Trustees consider that that carrying value is a reasonable reflection of the investment's fair value. The detailed Accounting Policy in Note 1 to the Financial Statements provides further details about how fair value is established.

Awards

The income from CIWM's permanent endowment funds is available for the granting of professional awards as shown in Note 17 to the financial statements. These professional awards were presented at high profile events either in June at an industry dinner or in November 2016 at the Sustainability and Resource Awards which celebrate best practice throughout the industry and its customer sectors.

Risk Management

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

Trustees and senior managers recognise the importance of identifying risks and establishing systems and procedures to mitigate those identified; and this process is embedded in the charity's business planning which includes regular reviews and assessments of risks.

The following key controls are used by CIWM 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

Trustees' report (*continued*)

Report of the General Council for the year ended 31 December 2016

Risk Management (*continued*)

- regular monitoring and review of Disaster Recovery Plan and Business Continuity Plan.

Alongside the constitutional review, the Trustees are also reviewing and revising policies and procedures to strengthen the governance foundation. Policies approved during 2016 and at the General Council meeting on 25 April 2017 include a new Conflicts of Interest policy which replaces the previous policy that was set out in the constitution in Practice Direction 9. The policy establishes new reporting mechanisms that apply not only to Trustees but also to anyone working with the CIWM Group. Trustees also approved a policy on the Modern Slavery Act and revisions to Practice Directions 5 and 8. Both these policies and the revised Practice Directions are available on the CIWM website.

Appropriate record keeping is maintained, including a Register of General Councillors' Interests.

The General Council has reviewed the major risks to which CIWM is exposed and considers that the principal risks are financial stability and the need to modernise CIWM'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.

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

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.

FUTURE PLANS

2017 is shaping up to be a pivotal year in the evolution of the waste & resource management sector into a major element of the long term economic, environmental and social development of the UK and CIWM intends to play a full part in the developing thinking. Within this, the main themes that CIWM will pursue in 2017 are:

- Further efforts to address waste crime, including continuing to support the "Right Waste, Right Place" project; highlighting persistent poor performance and developing initiatives re. fire prevention and littering;
- Waste & resources post-Brexit with focus on responding to consultations on the Great Repeal Bill; the development of a 25 year environment plan and an industrial strategy combined with a carbon emissions reduction plan and a circular economy package;
- Health & safety;
- Producer responsibility – looking at product design, packaging and its potential/actual recyclability;
- Household recycling – seeking to influence a drive to harmonisation and the implementation of programmes with targets, incentives and penalties; and
- Reuse.

Other key elements in the CIWM Group's plans for 2017 include:

- reaffirming its commitment to delivering benefits for members and improving the member experience;
- revising the approach to membership to improve retention and growth rates and encourage member engagement;
- developing the commercial products offered by CIWM Enterprises Ltd and ensuring that they are aligned with the charitable purposes and the prime objective of serving members;
- promoting and strengthening the CIWM brand with increased communications output and reach;

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2016

FUTURE PLANS *(continued)*

- working with the relevant employer groups and others to develop apprenticeship standards;
- researching and investing in establishing an independent End Point Assessment organisation;
- continuing the review of the constitution to create an Institution with strong corporate governance and the flexibility to respond quickly to changing needs and demands; and
- supporting and strengthening the regional Centres to create local hubs for member benefits and engagement.

Collaborative working with other organisations remains key to delivering on these plans and objectives. Trustees, therefore, continue to place importance on developing and strengthening existing partnerships; and, where appropriate, they encourage establishing new arrangements whether for ad hoc topics or on a longer term basis.

Trustees will also monitor the financial position and budgets during the year keeping forward financial planning under careful review. An important focus remains to seek and develop all appropriate opportunities to improve the CIWM Group'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.

CIWM's governing instruments are the Royal Charter, its Bye-Laws, Regulations and Practice Directions sealed on 1 March 2002. Trustees initiated a detailed review of the constitution on 16 October 2013 with priorities including the election processes and Committee structure; work on this review is still ongoing.

General Council approved revisions to Practice Directions numbers 5, 8 and 9 at the meeting on 25th April 2017.

The governing documents can be viewed on CIWM's website.

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 CIWM, the General Council consists of:

- (a) The Honorary Officers – President, Senior Vice-President, Junior Vice-President, & Honorary Treasurer and Honorary Vice Treasurer.
- (b) The Chairman (President of CIWM) 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 CIWM from each Centre (the geographic regions of CIWM) – 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

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2016

Appointment and election of General Council members (continued)

- (g) Chairman of Scientific and Technical Committee
- (h) Chair of the Board of CIWM Enterprises Limited.

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, but this position is being reviewed. The Chair of Executive Committee is elected by and from the Elected General Councillors.

The details of the General Councillors who served during 2016 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 2016. 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 2016 to attend scheduled NCVO training course.

The new customer and contact database provides resource library functionality and an alert service which is being used to improve the accessibility and efficiency of informing Trustees about relevant newsletters and guidance documents. Charity Commission newsletters, NCVO newsletters and other relevant guidance are uploaded to this resource library when received.

