

ANNUAL REPORT AND ACCOUNTS

of the Council of
the Institution of Engineering Designers
1 January 2017 to 31 December 2017

Incorporated by Royal Charter
Charity Registration No. 1145678
Royal Charter No. RC000851

THE INSTITUTION OF ENGINEERING DESIGNERS
REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017

THE INSTITUTION OF ENGINEERING DESIGNERS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees at as 31 December 2017

Ms Maggie Philbin OBE (President)
Dr TMB Humphries-Smith BSc PGDip MPhil EdD CEng
CTPD MIED FHEA FRSA (Chair)²
Eurlng SP Vaitkevicius BEng(Hons) MSc CEng FIED (Vice
Chair)^{2,3}
Eurlng C Ledsome BEng MEng CEng FBIS FIMechE FIED
MCMi MDS (Vice Chair)^{2,4}
PKR Bateman EngTech MIED
SJ Benfield CEng CEnv CTPD FIED(PCh)^{2,3,4}
Professor GN Blount BSc MSc PhD CEng FIMechE
FIED(PCh)²
Eurlng Dr LM Buck BSc(Hons) MA PhD CEng CTPD FIED
FHEA FRSA¹
DTH Castle IEng RCADMan FIED MBCS CIP³
D Farrell BSc (Hons) MTech CEng CTPD FIED
N Phelps IEng MIED³
Dr CJ Simcock MEng&Man(Hons) EngD CEng CTPD
FIMechE FIED^{1,2}
Dr GAL Tizzard BSc MPhil DIC PhD MIEEE CEng MIED
FHEA^{1,2}
I Treacy BA MSc IEng MIED MIET
Dr B Watson MDes(Hons) PhD LCGI CEng CEnv CTPD
MIED
Dr K Winning BEng(Hons) MEng MSc PhD CEng FIMechE
CEnv FIED CGeog FRGS
R Yuen MEng CEng MIED³

Honorary Treasurer

ATA Keegan CEng FIED(PCh)^{2,3}

¹ Education and Training Committee

² Membership Accreditation Board

³ Membership Committee

⁴ Editorial Committee

Secretary

Mrs EK Meyrick BSc(Hons) FRSA

Charity number

1145678

Principal address

Courtleigh
Westbury Leigh
Westbury
Wiltshire BA13 3TA

Independent examiner

Susan Plumb, ACA
Haines Watts
Old Station House, Station Approach
Newport Street
Swindon
Wiltshire SN1 3DU

THE INSTITUTION OF ENGINEERING DESIGNERS

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

Lloyds Bank
37 Market Place
Warminster
Wiltshire
BA12 9BD

Solicitors

Thrings LLP
6 Drakes Meadow
Penny Lane
Swindon
Wiltshire
SN3 3LL

Accountants

Haines Watts
Old Station House
Station Approach
Newport Street
Swindon
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THE INSTITUTION OF ENGINEERING DESIGNERS

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THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The trustees present their report and the financial statements for the year ended 31 December 2017.

The accounts comply with the Charities Act 2011, the charity's governing document and the 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).

Structure, governance and management

a. Constitution

The charity is controlled by its governing document, the Royal Charter, By-laws and Regulations.

The trustees who served during the year were:

Ms Maggie Philbin OBE (President)

Dr TMB Humphries-Smith BSc PGDip MPhil EdD
CEng CTPD MIED FHEA FRSA (Chair)

Eurling SP Vaitkevicius BEng(Hons) MSc CEng
FIED (Vice Chair)

Eurling C Ledsome BEng MEng CEng FBIS
FIMechE FIED MCMi MDS (Vice Chair)

PKR Bateman EngTech MIED (Councillor)

SJ Benfield CEng CEnv CTPD FIED(PCh)
(Councillor)

Professor GN Blount BSc MSc PhD CEng
FIMechE FIED(PCh) (Councillor)

Eurling Dr LM Buck BSc(Hons) MA PhD CEng
CTPD FIED FHEA FRSA (Councillor)

