

2019 ANNUAL REPORT

Year ended
31 December 2019



The Institute of Measurement and Control

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OBJECTIVE

As set out in its Royal Charter and Bye-laws, the object of the Institute of Measurement and Control is:

“...to promote for the public benefit by all available means the general advancement of the science and practice of measurement and control technology and its application.”

Bearing in mind the Charity Commission’s guidance on public benefit, the Institute pursues its commitment to public benefit through a 5-year Strategic Plan formulated in 2015 and maintained in the 2020 re-write. The plan defines ...

Our Vision

“to be a globally recognised body for promoting the advancement of the science and application of measurement and control.”

Our Mission

“...to maintain the Institute as the eminent professional UK body for advancing the science and application of measurement and control technology.”

Our Strategic Goals

- to raise the profile and public perception of the Institute, nationally and abroad
- to increase membership at every professional level
- to expand membership geographically
- to improve the value of membership
- to promote professional excellence throughout Institute services and activities
- to sustain a culture of continual improvement in the Institute
- to keep the Institute relevant and responsive to its stakeholders.

Serving the Public

Measurement underpins the welfare of a modern society by providing a structure in which individuals and organisations can interact and operate confidently, consistently, competently, safely, and innovatively. Measurement therefore touches almost every facet of daily life and in some areas, particularly those that affect or involve the public, such as health, transport, and safety, the need for accurate measurement is critical. It is more important than ever that engineers, scientists and technologists engaged in measurement and the related control activities and systems are properly qualified and able to meet the expectations of an increasingly technically aware and expectant society.

2019 IN REVIEW

The Institute has pursued its seven strategic goals during 2019 through a series of initiatives which have the general objective of presenting a modern professional engineering body responsive to technical and societal changes. We have been seeking to meet the needs of members and the general public by a number of proactive ventures and by engagement with a range of external bodies.

raise the profile and public perception of the Institute, nationally and abroad

We continued to produce *Precision*, our member magazine. Intended as a coffee-table style magazine, *Precision* carries articles that are designed to stimulate and inspire our current membership and serve as a shop window into the Institute for other readers. Many articles are written by existing members both individual and corporate, taking advantage of our member's expertise. In response to feedback we have added new regular features during 2019 (such as an "Ask the Experts" section) to give our members more of an opportunity to engage with the Institute. Two peer review Journals, *Transactions of the Institute* and *Measurement and Control*, have retained links with the Institute but are hosted and available online through the Sage Publishing website.



The monthly E-newsletter was redesigned during the year, and is now hosted using an external platform, giving the ability to better tailor the offerings, and track analytics to improve engagement. The Institute increased its usage of Social Media to promote its activities to a wider audience; this included more active use of Twitter, LinkedIn and Facebook. In 2020 this will be expanded to include providing more content for members using platforms such as YouTube.

In October, the Institute hosted its annual awards night at the Royal Institution in London. This event was open to the public and was well received with a lecture from Dr Ian Robinson, whose work on the invention and development of the Kibble balance underpinned the redefinition of the Kilogram.



2019 marked **75 years since the founding of the Society of Instrument Technology, the forerunner to the Institute of Measurement and Control.** *Precision* featured several articles looking back over our history but also forward to the next 25 years, to our centenary. To celebrate an anniversary a very successful black-tie dinner was held at the Lancaster hotel in London in May.



We have continued to increase our influence and public benefit by collaborating with partner organisations and groups that share our aims and vision. We continue to be involved and contribute to the Royal Academy of Engineering's Policy Centre which gives us the ability to influence areas of national policy and debate. Through the Royal Academy and the Engineering Council we maintain communications and collaborations with other Professional Engineering Institutes and related bodies. We are represented on numerous standards committees both nationally and internationally. We maintain close links with related Trade Associations and with the constituent laboratories of the National Measurement System.

The Institute is a founding member of the Cyber Security Alliance and in 2019 this group won the bid to form the UK's Cyber Security Council. The Council will work in partnership with the National Cyber Security Centre (NCSC), be developed with broad representation and be tasked to support the Government's National Cyber Security Skills Strategy by providing recognition across the practicing community, while enhancing standards and thought leadership for the future.



sustain a culture of continual improvement in the Institute

The project to scan and digitise the member records was completed at the beginning of the year, and superfluous paper records were securely destroyed.

