

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

REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31ST DECEMBER 2009  
FOR  
THE INSTITUTE OF HEALTHCARE ENGINEERING  
AND ESTATE MANAGEMENT

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

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FOR THE YEAR ENDED 31ST DECEMBER 2009**

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

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2009**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2009. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

**1 REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

895080 (England and Wales)

**Registered Charity number**

257133

**Registered office**

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

**Trustees**

**Board of trustees and members of council**

**President**

R Smith CEng FIHEEM

**Board**

R P Boyce CEng CIHEEM - stood down 12 May 2009  
R H Browne CEng FIHEEM - stood down 12 May 2009  
A D Cameron CEng FIHEEM  
R J Chatwin CEng CIHEEM  
N H Davies FIHEEM  
J J Crawford CEng FIHEEM - appointed 28 October 2009  
P M Dunn IEng FIHEEM  
D L Hall IEng FIHEEM - stood down 12 May 2009  
J Hitt CEng FIHEEM  
N J Keery CEng FIHEEM - elected 12 May 2009  
D A Kerr CEng FIHEEM - co-opted 12 May 2009  
P Kingsmore CEng FIHEEM  
I J Little CEng FIHEEM - elected 12 May 2009  
G Markham CEng FIHEEM  
G Marsh CEng FIHEEM  
G McKeown CEng FIHEEM - appointed 12 May 2009  
W S H Millar CEng FIHEEM  
W A Mosedale IEng FIHEEM  
R E Nugent FIHEEM - stood down 12 May 2009  
M Patel FIHEEM  
M A Ralph CEng FIHEEM  
R S Spencer IEng MIHEEM - stood down 28 October 2009  
G A Stanton IEng MIHEEM  
P J Wade Eng Tech MIHEEM  
H Waugh IEng FIHEEM - appointed 28 October 2009  
A J Wavell IEng FIHEEM

**Chief Executive and Company Secretary**

P J Long MBE

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

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2009**

**1 REFERENCE AND ADMINISTRATIVE DETAILS- Continued**

**Auditors**

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

**Solicitors**

Saulet & Co Solicitors  
Froddington House,  
Cumberland Business Centre  
Northumberland Avenue  
Portsmouth, PO5 1DS

**Bankers**

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

**2. STRUCTURE, GOVERNANCE AND MANAGEMENT**

**a. Governing document**

The full name of the charity is "The Institute of Healthcare Engineering and Estate Management" (IHEEM). The Institute is a company limited by guarantee (Registered Number 895080) which was incorporated in 1967, is registered with the Charity Commissioners (Registration Number 257133) and is governed by its Memorandum and Articles of Association last updated on 15th May 2007.

**b. Recruitment and appointment of new trustees**

The charity's trustees form the governing council. The council is formed by the President and two categories of elected members: Branch Members and General Members. There are twelve Branch Members elected by the Branches in England, Northern Ireland, Scotland and Wales. There are twelve General Members, two of which are not qualified in engineering, three are registered with the Engineering Council, five are from the regional health estate authorities or healthcare professions and two are from the private sector. This process allows due consideration of the person's eligibility, personal competence, specialist knowledge and skills while taking note of the person's representational position. There are a number of Branch and General Member vacancies.

Members of the elected board of trustees serve for a term of three years and are eligible for immediate re-election for a further term of three years. The maximum term of election is six years. There are additional arrangements for the governing council to appoint trustees to vacancies on the council and to co-opt trustees with special skills when required.

**c. Induction and training of new trustees**

Following appointment, new trustees are introduced to their role and provided with copies of the Institute's Memorandum of Association and Articles of Association. A number of publications from the Charity Commission are also provided, including guidance on charities and public benefit. Specialist charity governance courses are available to all trustees on request. This induction process ensures that new trustees are aware of the scope of their responsibilities under the Charities Act.

**3. Organisational structure**

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

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

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2009**

**STRUCTURE, GOVERNANCE AND MANAGEMENT- Continued**

**3 Organisational structure continued**

To assist in the smooth running of the charity the trustees have established a number of subordinate committees that help them oversee certain aspects of the charity's work. Committees are currently established for Audit, Business Development, Education, Executive, International Affairs, Journal, Membership, and Technology. The subordinate committees report back with their recommendations to the full meeting of the trustees. The charity has fourteen regional branches covering the UK, the Republic of Ireland and Hong Kong. The day-to-day management of the charity is delegated to a small secretarial and administrative staff who operate from leasehold premises in Portsmouth, Hampshire.

**4 Risk management**

The trustees have assessed the risks the charity faces and have drawn up a risk matrix which identifies the major risks of activity, the nature of those risks, the likelihood of those risks happening and the measures taken to manage them. The trustees review this risk matrix regularly at their meetings. The trustees are satisfied that systems are in place or arrangements are in hand to manage risks that have been identified.

**5 OBJECTIVES AND ACTIVITIES**

**a Our objectives**

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

**b Mission**

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

**c Activities**

The charity's activities include the publication of a professional journal, the holding of educational seminars and the holding of an annual conference.

