



**CIWEM** 125  
YEARS  
SHAPING THE ENVIRONMENT FOR OUR FUTURE

**CIWEM** Chartered Institution of  
Water and Environmental  
Management

# ANNUAL REPORT AND FINANCIAL STATEMENTS

For the Year Ended 31 December 2019

Charity No: 1043409 (England and Wales) | Charity No: SC038212 (Scotland)

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## Reference and administrative details

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### Registered charity

No. 1043409  
(England and Wales)  
No. SC038212  
(Scotland)

### Bankers

#### Barclays Bank Plc

Level 27, 1 Churchill Place  
Canary Wharf  
London E14 5HP

#### National Westminster Bank

PO Box No 159  
332 High Holborn  
London WC1V 7PS

### Auditors

#### Moore Kingston Smith LLP

Devonshire House  
60 Goswell Road  
London EC1M 7AD

### Solicitors

#### Bircham Dyson Bell LLP

50 Broadway, Westminster  
London SW1H 0BL

# Message from the Chief Executive and Chair of the Trustee Board

Although this report is focused on 2019 it would be wrong not to comment on the impact COVID 19 is having on the Institution. At the time of writing (May 2020) the CIWEM office in London is closed and the majority of staff are successfully working from home. We have placed five staff onto the Government's furlough scheme. We anticipate that all staff will be able to resume normal working practices when and as Government guidelines allow. The closure of the offices has meant that the Institution has lost one line of income from the lack of office rental for meetings and all of our income streams have been significantly impaired.

We would like to take this opportunity to remind all of our members that we are a registered charity and if any of you feel able to make a donation over and above your membership subs this year it will be gratefully received and put to effective use.

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**One development dominated 2019 for CIWEM and will continue to do so.**

**Our vision is to make our contribution towards a safe and sustainable world and at our AGM in July 2019 we took a significant leap. Our board of trustees made a positive declaration about the Climate and Ecological emergencies that our world faces.**

We wanted to distinctly reference ecology as we feel this is being overlooked and with it the important interdependencies with climate. There are enormous contributions toward reducing carbon that can be made by good stewardship of ecological systems.

These declarations were underpinned by seven pledges which are guiding and influencing everything that we are doing. It is pleasing to see how this is generating excitement in the conversations and activities of our branches, groups, panels, committees, boards and partner organisations.

Details of our pledges and regular updates on progress can be found on our website, e-news and media channels.

Whilst this is driving our institution it is also important to recognise our vast community of members who volunteer and enable us to deliver our ambitions. This

includes those who serve on our branch committees, our special interest groups and panels and various governance committees and boards. We are grateful to the employers and organisations that allow their employees time to volunteer and who support us financially including sponsorship. We are ever mindful that CIWEM can only exist with your support.

## Trustee Board and executive developments

In 2019 we welcomed four new Trustees to our main Board: Luciana Wong, Eilish Kavanagh, Andrew Chang and Andy Dunn. We also welcomed Matthew Jack to the Board in the newly created 'early career post'. After an initial year of mentoring activities, Matthew will join the board as a full trustee member in 2020. Matthew is a past recipient of our Young Environmentalist award. Each new trustee brings a wealth of industry experience and connections with significant stakeholders for CIWEM, as well as sound advice and oversight on the governance of our institution.

This year we have invested in significant growth of our executive team so that we can deliver our plans for new services to members and to resource expansion of our training and events as described below.

We created a new post of Director of Operations and were delighted to promote Rachael Bliss to this role

having served previously as our Head of Learning and Development Services. We also promoted Rebecca Sells to a new post of Head of External Affairs. This brings together our communications, publications and events teams to create alignment of our outwardly facing activities along with our Policy team. Sophie Dunajko transferred to the role of Head of Membership and Professional Standards following the retirement of Tim Simms. We also welcomed Darren Eckford (in January 2020) to the senior management team as Head of Learning and Development Services.

It is vitally important that CIWEM is an exemplar employer and so we were delighted to achieve an Investors in People accreditation in 2019.

## Organisational growth

Our focus in 2019 has been to grow our abilities in learning and development. A notable success was to secure a 10 year contract with Water UK and in partnership with CIRIA to deliver training to UK water companies on the adoption of Sustainable Drainage Systems (SuDS). A full report on training is provided below.

Another major development in 2019 was the purchase of 'Flood and Coast' from the private company owner. This event is being delivered in partnership with the Environment Agency and attracts over 1,500 delegates and is experienced by around 5,000 people over three days.

These developments represent a significant growth in our income and our membership services and we look forward to seeing the benefits in 2020 and beyond.

It is also pleasing to note a significant increase in the number of candidates presenting themselves for professional reviews, up by 7% in 2019, and we are seeing this trend continue into 2020.

CIWEM is a charity and our ultimate aim is to support our members and to serve the interests of the public. We receive a great deal of support 'in kind' from individuals and organisations who generously give their time and resources and our gratitude to them is highlighted in the reports below. We also rely upon financial resources from our commercial activities and sponsorship.

For 2020, we will continue with the broad range of activities that we undertake and we have established the following priorities:

1. **Progress our Climate and Ecological Emergency pledges and embed these in all activities**
2. **Enhance our membership support through introduction of a mentoring platform, training for professional registrations and improved access to online resources**
3. **Expand the Flood and Coast event to a wider audience**
4. **Build on our learning and development offering and deliver our SuDS training contract**

We see these as being vital to our growth and the sustainability of our institution and we look forward to working with our members and partners to achieving these outcomes.

**Paul Seeley**  
Chair Trustee Board

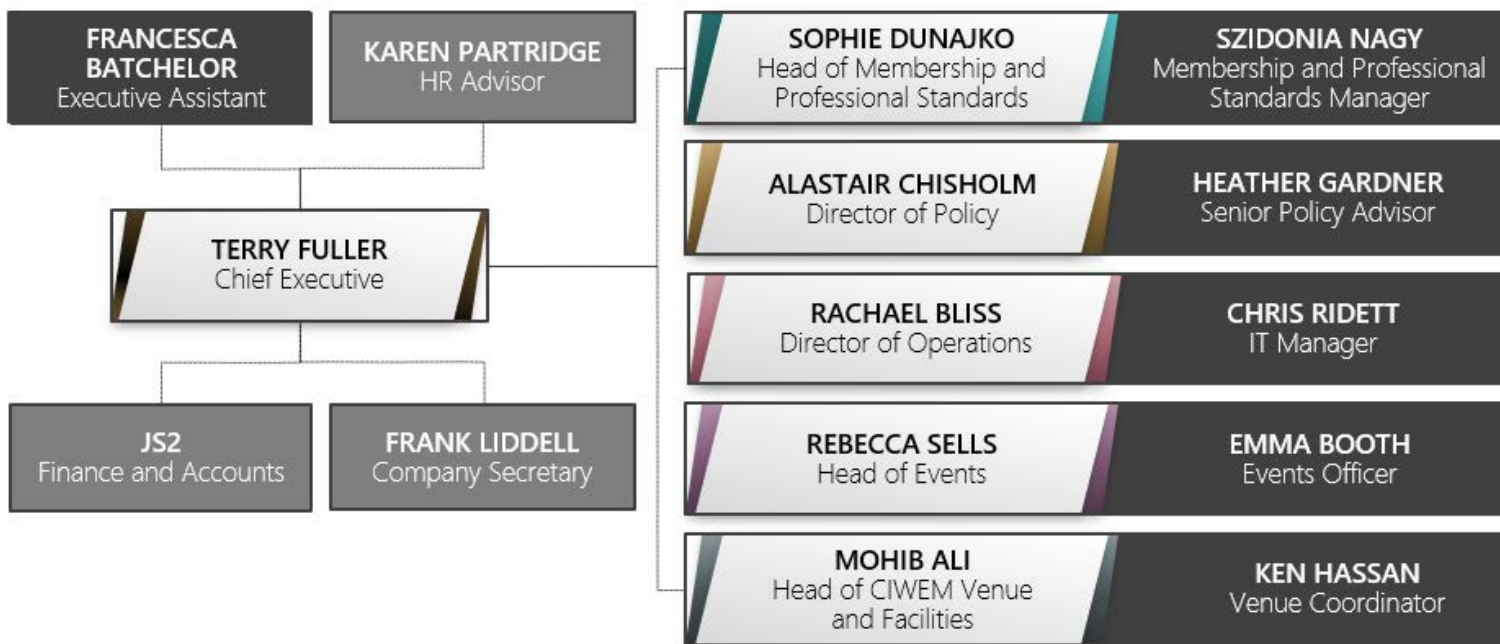


**Terry Fuller**  
Chief Executive



# CIWEM staff structure

## Team organisation and operation (line management)



Denotes permanent posts

Denotes contract roles

<b>BARBARA ORTH</b> Membership and Professional Standards Executive	<b>CHLOE GOODE</b> Membership Services Officer	<b>BARBARA WOODS</b> Member Development and Branch Coordinator	<b>JACK POOLE</b> Membership and Professional Standards Executive
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<b>SARAH ANDERTON</b> Policy Advisor	<b>KAREN THOMAS</b> The Environment Editor	<b>VICTORIA HARRIS</b> Publications Manager
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<b>JOSEPH WILSON</b> Accreditation and Business Relations Manager	<b>NICOLA SHONE</b> Learning and Development Services Executive
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<b>SARAH FARACHE</b> Press and Communications Officer	<b>OLIVIA MCLAUGHLIN</b> Events Executive
--	--