Periodically, training on specific topics is provided for Trustees by suitably qualified individuals or organisations. The next update session on governance is being organised for the General Council meeting in June 2017 and will be provided through NCVO.

Organisational Management

CIWM 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. CIWM also has two review committees - 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. Information explaining how General Councillors are appointed to office is given in the section "Appointment and election of General Council members" above.

The members of the General Council are also the directors for the purpose of the Companies Act 2006.

Group Structure and Relationships

CIWM 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.

On 25th July 2016 the Wastes Management Industry Training and Advisory Board became part of the CIWM Group. It is registered as a charity in England and Wales. It promotes and develops relevant and high quality qualifications and learning to support career progression, skills and technical competence in the facilities management and sustainable wastes and resources management sectors.

Trustees' report (continued)

Report of the General Council for the year ended 31 December 2016

Group Structure and Relationships (continued)

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

CIWM 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). On 5 April 2016 the Registrar of Companies confirmed that CIWM (RPM) had been dissolved and removed from the Register of Companies. As reported in the 2015 Trustees Report, the remaining funds (£11,148) held by CIWM (RPM) were formally transferred by its Trustees to CIWM to be used to support work undertaken in connection with the educational and research charitable purposes and are held as a ring-fenced fund.

CIWM 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 CIWM entered into a formalised partnership arrangement with the Environmental Services Association (ESA) to include closer working in respect of technical and policy development; support to members and others in the Centres. The CIWM Journal includes material prepared by ESA. To facilitate this partnership working and to provide a forum for the two organisations to respond to policy consultations and make other announcements together. CIWM and ESA are joint owners of Resources and Waste UK Limited.

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 CIWM in charge of directing, controlling, running and operating CIWM 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 CIWM are as listed on pages 1 and 2. Particulars of CIWM's professional advisers are given on page 2.

Auditors

The re-appointment of Kingston Smith LLP as auditors of the company will be considered at the forthcoming Annual General Meeting on 13 September 2017.

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 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

S Corne
Honorary Treasurer

7-9 St Peter's Gardens
Marefair,
Northampton,
NN1 1SX

13 June 2017

Report of the independent auditors to the trustees 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 2016 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 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, 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 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, 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 2016 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 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.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where 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

7 August 2017

Consolidated statement of financial activities
for the year ended 31 December 2016

	Note	Unrestricted funds			Endowment & Other Restricted funds	Total funds	Total funds
		General Funds	Designated Funds	Restricted Funds- WAMITAB	Restricted funds	2016	2015
		£	£	£	£	£	£
Income							
Income from charitable activities:							
Donation re. acquisition of WAMITAB	8	-	-	2,745,702	-	2,745,702	-
Membership subscriptions		995,826	-	-	-	995,826	998,815
Regional centre income		194,357	-	-	-	194,357	212,129
Income from provision of qualifications		-	-	324,451	-	324,451	-
Income from trading activity:							
Commercial trading operations		1,563,424	-	-	-	1,563,424	1,500,520
Investment income	9	57,167	-	30,146	-	87,313	24,465
Interest receivable		18,051	-	17	-	18,068	26,998
Grant income	10	4,893	-	12,926	-	17,819	46,844
Other income		233,750	-	-	-	233,750	117,778
Total income		3,067,468	-	3,113,242	-	6,180,710	2,927,549
Expenditure							
Expenditure on raising funds							
Investment management		(12,823)	-	(4,614)	-	(17,437)	(15,120)
Commercial trading operations		(1,554,288)	-	-	-	(1,554,288)	(1,456,282)
Provision of qualifications		-	-	(50,714)	-	(50,714)	-
Charitable activities:							
Staff costs		(982,080)	-	(188,136)	-	(1,170,216)	(1,017,389)
Grant expenditure	10	(4,893)	-	(12,926)	-	(17,819)	-
Regional centre expenses		(186,771)	-	-	-	(186,771)	(203,445)
Committee directed costs		(184,200)	-	-	-	(184,200)	(107,321)
Committee running costs		(34,760)	-	-	-	(34,760)	(49,706)
Premises costs, postage, stationery, communications		(173,330)	-	(65,253)	-	(238,583)	(275,560)
Institution awards		(5,149)	-	-	783	(4,366)	(5,742)
Honoraria		(4,071)	-	-	-	(4,071)	(6,928)
Travel and accommodation		(40,578)	-	(7,559)	-	(48,137)	(36,019)
Insurances and other Professional fees		(39,895)	-	(19,265)	-	(59,160)	(31,379)
Amortisation		(40,690)	-	-	-	(40,690)	(3,097)
Depreciation		(27,132)	-	(2,950)	-	(30,082)	(25,826)
Financing costs		(13,491)	-	(738)	-	(14,229)	(11,827)
Total operating expenditure		(3,304,151)	-	(352,155)	783	(3,655,523)	(3,245,641)
Net operating income/ (expenditure)		(236,683)	-	2,761,087	783	2,525,187	(318,092)
Net gains/ (losses) on investment assets		101,479	-	58,503	-	159,982	39,793
Net income/ expenditure		(135,204)	-	2,819,590	783	2,685,169	(278,299)
Transfers between funds		790,665	(766,509)	(24,156)	-	-	-
Net movement in funds	5	655,461	(766,509)	2,795,434	783	2,685,169	(278,299)
Total funds brought forward	17	2,805,508	1,346,389	-	44,863	4,196,760	4,475,059
Total funds carried forward	17	3,460,969	579,880	2,795,434	45,646	6,881,929	4,196,760