Each year the trustees review the objectives and activities of the charity to ensure that they continue to reflect the mission. In carrying out this work the trustees have considered the Charity Commission's general guidance on public benefit.

**d Volunteers**

Volunteers are an important resource in both the running of the Institute and the management of its educational activities. Over 70 volunteers regularly give their time for the running and management of the governing council and its committees, with further volunteers giving their time to the running and management of branch activities. All trustees give their time freely. The Institute encourages all members to become involved in voluntary activities and to share their skills with others.

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

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2009**

**6. ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

**a How our activities deliver public benefit**

The charity carries out a wide range of activities in pursuance of its charitable objectives. The trustees consider that these activities summarised below, provide benefit to the public and the wider community.

**b Educational seminars**

Five healthcare facility educational seminars were held during the year on two specialist subjects: fire safety in healthcare premises and management of medical gas systems in healthcare premises.

**c Educational conference & exhibition**

The IHEEM annual conference and exhibition was held at the Harrogate International Conference Centre on 27th and 28th October 2009. Delegates attended educational presentations in four parallel sessions including Design and Construction, Energy and Sustainability, Patient Safety and Estate Premises Management. There was a total presentation of 39 papers in 27 different sessions. The exhibition was again popular and successful, with 180 healthcare facility companies participating. The conference attracted 451 delegates, speakers and chairs. Total visitor numbers at the combined conference and exhibition was 1165, compared with 1247 at the 2008 event.

**d. Engineering Council**

The Institute remains a strategic partner of Engineering UK and the Engineering Council. Work centres on compliance with the Engineering Council audit requirements to hold the license for assessing candidates for Chartered Engineer, Incorporated Engineer and Engineer Technician registration. The license to register candidates for Chartered Engineer and Incorporated Engineer and to assess candidates for Engineer Technician was renewed for a further five years during 2009. Other work with the Engineering Council involves the provision of training for interviewers, participation in the audit of other institutes and promoting the Engineering Register.

**e Branches**

The Institute has fourteen branches, twelve branches are represented on the council. Branch committees are populated by volunteers who give their time to the management of education activities, branch based seminars, providing interview panels for new members, Engineering Council registrants, and recruiting new members.

**f Journal**

The popular quality educational publication 'Health Estate Journal' is distributed to all members. The trustees manage the Journal through the Journal Committee that is constituted by members of the institute and representatives of the outsourcing provider, Step Communications. The Journal remains attractive, popular and informative.

**g International Federation of Hospital Engineering (IFHE)**

The Institute remains a strong member of IFHE. IFHE is a strictly non-profit, non-governmental and independent organisation whose resources are used exclusively to foster and promote exchange of hospital engineering technology with the ultimate goal that people everywhere may receive better healthcare. IHEEM continued to provide the administration service for the Federation throughout the year. The IHEEM/IFHE administration support agreement will continue until December 2011.

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

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2009**

**ACHIEVEMENT AND PERFORMANCE- Continued**  
**Charitable activities**

**h Membership**

The institute's membership numbers on 31st December 2009 were recorded as 1,645 individual members, compared to 1,711 individual members on 31st December 2008, a decrease of 4%. On 31st December 2009 there were 140 Company Affiliates, each having up to 4 nominated members, compared to 121 Company Affiliates recorded on 31st December 2008, an increase of 16%. The total number of Institute members on 31st December 2009 is recorded as 2,072, compared to 2,059 on 31st December 2008 an increase of 1%. Membership fee concessions are offered for graduate members, retired or pensionable members, and members of limited means of income, also for University Company Affiliate membership.

**i Awards**

Recognition of public contribution to healthcare engineering and estate management and excellence in achievement is at the heart of the work of the Institute. The Institute recognises individual achievements by providing a number of awards, medals and prizes. The 2009 award winners were:

Lifetime Achievement Award: Lawrence Turner OBE CEng FIHEEM  
John Bolton Memorial Award for excellence in the field of education and training: Alex Black CEng FIHEEM  
Lucas Scholarship Award for significant contribution to branch activities: Keith Feay CEng FIHEEM  
William E Schall Award for excellence in medical technologies: Stuart Eccles

**7 FINANCIAL REVIEW**

**a Reserves policy**

The Institute maintains reserves which the Council deems appropriate for its efficient operation and for the generation of additional income on a prudent basis. About half of the charity's income is generated through membership income received in the first three months of the year and the other half generated in the second half of the year from conference activity. A level of free reserves of £150,000 equating to approximately six months management, administration and journal production expenses is considered appropriate. The actual free reserves exceeded the required level and amounted to £490,000 which will permit increased expenditure on membership promotion and Institute development.

**b Investment policy and objectives**

The Institute's constitution allows the Trustees to invest in any way they wish.

The Trustees, having regard to the liquidity requirements of operating the Institute and the reserves policy set out below, have operated a policy of keeping available funds in an interest bearing deposit account.