<b>MARIA JESIPOVA</b> Front of House Executive
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# Report of the Trustee Board

**The Trustee Board have pleasure in presenting their annual report and accounts for the year ended 31 December 2019. The report and accounts consolidate the activities of the Institution and its wholly owned subsidiaries CIWEM Services Limited and 106-109 Saffron Hill Management Limited (together referred to as “the group”).**

In presenting their report the members of the Trustee Board confirm that they have governed this Institution with regard to the Charity Commission’s guidance on public benefit.

## Organisation and governance arrangements

CIWEM is a registered charity and is constituted and governed by its Royal Charter and Bye-Laws, which were granted in 1995 and amended in 2009. The Trustee Board is responsible for setting out the ongoing strategic direction of the Institution and defining its business priorities. It also approves the terms of reference and monitors the work of Committees, Boards, Task Groups and Panels, to which certain operational matters are delegated. The Trustee Board normally meets five times a year to carry out its decision making and strategic responsibilities.

CIWEM also has a network of Branches, Special Interest Groups, Common Interest Networks and Technical Panels that are run by volunteers. They work alongside the executive staff helping to deliver the Institution’s charitable objectives, principally through the provision of technical meetings and events for Members, nationally and internationally. The Trustee Board monitors the work of the Branches and Groups at Trustee Board meetings.

## Statement of Trustees responsibilities

The Trustees are responsible for preparing the Trustees’ Report 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 & Wales and Scotland requires the Trustees to prepare financial

statements for each financial year, which give a true and fair view of the state of the affairs of the charity and the group and of the income and expenditure of the group for that period. In preparing these financial statements, the Trustees 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements**
- **Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business**

The Trustee Board are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy, at any time, the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, 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 charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.





The Trustees are responsible for the maintenance and integrity of the charity and for the financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees who served on the Trustee Board during the financial year are shown (in the positions they held at the year-end) and are as follows:

## Trustees

Paul Seeley (Trustee Chair)

Aaron Burton  
(Honorary Treasurer)

Stephanie Campbell

Andrew Chang

Joanna Cochrane

Claudia David

Andy Dunn

Roger Falconer (Professional Standards Committee Chair)

Eilish Kavanagh

David McHugh (President)

Janice McKenna

Shaun Nicholson (Nominations Committee Chair)

Niki Roach (Financial Audit & Resources Chair)  
(President elect)

Steve Thompsett

Luciana Wong

## Additional attendees

### Co-opted board members

David Wickens (CIWEM Services Limited Chair)

Angela Gray

Matthew Jack

### Independent

David Wilkes (Remuneration Committee Chair)

### CIWEM Services Limited – Non-Trustee board directors

Peter Jones

Trevor Harrington

Mike Summersgill

### Company Secretary

Frank Liddell

# CIWEM governance

**The Trustee Board is the body responsible for overseeing the Institution's management and administration and for setting policy. The Board consists of up to 15 Trustees, including the Chair, Deputy Chair, Honorary Treasurer, the Presidential Team, Trustees and co-opted Board members who are not Trustees.**

All Trustees are non-executive members of the Board appointed on merit from an independently facilitated selection process. Further details of Trustee appointment periods, the Trustee appointment process and terms of office can be found in the Institution's Bye-Laws.

Trustees are recruited by advertisements in the Institution's magazine, on the website, alongside with external adverts in the national press. Honorary Officers are appointed from amongst the Trustee Board.

All new Trustees receive an induction pack containing detailed information about CIWEM and its work, and go through an induction process with regular opportunities to update skills.

## Management

The Institution's Chief Executive is responsible for the day to day management of the Institution's affairs and for implementing policies agreed by the Trustee Board. The Chief Executive and Company Secretary are supported by Directors and Heads of Departments who make up the Executive Senior Management Team.

The Executive Senior Management Team at the end of 2019 comprised:

- **Terry Fuller, Chief Executive**
- **Rachael Bliss, Director of Operations**
- **Alastair Chisholm, Director of Policy**
- **Sophie Dunajko, Head of Membership and Professional Standards**

- **Rebecca Sells, Head of Events**

The remuneration of the Executive Senior Management Team is considered by the Remuneration Committee by reference to market rates and other appropriate factors. Recommendations are made to the Board of Trustees for approval.

## Risk Management and Internal Controls

During 2019, the Trustee Board maintained a risk register, and regularly reviewed the major risks to which CIWEM is exposed, especially business, operational and financial risks; taking into account the changing environment. Policies and procedures have been put in place to manage and reduce the identified risks, which were assessed in detail and updated to ensure their adequacy and effectiveness.

The principal risks, uncertainties and steps taken to mitigate the likelihood of their occurrence and impact are as follows:

**COVID 19:** During the preparation of this report the Coronavirus Pandemic has taken hold. This represents a significant risk to CIWEM and is already impacting on our business in 2020, after a very positive start to the year. This includes closure of our venue and loss of the rental income that it generates. Our events and training programmes have been severely curtailed and the distribution of our technical journals has been stopped.

We are taking the following mitigation measures:

- **Maintaining a detailed modelling and forecasting of our cash flow so that we can focus our activities**
- **Taking a 'payment holiday' on our amortised loan and are in early discussions with our bank regarding further financial support should it become necessary**
- **Instigating measures to confine our costs to maintaining critical operations and those that generate income surplus**

PRODUCED BY: **CIWEM**

CONVENED BY:  Environment Agency

- **Accessing cost relief and deferment being offered by The Government including the Furlough scheme, income tax and business tax**
- **Adapting the provision of our services to utilise on-line technology to allow these to continue including professional reviews, membership support, training, webinar events, publications and delivery of policy**

**Member subscriptions:** Income from membership subscriptions continues to form a significant part of the Institution's annual income, funding our activities for the public benefit and dissemination of best practice.

In 2019 we took the following direct action to retain and grow membership:

- **Ensured our membership was open to all those who met our professional standards**
- **Supported our members moving through their CIWEM journey and sought to bring back into membership those whose subscriptions have lapsed**
- **Continued to build on the support and resources provided to our branches**
- **Strengthened resourcing of our membership team and assessors and reviewers**

We undertook a thorough review of our membership subscriptions, and this led us to increase annual membership subscriptions in line with inflation, this equated to between a £1.00 to £5.00 increase across the grades. We continue to make our membership accessible, supporting those from Low Income Countries with fee grades at 50% of the High Income Country fees, maintaining our retired membership rates and proving hardship rates for those experiencing financial hardship which includes taking a career break, for maternity and paternity leave or unemployment.

**Purchase of Flood and Coast:** In 2019 we completed the purchase of this event from a privately-owned

events company. The event will be delivered by CIWEM for the first time in 2020. From our due diligence we are expecting the event to be profitable as it has been in previous years. We have increased our resource specifically to deliver this event and we are in formal partnership with the UK Environment Agency who have been heavily involved in previous years. We are maintaining a specific risk register and reporting on progress at our CSL Board meetings. Due to the COVID 19 restrictions the event has been moved from June to December 2020.

**Delivery of SuDS training to the UK Water Industry:** CIWEM has secured this 10-year contract in partnership with CIRIA to deliver training to UK Water Companies via Water UK. This represents a substantial growth in our Training Business. We have increased our in-house resources to deliver this contract and entered into formal contracts with CIRIA and subcontractors with expertise in this field. We are maintaining a specific risk register and review at each CSL Board Meeting. Due to the COVID 19 restrictions the planned classroom training has been modified for delivery on-line.