DTH Castle IEng RCADMan FIED MBCS CITP
(Councillor)

Dr CMC Dowlen BTech PhD CEng CTPD (Resigned as Councillor 8 July 2017)
FIMechE REngDes FIED FRSA PFHEA
(Councillor)

D Farrell BSc(Hons) MTech CEng CTPD FIED
(Councillor)

ATA Keegan CEng FIED(PCh) (Honorary (Appointed 8 July 2017 as Councillor)
Treasurer and Councillor)

Dr DJB Maffin BEng PhD CEng MIED(PCh) (Resigned as Councillor 8 July 2017)
MRINA MAPM (Councillor)

N Phelps IEng MIED (Councillor)

Dr CJ Simcock MEng&Man(Hons) EngD CEng
CTPD FIMechE FIED (Councillor)

Dr GAL Tizzard BSc MPhil DIC PhD MIEEE CEng
MIED FHEA (Councillor)

I Treacy BA MSc IEng MIED MIET (Councillor)

Dr B Watson MDes(Hons) PhD LCGI CEng CEnv
CTPD MIED (Councillor)

Dr K Winning BEng(Hons) MEng MSc PhD CEng
FIMechE CEnv FIED CGeog FRGS (Councillor)

R Yuen MEng CEng MIED (Councillor)

THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

b. Method of appointment or election of Trustees

The Officers of Council - Chair and Vice Chairs - are elected annually by the Council. An election to Council is held annually in which up to one third of Council are obliged to stand down. They may be re-nominated by Council. Any three Corporate Members may also nominate a qualifying Corporate Member. A postal ballot of all Corporate Members is held where the total number of nominations exceeds the number of vacancies.

The appointment of officers and election of Council is governed by By-laws 40 to 46 of the Institution's governing document. The Honorary Treasurer shall be elected to the post annually by Council.

c. Policies adopted for the induction and training of Trustees

New members of Council are inducted with the appropriate NCVO guidelines.

d. Organisational structure and decision making

Organisation and Structure

To ensure the efficient use of the elected Councillors a Board and Committee structure is in place which involves the commitment of as many of the elected Councillors as possible in the ongoing affairs of the Institution. A small permanent staff headed by the Secretary is employed by Council to deal with the day to day administration of the membership, Engineering Council registration matters, the publication of the Institution's journal Engineering Designer, financial matters and the administration and organisation of its course and conference activities.

Events since the end of the period

Information relating to events since the end of the period is given in the notes to the financial statements.

Staff

As the financial year closed the Institution employed two full-time and four part-time members of staff, including the Secretary. Ms Amanda Gibbs - Records Officer, Mrs Nadine Pearce - PA to the Secretary, Ms Judith Grace - Education and Training Officer and Mrs Denise Watson - Administrative Assistant, continue to give the Institution invaluable service. Mrs Susan Sloan, Membership Officer, left in July 2017, Mrs Kim Clarke was welcomed to the position.

The Secretary's remuneration is set at annual review by the Trustees.

THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

Wider network

At present the Institution does not consider itself to be part of a wider network.

Engineering Council/EngineeringUK

The Institution's relationships with the Engineering Council and EngineeringUK remain the most important of all its relationships with other charities and organisations. The Institution continues to work closely with both bodies, the IED Secretary continues to serve on the Board of EngineeringUK, as representative of the Group B college of Engineering Institutions, Eurlng Professor SP Vaitkevicius represents the Group B college on the Engineering Council Board and other members of Council represented the IED as Liaison Officers and on the Engineering Council's Quality Assurance Committee (QAC).

The Design Society

The Design Society is an international body dedicated to promoting the best in design practice and education. The Institution has co-operated with the Society in the past and the two bodies again came together to collaborate during 2017 as partners in the very successful Engineering and Product Design Education Conference held at Oslo and Akershus University College of Applied Sciences, Norway.

