

Chartered Institution of Wastes Management  
(incorporated by Royal Charter)

Trustees' report and consolidated financial  
statements

Registered company number RC000777  
A charity registered in England and Wales (1090968)  
and in Scotland (SC037903)

31 December 2014

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## **Trustees' report**

### **Council members, officers and advisers**

#### **Council members**

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

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

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

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

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

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

Members of General Council who all served in office throughout 2014 except where indicated were:

JR Quinn FCIWM	<i>President of the Chartered Institution</i>
JJ Baird BSc (Hons) PhD CEng MICE FCIWM	<i>Senior Vice President</i>
MP Bates BSc(Hons) PhD FCIWM	<i>Junior Vice President &amp; Chair of Scientific &amp; Technical Committee</i>
DT Beadle BA CEnv FCIWM	<i>Immediate Past President</i>
J Skidmore CEnv FCIWM DMS MIMT	<i>Immediate Past President until October 2014</i>
MR Hewitt CEng CEnv FICE FIMechE FIET FCIWM CCIM	<i>Honorary Treasurer</i>
BE Dennis CEnv FCIWM	<i>Chair of Executive Committee</i>
TJ Nicoll BSc(Hons) MCIWM	<i>Chair of Education, Training &amp; Membership Committee</i>
K Simmonite CEnv FCIWM	<i>Chair of the Board of CIWM Enterprises Limited (formerly IWM Business Services Limited)</i>
PD Ager CEnv FCIWM	<i>Retired 17 June 2014</i>
TW Bradley BA BSc MSc FCIWM	<i>Retired 17 June 2014</i>

## Trustees' report (continued)

### Council members, officers and advisers (continued)

SJ Didsbury FCIWM	<i>Appointed 17 June 2014</i>
JI Harper BSc MBA CGeol FGS MCIWEM FCIWM	
JM Ferguson, OBE, MA, BSc(Eng), BA(Hons), CEng, FICE, MIMechE FCIWEM, FCIWM,	<i>Past President at 11 June 1991</i>
DR Greedy CEnv FCIWM	
SL Harwood-Clark CEnv FCIWM	
HA Hoather BA(Hons) MBA PhD CChem MRSC CEnv FCIWM MHEA	<i>Retired 14 November 2014</i>
RL Colley-Jones FCIWM	
T Jones BSc (Hons) FCIWM	
E Kiernan MSc CEnv FCIWM	
T March CEnv FCIWM MIMT	
CSL Reynolds MCIWM	
MJ Sharp FCIWM	
J Skidmore CEnv FCIWM DMS MIMT	<i>Appointed 17 June 2014</i>
MC Thorpe MBA FCIWM	
CF Clark FCIWM	
DAP Cooke MCIWM	
T Walker BSc MA MSc MCIWM CEnv	
J Watts MCIWM	<i>Appointed 28 January 2014</i>

#### Officers

SJ Lee BSc CEnv FCIWM	(Chief Executive)
CJ Murphy BSc CEnv FCIWM	(Deputy Chief Executive)
KW Webster BA FCA DChA	(Company Secretary)

#### Registered office address

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

**Website:** [www.ciwm.co.uk](http://www.ciwm.co.uk)

#### Advisers

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

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

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

**Insurance Brokers:**  
O'Connors & Company (Insurances) Ltd  
Windsor House,  
Cliftonville,  
Northampton,  
NN1 5BE

## **Trustees' report (continued)**

### **Report of the General Council for the year ended 31 December 2014**

The General Council present their report and audited financial statements for the year ended 31 December 2014.

#### **REFERENCE AND ADMINISTRATIVE INFORMATION**

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

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

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing Document**

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

##### **Organisational Management**

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

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

##### **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 is to receive induction training from the CEO; this has been completed for all Trustees newly elected during 2014. Training is to be sourced via the National Council for Voluntary Organisations (NCVO). General Council also agreed that every General Councillor in post at March 2013 must attend an NCVO training course before end September 2014. Two bespoke NCVO courses were held for Trustees and senior staff during November 2013 and Trustees not able to attend either of those courses or elected subsequently have been attending scheduled NCVO courses.

Where appropriate, copies of the Charity Commission's newsletters, NCVO newsletters and other relevant guidance are circulated to all General Councillors. Periodically, Council members receive presentations and training from suitably qualified professional consultants. The special Trustee support and information area of the website launched in March 2011 has been and is being further amplified through information made available online in the CIWM Member Volunteer Toolkit.

## **Trustees' report (continued)**

### **Report of the General Council for the year ended 31 December 2014**

#### **Group Structure and Relationships**

The Chartered Institution has one trading subsidiary, CIWM Enterprises Limited (formerly called IWM Business Services Limited), a separate organisation which arranges training courses, seminars and conferences, produces journals and publications and sells advertising to the wastes management industry. These activities are conducted on an arm's length basis and the two organisations, whilst part of the same group, are managed independently. The name of the trading subsidiary was changed on 23 October 2014 to coincide with the review and development of new branding for the Chartered Institution.

The Chartered Institution also has six dormant subsidiaries, Resources & Waste UK Limited (formerly called IWM Professional Services Limited); Clean Britain Awards Limited; Waste Smart Limited; Water Smart (UK) Limited; Energy Smart Training Limited and Resource Smart Limited.

The Chartered Institution is also the sole member of CIWM (RPM), a company limited by guarantee and incorporated on 14 December 1999. CIWM (RPM) is also registered as a charity in England and Wales (registered number 1084599). CIWM (RPM) was registered with Entrust as an Environmental Body, and as such had to remain independent of the Chartered Institution. It was deregistered by Entrust effective from 19 September 2008, but continues to operate independently of the Chartered Institution. The financial statements of CIWM (RPM) have not, therefore, been included in these consolidated financial statements as the Chartered Institution has not exercised control over the activities of the company during 2014.

The Chartered Institution provides benefits to its members and the wider public through the close working relationships it has established with representatives of government departments and agencies to inform and influence the development of regulations and policy.