The Trustee Board recognises that there are inherent limitations in any system of risk management and accordingly even the most effective system can only provide reasonable and not absolute assurance that the key risks have been managed adequately. However, the Trustee Board is satisfied that, through the risk management process, the major risks have been mitigated to an acceptable level.

CIWEM also maintains a range of policies and procedures including: health and safety; equality and diversity; environmental; and IT systems protection. These policies are updated in order to ensure compliance with legal requirements and employment best practice.

Formal certification to the latest 2015 International Standards was awarded to CIWEM in Spring 2016. A re-certification visit was successfully completed by Lloyd's Register of Quality Assurance (LRQA) in 2019.



## Membership

**We continue our membership development programme to grow and support our engaged, diverse and inclusive membership body.**

The membership team objectives for 2019 and beyond were and are as follows:

- **Provide a first-class membership service to all current and future members, ensuring our membership was open to all those who meet our professional standards**
- **Qualify experienced Water and Environmental Managers through engagement activities and targeted communications**
- **Engage with universities and apprenticeship schemes to reach out to the next generation of CIWEM members**
- **To reinforce our position as the institution of choice for all people working across the water and environmental sectors**

Positive strides were made in 2019 against our

membership objectives. Member feedback showed we need to provide clear guidance, advice and support to applicants. Developments here were supported by continued engagement with clients and partners to promote the value of professional registration. We achieved this through our highly successful virtual and physical membership support sessions and workshops as well as through the attendance of many CIWEM Branch committee meetings and events.

Beyond this we visited universities to engage with students and academics about the career long benefits of joining a professional body and what the water and the environmental sectors can offer them. We continued to promote this message to those at the beginning stages of their careers through our Early Careers Group and provide enhanced support for members of this group. Members of the team also attended industry exhibitions to showcase the benefits of CIWEM membership.

During 2019 we welcomed 174 additional Chartered and Water and Environmental Managers (C.WEM) into membership, an increase of 7% in the number of professional interviews undertaken across the year as compared to last year.

## Branches

In 2019 our branch network continued to provide a wealth of opportunities for our members to network, learn and engage through meetings, conferences, site visits, workshops, socials and dinners from across the UK to the Republic of Ireland, Hong Kong, Canada and New Zealand. Together they ran nearly 140 events during the year contributing to a rich and varied programme supporting our members' interests across a range of subjects.

Branches collaborated frequently with each other, as well as with CIWEM's other groups and networks, and external organisations, to develop relationships leading to the delivery of joint activities. This expanded our outreach to a larger, more diverse audience and provided greater scope for our members to develop and showcase their careers. Notable examples of this were the 70 years of the CIWEM Rivers and Coastal Group celebrations; development and support of existing partnerships with government and other professional organisations in Hong Kong; involvement in Women in FCERM events, furthering CIWEM's work on diversity; and the formation of new partnerships, such as with Sustainability West Midlands.

Branches have increasingly linked up with other CIWEM activities, such as our learning and development services, conferences, awards and accreditation schemes to assist with the integration of all CIWEM activities in a more cohesive way. In turn, branches have provided new contacts and ideas to aid the development of our services to members.

Throughout 2019 we have provided further support to the branches, developing better processes to aid with the delivery of events and involve a wider, more diverse audience, including fostering the uptake of virtual technology to showcase regional activities and engage in a new way. Many branches have adopted new media and have incorporated webinars and live transmissions to geographical hubs. This has proved even more essential as a result of COVID 19.



**During 2019 we welcomed  
174 Chartered Water and  
Environmental Managers  
(C.WEM)**

2019 saw a maintenance of members across all grades compared to 2018 figures (accounting for leavers, deaths and suspension of membership). The number of women in our membership continues to grow, representing 28.5% of the total as a whole.

The membership team would like to thank all the volunteers that we have engaged with - Professional Standards Committee Members, Nomination Committee, Accreditation Panel Members, all our assessors and reviewers; not forgetting all the Branch, Group committees and Board members, without whose help and support we would not have been able to recruit and service our membership.



## Our Rivers and Coastal Group celebrated its 70th anniversary in 2019!

### Policy and technical

**It's fair to say that in 2019 environmental reference points and language changed considerably. By Easter, Extinction Rebellion were blocking roads in major cities across the world and the School Strike for Climate movement and Greta Thunberg grabbed political attention. Organisations across the world, including CIWEM, declared climate (and ecological) emergencies.**

Natural disasters occurred, political narratives changed, and we looked forward to the UK hosting the critically important UN COP26 climate summit. We also left the European Union and awaited new environmental and agriculture legislation. There was also a General Election in which climate change and the environment featured like never before.

Against this backdrop we continued as an institution to engage members and wider stakeholders actively in the development of our policy and technical work. Our members and their expertise are the foundation of our practitioner-led, evidence-based approach to pushing for positive change to practice and policy. In line with our Climate and Ecological Emergency Declaration, we married this approach with stronger, more direct language and continued to build our influence and engagement as an objective, respected stakeholder for government and

decision-makers at all levels.

Whether giving evidence in front of parliamentary select committees, producing original pieces of research, analysis and thought leadership, or expanding the depth with which we scrutinize and improve our own environmental impacts as an organisation, we are striving to reflect member expertise and priority in our work. We can only do this with your input so thanks for supporting us so strongly and we look forward to an active and influential 2020!

### Events

The diversity of our events programme in 2019 was a tribute to the breadth of interest and expertise within the CIWEM membership. Our centrally-organised events were once again heavily supported by our panels, networks and groups, for which we remain deeply grateful.

Our Rivers and Coastal Group celebrated its 70th anniversary in 2019, marking the event with a visionary event looking at the future of flood risk management. We look forward to another 70 successful years! Our Urban Drainage Group once again organised sector-leading conferences and training days, with its Annual Conference departing traditional Blackpool and basing in Nottingham for the first time.

A strong theme of climate change adaptation





and resilience ran through many of our events during the year, this was most pronounced in the summer's Climate Resilience and Extreme Events conference. We also ran very well-engaged conferences on surface water management and the future of land and water management.

Our Annual Dinner is always a wonderful celebration of the successes, knowledge and opportunities that give us hope for our ability as a sector to deliver on the challenges of the future. A glittering evening to come together and both reflect and look forward, once again we held it at the beautiful Draper's Hall in London.

At the end of the year we confirmed the acquisition of the Flood and Coast conference and look forward to building on its position as the leading flood and coastal erosion risk management event in 2020 and beyond. We will continue to bring leading experts, thinkers and decision-makers together to debate the biggest environmental challenges of the day in engaging and stimulating formats and settings.



“

**“I now feel I have the basic understanding necessary to begin my own journey towards a circular economy as well as helping my company transition”**

### Learning and Development

2019 was the stepping-stone for significant expansion of CIWEM’s learning and development offering through the securing of a large-scale training contract to deliver SuDS training into the UK water industry. This also created the exciting formation of a training partnership with our colleagues at CIRIA and we hope that this will be the first of many projects that we work on together. The wider delivery of this content alone will be a significant further opportunity to be taken in 2020.

We continued to see strong enrolments on the Fast Track to Chartership programme and an uptake in the number of inhouse courses. It was pleasing to note that those applying through the Fast Track route had a circa. 90% success rate at PRI stage, a significant number of whom were also applying for Fellow. As we look ahead to 2020, we will continue to evolve this service to make it accessible to more people, on a national and then global scale. Transitioning of this course along with Root Cause Analysis, Mentor Training and Environmental Economics into web-based training, without losing the possibility of face-to-face training, provides greater accessibility and marketability. A real opportunity.

In the autumn we ran our first intake of the Circular Economy Masterclass in collaboration with the University of Exeter, which received very positive feedback. One participant from Scottish Water described it as *“Exceptional. I now feel I have the basic understanding necessary to begin my own journey*



*towards a circular economy as well as helping my company transition."* We plan to run another intake in September, with the hope that this will become a permanent and popular fixture in 2020.

As part of our collaborative approach at CIWEM, we continued to work with key partners such as the Environment Agency, water companies and consultancies to establish skills gaps, training requirements and contribute to trailblazer groups. This approach has positioned us at the forefront, offering our current training to a captive audience and undertaking further potential training development in areas such as Property Flood Resilience (PFR) and Catchment Based Approach (CaBA) to be explored in 2020.

Looking ahead to 2020, learning and development will continue to act as a conduit for our network of trainers providing bespoke solutions to the water and environment sectors. By unzipping the partnership with Water UK and gaining access to the nine major water companies that are part of this cohort, maximising output from our partnership with CIRIA and firming up our developing partnership with Water Research Centre (WRC), CIWEM Learning and Development are positioning as one of the primary training providers to the industry. Post COVID 19 we will increase capacity to take training to a wider audience through promotion of these partnerships, the industry leading content coming out of them and our ability to be fast to market with accessible training solutions. The challenges presented by COVID 19 have seen a positive response from the department as a whole and development that would have potentially run in to 2021 has been brought forward and implemented giving us a good chance of a strong finish to 2020.