The Royal Academy of Engineering

The IED continues to work to the Diversity Concordat, with a view to working towards encouraging membership from a wider range of backgrounds. The Secretary also sits on the 'Engineering the Future' working party of the Academy. In addition, members of the IED contributed to reports drawn up by the Academy during the year, including a response to the Grenfell incident.

The Society for the Environment

The Institution has a licence to award Chartered Environmentalist (CEnv) status to suitably qualified and experienced members and continued to develop and implement assessment procedures during 2017. The Secretary and a volunteer member continue to serve on the Council and Registration Authority of the Society.

e. Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Key risks include; loss of licences from Engineering Council and Society for the Environment, loss of key members of staff, loss of tenants at Courtleigh, lack of income from sponsors, seminars or registrations, fire or flood. These and other risks are included on a risk register, with mitigation, actions, response and responsibilities allocated accordingly.

THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

Objectives and activities

a. Policies and objectives

Mission Statement

To promote the science, technology and education of engineering design and product design in widely diverse fields including mechanical, electrical, electronics, civil, aeronautical and automotive engineering, IT and computing, mechatronics, design management, design consultancy and design education.

To facilitate the exchange of knowledge and ideas and to provide a broad range of services to its members to develop their careers and to achieve success for themselves and for the businesses in which they practice.

To be the leading engineering institution in the field of design and to raise the standing and visibility of the members and to maintain a high standard of professional conduct.

To promote authoritative and ethical advice on matters of design and be the prime focus for the advancement of engineering and product design.

Objects

The main objects of the Institution are to:

- Advance education in Engineering and Technological Product Design and, more particularly, the species of knowledge and application which distinguishes Engineering Design, and the profession directly concerned with Engineering Design;
- Constitute a body of members qualified to a generally recognised high standard.

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Notes:

1. The remaining supporting objects are printed in the Royal Charter of the Institution, a copy of which is available on request from the Institution's Headquarters tel: +44 (0) 1373 822801, email ied@ied.org.uk.

b. Strategies for achieving objectives

Strategy

The Institution's Strategy Document is updated on an annual basis following review by the Council. This document provides the basis from which the objectives in the Mission Statement are developed for the furtherance of the Institution. A baseline review of the Strategy was completed during the year.

Risk Review

The Council has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Significant external risks to income have led to the development of a strategic plan.

THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

c. Activities for achieving objectives

Significant activities

A number of new initiatives were started during 2017, all aimed at securing the future of the Institution. The three main projects were:

- 'Project Courtleigh' – a working group has been formed to review the asset that is IED HQ with a view to making sure that it is being utilised to its best advantage.
- ELR – a new route to registration, the Experiential Learning Route has been developed for members who do not hold exemplifying qualifications but can demonstrate knowledge learnt while in work.
- EPA – the Institution has started the process of becoming an End Point Assessor for degree level apprenticeships in engineering and product design. Once completed, this will mean that the IED will work with universities and employers to assess the 'apprenticeship' section of the degree with a view to offering professional registration to competent graduates.

In addition to these three initiatives, the Institution has also been preparing for the introduction of the General Data Protection Regulation (GDPR) which will affect how the IED communicates with members, contractors, staff and volunteers and holds data on all of these people.

d. Volunteers

Other than trustees, assessors and committee members the Institution does not rely on volunteers.

THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

Achievements and performance

a. Review of activities

General Progress

Objectives

The main objective for 2017 was to promote the suite of registration grades available to professional designers, with a view to increasing membership applications. New promotional materials have been developed and all new members are encouraged to pursue the appropriate grade and type of registration after initial assessment by the Membership Committee.

Membership

The fluctuations in membership over the period covered by this report are as follows:

	Dec 2017	Dec 2016
Fellows	191	195
Members	1,622	1,778
Students	3,113	3,398
Company	0	1
Affiliates	46	76
Total	4,972	5,448

Membership numbers have fallen during the year, mainly due to a decrease in sign-up by students from accredited courses. Efforts are being made to attract more Member grade professionals to replace those coming to the end of their careers.