The Charity has no recognised gains or losses for the year (2015: £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 2015 and movements in the Unrestricted funds and Endowment & Restricted Funds during that year are shown in Note 17 to these financial statements.

The notes on pages 22 to 42 form part of these financial statements.

Consolidated balance sheet
as at 31 December 2016

	Note	2016		2015	
		£	£	£	£
Fixed assets					
Intangible assets	12		168,461		182,751
Tangible assets	12		509,359		518,930
Investments	13		3,843,813		1,416,736
			<hr/>		<hr/>
			4,521,633		2,118,417
Current assets					
Debtors	14	406,633		411,714	
Investments		695,067		575,000	
Cash at bank and on deposit		1,745,263		1,552,848	
		<hr/>		<hr/>	
		2,846,963		2,539,562	
Creditors: amounts falling due within one year	15	(486,667)		(461,219)	
		<hr/>		<hr/>	
Net current assets			2,360,296		2,078,343
			<hr/>		<hr/>
Total assets less current liabilities			6,881,929		4,196,760
			<hr/>		<hr/>
Net assets			6,881,929		4,196,760
			<hr/> <hr/>		<hr/> <hr/>
Endowment funds					
Permanent	17		24,573		24,573
Restricted funds	17				
Scottish Waste Award			21,073		20,290
The Waste Management Industry & Training Board			2,795,434		-
Unrestricted funds					
Designated funds	17		579,880		1,346,389
General funds	17		3,460,969		2,805,508
			<hr/>		<hr/>
Total funds	17		6,881,929		4,196,760
			<hr/> <hr/>		<hr/> <hr/>

The notes on pages 22 to 42 form part of these financial statements.

These financial statements were approved by the General Council on 13 June 2017 and were signed on its behalf by:

Professor M Bates
President

S Corne
Honorary Treasurer

Charity balance sheet
as at 31 December 2016

	Note	2016		2015	
		£	£	£	£
Fixed assets					
Intangible assets	12		168,461		182,751
Tangible assets	12		494,133		518,930
Investments	13		1,562,374		1,416,896
			<hr/>		<hr/>
			2,224,968		2,118,577
Current assets					
Debtors	14	199,561		276,814	
Investments		575,000		575,000	
Cash at bank and on deposit		1,342,103		1,482,658	
		<hr/>		<hr/>	
		2,116,664		2,334,472	
Creditors: amounts falling due within one year	15	(257,726)		(286,289)	
		<hr/>		<hr/>	
Net current assets			1,858,938		2,048,183
			<hr/>		<hr/>
Total assets less current liabilities			4,083,906		4,166,760
			<hr/>		<hr/>
Net assets			4,083,906		4,166,760
			<hr/> <hr/>		<hr/> <hr/>
Endowment funds					
Permanent	17		24,573		24,573
Restricted funds	17		21,073		20,290
Unrestricted funds					
Designated funds	17		579,880		1,346,389
General funds	17		3,458,380		2,775,508
			<hr/>		<hr/>
Total funds	17		4,083,906		4,166,760
			<hr/> <hr/>		<hr/> <hr/>

The notes on pages 22 to 42 form part of these financial statements.

These financial statements were approved by the General Council on 13 June 2017 and were signed on its behalf by:

Professor M Bates
President

S Corne
Honorary Treasurer

Consolidated Statement of Cash Flows
for the year ended 31 December 2016

	2016 £	2015 £
Cash flow/(outflow) from operating activities		
Net cash (used in)/ provided by operating activities	308,564	(502,821)
Cash flows from investing activities		
Interest, dividends and other investment income received	105,381	51,463
Proceeds from disposal of fixed asset investments excluding endowment funds	854,332	260,154
Acquisition of fixed asset investments excluding endowment funds	(930,302)	(256,886)
Additions to investments in current assets	(116,825)	-
Payments to acquire tangible and intangible fixed assets (209,614)	(209,614)	(28,735)
	<u>(116,149)</u>	<u>(154,883)</u>
Net decrease in cash and cash equivalents	(192,415)	(657,705)
Cash and cash equivalents at beginning of year	1,552,848	2,210,553
Cash and cash equivalents at end of year	<u>1,745,263</u>	<u>1,552,848</u>

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

	2016 £	2015 £
Net income/(expenditure) including endowments	2,685,169	(278,299)
Adjustments for:		
Amortisation/Depreciation charges	70,772	28,923
Donation	(2,275,094)	-
Net (gains)/ losses on investments	(159,982)	(89,007)
Investment income	(105,381)	(51,463)
Decrease/ (increase) in debtors	119,458	34,199
Increase/ (decrease) in creditors	(26,378)	(147,174)
Net cash (used in)/ provided by operating activities	<u>308,564</u>	<u>(502,821)</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 charity is a public benefit entity for the purposes of FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company and its group. 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.