On 13 November 2014 the Chartered Institution announced that it had entered into a formalised partnership arrangement with the Environmental Services Association to include closer working in respect of technical and policy development; support to members and others in the Centres. David Beadle (President of the Chartered Institution until October 2014) and David Palmer-Jones (Chair of the Environmental Services Association for the two years ending 30 November 2014) were instrumental in the successful formulation and agreement of this important partnership. From May 2015, the CIWM Journal will also include material prepared by ESA, and ESA's current publication "Resource Management and Recovery" will cease to be published. To facilitate this partnership working, on 4 June 2014 the Chartered Institution's dormant company IWM Professional Services Limited was renamed Resources and Waste UK Limited and, on 19 January 2015, the transfer of 50 ordinary shares (being 50% of the share capital of the company) to the Environmental Services Association (ESA) was registered – the shares having been sold for a cash consideration of £50 being par value. From 19 January 2015, the company, Resources and Waste UK Limited is now jointly owned by the Chartered Institution and the Environmental Services Association. The Chartered Institution and ESA have identified the initial priorities of Resources and Waste UK Limited as the development of a 'manifesto' and briefing on six key industry topics for the incoming Government.

Staff at the Chartered Institution continued to provide support throughout 2014 to the Environment Agency on the Ensuring Quality of Waste Derived Products to achieve Resource Efficiency (EQual) and the Electronic Duty of Care (EDOC) LIFE+ projects. These collaborative three year term projects are led by the Environment Agency with the Chartered Institution participating as a partner body alongside a number of other organisations. The work, results and outcomes of these projects is being disseminated widely both within the United Kingdom and also in Europe.

On 29 January 2014, the electronic waste transfer note system developed by the EDOC project was launched with promotional activity by the Chartered Institution. The online tool is now being used by organisations of all sizes including some of the major players in the resource and waste management industry. Following the end of the EU LIFE+ funded EDOC project on 18 December 2014 the Chartered Institution will chair the Technical Advisory Group to support important waste data and compliance tool and continued funding has been secured for the next three to four years through the support of all four United Kingdom governments.

## **Trustees' report (continued)**

### **Report of the General Council for the year ended 31 December 2014**

#### **Group Structure and Relationships (continued)**

During 2014, the EQual project launched and disseminated its two primary outputs: the Quality Protocol Checker web tool (launched in March 2014) and the "IsItWaste" web tool launched at the House of Commons on 11 November 2014. This tool enables organisations to assess whether their waste-derived material is a by-product or can meet the End of Waste requirements and be classified as a product.

The Chartered Institution continues to work closely with Defra, the Waste Management Industry Training & Advisory Board (WAMITAB) and other key stakeholders on a variety of research, training and competence schemes for the industry. The Continuing Competence testing regime and other Technical Competence awards continue to be monitored, updated, improved and managed jointly with WAMITAB. They form an important part of the drive to improve best practice and standards across the waste industry.

The Chartered Institution continues to work alongside other partners including the Health and Safety Executive to strengthen and develop the WISH (Waste Industry Safety and Health) forums. The Chartered Institution is currently working to provide a new website for WISH which it will also host.

In conjunction with WISH and other organisations including the Chief Fire Officers Association, the Health & Safety Executive, ESA and the Environment Agency work has been undertaken to review the nature, extent and causes of fires at waste facilities. In October 2014 WISH issued a guidance document "Reducing Fire Risk at Waste Management Sites" which was endorsed by the Chartered Institution and other stakeholders. CIWM training including the Environmental Permitting Operators Certificate (the waste management competency award for low risk sites) is being updated to incorporate this important guidance.

The Chartered Institution also 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.

Following the CIWM Midland Centre's successful application in 2013 for a European Union funded Leonardo Mobility Skills Exchange Programme to Denmark and Sweden focussing on health and safety skills, the Chartered Institution has continued to work closely with the project partners, the City of Copenhagen and AVFALL Sverige, and the various host companies in both countries. During the period from November 2013 to February 2015 twenty-five people have each completed two week exchanges, working alongside colleagues in these Scandinavian countries. The results of these exchanges have been very positive with transfer of skills and experience in both directions; and discussions are in progress to consider the next steps to continue this transfer of knowledge and skills.

#### **Risk Management**

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

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

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

Updates on the Bribery Act 2010 have been provided during 2014 to General Councillors, Centre Councillors and staff. Appropriate record keeping is maintained, including a Register of General Councillors' Interests, Fit and Proper Persons declarations, and an extended hospitality register for General Councillors and senior staff.

## **Trustees' report (continued)**

### **Report of the General Council for the year ended 31 December 2014**

#### **Risk Management (continued)**

A continued priority has been to extend and improve the support and resources available to members & Centres through further development of the online toolkit of policies, procedures, guidance and other resources entitled "the CIWM Member Volunteer Toolkit" which was launched at the New Member Network conference in April 2014. It includes detailed information on volunteering within the Institution, and case studies written by members discussing their roles & responsibilities and identifying personal & corporate benefits. A consultation period to allow Centre Councils to comment on a section on Finance Guidance for Centres ends in March 2015; although the guidance was uploaded as a draft document in November 2014. The next priority is the development of further information about Trustee roles.

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

The General Council has reviewed the major risks to which the Chartered Institution is exposed and confirms that appropriate systems have been established to mitigate those risks. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

#### **OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

##### **Charitable Objects**

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

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

The General Council has reviewed the definitions in the Act and considers that the Charitable Objects of the Chartered Institution fall within three of the charitable purposes, namely - the advancement of education; the advancement of environmental protection or improvement; and the advancement of health. It has also reviewed the guidance issued by the Charity Commission and considers that the activities of the Chartered Institution comply with the criteria stated in that guidance for each of these three charitable purposes.

Details of work undertaken by the Chartered Institution that support and deliver activities that are for the Public Benefit are given in various sections of this report, including particularly Objectives for the Year and Group Structure and Relationships.

##### **Aims and Intended Impact**

Within these Objects the Chartered Institution seeks to promote and develop continuous improvement in sustainable wastes and resources management. It seeks to:

- advance the scientific, technical and practical aspects of 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 waste issues across the board.

Details about work undertaken during 2014 and how it contributes to the Aims are given elsewhere in this Report.



## **Trustees' report (*continued*)**

### **Report of the General Council for the year ended 31 December 2014**

#### **Objectives for the Year, Strategies to achieve the year's objectives and Activities for the Public Benefit, including Principal activities of the year and Operational performance**

The objectives set for the year reflect the Chartered Institution's educational, research and environmental aims and the importance placed both on supporting the individual and corporate members of the Chartered Institution in their work and career development and also on raising standards and competence throughout the resources and wastes management industry. In setting the Chartered Institution's objectives and in planning its activities the General Council have given careful consideration to the Charity Commission's general guidance on public benefit and in particular 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.