## Professional Standards and Accreditation

**Professional Standards Committee:** The Professional Standards Committee (PSC) was formed in 2014 as a Standing Committee reporting to the Trustee Board. Its key role is to make sure that best practice is followed in CIWEM's membership policy as set out in its Royal Charter. It is assisted by an Engineering Sub-Committee, a Business and Science Sub-Committee, an Accreditation Board and a Qualifications Panel, all of which report to the PSC. Another important aspect of the work of the PSC is to recruit and train Chartered Members for the

roles of assessors of applications and professional review interviewers. In 2019 we utilised our revised recruitment approach to launch the advertising for new committee members to join in 2020.

**Qualifications Panel:** The Qualifications Panel was established to fulfil CIWEM's obligation under the Engineering Council's Registration Code to maintain a panel of competent registrants to assess applicants for registration who do not possess the Council's exemplifying qualifications. The Panel reports to the Professional Standards Committee. Typically, the applicants considered by the Panel hold an overseas degree or a degree in a subject other than engineering. 64 candidates underwent assessment by the Qualifications Panel during 2019.

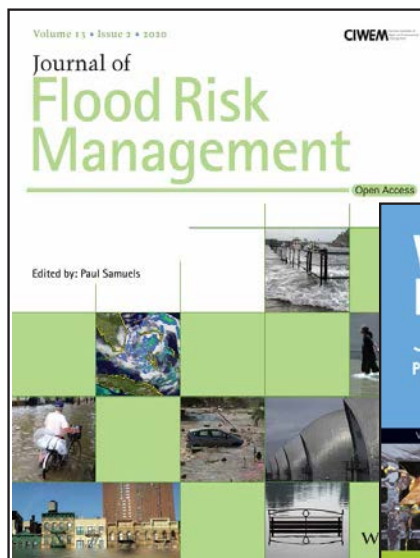
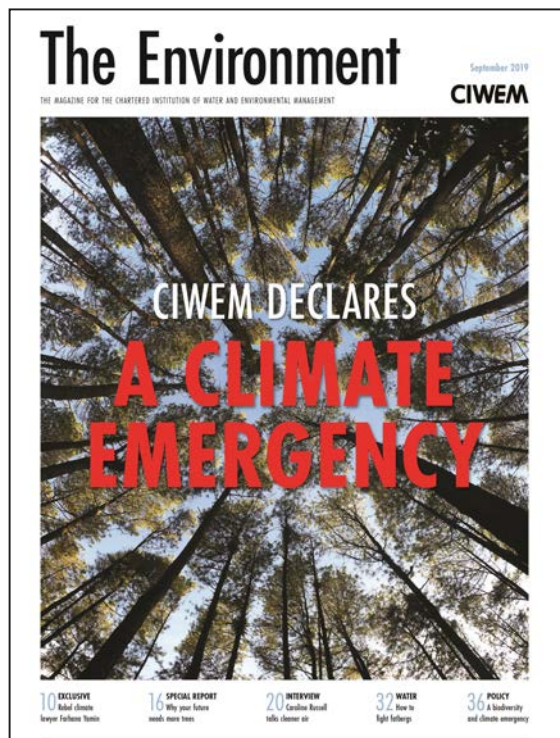
**Accreditation Board:** 2019 saw the recruitment of two new members to the Accreditation Board in Dr Nicholas Howden, from the University of Bristol, who is the new Chair of the board and Dr Phillip Soar, from the University of Portsmouth.

The number of universities that currently have courses accredited by CIWEM stands at 28 of which 23 are in the UK, one in the Republic of Ireland, and one each in Saudi Arabia, Hong Kong, China and Malaysia. This represents an increase of 25% from 2018. In 2019 accreditation visits were successfully carried out at University of West London, Leeds Beckett University, University of Chester, University of Derby, University of Bolton and the University of Bristol.

Visits planned for 2020 include visits to IT Sligo, Ireland University of West of England, the Open University, Scotland's Rural College, King Abdulaziz University, Jeddah and City University of Hong Kong.

2019 saw the accreditation of Professional Development Schemes at WSP, AECOM, Severn Trent Water, Thames Water and United Utilities. Brunel University, Cranfield University, International Water Association, TU Delft, Delta Membrane Systems Ltd and Develop also saw their activities accredited for CPD.

An innovative project with the Environment Agency to accredit their internal procedure for the Centre for Excellence board was also launched during 2019, this looks to certify their internal incident response training.



## Publications

**CIWEM magazine The Environment aims to shore up its commercial footing this year, closer ties with Syon exploring new advertising and commercial partnerships. Syon is developing app-based content for Flood and Coast and is exploring other digital revenue-generating opportunities.**

The Environment has produced some exciting theme-based issues this year. Editorial highlights include the Future is Female issue in June, the special CIWEM Declares edition in September and December's Future Imperfect issue, looking ahead through the prism of climate change. In March, every article in our Youth Takeover issue was by or about a rising WEM star aged 15-31.

Recent interviews include Ecotricity founder Dale Vince, Extinction Rebellion lawyer Farhana Yamin, the Scottish and Welsh environment secretaries, Wales' future generations commissioner Sophie Howe, organic farmer Guy Singh-Watson, the metropolitan mayors of Liverpool and Manchester and popular scientist Liz Bonnin.

There have also been exciting developments for CIWEM's two journals; Journal of Flood Risk Management has transitioned to gold open access in August 2019. The journal is now free to read, download and share online globally, providing an international platform for knowledge sharing in all

areas related to flood risk. We have also welcomed a new editor in chief to Water and Environment Journal. Ana Soares from Cranfield University brings significant experience in water science and biological engineering to the editorial team.

The ability to provide access to digital publications for all members remains a priority and CIWEM welcomes the announcement from government that they intend to remove VAT on digital publications in 2021. While awaiting further detailed announcements we are now planning for a transition to digital first publishing in the future.

## Commercial operations

CIWEM's commercial activities are undertaken through CIWEM Services Ltd. (CSL) which is a wholly owned subsidiary of CIWEM.

CIWEM is a not for profit organisation and all surplus generated by CSL are gifted to CIWEM to further our public benefit activities including the support of our members' professional development. Our principal commercial revenue streams are:

- **Events**
- **Training and accreditation**
- **Publications**
- **Advertising, jobs and sponsorship**
- **Venue hire**

## Financial Picture

CIWEM's income for the year totaled £2.46m (£2.55m for 2018). Expenditure totaled £4.28m (£2.56m for 2018). The increase in expenditure includes £1,760,954 following the reduction of the fixed asset value of Saffron Hill as explained in the 'Financing' section below.

Approximately 65% of our income (£1.6m) was from Membership subscriptions, and the remaining 35% (£841k) was from our commercial lettings, events, training and publications. We are transitioning towards less heavy reliance on our membership income and more towards an even split with income from our commercial activity.

**Balance Sheet:** CIWEM's balance sheet shows total net assets of just over £1.22m at the end of 2019. As at the year end, the total funds held within the group were £1.22m (£3.05 for 2018) of which £1.14m were unrestricted (£2.95m for 2018).

**Financing:** We have renegotiated our bank facilities through a market comparison exercise. This was prompted by the discontinuation of the Revolving Credit Facility (RCF) by Barclays who are no longer offering this to their customers. We were required to seek a valuation of the Saffron Hill property which is security for the bank against the loan.

Our existing bankers, Barclays, offered the most financially favourable products and we signed new arrangements in September 2019. These are:

- **A loan of value £1.9M amortised over a period of 20 years and renegotiable after 5 years**
- **An overdraft facility of £0.75M renewable annually**

These arrangements offer a reduction in interest payments and we have increased the amount of capital repayments.

Having now settled all accounts and claims on the building and achieved BREEAM accreditation CIWEM has had the Saffron Hill premises independently valued in compliance with RICS Global Standards. This was undertaken as part of our governance, risk management and financial planning and to allow us to secure new improved financing arrangements with our bankers. The market valuation as at 31st Dec 2019

is £3.9m which reflects current market conditions. An adjustment has been made to the carrying value of fixed assets in the 2019 accounts to reflect this valuation.