At the end of February, the Institute completed the sale of its property 87, Gower Street. The head office staff moved to rented office space in the building owned by the Institute of Materials, Minerals and Mining. This gave us the opportunity to streamline several of our processes and trial some working at home for the staff. After a full review of the IT systems and infrastructure the decision was made to outsource this activity to an external support company. This provides a much more robust system, future proofs the Institute's IT and has saved the Institute money. As part of the changeover we have begun the Institute's move into the cloud, whilst also significantly improving cyber security. To facilitate remote working the Institute has started to improve and increase its use of digital solutions.

This has included the adoption and promotion of SharePoint and Teams, not just for the office staff but for Local Sections and Special Interest Groups.

We continued to regularly assess the approaches and platforms used for external communications throughout the year and this has led to the trial and adoption of new more efficient systems for engaging with the members, such as the integration of an online newsletter creation tool into our existing CRM system.

We have moved our bank accounts to more appropriate accounts with the Charities Aid Foundation (CAF) bank, which has improved features and significantly better cyber security and anti-fraud protections.

The Royal Charter and Bylaws were updated and simplified, to rewrite some unclear clauses, and move other clauses from the Charter to the Bylaws. After being accepted by the members at an EGM, they were officially approved by the Privy Council.

keep the Institute relevant and responsive to its stakeholders

It remains true that for many members their primary contact with the Institute is through their Local Section. We have 13 Local Sections in the UK and four internationally. During the year a number of members have started the process of reviving the East Midlands section. Local Sections continue to run a large number of varied events for members and potential members throughout the year. This includes, technical talks, exhibitions, trade shows, seminars, and site visits that give their members and attendees the opportunity to undertake relevant CPD and network with other attendees. As well as these Engineering focused activities the Local Sections hosted a variety of social activities for members. Often these activities provide funds which Local Sections use to support their activities and to donate to local charities. Many Local Sections are heavily involved with Universities in their areas, and support Engineering students through awards, bursaries and valuable networking opportunities.

The Council which is made up of elected members and the Chairs of Local Sections met throughout the year, to discuss the work of the Institute and provide valuable feedback to Head office and the Board of Trustees. In 2019 we also organised a committee made up of representatives from our Companion Company members, providing them with a platform to help us develop the scheme in the most effective way.

In the final quarter of 2019 representatives from Council, Local Section, Trustees and the staff attended a strategy day. The outcomes from this meeting are forming the basis of the Institute's new Strategic Plan.

The Institute continues to seek opinions and feedback from its members and the increase in uses of Social Media makes it easier for members to get in touch. Next year we will continue to provide more avenues for the members to have their opinions heard by Head office and the Trustees, including plans for an all member survey.

promote professional excellence throughout Institute services and activities

We support our members' career development through a CPD programme in which all members participate. We offer an on-line CPD monitoring application mycareerpath® available on the Institute's website, providing a tracking tool for recording CPD, but members are free to choose their own appropriate recording method. In line with Engineering Council policy, we randomly selected 5% of our eligible membership to take part in the 2019 CPD audit.

The Institute accredits university courses and approves company training programmes. In 2019 The Institute undertook accreditation visits to two universities not previously visited, conducted a visit to approve a company training scheme and endorsed a new company training course. In 2020 we hope to expand our offering to provide endorsement for commercially available courses.

improve the value of membership

We have continued to develop our Special Interest Groups during the year, and although they are at different stages of development, they have all started working on interesting projects. Our Current SIGs are:

- Cyber Security
- Digital Transformation
- Flow Measurement
- Functional Safety
- Measurement
- Standards
- Explosive Atmospheres

A new addition from last year is the Explosive Atmospheres SIG which has developed the Registered Explosive Atmospheres Engineer qualification. This complements the Existing Registered Functional Safety Engineer qualification and we have started to register qualified members. Some of the other SIGs are considering launching similar qualifications specific to the specialties of their membership.

The SIGs have started to use Microsoft Teams and SharePoint to better communicate and disseminate information to members.

In 2019 we officially formed the SIG Management Board. This group is made up of the Chairs of all the SIGs and the Chief Executive. Its purpose is to support and encourage wider participation amongst the SIGs and identify overlapping projects where there is a benefit to working together.

increase membership at every professional level

The Institute continues to strengthen its links with the metrology community, especially in National Physical Laboratory, Laboratory of the Government Chemist and National Engineering Laboratory. Institute staff attended a successful onsite professional registration event at NPL to discuss membership with the staff. During the year the Institute also attended careers fairs at Universities to speak to engineering students about the benefits of PEI membership.