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.

Basis of consolidation and Group financial statements

The financial statements consolidate the financial statements of CIWM and its wholly owned charitable subsidiary, The Wastes Management Industry and Training Advisory Board (WAMITAB) and its wholly owned non-charitable subsidiaries, CIWM Enterprises Limited (trading), 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. They also consolidate the financial statements of Resource and Waste UK Limited (dormant) a joint venture company which is 50% owned by CIWM.

WAMITAB became part of the CIWM Group on 25th July 2016 and its income and expenditure since that date has been consolidated into these financial statements. The accounting reference date of WAMITAB was changed from 31 March to 31 December and, accordingly, the financial statements cover the nine month period to 31 December 2016 – further details about the acquisition of this company are given in Note 13.

The financial statements for all other companies within the CIWM Group are for the year to 31 December 2016.

Notes (continued)

1 Accounting policies (continued)

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.

At 31 December 2016, Trustees reassessed its Reserves policy and decided that there was an ongoing requirement for the Fixed Assets Replacement Reserve but that there was no current requirement for the other Designated funds. Accordingly, funds held in the previous Designated Funds as at 31 December 2016 entitled Development reserve, Regional Development reserve, Waste Smart reserve and the Strategic Development reserve have been transferred back into General unrestricted funds.

The Designated funds comprise

Fixed assets replacement reserve

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

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 CIWM for particular purposes and expenditure is restricted to that particular project.

The funds held by WAMITAB are classified as Restricted because they can only be used in furtherance of the charitable objectives of that company.

Income

Income is recognised when either of the charities 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 CIWM at headquarters, its ten regional centres; by its charitable subsidiary, WAMITAB, and the turnover of the company's trading subsidiary, CIWM Enterprises Limited. It comprises subscriptions, donations, grants and charges for services provided stated net of value added tax where applicable. Income from Centres is incorporated on the basis of returns.

Income from membership subscriptions is recognised when received and is allocated across the relevant period of membership on a calendar year basis.

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

Notes *(continued)*

1 Accounting policies *(continued)*

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 either of the charities. 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 portfolios.

Donated services and facilities

Donated professional services are recognised as income when the charity or its wholly owned charitable subsidiary 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 CIWM 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 either of the charities which is the amount that 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 portfolios and their associated support costs.

Charitable activities – expenditure includes the costs of administering the professional activities of CIWM and WAMITAB, supporting the regional Centres and membership and other activities undertaken to further the purposes of either of the charities 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 either of the charities but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support CIWM's or WAMITAB'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**

CIWM 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. WAMITAB classifies the lease of its office as an operating lease; the title remains with the lessor and the lease has a fixed term to June 2023 whilst the economic life of the property 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 including computer equipment	-	33 $\frac{1}{3}$ % on cost
Fixtures and fittings	-	15% to 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 for CIWM's portfolio are included within unrestricted funds, for WAMITAB's portfolio they are included within the respective restricted fund.

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 CIWM both to generate a return on capital invested for the charity, but also to contribute to its charitable purposes.

CIWM's investment in Cloud Sustainability Limited at 31 December 2016 and, since 20 June 2017, in Ditto AI Limited, takes the form of Ordinary shares which are measured at fair value. As the shares are not quoted on a recognised stock market, CIWM 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 WAMITAB and CIWM Enterprises Limited are currently dormant.

Financial instruments

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

CIWM 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 two defined contribution pension schemes, the Legal and General Work Save Pension Plan for employees of CIWM and CIWM Enterprises Limited, and the Royal London Personal Pension Plan for employees of WAMITAB. All employees are eligible to join the respective scheme. All existing employees and all employees joining since 1 May 2015 were automatically enrolled into either the Legal and General Work Save Pension Plan or the Royal London Personal 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 schemes.

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 7 - 9 St Peter's Gardens, Marefair, 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 (which post year end has become an investment in Ditto AI Limited following its acquisition of Cloud Sustainability Limited in a share for share transaction). 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 2016 and 2015 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 2016 is shown below.

	Charitable Activities	Expenditure on raising funds	Other	Total allocated 2016	Basis
	£	£	£	£	
Governance – see below	131,674	9,565	-	141,239	Staff time and actual costs incurred
Finance & IT	119,027	132,971	8,428	260,426	Staff time and usage
HR & General Administration	<u>52,456</u>	<u>19,699</u>	<u>-</u>	<u>72,155</u>	Staff time
Total	<u>303,157</u>	<u>162,235</u>	<u>8,428</u>	<u>473,820</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 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>	

Governance Costs

Governance costs represent the support necessary to deliver the management and reporting requirements for CIWM, the General Council and the other Committees and Boards, 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.