Following the development of a Forward Strategy for the period 2013 – 2017 the Chartered Institution continues to focus on the key themes adopted in that report to inform and focus future plans.

The main priorities for 2014, for which further detail is given below, were :

- improving the information and resources available to members and other volunteers, primarily, as noted in the "Risk Management" section above, through the online CIWM Member Volunteer Toolkit;
- agreeing a more formalised partnership working with the Environmental Services Association; further details of which are given in the "Group Structure and Relationships" section above;
- extending and developing learning and other educational resources.

The Chartered Institution and its trading subsidiary worked in partnership with other organisations to develop and deliver successful conferences and networking events throughout the United Kingdom on a variety of topics.

A high profile and successful Conference with key note speakers covering a variety of topics was again delivered in June 2014 in partnership with the ESA. Other national conferences were also held during 2014 – a two day event in October 2014 in Scotland and a one day event in Wales in March 2014. A significant national one day conference and exhibition in Spring 2014 was again organised by the CIWM Northern Ireland Centre.

CIWM is a member of the RWM Ambassadors Group which prepared a report on the development of the circular economy to support Circular Economy Connect - a major new development at the September 2014 'RWM in partnership with CIWM Exhibition' which seeks to inform multi-sectoral engagement in resource efficiency and security.

On 23 February 2015, the Chartered Institution and Ricardo-AEA launched their report "Waste on the Front Line – challenges and innovations" which considers the impacts of austerity measures on local authority waste and environmental services. The report provides case studies and details of a range of new and innovative ways of working adopted by local councils to deliver efficiency improvements and savings.

The 2014 Presidential report "The Circular Economy: what does it mean for the waste and resource management sector" was launched by the incoming President of the Chartered Institution, John Quinn at his inauguration ceremony held at the Parliament Buildings of the Northern Ireland Assembly at Stormont in October 2014. A "Task and Finish" group has been established to take the recommendations of the report forward and to advise the Chartered Institution of appropriate changes and will report to the Scientific and Technical Committee.

During 2014 responses were prepared and submitted for 27 consultation documents including 4 in Scotland; and the Chartered Institution provided both written and verbal evidence to four Select Committee enquiries (one in Wales and three in England). Working through the Waste Trade Association Group which includes organisations such as the CBI, ADBA, the Renewable Energy Association, ESA and the Resource Association, joint submissions were made to government on topics such as waste crime, Government waste priorities and European competency framework.

## **Trustees' report (*continued*)**

### **Report of the General Council for the year ended 31 December 2014**

#### **Objectives for the Year, Strategies to achieve the year's objectives and Activities for the Public Benefit including Principal activities of the year and Operational performance (*continued*).**

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

Through its trading subsidiary, CIWM Enterprises Limited, the Chartered Institution continues to deliver training courses and other events both within the United Kingdom and also internationally. This includes offering bespoke courses focussed specifically for individual customers; during 2014 courses of this nature have been delivered to a number of customers in a variety of sectors including the oil & gas and the nuclear energy industries.

Through the partnership agreed with Cloud Sustainability Limited (formerly called Revise Limited) the Chartered Institution continues to develop and extend its e-learning and other online tools including the Waste Smart Foundation Certificate and Waste Expert with delivery to customers either through the CIWM Knowledge Hub or other appropriate platforms. Other e-learning modules have been developed including "An Introduction to Waste Legislation" and "Waste as a Resource" with "Waste Aware" currently being developed to go live in late March 2015. CIWM Enterprises is working jointly with Cloud Sustainability to market the Waste Expert tool.

Continued focus on increasing electronic communications with members and disseminating news to the industry more widely has seen extended use of social media in particular the two Twitter accounts. The Chief Executive Officer can be followed @steveleeciwm and the News feed run in conjunction with the CIWM Journal can be followed @CIWM. The majority of the Centres are now also using Twitter and Eventbrite to promote their regional events and to contact members.

The CIWM Journal website has established itself as the key port of call for members and others seeking up-to-date news and comment on the industry. Following the development of new branding for the Chartered Institution, work is underway to ensure that that rebranding is deployed across all websites and other communications media.

The trial of electronic subscription notices for fees due for 2013 was well received by members and has now been adopted as the norm, with the vast majority of all invoicing and correspondence relating to subscriptions now being sent electronically. Further opportunities to make more use of remote and teleconferencing technology are being taken up at both Head Office and in the Centres.

International representation and development remains an important focus for the Chartered Institution. It has been pleased to sponsor and support (both through the Midlands Centre and Head Office) the Leonardo Mobility project through which strong and beneficial relationships have been developed with organisations in Denmark & Sweden.

The number and range of international events to which the Chartered Institution is invited to send speakers and delegates continues to grow. The Presidents in office during 2014 attended various international events - David Beadle (President until October 2014) attended the International Solid Waste Association (ISWA) Congress in Sao Paulo; John Quinn (the current President) presented a paper on the Circular Economy to a conference in Saudi Arabia; David Beadle spoke at a conference in Rome organised by the Italian National Member of ISWA in conjunction with other local organisations. The Deputy Chief Executive led a delegation to meet with the Deputy Mayor of Antwerp in December 2014 to review their waste and recycling collection and treatment facilities – Flanders is the best performing region in Europe. He also gave presentations to incoming international trade delegations from China (several), the Netherlands and Uzbekistan; and was a key note speaker at the Australian industry conference in May 2014 and gave a presentation to the annual general meeting of the Waste Management Association of Australia (WMAA).

Working with Waste Aid, the Chartered Institution has agreed to offer free membership to members resident or working in Low Income Countries (as defined by the International Monetary Fund).

Free education and careers support, mentoring and advice is provided in response to requests through the efforts and work both of staff and also members from each of the ten Centres. This includes close working relationships with Universities and other academic institutions and also attendance at careers events.

## **Trustees' report (continued)**

### **Report of the General Council for the year ended 31 December 2014**

#### **Awards**

The income from the Chartered Institution's permanent endowment funds is available for the granting of professional awards as shown in Note 14 to the financial statements. These professional awards were presented at a high profile event in November 2014 alongside the Awards for Environmental Excellence which celebrate best practice throughout the industry and its customer sectors. In Spring 2013, General Council accepted funds of £26,785 from the organising committee of the predecessor event to the Scottish Resources Conference to establish the Scottish Waste Award to be awarded annually. The second recipient of the Award (presented at the October 2014 Scottish event) will be reviewing waste management facilities in California hosted by local organisations.