Our Local Sections regularly hold events with local businesses and universities to promote the various level of membership and discuss the benefits of professional registration. These activities are supported through new marketing material from head office, and will be expanded in 2020

The Institute has started the process of investing the capital from the sale of its property, and the income generated from this investment from 2020 onwards will be invested in increased member benefits to help the ongoing membership recruitment activities.

expand membership geographically



Our Local Section in **Hong Kong** has continued to grow its membership, both in Hong Kong and the mainland. The Institute's president, Prof Graham Machin, visited the Hong Kong InstMC Section on 25 January 2019.

Whilst there he met with current and past chairs of the Section, had dinner with the current team of officials and discussed with them their future plans for expanding the reach of the Institute into Hong Kong, Macau and the local part of mainland China. He also signed a cooperation agreement with the Hong Kong Institution of Engineers for furthering Engineering registration under the auspices of InstMC.

The Institute's ability to provide services to its international members is increasing as we develop our digital platform to allow features such as webinars and interactive discussions via the website. The Institute's magazine *Precision* has also been

digitised, and all issues are now available online for members to ensure that everyone can access them.

The Institute undertook a mapping exercise of current members during the year, to identify areas with a high concentration of members, suggesting centres of Industrial activity that may be a good source of new membership. The mapping exercise also highlighted the areas where we have less representation, indicating areas where we may need to undertake more promotional activity.

ACKNOWLEDGEMENT

None of the Institute's achievements would have been attained without the particular effort of members, nationally and locally, who volunteered their time and expertise for various activities and affairs. The Trustees wish to extend their unanimous appreciation to all volunteers and to the small but dedicated team of staff at our head office.

Following the sale of 87, Gower Street the Members Loan Note Schemes dating from 1993 and 1995 linked to the Institute's ownership of the property have been closed with the registered holders offered the option of receiving the value of their Loan Notes or gifting the funds to the Institute.

The Officers of the Institute gratefully acknowledge gifts from the proceeds of the Loan Notes made by a number of members, representatives of deceased members and Local Sections.

(A small number of registered Loan Note holders could not be traced at this time; the proceeds from these Loan Notes have been ring fenced in case a redemption claim is made in the future.)

FINANCIAL REVIEW

At the end of 2019, the Institute was in a significantly more stable financial position than at the same time the year before. The sale of the property at 87 Gower Street was completed in February, and the head office staff moved to office space in the building of the Institute of Materials Minerals and Mining. This left the Institute with a significant amount of cash capital. The Board of Trustees have formed an Investment Advisory Group (IAG) who are investigating the best options for investments in a way that sees the capital maintained above inflation but that also generates income for the Institute that can be spent on projects to further the charitable activities of the Institute and benefits the members.

RESERVES POLICY

The Institute's policy remains to conduct regular reviews to ensure that its reserves are sufficient to match its current and future needs. The Institute aims to fund its core activities through revenue and to maintain adequate capital reserves which are not used to support normal operating costs; and the Institute believes its resources should be used to realise its charitable objectives, not to accumulate capital. The reserves policy was reviewed and rewritten during 2019 to reflect the fact that the bulk of the Institutes assets are currently held in cash as opposed to property.

RISK REVIEW

The Chief Executive, supported as appropriate by the Trustees, is responsible for the operation of the Institute's approach to internal risk management and control, the systems for which are reviewed regularly. An annual risk audit is conducted based on a comprehensive risk register that is refreshed periodically. In addition, a schedule of procedural audits is carried out at least annually covering specific aspects of the Institute's work and governance. We use external audits and reviews as appropriate to validate our internal processes.

STRUCTURE AND GOVERNANCE

TRUSTEE BOARD

The Board of Trustees is the governing body of the Institute. As defined in the Institute's Royal Charter and Bye-laws, membership of the Board comprises elected Officers of the Institute and elected representatives of the Council; their terms of office being subject to triennial election.

The Trustees during 2019 were: Prof Graham Machin, Dr Graeme Philp, Mr Colin Howard, Mr Martin Belshaw, Mr David Newman, Mr David Tipton, Mr Richard Leng, Dr Stephen Denis and Mr Geoff Jones.

The Trustees meet regularly throughout the year to conduct the affairs and business of the Institute in keeping with their powers and duties laid down in the Royal Charter and Bye-laws. Although they remain accountable for decisions and actions, the Trustees have the authority to delegate responsibilities, The Board therefore operates through Council and a hierarchy of Boards, Committees and SIG's, some of which have their own sub-committees and panels.