	2016 £	2015 £
General Council and other Committee costs	15,423	23,004
Audit fees	28,939	18,701
Legal and professional fees	4,637	7,984
Staff costs	<u>92,240</u>	<u>69,909</u>
	<u>141,239</u>	<u>119,598</u>

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

	2016 £	2015 £
<i>Movement in net funds is stated after charging:</i>		
Auditors' remuneration:		
Audit fees		
- group	28,939	18,701
- charity	9,014	10,101
Non audit fees	640	505
Amortisation of intangible fixed assets	40,690	3,097
Depreciation of tangible fixed assets	30,082	25,826
Operating lease payments	45,070	11,138
	<u> </u>	<u> </u>

6 Payments to General Council members

No Trustees received emoluments during the period (2015: £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:-

	2016 £	2015 £
Group	19,772	27,312
Charity	18,774	26,829
Number of Trustees	22	26
	<u> </u>	<u> </u>

7 Staff numbers and costs

The average number of persons employed by the group during the year was 47 (2015: 43) and the average number of full-time equivalent employees (including casual and part-time staff) during the period was as follows:

	2016 Number	2015 Number
Charitable activities	26	16
Commercial trading	16	17
Support	7	5
	<u> </u>	<u> </u>
	49	38
	<u> </u>	<u> </u>

The aggregate payroll costs of these persons were as follows:

	2016 £	2015 £
Wages and salaries	1,568,148	1,400,912
Social security costs	165,325	140,334
Pension contributions to defined contribution pension schemes	122,657	95,898
	<u> </u>	<u> </u>
	1,856,130	1,637,144
	<u> </u>	<u> </u>

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

All employees are eligible to join the Group health insurance schemes and premiums paid in respect of those who have opted for membership was: 2016 £21,118 (2015:£20,726). The Group also provides all employees with insurance cover for Death in Service and eligible employees with Permanent Health Insurance cover - premiums paid: 2016 £31,579 (2015:£28,842.)

Key management personnel include the Trustees, Chief Executive, & Deputy Chief Executive of CIWM; the Director of Finance – CIWM Group; the Trustees, Chief Executive & Commercial Director of WAMITAB; and the Directors, Managing Director & Head of Commercial Development of CIWM Enterprises Limited. Total pay & benefits received by key management personnel was £511,003 (2015: £362,856).

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

	2016 No	2015 No
£60,001 - £70,000	4	2
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1
£90,001 - £100,000	1	-
£100,001 - £110,000	1	1
£110,001 - £120,000	1	-
	<u> </u>	<u> </u>

Pension contributions relating to employees earning more than £60,000 amounted to £48,617 (2015: £37,160).

Cars are provided for the Chief Executive who was in post to mid October 2016 and the Deputy Chief Executive for both business and personal use; all fuel expenses relating to private mileage are paid by these employees themselves. The Chief Executive of CIWM in post from mid October 2016; the Chief Executive and the Commercial Director of WAMITAB; and the Managing Director of CIWM Enterprises Ltd receive a fixed monthly car allowance as part of salary.

8 Donation re. Acquisition of WAMITAB

WAMITAB became a wholly owned subsidiary of CIWM on 25 July 2016 when the Environmental Services Association decided to withdraw as a member of the company and its net accumulated reserves of £2,745,702 were effectively donated to the CIWM Group at that date.

9 Income from fixed asset investments

	2016 £	2015 £
Income from fixed asset investments:		
Listed and common investment funds	87,313	24,465
	<u> </u>	<u> </u>

10 Grant Income and Grant Expenditure

Income includes grants from the Erasmus programme of the European Union - 31 December 2016 £12,926 and from the Welsh Government towards the costs of the Welsh Regional Development Officer -2016 £4,893 (2015: £19,221).

Grant income received from the EU during 2016 was: "EDOC" £Nil (2015: £4,971); "Equal" £Nil (2015: £6,462) and Leonardo Mobility project £Nil (2015: £16,190). The two LIFE+ projects "EDOC" and "Equal" were partially funded by EU LIFE+ grants; and for the one Leonardo Mobility Project all costs incurred were fully funded by EU grants.

Income from all grants was fully expended during the period.

As at 31 December 2016 the awarding bodies have not notified the Institution that there are any unfulfilled conditions relating to any of these grants.

Notes (continued)**11 Indemnity insurance**

The CIWM Group operates trustees' and officers' liability insurance cover at a total cost of £4,217 (2015: £3,180).

12 Intangible and Tangible Fixed Assets

Group	Intangible Fixed Assets	Tangible Fixed Assets			
	Computer Software	Freehold land and buildings	Fixtures & Fittings/Office Equipment	Motor Vehicle	Tangible Fixed Assets Total
	£	£	£	£	£
Cost					
At 1 January 2016	185,848	716,303	385,703	12,350	1,114,356
Additions	26,400	-	20,511	-	20,511
Disposals	-	-	-	-	-
At 31 December 2016	212,248	716,303	406,214	12,350	1,134,867
Amortisation/Depreciation					
At 1 January 2016	3,097	227,721	366,333	1,372	595,426
Charge for year	40,690	11,240	14,726	4,116	30,082
Disposals	-	-	-	-	-
At 31 December 2016	43,787	238,961	381,059	5,488	625,508
Net book value					
At 31 December 2016	168,461	477,342	25,155	6,862	509,359
At 31 December 2015	182,751	488,582	19,370	10,978	518,930

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 £477,342 (2015: £488,582).