#### **Volunteers**

The General Council is grateful to the large number of members who support the Chartered Institution's work through their service on committees, Special Interest Groups, Centre Councils, Working Parties and in representing the Chartered Institution on other outside bodies and organisations.

#### **Investment performance against Objectives**

The Chartered Institution's investment policy emphasises capital appreciation.

The Chartered Institution's investments were managed throughout 2014 by Arbuthnot Latham, the Chartered Institution's discretionary investment managers. Investment income was £19,601 (2013: £18,134) and was re-invested into the portfolio. World stock markets remained volatile during 2014; however the investment portfolio recorded unrealised gains totalling £23,272 (2013: £45,512 unrealised gains). Disposals of investments made during 2014 resulted in realised gains of £20,421 (2013: realised gains £89,810).

On 9 August 2013 the Chartered Institution subscribed £200,066 for 337 Ordinary shares in Cloud Sustainability Limited (formerly Revise Limited) alongside other investors (both institutional investors and individuals) in an Equity Financing round which raised £765,834 capital for the company. Further details about this investment in an unlisted security are given in Note 10. As noted in the 2013 Trustees' Report, Cloud Sustainability was a relatively new company whose principal activity is the provision of online educational resources and other online tools in the sustainability and waste management sectors. At the time the Chartered Institution made its investment in August 2013, Cloud Sustainability had completed the development of its principal product, the online tool "Waste Expert", and was raising capital both to enable it to take that product to market and to provide funding for the development of further electronic tools and learning. Experience gained during 2014 has demonstrated that "Waste Expert" is an innovative and flexible online software system. However, the path to market has proved more difficult than expected with longer lead times from enquiry to purchase and, in order to provide additional working capital, Cloud Sustainability raised a further £357,393 through a Second Equity Financing round on 29 January 2015. The shares issued in the Second Financing Round were priced at a discount to those issued in August 2013 and accordingly, Trustees have decided that it would be prudent to make a provision of £115,783 in the Financial Statements to reflect the possible reduction in value in the Chartered Institution's original investment. However, the prospects for both "Waste Expert" and Cloud Sustainability remain positive and the product has been purchased by several major organisations in the resources and waste management sector and a leading facilities management organisation to provide an enhanced service to their customers. The company has developed a focussed sales plan to target other leading waste management and waste producing organisations, and leads generated to date are encouraging. The agreements underpinning this Second Equity Financing round includes provision for the Chartered Institution to be able to subscribe for its pro rata allocation of shares on the same terms as the other investors providing a decision is made by 31 March 2015, but does not impose any obligation that it must so subscribe.

This investment was made alongside a partnership agreement between Cloud Sustainability Limited and CIWM Enterprises Limited to develop the Chartered Institution's ability to offer members and others high quality e-learning modules via the CIWM Knowledge Hub and other platforms. Further information about the CIWM Knowledge Hub is given on page 8 above and the Trustees are pleased to advise that this partnership is providing valuable low cost resources for members and others whilst also generating a return on the investment in it.

## **Trustees' report (continued)**

### **Report of the General Council for the year ended 31 December 2014**

#### **Investment performance against Objectives (continued)**

During the year the Finance Committee received investment performance information from the discretionary investment managers, Arbuthnot Latham, and commissioned detailed statistical analysis from specialist advisors, State Street Analytics Limited. It continued to review the Chartered Institution's investment policy and strategy.

#### **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

General Council advises members that continued emphasis has been placed on significant financial investment during 2014 in the extension and development of services both for members and others within the waste and resource management sectors and also more widely for the general public benefit. Trustees are pleased to advise that the Chartered Institution has recorded a surplus for the year of £70,810 (2013: Deficit £226,351). After recognition of realised investment gains and unrealised investment losses the retained deficit to be transferred to reserves is £1,280 (2013: retained deficit £91,029). The Chartered Institution's funds decreased by £1,280 from £4,476,339 to £4,475,059.

Interest in the services provided by the Chartered Institution including particularly bespoke and in-house training courses and other events remains good and indicates that the subjects covered are relevant to members and non-members for their technical content, appropriateness and topicality both in the commercial and professional fields.

#### **Reserves policy**

The General Council has reviewed the reserves of the Chartered Institution and has concluded that the area of greatest financial risk would be a material reduction in the trading of its commercial subsidiary company, CIWM Enterprises Limited (formerly IWM Business Services Limited). A reduction in trading of those activities would result in a corresponding reduction in the annual Gift Aid made from the subsidiary to the Chartered Institution. Free reserves, which are the Unrestricted General Funds, as at 31 December 2014 were £2,882,943 and, whilst it is considered that these may prove sufficient for short to medium term purposes, General Council considers that it would be prudent to continue to accumulate reserves to provide longer term financial security by budgeting, as far as possible, for modest annual surpluses.

#### **Investment policy and objectives**

General Council, through the Finance Committee, obtains expert investment management advice from the discretionary investment managers and is conducting a full review of its detailed investment policy.

#### **FUTURE PLANS**

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

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

A key focus will also remain on membership growth and development and on extending and strengthening the Chartered Institution's work for the general public benefit.

General Council, supported by the three key committees responsible for segmental interests, developed detailed Action Plans for 2014 and beyond. The imperative to improve 'resource' efficiency means that the sector is expanding to include energy and water as well as valuable materials, soil and natural capital. Resources management has fewer artificial environmental, business or professional boundaries and there is a greater need for multi disciplinary and partnership approaches in all areas of the Chartered Institution's activities – developing policy statements and technical responses; commercial activities and communications and influencing work.

**Trustees' report (continued)**  
**Report of the General Council for the year ended 31 December 2014**

**FUTURE PLANS (continued)**

Developing work started in previous years, the Chartered Institution is therefore, actively exploring partnerships with organisations across this broader policy space and partnership working will remain an important focus and delivery tool for the Chartered Institution.

Other specific priority areas identified for focus during 2015 include:

- to support Trustees and others volunteering to assist the work of the Chartered Institution by continuing to develop guidance and resources, especially concerning the Trustee role, competencies and appointment processes;
- to develop and extend the use of social media;
- to continue the development and promotion of training, e-learning and online educational tools;
- to work closely with WAMITAB to strengthen the Continuing Competence regime and other relevant competency training;
- to commission and lead research into topics of importance for the sector – the first project commissioned for 2015 is a report into “The Future of Packaging Producer Responsibility”. This major piece of research work will be launched by the incoming President in October 2015 at his inauguration event;
- to continue to develop partnerships with other organisations in the waste and resources sector and other related sectors, including developing the annual June Conference in England into a tripartite partnership to include the Resource Association;
- to develop the partnership with the Environmental Services Association, utilising Resources and Waste UK Limited to enable the two organisations to work together to influence key stakeholders, in particular the UK governments and their agencies, whilst maintaining the autonomy of both partners; and
- to assist the Centres in their work to engage with new members of the Chartered Institution.