COUNCIL

Council's remit is to advise and support the Trustees on matters affecting the Institute's affairs. It is an elected body comprising representatives from across the membership. It has a responsibility to monitor the governance of the Institute.

OFFICERS OF THE INSTITUTE

President	Professor Graham Machin
Vice-Presidents	Mr D. Newman
	Mr D Tipton
	Mr M Belshaw

Honorary Secretary	Dr G S Philp
Honorary Treasurer	Mr C R Howard

Principal Boards and Committees in 2019

Professional Registration Committee: chair Dr B. Stanford
 Accreditation Committee: chair Professor S. Smith
 SIG Management Board: chair Mr H. Dearden

Chief Executive Officer

The Chief Executive for the majority of 2019 was Steff Smith (The previous CE, Patrick Finlay retired at the beginning of March).

LEGAL AND ADMINISTRATIVE INFORMATION

Founded in 1944 as the Society of Instrument Technology, the Institute of Measurement and Control took its present name in 1968 and was incorporated by Royal Charter in 1975.

Registered charity in England and Wales, number 269815.

Address from February 2019: 297 Euston Road, London, NW1 3AD.

Telephone +44 (0)20 7387 4949

Website: www.instmc.org

Bankers: CAF Bank, 25 Kings Hill Avenue, West Malling, ME19 4JQ

Independent Examiner: Steve Cracknell FCA, ESW, Chartered Accountants, 162-168 High Street, Rayleigh, Essex SS6 7BS.

President

Steff Smith
Chief Executive

Institute of Measurement & Control

Financial Statements
Year to 31 December 2019



INSTITUTE OF MEASUREMENT & CONTROL

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF INSTITUTE OF MEASUREMENT & CONTROL

I report to the trustees on my examination of the financial statements of Institute of Measurement & Control (the charity) for the year ended 31 December 2019.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act;

or

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Mr S Cracknell FCA
162-168 High Street
Rayleigh
Essex
SS6 9BS

Dated: 27th May 2020

**Institute of Measurement & Control
Statement of Financial Activities
Including Income and Expenditure Account
For the Year to 31 December 2019**

		Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	Note	£	£	£	£
Income from:					
Donations and legacies	3	24,439		24,439	19,940
Charitable Activities					
Membership Subscriptions & Fees		467,199		467,199	479,855
Technical & Professional Activities		0		0	418,740
Publications and Web Services		5,807		5,807	3,467
Other		9,366		9,366	5,488
Other Trading Activities	4	0		0	14,106
Investments	5	6,297		6,297	26
Total Income		513,107	0	513,107	941,622
Expenditure on:					
Charitable activities	6	641,910	0	641,910	1,181,323
Net Income/(expenditure) for the year/Net movement in funds		(128,803)	0	(128,803)	(239,701)
Revaluation of Freehold Property		0		0	2,657,878
Net movement in funds after revaluation of Freehold Property		(128,803)	0	(128,803)	2,418,177
Fund Balances at 1 January 2019		2,466,648	6,108	2,472,756	54,579
Fund Balances at 31 December 2019		2,337,845	6,108	2,343,953	2,472,756

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Institute of Measurement & Control
Balance Sheet at 31 December 2019

	Note	2019 £	2019 £	2018 £	2018 £
Fixed Assets					
Tangible Assets	10		4,775		2,805,154
Current Assets					
Debtors	12	16,500		45,884	
Cash at Bank & in Hand		2,513,767		79,226	
		<u>2,530,267</u>		<u>125,110</u>	
Creditors - Amounts falling due within one year	14	<u>(191,089)</u>		<u>(405,154)</u>	
Net Current (Liabilities)/Assets			2,339,178		(280,044)
Total Assets Less Current Liabilities			<u>2,343,953</u>		<u>2,525,110</u>
Creditors - Amounts falling due after more than one year	15		0		(52,354)
Net Assets			<u>2,343,953</u>		<u>2,472,756</u>
Income Funds					
<i>Restricted Funds</i>	16		6,108		6,108
Unrestricted Funds:					
<i>Designated Funds</i>	17	1,163		1,163	
<i>General Fund</i>		<u>2,336,682</u>		<u>2,465,485</u>	
			2,337,845		2,466,648
			<u>2,343,953</u>		<u>2,472,756</u>

The accounts were approved by the Trustees on 27th May 2020

Martin Belshaw
Chairman of the Board of Trustees

Ian Craig
Trustee and Honorary Treasurer

Institute of Measurement & Control
Notes to the Financial Statements
31 December 2019
1 Accounting policies

Charity information

Institute of Measurement & Control is a charitable institute incorporated by Royal Charter in 1975.