The cost of freehold land and buildings includes £561,928 of depreciable assets.

The net book value at 31 December 2016 represents fixed assets used for:

	Freehold land and buildings	Fixtures & Fittings/Office Equipment	Computer Software	Motor Vehicle	Total
	£	£	£	£	£
Headquarters	477,342	25,155	168,461	6,862	677,820

Notes (continued)

12 Intangible and Tangible Fixed Assets (continued)

Charity

	Intangible Fixed Assets		Tangible Fixed Assets		
	Computer Software £	Freehold land and buildings £	Fixtures & Fittings/Office Equipment £	Motor Vehicle £	Tangible Fixed Assets Total £
Cost					
At 1 January 2016	185,848	716,303	385,703	12,350	1,114,356
Additions	26,400	-	2,335	-	2,335
Disposals	-	-	-	-	-
At 31 December 2016	212,248	716,303	388,038	12,350	1,116,691
Amortisation/Depreciation					
At 1 January 2016	3,097	227,721	366,333	1,372	595,426
Charge for year	40,690	11,240	11,776	4,116	27,132
Disposals	-	-	-	-	-
At 31 December 2016	43,787	238,961	378,109	5,488	622,558
Net book value					
At 31 December 2016	168,461	477,342	9,929	6,862	494,133
At 31 December 2015	182,751	488,582	19,370	10,978	518,930

The net book value at 31 December 2016 represents fixed assets used for:

	Freehold land and buildings £	Fixtures & Fittings/Office Equipment £	Computer Software £	Motor Vehicle £	Total £
Headquarters	477,342	9,929	168,461	6,862	662,594

13 Fixed asset investments

	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
Listed investments	3,726,516	1,299,439	1,444,917	1,299,439
Investment in unlisted securities	117,297	117,297	117,297	117,297
Group undertakings	-	-	160	160
	3,843,813	1,416,736	1,562,374	1,416,896

Notes (continued)

13 Fixed asset investments (continued)

Listed investments:

	Group and Charity 2016 £	Charity 2016 £	Group and Charity 2015 £
Market value at 1 January 2016	1,299,439	1,299,439	1,246,713
Investments donated at market value at 31 July 2016	2,194,418	-	-
Additions at cost	930,302	747,030	223,873
Disposals at carrying value	(824,243)	(658,035)	(187,413)
Net gain/ (loss)	126,620	56,483	16,266
	<hr/>		<hr/>
Market value at 31 December 2016	3,726,536	1,444,917	1,299,439
	<hr/> <hr/>		<hr/> <hr/>
Historical cost at 31 December 2016	3,277,000	1,239,242	1,180,541
	<hr/> <hr/>		<hr/> <hr/>

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

	2016 £	2015 £
Listed investments (excluding cash held on deposit within the portfolio)	3,653,958	1,221,340
	<hr/> <hr/>	<hr/> <hr/>

No individual investment included in the portfolio is considered significant.

Unlisted investment – Mixed Motive investment

	2016 £	2015 £
Value at 1 January 2016	117,297	84,284
Additions	-	33,013
	<hr/>	<hr/>
Value at 31 December 2016	117,297	117,297
	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)**13 Fixed asset investments** (continued)**Shares in group undertakings:**

	Charity 2016	Charity 2015
	£	£
CIWM Enterprises Limited	2	2
Resources and Waste UK Limited	50	50
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	160
	<hr/> <hr/>	<hr/> <hr/>

The subsidiaries of CIWM at 31 December 2016 are set out below:

Name	Country of incorporation	Nature of business	Proportion of equity held
The Waste Management Industry Training and Advisory Board (WAMITAB)	England and Wales	Qualifications Awarding Body	n/a
CIWM Enterprises Limited	England and Wales	Conferences & training	100%
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%

Until its Annual General Meeting on 25 July 2016, WAMITAB had two members – CIWM and the Environmental Services Association. On 25 July 2016, the Environmental Services Association withdrew from membership and WAMITAB became a wholly owned subsidiary of CIWM.

WAMITAB is a company limited by guarantee, registered as a charity in England and Wales. 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. On 17 October 2016 its accounting year end date was changed from 31 March 2016 to 31 December 2016 to be co-terminous with that of its parent company.

At 31 December 2016 WAMITAB had Unrestricted funds of £2,795,434; however, they must be used only in furtherance of its charitable purposes. For the nine month period ended 31 December 2016, the charity retained a deficit of £49,687 and its total income was £718,556. As a charity, WAMITAB 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.