**Reserves Policy:** The Trustee Board are satisfied that the banking facilities negotiated in 2019 secured on the freehold of the building, and the fabric of the building itself, provide for appropriate reserves in the immediate term. However, this investment of reserves in the building has resulted in negative free reserves of £267k (including £502k of undrawn overdraft borrowing in relation to the property). As a result the Trustee Board has set out a five-year plan to build free reserves which will reduce CIWEM's dependency on bank support.

The five-year plan adopts a hierarchy for the allocation of our year end surplus with the objective being to contribute to all three of the following but in a proportion that reflects the priority of our aims and our financial performance:

1. **Build our free reserves**
2. **Enhance our charitable activities**
3. **Pay-off loan capital above the contracted obligations**

This hierarchy will be reviewed at least annually and in the event of a significant change such as business risk or external economics.

Our target is to build free reserves of £1.4m and total reserves of £2.8m by the end of financial year 2025.

The report of the trustees, including the message from the Chair and the Chief Executive and the Reference and Administrative details set out on the pages above, was approved by the Trustees on 14th May 2019 and is signed on their behalf as below.

Report of the Trustees signed by:

**Paul Seeley**  
Chair

**Aaron Burton**  
Honorary Treasurer

# INDEPENDENT AUDITORS' REPORT

For the Year Ended 31 December 2019

**Independent Auditors' Report  
to the Members of The Chartered  
Institution of Water and  
Environmental Management**

## Opinion

We have audited the financial statements of The Chartered Institution of Water and Environmental Management for the year ended 31 December 2019 which comprise the Group Statement of Financial Activities, the Group and Parent Balance Sheet, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

### In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 December 2019, 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 the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and with the requirements of the Charities Act 2011.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies

or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept adequate accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charity or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and section 144 of the Charities Act 2011 and report in accordance with regulations made under those Acts.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees'

use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the group to express an opinion on the group financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Use of our report

This report is made solely 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

“

**“We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law.”**

**Andrew Stickland**  
**(Senior Statutory Auditor)**

For and on behalf of Moore Kingston Smith LLP,  
Statutory Auditor | 1 September 2020

**Devonshire House**  
**60 Goswell Road**  
**London**  
**EC1M 7AD**

Moore Kingston Smith LLP is eligible to act as  
auditor in terms of Section 1212 of the Companies  
Act 2006



# Consolidated statement of financial activities

For the year ended 31 December 2019

	Note	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>INCOME</b>					
INCOME FROM CHARITABLE ACTIVITIES					
Membership subscription and fees		1,615,599	-	1,615,599	1,628,096
Conferences and events		226,970	32,735	259,705	337,948
Education and training courses		94,185	-	94,185	141,600
OTHER TRADING ACTIVITIES					
Investment income	3	189	-	189	428
Books and publications		173,149	-	173,149	138,000
Lettings		293,354	-	293,354	289,973
OTHER INCOME		18,875	1,588	20,463	18,337
<b>TOTAL INCOME</b>		<b>2,422,321</b>	<b>34,323</b>	<b>2,456,644</b>	<b>2,554,382</b>
<b>EXPENDITURE</b>					
EXPENDITURE ON RAISING FUNDS					
Lettings		298,054	-	298,054	267,793
EXPENDITURE ON CHARITABLE ACTIVITIES					
Membership services		951,198	-	951,198	1,120,425
Conferences and events		455,027	40,113	495,140	566,509
Education and training		181,447	-	181,447	118,365
Policy and partnerships		525,958	-	525,958	430,740
Donations, prizes and awards		65,100	1,010	66,110	61,710
IMPAIRMENT OF FREEHOLD PROPERTY	8	1,760,954	-	1,760,954	-
<b>TOTAL EXPENDITURE</b>	<b>4</b>	<b>4,237,738</b>	<b>41,123</b>	<b>4,278,861</b>	<b>2,565,542</b>
<b>NET (EXPENDITURE) &amp; MOVEMENT IN FUNDS</b>		<b>(1,815,417)</b>	<b>(6,800)</b>	<b>(1,822,217)</b>	<b>(11,160)</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>	<b>15</b>	<b>2,956,912</b>	<b>95,208</b>	<b>3,052,120</b>	<b>3,063,280</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>15</b>	<b>1,141,495</b>	<b>88,408</b>	<b>1,229,903</b>	<b>3,052,120</b>

Note 19 - shows the Charity Statement of Financial Activities



# Consolidated and charity balance sheets

As at 31 December 2019

	Note	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
<b>Fixed Assets</b>					
Tangible assets	8	3,998,184	5,969,631	3,998,184	5,969,631
Intangible assets	9	113,635	-	13,635	-
Investments	10	-	-	100	100
<b>Total Fixed Assets</b>		<b>4,111,819</b>	<b>5,969,631</b>	<b>4,011,919</b>	<b>5,969,731</b>
<b>Current Assets</b>					
Debtors	11	414,702	430,742	194,956	429,329
Cash at bank and in hand		197,042	377,135	79,374	126,361
<b>Total Current Assets</b>		<b>611,744</b>	<b>807,877</b>	<b>274,330</b>	<b>555,690</b>
Creditors: Amounts falling due within one year	12	1,639,269	3,725,388	1,254,382	3,480,072
<b>Net Current (Liabilities)</b>		<b>(1,027,525)</b>	<b>(2,917,511)</b>	<b>(980,052)</b>	<b>(2,924,382)</b>
Creditors: Amounts falling due after more than one year	13	1,854,391	-	1,814,391	-
<b>Net Assets</b>		<b>1,229,903</b>	<b>3,052,120</b>	<b>1,217,476</b>	<b>3,045,349</b>
<b>Funds</b>					
	<b>15</b>				
Restricted funds		88,408	95,208	88,408	95,208
Unrestricted funds: General		1,141,495	2,956,912	1,129,068	2,950,141
<b>Total Funds</b>		<b>1,229,903</b>	<b>3,052,120</b>	<b>1,217,476</b>	<b>3,045,349</b>

These Accounts were approved and authorised for issue by Trustee Board on 14th May 2020 and signed on its behalf by:

**Paul Seeley**  
Chair

**Aaron Burton**  
Honorary Treasurer

# Consolidated and charity statement of cash flows

## For the year ended 31 December 2019

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
<b>Cash flows from operating activities</b>				
Net income for the year	(1,822,217)	(11,160)	(1,827,873)	131,409
Adjustments for:				
Depreciation charges	187,308	181,610	187,308	181,610
Impairment charge	1,760,954	-	1,760,954	-
Interest	(189)	(428)	(189)	(428)
Loss on the sale of fixed assets	19,513	-	19,513	-
(Increase)/decrease in debtors	16,040	(215,951)	234,373	(195,643)
Increase/(decrease) in creditors	(33,312)	2,388,925	(147,883)	2,347,735
<b>Net cash provided by (used in) operating activities</b>	<b>128,097</b>	<b>2,342,996</b>	<b>226,203</b>	<b>2,464,683</b>
<b>Cash flows from investing activities</b>				
Interest	189	428	189	428
Purchase of tangible fixed assets	(9,963)	(190,629)	(9,963)	(190,629)
Purchase of intangible fixed assets	(35,000)	-	-	-
<b>Net cash provided by (used in) investing activities</b>	<b>(44,774)</b>	<b>(190,201)</b>	<b>(9,774)</b>	<b>(190,201)</b>
<b>Cash flows from financing activities</b>				
Cash inflows from new borrowing	(511,443)	-	(511,443)	-
Repayments of borrowing	-	(2,369,828)	-	(2,369,828)
<b>Net cash provided by (used in) financing activities</b>	<b>(511,443)</b>	<b>(2,369,828)</b>	<b>(511,443)</b>	<b>(2,369,828)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(428,120)</b>	<b>(217,033)</b>	<b>(295,014)</b>	<b>(95,346)</b>
Cash and cash equivalents at the beginning of the year	377,135	594,168	126,361	221,707
<b>Cash and cash equivalents at the end of the year</b>	<b>(50,985)</b>	<b>377,135</b>	<b>(168,653)</b>	<b>126,361</b>
<b>Represented by</b>				
Cash at bank and in hand	197,042	377,135	79,374	126,361
Bank overdraft	(248,027)	-	(248,027)	-
	<b>(50,985)</b>	<b>377,135</b>	<b>(168,653)</b>	<b>126,361</b>

The Notes on the following pages form part of these Financial Statements

# Notes to the financial statements

## For the year ended 31 December 2019

### 1. Accounting policies

**Basis of accounting:** These financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity and its subsidiary are a public benefit group for the purposes of FRS 102 and therefore have also prepared the financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The presentational currency used is British pound sterling, and balances are rounded to the nearest £1.