**Auditors**

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

**Statement on disclosure of information to auditors**

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

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

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

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

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

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

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

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

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

By order of the General Council

**M R Hewitt**  
Honorary Treasurer

31 March 2015

9 Saxon Court,  
Marefair,  
Northampton,  
NN1 1SX

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

We have audited the consolidated and parent charitable company financial statements of the Chartered Institution of Wastes Management for the year ended 31 December 2014 which comprise the Consolidated Statement of Financial Activities incorporating the Consolidated Summary Income and Expenditure Account, the Consolidated and Parent Charitable Company Balance Sheets 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).

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

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 10 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2014 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

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

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

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

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

**Consolidated statement of financial activities (incorporating an income and expenditure account)**

for the year ended 31 December 2014

	Note	Unrestricted funds			Total funds 2014 £	Total funds 2013 £
		General Funds £	Designated Funds £	Endowment & Restricted funds £		
<b>Incoming resources</b>						
<b>Incoming resources from charitable activities:</b>						
<b>Activities in furtherance of the charity's objects:</b>						
Membership subscriptions		1,010,930	-	-	1,010,930	1,014,027
Regional centre income		211,282	-	-	211,282	185,173
<b>Incoming resources from generated funds:</b>						
Activities for generating funds:						
Commercial trading operations		1,946,059	-	-	1,946,059	1,389,302
Investment income	6	19,601	-	-	19,601	18,134
Interest receivable		32,289	-	-	32,289	36,363
Grant income from European Union	7	50,712	-	-	50,712	21,686
Other incoming resources		130,917	-	-	130,917	97,290
<b>Total incoming resources</b>		<b>3,401,790</b>	<b>-</b>	<b>-</b>	<b>3,401,790</b>	<b>2,761,975</b>
<b>Resources expended</b>						
Costs of generating funds						
Investment management		(13,448)	-	-	(13,448)	(12,687)
Commercial trading operations		(1,681,710)	-	-	(1,681,710)	(1,371,232)
<b>Charitable activities:</b>						
Costs of activities in furtherance of the charity's objects:						
Staff costs		(712,454)	(83,967)	-	(796,421)	(801,162)
Regional centre expenses		(200,186)	(10,140)	-	(210,326)	(185,562)
Committee directed costs		(176,021)	-	-	(176,021)	(172,907)
Committee running costs		(54,852)	-	-	(54,852)	(54,293)
Premises costs, postage, stationery, communications		(180,991)	-	-	(180,991)	(171,852)
Institution awards		(4,828)	-	(3,000)	(7,828)	(9,490)
Honoraria		(7,620)	-	-	(7,620)	(8,328)
Travel and accommodation		(21,656)	(5,678)	-	(27,334)	(33,600)
Other resources expended:						
Insurances and other Professional fees		(14,560)	-	-	(14,560)	(29,834)
Depreciation		(26,782)	-	-	(26,782)	(45,738)
Financing costs		(10,094)	-	-	(10,094)	(10,319)
Governance costs	2	(122,993)	-	-	(122,993)	(81,322)
<b>Total resources expended</b>		<b>(3,228,195)</b>	<b>(99,785)</b>	<b>(3,000)</b>	<b>(3,330,980)</b>	<b>(2,988,326)</b>
<b>Net incoming/ (outgoing) resources</b>	3	<b>173,595</b>	<b>(99,785)</b>	<b>(3,000)</b>	<b>70,810</b>	<b>(226,351)</b>
<b>Transfers between funds</b>		<b>(99,785)</b>	<b>99,785</b>			
<b>Other recognised gains and losses</b>						
Realised gain on investment assets	10	20,421	-	-	20,421	89,810
Unrealised (loss)/ gain on investment assets	10	(92,511)	-	-	(92,511)	45,512
<b>Net movement in funds</b>	14	<b>1,720</b>	<b>-</b>	<b>(3,000)</b>	<b>(1,280)</b>	<b>(91,029)</b>
<b>Total funds at 31 December 2013</b>	14	<b>2,881,223</b>	<b>1,544,758</b>	<b>50,358</b>	<b>4,476,339</b>	<b>4,567,368</b>
<b>Total funds at 31 December 2014</b>	14	<b>2,882,943</b>	<b>1,544,758</b>	<b>47,358</b>	<b>4,475,059</b>	<b>4,476,339</b>

All of the above results are derived from continuing activities. All gains and losses for the year are included above. The surplus for the year (2013: deficit) for Companies Act purposes comprises the net incoming resources for the year plus realised gains on investments, less realised losses. There was no material difference between the results as stated and the results on a historical cost basis.

The notes on pages 17 to 27 form part of these financial statements.



**Consolidated balance sheet**  
*as at 31 December 2014*

	Note	2014		2013	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		520,989		528,288
Investments	10		1,330,997		1,396,802
			<u>1,851,986</u>		<u>1,925,090</u>
<b>Current assets</b>					
Debtors	11	445,913		414,934	
Cash at bank and on deposit		2,210,553		2,249,380	
Investments		575,000		575,000	
		<u>3,231,466</u>		<u>3,239,314</u>	
<b>Creditors: amounts falling due within one year</b>	12	(608,393)		(688,065)	
<b>Net current assets</b>			<u>2,623,073</u>		<u>2,551,249</u>
<b>Total assets less current liabilities</b>			<u>4,475,059</u>		<u>4,476,339</u>
<b>Net assets</b>			<u>4,475,059</u>		<u>4,476,339</u>
<b>Endowment funds</b>					
Permanent	14		24,573		24,573
<b>Restricted funds</b>	14		22,785		25,785
<b>Unrestricted funds</b>					
Designated funds	14		1,544,758		1,544,758
General funds	14		2,882,943		2,881,223
<b>Total funds</b>	14		<u>4,475,059</u>		<u>4,476,339</u>

The notes on pages 17 to 27 form part of these financial statements.