The issued share capital of CIWM Enterprises Limited is £2, divided into 2 ordinary shares of £1 each and shareholders' funds at 31 December 2016 totalled £2,592. The company retained a loss of £27,410 in 2016 (2015: £Nil). Turnover in 2016 was £1,580,628 (2015: £1,522,253).

CIWM 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). On 5 April 2016 the Registrar of Companies confirmed that CIWM (RPM) had been dissolved and 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 CIWM and the Environmental Services Association. CIWM continues to hold 50% of the issued share capital and it is accounted for as a joint venture company. During 2016 and 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.

Notes (continued)**14 Debtors**

	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
Trade debtors	270,966	327,743	19,661	26,076
Amounts owed by subsidiary undertakings	-	-	90,806	187,196
Other debtors and taxation	26,216	15,181	6,824	11,132
Prepayments and accrued income	109,451	68,790	82,270	52,410
	406,633	411,714	199,561	276,814

Included in Other Debtors is an amount of £nil (2015: £4,713) relating to the EU LIFE+ "Equal" project.

15 Creditors: amounts falling due within one year

	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
Trade creditors	50,128	64,145	44,794	39,640
Amounts owed to subsidiary undertaking	-	-	158	158
Other creditors	63,041	67,234	25,111	40,651
Other taxation and social security	87,843	74,036	38,066	28,288
Accruals	102,399	110,856	36,749	78,929
Deferred income	183,256	144,948	112,848	98,623
	486,667	461,219	257,726	286,289

On 23 March 2016, prior to becoming a member of the CIWM Group, the WAMITAB Trustees agreed to donate £500,000 from the charity's invested reserves to the Environmental Services Association Education Trust (ESA ET), a charity whose main charitable purpose is to further education and training in waste management. The donation is payable in two tranches of £250,000 with the first tranche having been paid in June 2016. The remaining £250,000 is available for ESA ET to draw down funding as required for specific projects, subject to the ESA ET providing documentation evidencing the work and outcomes of the projects funded through the initial £250,000.

16 Deferred income

	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
At beginning of the year	144,948	186,972	98,623	112,533
Movement in the year	38,308	(42,024)	14,225	(13,910)
At end of the year	183,256	144,948	112,848	98,623

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)**17 Statement of funds****Group – for the year ended 31 December 2016**

	1 January 2016	Income	Expenditure	Investment (Losses)/Gain s	Transfers	31 December 2016
	£	£	£	£	£	£
General funds:	2,805,508	3,067,468	(3,304,151)	101,479	790,665	3,460,969
Designated funds:						
Fixed assets replacement reserve	579,880	-	-	-	-	579,880
Development reserve	421,751	-	-	-	(421,751)	-
Regional development	100,000	-	-	-	(100,000)	-
Waste Smart	125,000	-	-	-	(125,000)	-
Strategic Development reserve	119,758	-	-	-	(119,758)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	4,151,897	3,067,468	(3,304,151)	101,479	24,156	4,040,849
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Endowment funds:						
<i>Permanent endowment Funds:</i>						
James Jackson award – est. 1948	250	-	-	-	-	250
PEEL Peoples Cup – est. 1988	1,000	-	-	-	-	1,000
James Sumner award – est. 1982	12,323	-	-	-	-	12,323
Henry Daley Memorial Award	6,000	-	-	-	-	6,000
Frank Robinson Memorial Award est. 2007	5,000	-	-	-	-	5,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total endowment funds	24,573	-	-	-	-	24,573
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted Funds:						
Scottish Waste Award est. 2013	20,290	-	783	-	-	21,073
WAMITAB	-	3,113,242	(352,155)	58,503	(24,156)	2,795,434
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	20,290	3,113,242	(351,372)	58,503	(24,156)	2,816,507
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	4,196,760	6,180,710	(3,655,523)	159,982	-	6,881,929
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

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

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 CIWM. 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

Notes (continued)**17 Statement of funds** (continued)**Group – for the year ended 31 December 2015**

	1 January 2015	Income	Expenditure	Investment (Losses)/Gain s	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
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	4,427,701	2,927,549	(3,243,146)	39,793	-	4,151,897
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
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
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total endowment funds	24,573	-	(1,313)	-	1,313	24,573
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted Funds:						
Scottish Waste Award est. 2013	22,785	-	(2,495)	-	-	20,290
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	22,785	-	(2,495)	-	-	20,290
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	4,475,059	2,927,549	(3,246,954)	39,793	1,313	4,196,760
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)**17 Statement of funds** (continued)**Charity – for the year ended 31 December 2016**