Continuing Professional Development

The 'MyCareerPath' CPD scheme run by the Engineering Council has been available to IED Members since 2013 with all new members encouraged to enrol. The competencies for MIED, CEnv, CTPD and RProdDes have been uploaded to the system. During 2017 the Engineering Council introduced mandatory CPD monitoring for all PEIs. The IED developed a monitoring and feedback process to meet this requirement.

Publications

A further six issues of *Engineering Designer* were published during the period covered by the report. Once again the policy has been to publish as many articles written by members as possible covering a wide range of subjects. In addition to automatic circulation to its members the journal remains available by subscription and is circulated free of charge to a number of educational establishments. The decision was taken in early 2016 to move to a primarily electronic circulation of the journal, to save cost and also environmental impact. This continued during 2017. The journal is also available to view online via the members' area of the website.

THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

Charitable activities

- Staff and Members represented the Institution at a number of exhibitions and events during the year including the tct show in September and the Engineering Design Show at Coventry in October.
- IED Staff have worked closely with Dyson to continue with a scheme for the professional development of their designers, leading to registration for their suitably qualified and experienced designers. This scheme is being rolled out across a number of industrial partners.
- Training days for PR assessors, ICP assessments and course accreditations were held during the year.

The IED works with a number of other bodies to further the promotion and development of Engineering and Design:

- Five IED members volunteer for various BSi Committees advising on the development of relevant standards.
- The IED Secretary represents the Institution and other PEIs on the boards of EngineeringUK and Tomorrow's Engineers, promoting careers in engineering to the future generations.
- The Secretary represents the IED and other PEIs on the Professional Engineering Committee, a body which encompasses the Royal Academy of Engineering, Engineering Council, EngineeringUK and all UK PEIs, providing a port-of-call for government regarding engineering policy consultation as well as being an active body promoting engineering excellence and awareness to the general public.
- During the year the IED continued to contribute to '21st Century PEIs', the IED partakes in discussions and workshops to look at how we may evolve to suit the needs of members of the future.
- A member of the IED worked on the Royal Academy of Engineering's Response to the Grenfell incident.
- Volunteer members also sit on the QAC and RSC Committees at the Engineering Council, the EAB and Council and RSA of the Society for the Environment.

Other Activities

The Institution either ran or participated in the following events during the year:

- The Institution again joined forces with the Design Society in 2017 to run a joint Engineering and Product Design Conference, with the theme of 'Building Community: Design Education for a Sustainable Future'. The conference was a two-day event held at Oslo and Akershus University College of Applied Sciences, Norway, where a total of 118 papers and 5 posters were presented, all of which have been reproduced on a memory stick and a paperback publication. The event was a great success with 158 attendees.
- The IED continued working with IOM3, RCA, the Crafts Council and independent advisors on MaDE (Materials and Design Exchange), part of the materials knowledge transfer network. The group's aim is to increase and encourage communications between designers and materials scientists.
- The IED also worked with a number of colleges and universities during 2017 to accredit their educational programmes. Panels of volunteer assessors, accompanied by the IED Secretariat, carried out seven accreditation visits during the year.

THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

Awards and Prizes

The Institution continued to run the IED Prize aimed at accredited Degree and HNC/D graduates. Fifteen Individual Prizes were awarded during the year. In each case the nominated student/graduate had to show that he or she had attained outstanding results on their chosen course, with particular reference to the design related subjects within the course. The awards take the form of an engraved glass coaster. The awards were in the main presented at University and College prize giving events by members of the IED Council or local members. Prizes were also awarded to three best students as judged by IED members of the Malta Branch, with the winning student writing an article for the IED journal.

The Institution's annual awards were presented following the AGM kindly hosted at the Royal Institution on Saturday 8 July 2017. Many thanks to Sir Desmond Pitcher HonFIED, for his sponsorship of the event.

The Institution's most prestigious design award, the Gerald Frewer Memorial Trophy was awarded to Steven Kyffin in recognition of his outstanding contributions to design practice and thinking.