These financial statements were approved by the General Council on 31 March 2015 and were signed on its behalf by:

**J Quinn**  
President

**MR Hewitt**  
Honorary Treasurer

**Charity balance sheet**  
as at 31 December 2014

	Note	2014		2013	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		520,989		528,288
Investments	10		1,331,207		1,397,012
			<u>1,852,196</u>		<u>1,925,300</u>
<b>Current assets</b>					
Debtors	11	179,242		139,458	
Cash at bank and on deposit		2,177,723		2,236,034	
Investments		575,000		575,000	
			<u>2,931,965</u>		<u>2,950,492</u>
<b>Creditors: amounts falling due within one year</b>	12	<b>(339,102)</b>		<b>(429,453)</b>	
<b>Net current assets</b>			<u>2,592,863</u>		<u>2,521,039</u>
<b>Total assets less current liabilities</b>			<u>4,445,059</u>		<u>4,446,339</u>
<b>Net assets</b>			<u>4,445,059</u>		<u>4,446,339</u>
<b>Endowment funds</b>					
Permanent	14		24,573		24,573
<b>Restricted funds</b>	14		22,785		25,785
<b>Unrestricted funds</b>					
Designated funds	14		1,544,758		1,544,758
General funds	14		2,852,943		2,851,223
			<u>4,445,059</u>		<u>4,446,339</u>
<b>Total funds</b>	14		<u>4,445,059</u>		<u>4,446,339</u>

The notes on pages 17 to 27 form part of these financial statements.

These financial statements were approved by the General Council on 31 March 2015 and were signed on its behalf by:

**J Quinn**  
President

**MR Hewitt**  
Honorary Treasurer

## Notes

(forming part of the financial statements)

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

#### ***Basis of preparation***

These financial statements have been prepared under 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 and the Companies Act 2006 on the historical cost convention modified by the revaluation of listed investments at market value and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities: the Charities SORP 2005.

#### ***Basis of consolidation***

The financial statements consolidate the financial statements of the Chartered Institution of Wastes Management and its wholly owned non-charitable subsidiaries, CIWM Enterprises Limited (formerly IWM Business Services Limited) (trading), Resources and Waste UK Limited (formerly IWM Professional Services Limited) (dormant), Clean Britain Awards Limited (dormant), Waste Smart Limited (dormant), Water Smart (UK) Limited (dormant), Energy Smart Training Limited (dormant) and Resource Smart Limited (dormant). These financial statements are all made up to 31 December 2014.

In accordance with paragraph 397 of the Charities SORP 2005 and the exemptions contained within Section 408 of the Companies Act 2006 a separate Statement of Financial Activities for the charity alone has not been presented.

#### ***Fund accounting***

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

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

##### *Fixed assets replacement reserve*

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

##### *Development reserve*

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

##### *Regional development*

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

##### *Waste Smart*

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

##### *The Strategic Development reserve*

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

#### ***Endowment funds***

##### *Permanent*

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

##### ***Restricted funds***

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

## Notes (continued)

### 1 Accounting policies (continued)

#### *Incoming resources*

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

#### *Resources expended*

Expenditure is accounted for on the accruals basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year. Any irrecoverable VAT is included within the item of expense to which it relates.

Governance costs comprise the costs of running the Chartered Institution, including strategic planning for its future development, external audit, legal and other professional advice and the costs of complying with constitutional and statutory requirements, such as the costs of General Council and other Committee meetings and the preparation and printing of statutory accounts and satisfying public accountability.

#### *Fixed assets and depreciation*

Depreciation is provided at rates calculated to write off the cost less estimated residual value of tangible and intangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings (tangible fixed assets)	-	2% on cost
Office equipment (tangible fixed assets)	-	33 $\frac{1}{3}$ % on cost
Fixtures and fittings (tangible fixed assets)	-	33 $\frac{1}{3}$ % on cost

No depreciation is provided on freehold land.

#### *Investments*

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

#### *Leases*

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

#### *Pensions*

The group operates a defined contribution pension scheme and makes pension contributions into independently administered personal funds for certain employees. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the schemes.

#### *Cash flow statement*

The group has taken advantage of the exemption contained within Financial Reporting Standard No 1 from the requirement to prepare a cash flow statement on the grounds that it qualifies as a small group as defined by the provisions of the Companies Act 2006.

**Notes** (continued)**2 Governance costs**

	2014 £	2013 £
General Council and other Committee costs	20,827	20,383
Premises	-	-
Audit fees	17,200	17,200
Legal and professional fees	16,327	1,969
Staff costs	68,639	41,770
	<u>122,993</u>	<u>81,322</u>

**3 Net incoming resources**

	2014 £	2013 £
<i>Net incoming resources for the year are stated after charging:</i>		
Auditors' remuneration:		
Audit fees - group	17,200	17,200
- charity	8,600	8,600
Non audit fees - group	495	495
Depreciation of tangible fixed assets	26,782	45,738
Operating lease payments	13,450	9,312
	<u>122,993</u>	<u>81,322</u>

**4 Payments to General Council members**

Payments to trustees for services as trustee are included in note 17.

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:-

	2014 £	2013 £
Group	22,278	20,269
Charity	21,910	19,495
Number of Trustees	28	28

**Notes** (continued)**5 Staff numbers and costs**

The average number of persons employed by the group during the year was:

	2014 Number	2013 Number
Charitable activities	20	20
Commercial trading	18	16
	<u>38</u>	<u>36</u>

The aggregate payroll costs of these persons were as follows:

	2014 £	2013 £
Wages and salaries	1,334,807	1,204,905
Social security costs	133,601	122,010
Other pension costs	80,316	68,429
	<u>1,548,724</u>	<u>1,395,344</u>

The number of employees who received emoluments exceeding £60,000 during the year was as follows:

	2014 No	2013 No
£60,001 - £70,000	2	2
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1
	<u>4</u>	<u>4</u>

Pension contributions relating to these employees amounted to £37,160 (2013: £35,630).

**6 Income from fixed asset investments**

	2014 £	2013 £
Income from fixed asset investments:		
Listed and common investment funds	19,601	18,134
	<u>19,601</u>	<u>18,134</u>

**7 Grant Income from European Union**

Included in EU Grant Income is grant income reimbursing expenditure incurred on two LIFE+ projects "EDOC" and "Equal" which are partially funded by EU LIFE+ grants; and one Leonardo Mobility Project where costs incurred are fully funded by EU grants. The grant income received from the EU for these projects during 2014 was: "EDOC" £4,067 (2013: £6,964); "Equal" £6,636 (2013: £3,859) and Leonardo Mobility project £40,009 (2013: £10,863).