1.1 Accounting convention

The accounts have been prepared in accordance with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts 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 the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The accounts have been prepared under the historical cost convention subject only to the revaluation of Freehold Property. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the Board of Trustees to pursue a particular objective or group of objectives under the Royal Charter. The purposes and uses of the designated funds are set out in the notes to the accounts.

Restricted funds are subject to specific conditions by donors as to how they may be used within the objectives of its Royal Charter. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Membership Subscriptions & Fees received are allocated to the membership period to which they relate. Amounts relating to subsequent periods are carried forward as deferred income until that period.

Donations are included in the financial statements when receivable.

Technical & professional, publications & information services and other activities represent amounts receivable in respect of goods and services provided during the period.

Investment income, including any tax recoverable thereon, is included in the financial statements in the period in which they are receivable.

1.5 Resources expended

Resources expended are accounted for on an accruals basis including irrecoverable Value Added Tax and included expenditure where there is a constructive or legal obligation to pay. Charitable expenditure comprises expenses incurred on the defined charitable purposes of the Institution. Each category included direct expenses and staff costs, together with an allocation of support and governance costs based on direct staff costs.

**Institute of Measurement & Control
Notes to the Financial Statements
31 December 2019**

Accounting policies (Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Equipment renewals due to technological changes are charged to income & expenditure as incurred. Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% per annum on cost valuation
Furniture and equipment	33% per annum on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The depreciation charge for freehold land and buildings is based on a total carrying value which includes an element of land. It is not possible to value the land separately and any adjustment to exclude the land element would not materially affect the depreciation charge.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.9 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Institute of Measurement & Control
Notes to the Financial Statements
31 December 2019

1 Accounting policies (Continued)

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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

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

3 Donations and Legacies

	2019 £	2018 £
Donations and Gifts	24,439	19,939

4 Other Trading Activities

	2019 £	2018 £
Letting and Licensing arrangements	0	14,106

5 Investments

	2019 £	2018 £
Interest Receivable	6,297	26

6 Charitable activities

	Sections & Branches £	Technical & Prof'nal £	Professional Standards & Development £	Publications £	Other Activities £	2019 Total £	2018 Total £
Staff costs	13,911	97,377	97,377	55,644	34,777	299,086	365,070
Publication costs				25,973		25,973	28,195
Conferences		1,923				1,923	530,013
	<u>13,911</u>	<u>99,300</u>	<u>97,377</u>	<u>81,617</u>	<u>34,777</u>	<u>326,981</u>	<u>923,278</u>
Share of support costs (note 7)	14,269	99,882	99,882	57,075	35,672	306,779	249,489
Share of Governance costs (note 7)	379	2,653	2,653	1,516	948	8,150	8,556
	<u>28,559</u>	<u>201,835</u>	<u>199,912</u>	<u>140,208</u>	<u>71,397</u>	<u>641,910</u>	<u>1,181,323</u>

Analysis by fund

Unrestricted funds	<u>641,910</u>
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For the year ended 31 December 2018

Unrestricted funds	<u>1,181,323</u>
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Institute of Measurement & Control
Notes to the Financial Statements
31 December 2019

7 Support Costs

	Support Costs	Governance	2019	2018	Basis of Allocation
	£	£	£	£	
Support costs					
Staff Costs	48,688		48,688	38,322	Staff Time
Consultancy	38,615		38,615	26,858	Staff Time
Independent Examination	0	1,450	1,450	2,000	Staff Time
Legal and professional	4,609		4,609	16,131	Staff Time
Payment & Bank charges	9,239		9,239	7,462	Staff Time
Postage	2,908	600	3,508	4,856	Staff Time
Stationery and copying	1,378	1,250	2,628	8,922	Staff Time
Telephone	3,707		3,707	4,418	Staff Time
Travel	18,201	4,850	23,051	25,157	Staff Time
General expenses	438		438	4,761	Staff Time
Irrecoverable VAT	34,224		34,224	23,720	Staff Time
Uninsured Loss	24,203		24,203	0	Staff Time
Premises Costs	12,775		12,775	29,031	Staff Time
Moving Costs	15,646		15,646	0	Staff Time
Rent	12,625		12,625	0	Staff Time
IT & Equipment Maintenance	39,442		39,442	30,788	Staff Time
Other bodies	2,643		2,643	3,625	Staff Time
Awards & Lectures	5,563		5,563	4,614	Staff Time
Meeting Room Hire	11,326		11,326	0	Staff Time
Institute promotion	1,332		1,332	4,675	Staff Time
Sections & Branches	16,136		16,136	9,378	Staff Time
Depreciation	2,915		2,915	10,570	Staff Time
Interest paid	166		166	2,757	Staff Time
	306,779	8,150	314,929	258,045	

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 6 of them were reimbursed a total of £8,772 travelling and other expenses (2018- 5 were reimbursed £10,468).