**Going concern:** The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charity and Group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the impact of the Coronavirus Pandemic that has taken hold since the year end. This has resulted in the closure of our venue and the loss of the rental income that it generates. Our events and training programmes have been severely curtailed and the distribution of our technical journals has been stopped.

In response we have instigated measures to confine our costs to maintaining critical operations and those that generate income surplus and adapted the provision of our services to utilise on-line technology to allow these to continue including professional reviews, membership support, training, webinar events, publications and delivery of policy.

Based on this we have produced revised forecasts and projections taking into account the assistance available from the Government that we have taken advantage of and the 'payment holiday' we have agreed on our amortised loan. The Institution has an arranged overdraft facility with its bankers and the revised forecasts demonstrate that it is able to operate within this. However, as with all overdraft facilities, it is subject to annual review and can be cancelled at any time. The next annual review is in September 2020 and whilst the Trustees have no reason to believe it will not be renewed, there is an inherent uncertainty. The trustees are in early discussions with our bank regarding further financial support should it become necessary.

Accordingly the trustees have concluded that there is a reasonable expectation that the Charity and Group has adequate resources to settle its debts as they fall due and therefore continue to adopt the going concern basis in preparing its financial statements.

**Consolidated financial statements:** The group financial statements consolidate the financial statements of the charity and its wholly-owned subsidiary undertakings, CIWEM Services Limited and 106-109 Saffron Hill Management Limited.

**Branches and groups:** The financial transactions of all UK branches and groups and the two non sterling branches of Hong Kong and the Republic of Ireland have been included within the main CIWEM accounts.

**Income:** Subscription income represents total subscriptions received from members for the year. Subscription receipts relating to the following year are treated as deferred income. No accrual is made for subscriptions in arrears.

Conference & event income is recognised within the year held. Any conference and event receipts relating to the following year are treated as deferred income. Attendance and sponsorship is the main source of income, which is either invoiced in advance or payable as an entrance fee.

All other income is included in the Statement of Financial Activities when the Charity is entitled to the income, the amount is probable, and the amount can be quantified with reasonable accuracy.

**Expenditure:** Expenditure is charged to the Statement of Financial Activities on an accruals basis, net of recoverable VAT. All costs have been charged where possible directly to the relevant activity. Where costs cannot be directly attributed to particular activities, they have been allocated between expense headings on the basis of time spent.

**Tangible fixed assets and depreciation:** Tangible fixed assets are included in the balance sheet at original cost less accumulated depreciation. Cost includes capitalised interest and other finance costs where appropriate. Depreciation is provided on a straight line basis calculated to write down the cost of all tangible assets to their estimated residual values over the number of years of expected use. Leased assets are written off over the period of the lease. Assets are depreciated at the following rates:

Freehold Land	Not depreciated
Freehold buildings	60 years
Fitting out costs	20 years
Furniture and fittings	5 years
Office equipment	5 years
Computer equipment and software (transferred to intangible fixed assets on 31 December 2019)	3 years
Management Information Systems	5 years

All single purchases of less than £1,000 (excl. VAT) are written off in the year of purchase unless forming part of a more comprehensive scheme or capital project.

#### **Intangible fixed assets and amortisation:**

Intangible fixed assets are included in the balance sheet at original cost less accumulated amortisation. Amortisation is provided on a straight line basis

calculated to write down the cost of all intangible assets to their estimated residual values over the number of years of expected use. Assets are depreciated at the following rates:

Computer equipment and software	3 years
Flood & Coast event	4 years

**Impairment of fixed assets:** Assets that are subject to depreciation or impairment are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is an indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Assets that have previously been impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

**Taxation:** Under the provisions of Section 466-497 of the 2010 Corporation Taxes Act and section 256 (1) of the Taxation of Capital Gains Act 1992, the Institution qualifies for exemption from liability to taxation on charitable income and gains.

**Pensions:** Contributions are made to individual personal pension plans which are defined contribution schemes.

The pension costs charged to the Statement of Financial Activities in the year are those actually paid or due to be paid into the pension plans.

**Translation of overseas currencies to Sterling:** The financial statements are presented in pounds sterling as this is the functional currency of the organisation. The accounts of non sterling branches are translated into sterling. Income and expenditure items are translated at appropriate average rates and monetary assets and liabilities at the rates at the balance sheet date. The currency gains and losses are taken to the unrestricted funds.

**Operating leases:** Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**Unrestricted and restricted funds:** Unrestricted funds are expendable at the discretion of Trustee Board and in furtherance of the Institution's charitable objectives.

The restricted funds held by the Group relate to the income and expenditure of CIWEM branches.

**Financial instruments:** The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of balances to to/from HMRC, prepayments and deferred income, all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 11 and 12 for the debtor and creditor notes.

The year end carrying value of financial assets and financial liabilities, measured at amortised cost, was as follows:

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Financial assets	277,950	328,496	121,927	360,688
Financial liabilities	437,039	486,172	187,055	307,501

The year end carrying value of financial assets that are equity instruments, measured at cost less impairment and relating to the Charity only were £100 (2018: £100). This balance relates to the investment in the subsidiary company, CIWEM Services Limited.

**Accounting judgements and estimates:** The key judgements and estimates used in the preparation of these Financial Statements are as follows:

- The depreciation rate of tangible and intangible fixed assets (as detailed above)
- The impairment of the freehold property detailed in Note 8
- Support costs are apportioned to direct activities based on the direct staff costs allocated to those activities (see Note 4)

There are no other key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## 2. Subsidiary undertakings

CIWEM has a wholly-owned trading subsidiary undertaking, CIWEM Services Limited, a company incorporated and registered in England and Wales (registered no 03166701). The principal activities of this company are conferences, events and publications. All its profits are paid to the charity by gift aid. The charity owns the entire issued share capital of 100 ordinary shares of £1 each.

CIWEM controls a second trading subsidiary undertaking, 106-109 Saffron Hill Management Limited (SHML), a company limited by guarantee and incorporated and registered in England and Wales (registered no 08822614). SHML own the leasehold rights of the four privately owned residential flats on the top two floors of 106-109 Saffron Hill. The charity has charged 106-109 Saffron Hill Management Limited for the running and maintenance costs of the flats and these costs have been recharged to the flat owners.

A summary of the results of the subsidiaries is shown on the following page:

## CIWEM Services Limited

	2019 £	2018 £
<b>Profit and Loss Account</b>		
Turnover	1,109,245	1,097,142
Cost of sales	810,037	763,213
<b>Gross profit</b>	<b>299,208</b>	<b>333,929</b>
Administration expenses	286,781	327,162
<b>Profit on ordinary activities</b>	<b>12,427</b>	<b>6,767</b>
<b>Changes in equity</b>		
Total equity brought forward	6,867	149,440
Total comprehensive income for the year	12,427	6,767
Gift aid distribution to parent charity	(6,767)	(149,340)
<b>Total equity carried forward</b>	<b>12,527</b>	<b>6,867</b>
<b>Balance Sheet</b>		
Intangible fixed assets	100,000	-
Current assets	334,947	376,303
Creditors: amounts falling due within one year		
Amounts owed to group undertakings	(3,456)	(130,585)
Other creditors	(378,964)	(238,851)
Creditors: amounts falling due within one year	(40,000)	-
<b>Total assets less current liabilities</b>	<b>12,527</b>	<b>6,867</b>
Called up share capital	100	100
Retained profit and loss account	12,427	6,767
<b>Shareholders' funds</b>	<b>12,527</b>	<b>6,867</b>

## 106 - 109 Saffron Hill Management

	2019 £	2018 £
<b>Profit and Loss Account</b>		
Turnover	17,917	22,196
Cost of sales	17,917	22,196
<b>Gross profit</b>	<b>-</b>	<b>-</b>
Interest	-	-
<b>Retained profit and loss account</b>	<b>-</b>	<b>-</b>
<b>Balance Sheet</b>		
Current assets	24,347	35,321
Cash at bank and in hand	36,004	8,230
Creditors: amounts falling due within one year		
Amounts owed to group undertakings	37,053	37,086
Other creditors	23,298	6,465
<b>Total assets less current liabilities</b>	<b>-</b>	<b>-</b>

### 3. Investment income

	2019 £	2018 £
Bank and Money Market	189	428
Interest receivable		
<b>Total Investment Income</b>	<b>189</b>	<b>428</b>