The invested funds held on deposit achieved an average rate of return of 0.4% against the Office for National Statistics, Consumer Price Index (CPI), for the year to December 2009 of 2.9%.

**c Principal funding sources**

The Charity's income funding is derived from two main sources: membership subscriptions and income from conferences & exhibitions. Income through membership subscriptions amounted to £207,000, an increase of 5% over the previous year. Income through conference and exhibition activity amounted to £265,000, an increase of 9% over the previous year.

**8 PLANS FOR THE FUTURE**

The charity's plans for the future include a review of governance, the strengthening of the Institute's membership numbers, improving the existing technical contribution to the society and the NHS, and improving the attractiveness, visibility and credibility of the Institute.

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

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2009**

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

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

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

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

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

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information

**AUDITORS**

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

**ON BEHALF OF THE BOARD**



Trustee

Date

19/03/2010



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

We have audited the financial statements of The Institute of Healthcare Engineering and Estate Management for the year ended 31st December 2009 on pages nine to eighteen. The financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charitable company's members, as a body, in accordance with Section 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

The trustees' (who are also the directors of the charitable company for the purposes of company law) responsibilities for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out on page six.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, are properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and are prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Report of the Trustees is consistent with those financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

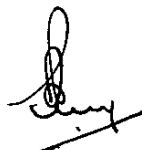
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE INSTITUTE OF HEALTHCARE ENGINEERING  
AND ESTATE MANAGEMENT**

**Opinion**

In our opinion

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 31st December 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Report of the Trustees is consistent with the financial statements

R M L Perry (Senior Statutory Auditor)  
for and on behalf of Morris Crocker  
Chartered Accountants  
Registered Auditors  
Station House  
North Street  
Havant  
Hampshire  
PO9 1QU



Date 25<sup>th</sup> March 2010

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

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31ST DECEMBER 2009**

	Notes	Unrestricted funds £	Restricted funds £	2009 Total funds £	2008 Total funds £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	999	-	999	-
Investment income	3	1,798	33	1,831	17,555
<b>Incoming resources from charitable activities</b>					
Seminars	4	53,797	-	53,797	39,200
Conferences		265,394	-	265,394	243,732
Publications		2,500	-	2,500	5,778
Membership		207,115	-	207,115	197,509
Miscellaneous		<u>4,252</u>	<u>-</u>	<u>4,252</u>	<u>3,178</u>
<b>Total incoming resources</b>		<b>535,855</b>	<b>33</b>	<b>535,888</b>	<b>506,952</b>
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds</b>					
Costs of generating voluntary income	5	13,324	-	13,324	8,440
<b>Charitable activities</b>					
Seminars	6	46,189	-	46,189	36,141
Conferences		296,901	-	296,901	246,708
Publications		1,382	-	1,382	1,712
Membership		133,075	-	133,075	123,271
Miscellaneous		-	-	-	108
<b>Governance costs</b>	8	<u>45,796</u>	<u>-</u>	<u>45,796</u>	<u>42,316</u>
<b>Total resources expended</b>		<b>536,667</b>	<b>-</b>	<b>536,667</b>	<b>458,696</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>					
		(812)	33	(779)	48,256
<b>Other recognised gains/losses</b>					
Gains/losses on investment assets		<u>-</u>	<u>(146)</u>	<u>(146)</u>	<u>98</u>
<b>Net movement in funds</b>		<b>(812)</b>	<b>(113)</b>	<b>(925)</b>	<b>48,354</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>652,591</b>	<b>4,078</b>	<b>656,669</b>	<b>608,315</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><b>651,779</b></u>	<u><b>3,965</b></u>	<u><b>655,744</b></u>	<u><b>656,669</b></u>

The notes form part of these financial statements


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

**BALANCE SHEET  
AT 31ST DECEMBER 2009**

	Notes	2009 £	2008 £
<b>FIXED ASSETS</b>			
Tangible assets	12	166,330	175,032
Investments	13	<u>701</u>	<u>847</u>
		167,031	175,879
<b>CURRENT ASSETS</b>			
Stocks		2,626	-
Debtors amounts falling due within one year	14	28,727	129,131
Cash at bank		<u>525,018</u>	<u>409,246</u>
		556,371	538,377
<b>CREDITORS</b>			
Amounts falling due within one year	15	<u>(67,658)</u>	<u>(57,587)</u>
<b>NET CURRENT ASSETS</b>		<u>488,713</u>	<u>480,790</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>655,744</u>	<u>656,669</u>
<b>NET ASSETS</b>		<u>655,744</u>	<u>656,669</u>
<b>FUNDS</b>	18		
Unrestricted funds		651,779	652,591
Restricted funds		<u>3,965</u>	<u>4,078</u>
<b>TOTAL FUNDS</b>		<u>655,744</u>	<u>656,669</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Trustees on 19/03/2010 and were signed on its behalf by

  
Trustee

The notes form part of these financial statements