	1 January 2016 £	Income £	Expenditure £	Investment (Losses)/Gains £	Transfers £	31 December 2016 £
General funds:	2,775,508	1,534,390	(1,719,506)	101,479	766,509	3,458,380
Designated funds:						
Fixed assets replacement reserve	579,880	-	-	-	-	579,880
Development reserve	421,751	-	-	-	(421,751)	-
Regional development	100,000	-	-	-	(100,000)	-
Waste Smart	125,000	-	-	-	(125,000)	-
Strategic Development reserve	119,758	-	-	-	(119,758)	-
Total unrestricted funds	4,121,897	1,534,390	(1,719,506)	101,479	-	4,038,260
Endowment funds:						
<i>Permanent endowment funds:</i>						
James Jackson award – est. 1948	250	-	(210)	-	210	250
PEEL Peoples Cup – est. 1988	1,000	-	(275)	-	275	1,000
James Sumner award – est. 1982	12,323	-	(1,000)	-	1,000	12,323
Henry Daley Memorial award	6,000	-	-	-	-	6,000
Frank Robinson Memorial Award est. 2007	5,000	-	-	-	-	5,000
Total endowment funds	24,573	-	(1,485)	-	1,485	24,573
Restricted Funds:						
Scottish Waste Award est. 2013	20,290	-	783	-	-	21,073
Total restricted funds	20,290	-	783	-	-	21,073
Total funds	4,166,760	1,534,390	(1,720,208)	101,479	1,485	4,083,906

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 CIWM. 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)**17 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
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	4,397,701	1,432,973	(1,748,570)	39,793	-	4,121,897
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
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
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total endowment funds	24,573	-	(1,313)	-	1,313	24,573
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted Funds:						
Scottish Waste Award est. 2013	22,785	-	(2,495)	-	-	20,290
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	22,785	-	(2,495)	-	-	20,290
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	4,445,059	1,432,973	(1,752,378)	39,793	1,313	4,166,760
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Notes (continued)

18 Consolidated Statement of Financial Activities for the year ended 31 December 2015

	Note	Unrestricted funds			Total funds 2015 £
		General Funds £	Designated Funds £	Endowment & Restricted funds £	
Income					
Income from charitable activities:					
Membership subscriptions		998,815	-	-	998,815
Regional centre income		212,129	-	-	212,129
Income from trading activity:					
Commercial trading operations		1,500,520	-	-	1,500,520
Investment income	9	24,465	-	-	24,465
Interest receivable		26,998	-	-	26,998
Grant income	10	46,844	-	-	46,844
Other income		117,778	-	-	117,778
Total income		2,927,549	-	-	2,927,549
Expenditure					
Expenditure on raising funds					
Investment management		(15,120)	-	-	(15,120)
Commercial trading operations		(1,456,282)	-	-	(1,456,282)
Charitable activities:					
Staff costs		(821,649)	(195,740)	-	(1,017,389)
Regional centre expenses		(195,582)	(7,863)	-	(203,445)
Committee directed costs		(107,321)	-	-	(107,321)
Committee running costs		(49,706)	-	-	(49,706)
Premises costs, postage, stationery, communications		(185,539)	(90,021)	-	(275,560)
Institution awards		(3,247)	-	(2,495)	(5,742)
Honoraria		(6,928)	-	-	(6,928)
Travel and accommodation		(28,300)	(7,719)	-	(36,019)
Insurances and other Professional fees		(31,379)	-	-	(31,379)
Amortisation		(3,097)	-	-	(3,097)
Depreciation		(25,826)	-	-	(25,826)
Financing costs		(11,827)	-	-	(11,827)
Total operating expenditure		(2,941,803)	(301,343)	(2,495)	(3,245,641)
Net operating income/ (expenditure)		(14,254)	(301,343)	(2,495)	(318,092)
Net gains/ (losses) on investment assets		39,793			39,793
Net income/ expenditure		25,539	(301,343)	(2,495)	(278,299)
Transfers between funds		(102,974)	102,974	-	-
Net movement in funds	5	(77,435)	(198,369)	(2,495)	(278,299)
Total funds brought forward	17	2,882,943	1,544,758	47,358	4,475,059
Total funds carried forward	17	2,805,508	1,346,389	44,863	4,196,760

Notes (continued)**19 Analysis of group net assets between funds**

	Unrestricted Funds	Endowment & Restricted funds	Total
	£	£	£
<i>Fund balances at 31 December 2016 are represented by:</i>			
Tangible and intangible fixed assets	677,820	-	677,820
Investments	753,003	24,573	777,576
Current assets	3,096,693	2,816,507	5,913,200
Current liabilities	(486,667)	-	(486,667)
	<hr/>	<hr/>	<hr/>
Total net assets	4,040,849	2,841,080	6,881,929
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	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/>

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.

20 Commitments

Future minimum lease commitments under non-cancellable operating leases at 31 December 2016 were as follows:

	Group 2016	Group 2015	Charity 2016	Charity 2015
	£	£	£	£
<i>Operating lease rentals payable</i>				
In less than one year	42,700	4,736	4,805	4,736
In the second to fifth years inclusive	163,028	5,520	11,448	5,520
In more than five years	56,843	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	262,571	10,256	16,253	10,256
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)

21 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	6,724
T March - Centre Secretary (Honorarium)	CIWM	690
		<hr/>
		7,414
		<hr/>

All transactions relating to payments made by CIWM Enterprises Limited to Trustees for training services are on a third party arm's 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.

22 Taxation

As a charity, CIWM 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.