**Notes** (continued)**8 Indemnity insurance**

The Chartered Institution operates a trustees' and officers' liability insurance cover at a cost of £3,180 (2013: £3,180).

**9 Tangible and Intangible fixed assets****Group and Charity**

	Tangible Fixed Assets			Total £
	Freehold land and buildings £	Office equipment £	Fixtures and fittings £	
<b>Cost</b>				
At 1 January 2014	716,303	261,415	118,560	1,096,278
Additions	-	19,483	-	19,483
Disposals	-	(25,172)	-	(25,172)
At 31 December 2014	716,303	255,726	118,560	1,090,589
<b>Depreciation</b>				
At 1 January 2014	205,241	245,213	117,536	567,990
Charge for year	11,240	15,064	478	26,782
Disposals	-	(25,172)	-	(25,172)
At 31 December 2014	216,481	235,105	118,014	569,600
<b>Net book value</b>				
At 31 December 2014	<b>499,822</b>	<b>20,621</b>	<b>546</b>	<b>520,989</b>
At 31 December 2013	511,062	16,202	1,024	528,288

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 £499,822 (2013: £511,062).

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

The net book value at 31 December 2014 represents fixed assets used for:

	Freehold land and buildings £	Office equipment £	Fixtures and fittings £	Total £
Headquarters	499,822	20,621	546	520,989

**Notes** (continued)**10 Fixed asset investments**

	Group 2014 £	Group 2013 £	Charity 2014 £	Charity 2013 £
<b>Listed investments</b>	<b>1,246,713</b>	1,196,736	<b>1,246,713</b>	1,196,736
Investment in unlisted securities	<b>84,284</b>	200,066	<b>84,284</b>	200,066
Group undertakings	-	-	<b>210</b>	210
	<u><b>1,330,997</b></u>	<u>1,396,802</u>	<u><b>1,331,207</b></u>	<u>1,397,012</u>

**Listed investments:**

	Group and Charity 2014 £	Group and Charity 2013 £
Market value at 1 January 2014	<b>1,196,736</b>	1,050,691
Additions at cost	<b>305,781</b>	820,062
Disposals at market value	<b>(275,133)</b>	(701,720)
Net gain/ (loss)	<b>19,329</b>	27,703
	<u><b>1,246,713</b></u>	<u>1,196,736</u>
Market value at 31 December 2014	<u><b>1,246,713</b></u>	<u>1,196,736</u>
Historical cost at 31 December 2014	<u><b>1,094,867</b></u>	<u>1,068,163</u>

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

	2014 £	2013 £
Listed investments	<b>1,246,713</b>	1,196,736
UK common investment funds	-	-
	<u><b>1,246,713</b></u>	<u>1,196,736</u>

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

	2014
Polar Capital Funds PLC	<b>7.52%</b>
BlackRock Global Funds	<b>5.98%</b>
	<u><b>13.50%</b></u>

On 9 August 2013 the Chartered Institution subscribed £200,066 for 337 Ordinary shares in Cloud Sustainability Limited (formerly called Revise Limited) at a price of £593.67 pence per share in an Equity Financing round which raised £765,834 capital. On 29 January 2015 Cloud Sustainability Limited raised additional working capital of £357,393 through a Second Equity Financing round; issuing a further 1,429 ordinary shares of £0.01 pence at price of £250.10 pence per share. The detail of this Second Equity Financing round includes provision for the Chartered Institution to be able to subscribe for its pro rata allocation of shares providing a decision is made by 31 March 2015, but does not impose any obligation that it must so subscribe. A provision of £115,783 has been made to reflect the reduction in value of the 337 ordinary shares held in Cloud Sustainability Limited following this Second Equity Financing round.

Cloud Sustainability Limited is a company registered in England and Wales (company number 06863577). At 31 December 2014 the issued share capital of Cloud Sustainability Limited is £23 divided into 2,290 ordinary shares of £0.01 pence each and 1,697 'A' Ordinary shares of £0.0001 pence each. It makes its accounts up to 30 April annually – they are not required to be audited. At 30 April 2014 shareholders' funds totalled £306,055.



**Notes** (continued)**10 Fixed asset investments** (continued)**Shares in group undertakings:**

	<b>Charity 2014</b>	Charity 2013
	£	£
CIWM Enterprises Limited (formerly IWM Business Services Limited)	2	2
Resources and Waste UK Limited (formerly IWM Professional Services Limited)	100	100
Clean Britain Awards Limited	100	100
Waste Smart Limited	2	2
Water Smart (UK) Limited	2	2
Energy Smart Training Limited	2	2
Resource Smart Limited	2	2
	<u>210</u>	<u>210</u>

The following table sets out the subsidiaries of the Chartered Institution of Wastes Management at 31 December 2014:

Name	Country of incorporation	Nature of business	Proportion of equity held
CIWM Enterprises Limited	England and Wales	Conferences & training	100%
Resources and Waste UK Limited	England and Wales	Dormant	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%

The issued share capital of CIWM Enterprises Limited (formerly IWM Business Services Limited) is £2, divided into 2 ordinary shares of £1 each and shareholders' funds at 31 December 2014 totalled £30,002. The company retained a profit of £Nil in 2014 (2013: £Nil). Turnover in 2014 was £1,974,994 (2013: £1,411,878).

The Chartered Institution is the sole member of CIWM (RPM), a company limited by guarantee and incorporated on 14 December 1999. CIWM (RPM) is also registered as a charity in England and Wales (registered number 1084599). It was registered with Entrust as an Environmental Body until being deregistered on 19 September 2008, and has always operated independently of the Chartered Institution. The financial statements of CIWM (RPM) have not, therefore, been included in these consolidated financial statements as the Chartered Institution has not exercised control over the activities of the company during 2014. The financial results of CIWM (RPM) for the year ended 31 December 2013 (this being the latest available accounts) were Net outgoing resources of £7,356; the accumulated reserves were £30,208.

On 19 January 2015, 50 Ordinary shares in Resources and Waste UK Limited were sold to the Environmental Services Association at par value. Further information in respect of this arrangement is provided in the Trustees' Report on page 4.