The Hornsby Cup, given for the best article published in the Institution's journal during the previous year, was awarded to Tim Fryer for his article 'Light Materials on Impulse' in the March 2016 issue of the journal.

Four medals of appreciation were awarded:

- Sarah Castle for her contributions to 'Project Courtleigh'
- Susan Sloan for her nineteen years service as Membership Officer
- Jim Waterfall for ten years service on the Membership Committee
- David Maffin for twelve years service on Council

The Promotion of Design Award is presented to an individual or team for their work in promoting engineering design to a wider audience. The Award for 2017 was presented to Big Life Fix Team and Lambert Studio for their work on the 'Big Life Fix' television series.

The Geoff Kirk Young Members Award is aimed at recognising promising new members starting on a career in engineering design. The 2017 winner was Jake Haggerty of CB&I.

The Alex Moulton Award is awarded to recognise outstanding innovation. The 2017 award was presented to Anthony Lau of Cyclehoop Ltd.

The Kathbert Trophy, awarded to the most promising new member, was presented to Karsten Heard.

The Founders Award was presented to Chris Dowlen to mark his retirement from Council after fourteen years.

Details of the awards appeared on pages 14 to 16 of the September/October 2017 issue of *Engineering Designer*.

Branches

The Institution supports thirteen branches across the UK plus three overseas branches in Malta, Hong Kong and Malaysia.

THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

Volunteers

The Institution continues to rely heavily on member volunteers to assist in its activities, particularly in the following areas:

- Membership Committee - in addition to the Council-appointed Chairman and other Council members listed earlier in the report there are other member volunteers who give of their time to assess new membership applications and Technical Report Option Synopsis. Meetings are normally held on the third Wednesday in every month.
- Education and Training Committee - in addition to the Council appointed Chairman and other Council members as listed there are member volunteers who gave their time to consider education and training issues effecting engineering and product design and to assess nominations for the Institution's Awards Schemes. The Committee meets six times per year.
- Course Accreditations - the Education and Training Officer keeps a database of trained and experienced members to assist with accreditation of academic courses in engineering and product design.

The membership database contains details of those members who have agreed to undertake interviews of potential and existing members or who act as mentors in respect of the following requirements:

- Professional Review interviews which are a requirement for engineer's registration at CEng, IEng and some EngTech level
- Technical Report and ELR interviews at all three levels
- Chartered Environmentalist interviews
- CTPD, RProdDes, RCP and RCADMan interviews

There are thirteen volunteers on the Membership Committee and fifteen volunteers on the Education Committee.

b. Investment policy and performance

The trustees are currently satisfied with the investment performance of the assets and at present do not have any plans to expand its portfolio or feel it necessary to dispose of those currently in use.

c. Factors relevant to achieve objectives

The trustees have made a full assessment of the internal and external factors that may affect these financial statements and do not deem any factors material enough to have an impact.

Financial review

a. The statement of financial activities (page 13) shows that for this year there was a deficit of £12,747 (2016 - deficit of £6,189).

Total resources expended amounted to £300,792.

THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

b. Reserves

Total reserves amounts to £375,966 (2016 £388,713). General reserves (excluding restricted and endowment funds) stand at £356,546. It is the IED's policy that unrestricted funds not presently committed or invested in tangible fixed assets should not be designated for specific future expenditure.

Restricted reserves stand at £19,420.

Free reserves (unrestricted reserves not tied up in fixed assets) are currently in deficit. The Trustees have a three-tiered plan to address this situation, with management of expenditure to help minimise the immediate gap (expenditure in 2017 £2,500 less than 2016), intermediate plans to realise some of the assets that are within Courtleigh and longer term plans to raise capital for the development of the Institution in the not too distant future.