## 4. Expenditure

### Current year

	Key management / Staff costs	Activities undertaken directly	Support costs	Impairment	Total 2019
	£	£	£	£	£
Lettings	47,478	56,271	194,305	-	298,054
Membership services	222,458	346,547	382,193	-	951,198
Conferences and events	57,654	201,536	235,950	-	495,140
Education and training	132,443	49,004	-	-	181,447
Policy and partnerships	188,162	14,526	323,270	-	525,958
Prizes, awards, and scholarships	57,019	9,091	-	-	66,110
Support costs	331,272	804,446	(1,135,718)	-	-
Impairment of freehold property	-	-	-	1,760,954	1,760,954
	<b>1,036,486</b>	<b>1,481,421</b>	<b>-</b>	<b>1,760,954</b>	<b>4,278,861</b>

### Prior year

	Key management / Staff costs	Activities undertaken directly	Support costs	Impairment	Total 2019
	£	£	£	£	£
Lettings	50,403	61,735	155,655	-	267,793
Membership services	295,226	353,457	471,742	-	1,120,425
Conferences and events	80,810	236,140	249,559	-	566,509
Education and training	46,541	71,824	-	-	118,365
Policy and partnerships	158,493	18,990	253,257	-	430,740
Prizes, awards, and scholarships	56,379	5,331	-	-	61,710
Support costs	275,128	855,085	(1,130,213)	-	-
	<b>962,980</b>	<b>1,602,562</b>	<b>-</b>	<b>-</b>	<b>2,565,542</b>

### Expenditure includes

	Total 2019	Total 2018
	£	£
Operating lease payments (excluding VAT)	6,756	6,451
Interest costs	76,407	86,019
Depreciation	187,308	181,610
Impairment of freehold property (see Note 8)	1,760,954	-
(Loss)/ Gain on foreign exchange	(4,537)	3,987

## 5. Direct support costs

	Total 2019 £	Total 2018 £
<b>Governance costs</b>		
Auditors' remuneration		
For Audit: Current year	16,500	18,075
For Audit: In respect of the previous year	(1,570)	1,177
Non-audit fees	3,270	1,900
Trustee Board costs	28,016	53,002
AGM/EGM costs	300	917
Company Secretary	20,280	22,455
Legal and professional fees	4,525	5,600
	<b>71,321</b>	<b>103,126</b>

### Other support costs

Management costs (including outsourced accounting)	107,043	102,600
Human Resources	29,299	54,254
Legal, professional & bank / finance costs	143,039	164,663
Premises	311,289	284,340
Office Services	34,299	35,112
ICT	108,156	110,990
	<b>804,446</b>	<b>855,085</b>

## 6. Employees and key management personnel

The key management personnel of the Charity comprise the trustees, the Chief Executive Officer and Senior Management team. The total amounts paid for salaries, fees and expenses in respect of the key management personnel of the Charity, inclusive of employer pensions and employer National Insurance contributions, were £508,779 (2018 - £490,037).

The average monthly number of employees during the period was 23 (2018 - 22). Staff costs during the period consisted of:

	Total 2019 £	Total 2018 £
Salaries	840,851	785,451
Temporary agency staff	21,610	34,471
Social security costs	87,302	81,861
Pension and life assurance costs	76,821	58,093
Compensation for loss of office	2,500	1,925
Recruitment costs	7,402	1,179
	<b>1,036,486</b>	<b>962,980</b>

The number of employees earning £60,000 in the year or more (exclusive of employer pensions and employer National Insurance contributions) was:

	Total 2019 number	Total 2018 number
£60,000- £70,000	1	-
£100,000 - £110,000	1	1

## 7. Trustees

The members of the Trustee Board received no remuneration in relation to fulfilling their role as Trustees (2018: £nil). Expenses for travel and subsistence reimbursed to 13 Trustees amounted to £14,074 (2018 - 12 Trustees £17,037).



## 8. Tangible fixed assets - group and charity

### Current year

	Furniture and Fittings £	Office Equipment £	Freehold Property £	Computer Systems £	Total £
<b>Cost</b>					
At 1st January 2019	10,228	52,098	6,293,286	407,883	6,763,495
Additions	-	1,616	-	8,347	9,963
Disposals	-	(2,581)	(19,513)	-	(22,094)
Transferred to intangible fixed assets (see Note 9)	-	-	-	(332,909)	(332,909)
<b>At 31st December 2019</b>	<b>10,228</b>	<b>51,133</b>	<b>6,273,773</b>	<b>83,321</b>	<b>6,418,455</b>
<b>Depreciation</b>					
At 1st January 2019	9,728	14,755	468,502	300,879	793,864
Charge in year	500	9,592	104,317	72,899	187,308
Disposals	-	(2,581)	-	-	(2,581)
Transferred to intangible fixed assets (see Note 9)	-	-	-	(319,274)	(319,274)
Impairment of freehold property (see below)	-	-	1,760,954	-	1,760,954
<b>At 31st December 2019</b>	<b>10,228</b>	<b>21,766</b>	<b>2,333,773</b>	<b>54,504</b>	<b>2,420,271</b>
<b>Net Book Value</b>					
<b>At 31st December 2019</b>	<b>-</b>	<b>29,367</b>	<b>3,940,000</b>	<b>28,817</b>	<b>3,998,184</b>
<b>At 31st December 2018</b>	<b>500</b>	<b>37,343</b>	<b>5,824,784</b>	<b>107,004</b>	<b>5,969,631</b>

Having settled all accounts and claims in 2019 on the freehold property at 106-109 Saffron Hill EC1N 8QS, and having achieved BREAM accreditation, CIWEM had the Saffron Hill premises independently valued in compliance with RICS Global Standards. This was undertaken as part of our governance, risk management and financial planning and to allow us to secure new improved financing arrangements with our bankers.

freehold property was £3,940,000 as at 31 December 2019. This valuation represents an impairment on the depreciated cost previously included in the financial statements. An impairment loss of £1,760,954 has subsequently been reflected in the year to 31 December 2019.

The valuation was carried out by Allsop LLP of 33 Wigmore Street W1U 1BZ. The market value of the

## 9. Intangible fixed assets - group

### Current year

	Computer Systems £	Flood & Coast Event £	Total £
<b>Cost</b>			
At 1st January 2019	-	-	-
Additions	-	100,000	100,000
Transferred from tangible fixed assets (see Note 8)	332,909	-	332,909
<b>At 31st December 2019</b>	<b>332,909</b>	<b>100,000</b>	<b>432,909</b>
<b>Amortisation</b>			
At 1st January 2019	-	-	-
Charge in year	-	-	-
Transferred from tangible fixed assets (see Note 8)	319,274	-	319,274
<b>At 31st December 2019</b>	<b>319,274</b>	<b>-</b>	<b>319,274</b>
<b>Net Book Value</b>			
<b>At 31st December 2019</b>	<b>13,635</b>	<b>100,000</b>	<b>113,635</b>
<b>At 31st December 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>

No amortisation has been charged in the year because the first Flood and Coast event to be run by Ciwem Services Limited will be in 2020.

## 10. Fixed asset investments

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Investments held in subsidiary CIWEM Services Limited (Note 2)	-	-	100	100
<b>Total Investments</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>100</b>

## 11. Debtors

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Trade debtors	192,915	147,369	572	25,356
Other debtors	85,035	181,127	80,846	167,661
Prepayments	117,251	74,348	53,528	40,743
Amounts owed from subsidiary undertakings	-	-	40,509	167,671
VAT recoverable	19,501	27,898	19,501	27,898
	<b>414,702</b>	<b>430,742</b>	<b>194,956</b>	<b>429,329</b>

Trade debtors above are net of provisions made against specific bad debts within the subsidiaries totalling £22,484 (2018: £43,919).

## 12. Creditors: amounts falling due within one year

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Trade creditors	265,630	121,197	101,327	59,881
Taxation and social security	63,284	60,446	35,049	31,059
Other creditors	49,142	13,444	43,219	6,979
Accruals	122,267	351,531	42,509	240,641
Deferred income	816,925	778,942	710,257	741,684
Bank overdraft	248,027	-	248,027	-
Bank loan (see Note 13)	73,994	2,399,828	73,994	2,399,828
	<b>1,639,269</b>	<b>3,725,388</b>	<b>1,254,382</b>	<b>3,480,072</b>

The bank overdraft facility is secured on the Saffron Hill property. The interest rate charged is Bank of England Base Rate plus 3% fixed for five years from September 2019. The Facility can be cancelled by the bank at any time.

At the year end, £7,003 was payable to the pension fund. This is included in other creditors (2018: £Nil).