9 Employees

Number of Employees

The average number of employees during the year was:

2019 Number	2018 Number
8	10

Employment costs

	2019 £	2018 £
Wages and Salaries	309,328	359,214
Social Security Costs	29,407	32,913
Other Pension Costs	5,783	7,619
Other Costs	3,255	3,646
	347,773	403,392

Number of employees earning in excess of £60,000
£60,000 - £70,000

2019 Number	2018 Number
1	1

10 Tangible Fixed Assets

	Freehold Property £	Furniture & Equipment £	Total £
Cost or valuation			
At 1 January 2019	2,803,041	29,021	2,832,062
Additions	0	5,577	5,577
Disposal	(2,803,041)	(23,475)	(2,826,516)
At 31 December 2019	0	11,123	11,123
Accumulated Depreciation			
At 1 January 2019	0	26,908	26,908
Depreciation Charged in the year	0	2,915	2,915
On Disposal	0	(23,475)	(23,475)
At 31 December 2019	0	6,348	6,348
Net Book Value			
At 31 December 2019	0	4,775	4,775
At 31 December 2018	2,803,041	2,113	2,805,154

In the early part of 2019 the Institute sold its freehold property and received £2,803,041 after the costs of disposal. In the financial statements for 2018 the Trustees incorporated a revaluation of the freehold property of the Institute as at 31st December 2018 at this figure to reflect a fairer representation of its financial position

11 Financial Instruments

	2019 £	2018 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	16,500	45,884
Carrying amount of financial liabilities		
Measured at amortised cost	97,630	359,431

12 Debtors

	2019 £	2018 £
Amounts falling due within one year		
Debtors in respect of charitable services	3,707	3,082
Other Debtors	12,793	42,802
Total debtors	16,500	45,884

13 Loans and overdrafts

	2019 £	2018 £
Bank loans	0	63,941
Payable within one year	0	11,587
Payable after one year	0	52,354

14 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Bank Loans	14	0	11,587
Deferred Income:			
Amounts Received in Advance for subscriptions & services		93,459	98,077
Creditors and accruals for goods and services provided		97,630	143,010
Other Creditors		0	152,480
		<u>191,089</u>	<u>405,154</u>

15 Creditors: amounts falling due after more than one year

	Notes	2019 £	2018 £
Bank Loans	14	<u>0</u>	<u>52,354</u>

16 Restricted Funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance 31 December 2018	Movement in Funds Incoming Resources	Resources Expended	Balance 31 December 2019
	£	£	£	£
Pamely Evans Fund	921	0	0	921
A Davies Memorial Fund	1,474	0	0	1,474
Dr Alec W Hough-Grassby Fund	2,311	0	0	2,311
Process Tomography Prize Fund	1,402	0	0	1,402
	<u>6,108</u>	<u>0</u>	<u>0</u>	<u>6,108</u>

Each of the funds are restricted to the award of prizes or grants in particular disciplines.

17 Designated Funds

	Balance 31 December 2018	Movement in Funds Incoming Resources	Resources Expended	Balance 31 December 2019
	£	£	£	£
Leo James Prize Fund	1,163	0	0	1,163
	<u>1,163</u>	<u>0</u>	<u>0</u>	<u>1,163</u>

This fund was established from a donation from the estate of Leo James for the award of prizes for excellence in the study of measurement and control technology

18 Analysis of Consolidated Net Assets between Funds

	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Fund Balances at 31 December 2019 are represented by:			
Tangible Fixed Assets	4,775	0	4,775
Current Assets/(Liabilities)	2,333,070	6,108	2,339,178
Long term liabilities	0	0	0
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Total Net (Liabilities)/Assets	2,337,845	6,108	2,343,953
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19 Related party transactions

Remuneration of key management

The remuneration of key management was as follows:

	2019 £	2018 £
Remuneration of key management	72,333	68,000
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In 2019 this included an overlap of roles by key management