**11 Debtors**

	<b>Group 2014</b>	Group 2013	<b>Charity 2014</b>	Charity 2013
	£	£	£	£
Trade debtors	391,962	326,511	43,635	59,499
Amounts owed by subsidiary undertaking	-	-	107,291	-
Other debtors and taxation	31,652	21,362	9,731	16,752
Prepayments and accrued income	22,299	67,061	18,585	63,207
	<u>445,913</u>	<u>414,934</u>	<u>179,242</u>	<u>139,458</u>

**Notes** (continued)**12 Creditors: amounts falling due within one year**

	<b>Group 2014 £</b>	<b>Group 2013 £</b>	<b>Charity 2014 £</b>	<b>Charity 2013 £</b>
Trade creditors	58,729	142,379	29,655	75,216
Amounts owed to subsidiary undertaking	-	-	158	9,808
Other creditors:				
Other creditors	95,864	90,488	60,592	83,877
Other taxation and social security	83,527	60,379	29,832	19,094
Accruals	183,301	191,527	106,332	104,376
Deferred income	186,972	203,292	112,533	137,082
	<u>608,393</u>	<u>688,065</u>	<u>339,102</u>	<u>429,453</u>

Included in Other Creditors at 31 December 2014 are amounts received under EU advance grant instalment payment terms for the EU funded LIFE+ projects "EDOC" of £Nil (2013: £4,067) and "Equal" of £1,749 (2013: £Nil) and also for the Leonardo Mobility Project of £15,197 (2013: £22,487). It is expected that these amounts will be utilised in grant claims to be submitted in future periods during the term of these projects.

**13 Deferred income**

	<b>Group 2014 £</b>	<b>Group 2013 £</b>	<b>Charity 2014 £</b>	<b>Charity 2013 £</b>
At beginning of the year	203,292	150,319	137,082	128,917
Movement in the year	(16,320)	52,973	(24,549)	8,165
At end of the year	<u>186,972</u>	<u>203,292</u>	<u>112,533</u>	<u>137,082</u>

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

## Notes (continued)

## 14 Statement of funds

Group	1 January 2014 £	Income £	Expenditure £	Investment (Losses)Gains £	Transfers £	31 December 2014 £
<b>General funds:</b>	2,881,223	3,401,790	(3,228,195)	(72,090)	(99,785)	2,882,943
<b>Designated funds:</b>						
Fixed assets replacement reserve	700,000	-	-	-	-	700,000
Development reserve	500,000	-	-	-	-	500,000
Regional development	100,000	-	(99,785)	-	99,785	100,000
Waste Smart	125,000	-	-	-	-	125,000
Strategic Development reserve	119,758	-	-	-	-	119,758
<b>Total unrestricted funds</b>	<b>4,425,981</b>	<b>3,401,790</b>	<b>(3,327,980)</b>	<b>(72,090)</b>	<b>-</b>	<b>4,427,701</b>
<b>Endowment funds:</b>						
<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
<b>Total endowment funds</b>	<b>24,573</b>	<b>-</b>	<b>(1,313)</b>	<b>-</b>	<b>1,313</b>	<b>24,573</b>
<b>Restricted Funds:</b>						
Scottish Waste Award est. 2013	25,785	-	(3,000)	-	-	22,785
<b>Total restricted funds</b>	<b>25,785</b>	<b>-</b>	<b>(3,000)</b>	<b>-</b>	<b>-</b>	<b>22,785</b>
<b>Total funds</b>	<b>4,476,339</b>	<b>3,401,790</b>	<b>(3,332,293)</b>	<b>(72,090)</b>	<b>1,313</b>	<b>4,475,059</b>

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

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

## Notes (continued)

## 14 Statement of funds (continued)

Charity	1 January 2014 £	Income £	Expenditure £	Investment (losses)/gains £	Transfers £	31 December 2014 £
<b>General funds:</b>	2,851,223	1,671,390	(1,497,795)	(72,090)	(99,785)	2,852,943
<b>Designated funds:</b>						
Fixed assets replacement reserve	700,000	-	-	-	-	700,000
Development reserve	500,000	-	-	-	-	500,000
Regional development	100,000	-	(99,785)	-	99,785	100,000
Waste Smart	125,000	-	-	-	-	125,000
Strategic Development reserve	119,758	-	-	-	-	119,758
<b>Total unrestricted funds</b>	<b>4,395,981</b>	<b>1,671,390</b>	<b>(1,597,580)</b>	<b>(72,090)</b>	<b>-</b>	<b>4,397,701</b>
<b>Endowment funds:</b>						
<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
<b>Total endowment funds</b>	<b>24,573</b>	<b>-</b>	<b>(1,313)</b>	<b>-</b>	<b>1,313</b>	<b>24,573</b>
<b>Restricted Funds:</b>						
Scottish Waste Award est. 2013	25,785	-	(3,000)	-	-	22,785
<b>Total restricted funds</b>	<b>25,785</b>	<b>-</b>	<b>(3,000)</b>	<b>-</b>	<b>-</b>	<b>22,785</b>
<b>Total funds</b>	<b>4,446,339</b>	<b>1,671,390</b>	<b>(1,601,893)</b>	<b>(72,090)</b>	<b>1,313</b>	<b>4,445,059</b>

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

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

**Notes** (continued)**15 Analysis of group net assets between funds**

	Unrestricted Funds	Endowment & Restricted funds	Total
	£	£	£
<i>Fund balances at 31 December 2014 are represented by:</i>			
Tangible and intangible fixed assets	520,989	-	520,989
Investments	1,283,639	47,358	1,330,997
Current assets	3,231,466	-	3,231,466
Current liabilities	(608,393)	-	(608,393)
<b>Total net assets</b>	<b>4,427,701</b>	<b>47,358</b>	<b>4,475,059</b>

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.

**16 Commitments**

Annual commitments under non-cancellable operating leases at 31 December 2014 were as follows:

	Group 2014	Group 2013	Charity 2014	Charity 2013
	£	£	£	£
<i>Operating leases which expire:</i>				
In less than one year	3,237	-	3,237	-
In the second to fifth years inclusive	18,157	34,844	18,157	34,844
	<b>21,394</b>	<b>34,844</b>	<b>21,394</b>	<b>34,844</b>

**17 Related party transactions**

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

Payment To:	Payment From:	£
T March - training	CIWM Enterprises Ltd	25,652
C O'Brien - training	CIWM Enterprises Ltd	471
T March - Centre Secretary (Honorary)	CIWM	690
J Quinn - President (Honorary)	CIWM	1,068
MR Hewitt - Honorary Treasurer (Honorary)	CIWM	835
		<b>28,716</b>

All transactions relating to payments made by CIWM Enterprises Limited for training services are on a third party arms length basis. 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.

**18 Taxation**

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