## 12. Creditors: amounts falling due within one year (continued)

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
<b>Deferred income</b>				
Balance brought forward	778,942	796,107	741,684	754,631
Amount released to income	(778,942)	(796,107)	(741,684)	(754,631)
Amount deferred in the year				
Membership receipts	710,257	741,684	710,257	741,684
Invoices relating to events	87,993	18,583	-	-
Invoices relating to room rentals	18,675	18,675	-	-
<b>Balance carried forward</b>	<b>816,925</b>	<b>778,942</b>	<b>710,257</b>	<b>741,684</b>

## 13. Creditors: amounts falling due after one year

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Accruals	40,000	-	-	-
Bank loan	1,814,391	-	1,814,391	-
	<b>1,854,391</b>	<b>-</b>	<b>1,814,391</b>	<b>-</b>

### Payments are as follows:

One to Two Years	93,994	-	73,994	-
Two to Five Years	1,760,397	-	1,740,397	-
	<b>1,854,391</b>	<b>-</b>	<b>1,814,391</b>	<b>-</b>

The bank loan is secured on the Saffron Hill property. The interest rate charged is Bank of England Base Rate plus 1.95% fixed for five years from September 2019. The carrying net book value of the property on which the loan is secured is £3,940,000 (2018: £5,824,784).

Whilst the impairment charge for the year has resulted in one of the covenants on the bank loan being breached and at that point could have been called in, an unconditional waiver has been received since the year end and as a result the loan has continued to be disclosed as long term.

## 14. Operating Lease Commitments

At the reporting end date the company had the following future minimum lease payments under non-cancellable operating leases (all for equipment) which fall due as follows:

	2019	2018
	£	£
Less than one year	3,596	1,588
Two - five years	5,094	-

## 15. Movement on funds

### Group Current Year

	Balance at 31/12/2018	Income	Expenditure	Balance at 31/12/2019
	£	£	£	£
<b>Restricted Funds</b>				
Branch Funds	95,208	34,323	(41,123)	88,408
<b>Unrestricted Funds</b>				
General charitable funds	2,956,912	2,422,321	(4,237,738)	1,141,495
<b>Total Funds</b>	<b>3,052,120</b>	<b>2,456,644</b>	<b>(4,278,861)</b>	<b>1,229,903</b>

The restricted branch funds relate to the income and expenditure of CIWEM branches.

### Group Prior Year

	Balance at 31/12/2017	Income	Expenditure	Balance at 31/12/2018
	£	£	£	£
<b>Restricted Funds</b>				
Branch Funds	92,552	60,546	(57,890)	95,208
<b>Unrestricted Funds</b>				
General charitable funds	2,970,728	2,493,836	(2,507,652)	2,956,912
<b>Total Funds</b>	<b>3,063,280</b>	<b>2,554,382</b>	<b>(2,565,542)</b>	<b>3,052,120</b>

Group restricted income in the prior year consisted of branch conference and event income of £60,546 (included within Charitable activities). Restricted expenditure consisted of branch conference and event expenditure of £57,890 (included within charitable activities).

## 15. Movement on funds (continued)

### Charity Current Year

	Balance at 31/12/2018	Income	Expenditure	Balance at 31/12/2019
	£	£	£	£
<b>Restricted Funds</b>				
Branch Funds	95,208	34,323	(41,123)	88,408
<b>Unrestricted Funds</b>				
General charitable funds	2,950,141	1,635,398	(3,456,471)	1,129,068
<b>Total Funds</b>	<b>3,045,349</b>	<b>1,669,721</b>	<b>(3,497,594)</b>	<b>1,217,476</b>

### Charity Prior Year

	Balance at 31/12/2017	Income	Expenditure	Balance at 31/12/2018
	£	£	£	£
<b>Restricted Funds</b>				
Branch Funds	92,552	60,546	(57,890)	95,208
<b>Unrestricted Funds</b>				
General charitable funds	2,821,388	1,855,109	(1,726,356)	2,950,141
<b>Total Funds</b>	<b>2,913,940</b>	<b>1,915,655</b>	<b>(1,784,246)</b>	<b>3,045,349</b>

Charity restricted income in the prior year consisted of branch conference and event income of £60,546 (included within Charitable activities). Restricted expenditure consisted of branch conference and event expenditure of £57,890 (included within charitable activities).

## 16. Analysis of group net assets between funds

### Current Year

	Fixed Assets £	Net Current Assets /(Liabilities) £	Creditors due after more than 1 year £	Total £
Restricted Funds	-	88,408	-	88,408
Unrestricted Funds	4,111,819	(1,115,933)	(1,854,391)	1,141,495
<b>Total Funds</b>	<b>4,111,819</b>	<b>(1,027,525)</b>	<b>(1,854,391)</b>	<b>1,229,903</b>

### Prior Year

	Fixed Assets £	Net Current Assets /(Liabilities) £	Creditors due after more than 1 year £	Total £
Restricted Funds	-	95,208	-	95,208
Unrestricted Funds	5,969,631	(3,012,719)	-	2,956,912
<b>Total Funds</b>	<b>5,969,631</b>	<b>(2,917,511)</b>	<b>-</b>	<b>3,052,120</b>

Charity restricted income in the prior year consisted of branch conference and event income of £60,546 (included within Charitable activities). Restricted expenditure consisted of branch conference and event expenditure of £57,890 (included within charitable activities).

## 17. Related party transactions

Most of the trustees are also members of or employed by other organisations which may undertake transactions with CIWEM and CSL in the normal course of business and all such transactions are on an arm's length basis.

## 18. Post balance sheet events

The Board has given due consideration for the effects of the COVID 19 outbreak, which occurred before these financial statements were signed. There will be a negative financial impact in the short-term, especially from our venue hire and face to face activities such as our annual dinner and other major events.

In response to the situation, we have instigated measures to confine our costs to maintaining critical operations and those that generate income surplus and adapted the provision of our services to utilise

on-line technology to allow these to continue including professional reviews, membership support, training, webinar events, publications and delivery of policy.

We are operating against a detailed forecast of our cash flow which is driving our decisions and informing discussions with our bank should support be required. Our cash position is aided due to much of our major income being received at the beginning of the year from membership subscriptions. Our modelling of cash has considered a range of outcomes and we have adopted an air of pessimism in our outlook. Over the 12 month period following the approval of the 2019 accounts, CIWEM remains cash positive in these projections.

Accordingly the trustees have concluded that there is a reasonable expectation that the Charity and Group has adequate resources to settle its debts as they fall due and therefore continue to adopt the going concern basis in preparing its financial statements.

## 19. Charity statement of financial activities

The below Charity Statement of Financial Activities relates to the activities of the Charity only and so excludes the activities of subsidiary undertakings.

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>INCOME</b>				
DONATIONS AND LEGACIES	6,767	-	6,767	149,340
INCOME FROM CHARITABLE ACTIVITIES:				
Membership subscription and fees	1,602,959	-	1,602,959	1,628,096
Conferences and events	3,000	32,735	35,735	63,546
Education and training courses	-	-	-	53,930
OTHER TRADING ACTIVITIES				
Investment income	189	-	189	428
Books and publications	3,608	-	3,608	1,978
OTHER INCOME	18,875	1,588	20,463	18,337
<b>TOTAL INCOME</b>	<b>1,635,398</b>	<b>34,323</b>	<b>1,669,721</b>	<b>1,915,655</b>
<b>EXPENDITURE</b>				
EXPENDITURE ON RAISING FUNDS:				
Other trading activities	143,474	-	143,474	78,052
EXPENDITURE ON CHARITABLE ACTIVITIES:				
Membership services	1,022,085	-	1,022,085	1,197,129
Conferences and events	-	40,113	40,113	57,890
Education and training	-	-	-	19,384
Policy and partnerships	525,958	-	525,958	430,740
Donations, prizes and awards	4,000	1,010	5,010	1,051
IMPAIRMENT OF FREEHOLD PROPERTY	1,760,954	-	1,760,954	-
<b>TOTAL EXPENDITURE</b>	<b>3,456,471</b>	<b>41,123</b>	<b>3,497,594</b>	<b>1,784,246</b>
<b>NET (EXPENDITURE) /INCOME &amp; MOVEMENT IN FUNDS</b>	<b>(1,821,073)</b>	<b>(6,800)</b>	<b>(1,827,873)</b>	<b>131,409</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>	<b>2,950,141</b>	<b>95,208</b>	<b>3,045,349</b>	<b>2,913,940</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>1,129,068</b>	<b>88,408</b>	<b>1,217,476</b>	<b>3,045,349</b>





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