The financial statements have been prepared on a going concern basis. The Institution is returning ongoing deficits each year. This, along with the timing of receipts of subscription income, means that working capital requirements can fluctuate significantly during the year. The Institution has access to both short term (overdraft) and medium term funding (loans) to address this. It also has longer term (realisation of asset) plans in place.

c. Principal funding

The Institution's principal source of funding is its subscriptions from its members.

Plans for the future

Future developments

Work on 'Project Courtleigh' and registration as an End Point Assessor will continue in 2018, as will promotion of the suite of registration grades. It is also imperative that the Institution is ready for the implementation of the GDPR in May.

GIFT AID

The Institution approached members asking them whether they would be prepared to sign a gift aid declaration so that income tax relief could be claimed on their subscriptions, Benevolent Fund contributions and Education Fund contributions.

On behalf of the board of trustees

.....
Mrs EK Meyrick BSc (Hons) FRSA

Secretary

Dated:

THE INSTITUTION OF ENGINEERING DESIGNERS

STATEMENT OF RESPONSIBILITIES

The trustees are responsible for preparing the Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE INSTITUTION OF ENGINEERING DESIGNERS

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE INSTITUTION OF ENGINEERING DESIGNERS

I report on the accounts of the charity for the year ended 31 December 2017, which are set out on pages 13 to 23.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of the ICAEW.

It is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Susan Plumb, ACA

Haines Watts
Old Station House
Station Approach
Newport Street
Swindon
Wiltshire
SN1 3DU

Dated:

THE INSTITUTION OF ENGINEERING DESIGNERS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2017

		Unrestricted funds	Restricted funds	Total 2017	Total 2016
	Notes	£	£	£	£
<u>Incoming resources from generated funds</u>					
Donations and legacies	2	257,148	-	257,148	271,311
Activities for generating funds	3	29,523		29,523	24,595
Investment income	4	37	49	86	99
		<u>286,708</u>	<u>49</u>	<u>286,757</u>	<u>296,005</u>
Incoming resources from charitable activities	5	1,288	-	1,288	8,822
Total incoming resources		<u>287,996</u>	<u>49</u>	<u>288,045</u>	<u>304,827</u>
<u>Resources expended</u>					
Costs of generating funds					
Costs of generating donations and legacies	6	152,116	-	152,116	159,544
		<u>152,116</u>	<u>-</u>	<u>152,116</u>	<u>159,544</u>
Net incoming resources available		<u>135,880</u>	<u>49</u>	<u>135,929</u>	<u>145,283</u>
Charitable activities					
IED		148,101		148,101	150,680
Benevolent Fund		-	575	575	792
		<u>148,101</u>	<u>575</u>	<u>148,676</u>	<u>151,472</u>
Total charitable expenditure		<u>148,101</u>	<u>575</u>	<u>148,676</u>	<u>151,472</u>
Total resources expended		<u>300,217</u>	<u>575</u>	<u>300,792</u>	<u>311,016</u>
Net expenditure for the year		<u>(12,221)</u>	<u>(526)</u>	<u>(12,747)</u>	<u>(6,189)</u>
Transfer of funds	17	-	-	-	-
Net movement in funds		<u>(12,221)</u>	<u>(526)</u>	<u>(12,747)</u>	<u>(6,189)</u>
Fund balances at 1 January 2017		368,767	19,946	388,713	394,902
		<u>368,767</u>	<u>19,946</u>	<u>388,713</u>	<u>394,902</u>
Fund balances at 31 December 2017		<u>356,546</u>	<u>19,420</u>	<u>375,966</u>	<u>388,713</u>

THE INSTITUTION OF ENGINEERING DESIGNERS

BALANCE SHEET

AS AT 31 DECEMBER 2017

		2017		2016	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14		484,878		486,038
Current assets					
Stocks		6,061		4,330	
Debtors	15	9,402		17,091	
Cash at bank and in hand		58,673		40,623	
		<u>74,136</u>		<u>62,044</u>	
Creditors: amounts falling due within one year	16	(183,048)		(159,369)	
Net current assets			(108,912)		(97,325)
Total assets less current liabilities			375,966		388,713
Income funds					
Restricted funds	17		19,420		19,946
Unrestricted funds			356,546		368,767
			<u>375,966</u>		<u>388,713</u>

The accounts were approved by the Trustees on

.....
Mrs E K Meyrick BSc (Hons) FRSA
Secretary

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

1.1 Basis of preparation

The Institution of Engineering Designers is a registered charity in England / Wales established under Royal Charter. The address of the registered office is given in the charity information at the start of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees Report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 1A) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The financial statements have been prepared on a going concern basis. The Institute is returning ongoing deficits each year. This, along with the timing of receipts of subscription income, means that working capital requirements can fluctuate significantly during the year. The Institute has access to both short term (overdraft) and medium term funding (loans) to address this. It also has longer term (realisation of asset) plans in place. Accordingly the financial statements have been prepared on the going concern basis.

1.2 Incoming resources

Subscription income from members is accounted for in the period to which it relates. The institution also receives advertising income in respect of its journal and rental income in respect of its freehold property. These are accounted for on a receivable basis.

All incoming resources are included in the Statement of Financial Activities when the charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.3 Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resource.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land is not depreciated	
Freehold buildings	nil
Plant and machinery	at varying rates on cost

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2017

Tangible fixed assets and depreciation (continued)

The accounting policy for the depreciation of land and buildings has been changed during the year. No depreciation is provided on land and buildings with an estimated useful life in excess of 50 years as the entity has a policy of maintaining the property in good condition therefore prolonging its useful life and any depreciation involved would not be material. Due to this policy, the building maintains a residual disposal value at least to its book value.

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Pensions

The charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

1.8 Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

1.9 Debtors

Trade and other debtors are recognised at the settlement amounts due. Prepayments are valued at the amounts prepaid.

2.0 Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Donations and gifts	23,144	-	23,144	15,072
Subscriptions and membership income	234,004	-	234,004	256,239
	<u>257,148</u>	<u>-</u>	<u>257,148</u>	<u>271,311</u>

Subscriptions and membership income receivable

Unrestricted funds:

	2017 £	2016 £
Subscription and fee income from members	209,356	231,389
Accreditation fees	6,880	13,794
Members joining fees	17,768	11,056
	<u>234,004</u>	<u>256,239</u>

3 Activities for generating funds

	2017 £	2016 £
Activities for generating funds	29,523	24,595
Net Activities for generating funds	<u>29,523</u>	<u>24,595</u>

4 Investment income

	2017 £	2016 £
Bank interest	86	99

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

5 Incoming resources from charitable activities

	2017 £	2016 £
Seminar and course income	<u>1,288</u>	<u>8,822</u>

6 Total resources expended

	2017 £	2016 £
Costs of generating funds		
Costs of generating donations and legacies	<u>152,116</u>	<u>159,544</u>

Charitable activities

	2017 £	2016 £
<u>IED</u>		
Activities undertaken directly	64,430	64,265
Grant funding of activities	1,489	1,025
Support costs	82,757	85,390
Total	148,676	150,680

Benevolent Funds

Support costs	-	792
	<u>148,676</u>	<u>151,472</u>
	<u>300,792</u>	<u>311,016</u>

Included in support costs are payments to the Independent Examiner of £3,000 (2016: £3,000).

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

7 Costs of generating donations and legacies

	2017	2016
	£	£
Other costs comprise:		
Website running costs	-	150
Councillor expenses	3,046	5,185
Secretariat expenses	5,062	5,767
New members expenses	4,649	4,188
Branch expenses reimbursed	287	411
Marketing & promotions	758	40
Exhibitions costs	900	336
AGM/EGM expenses	4,115	1,196
(Increase)/decrease in stock	(1,731)	1,278
Support costs	135,030	140,993
	<u>152,116</u>	<u>159,544</u>

8 Activities undertaken directly

	2017	2016
	£	£
Other costs relating to IED comprise:		
Journal publishing costs	59,668	59,732
University accreditation costs	4,762	4,533
	<u>64,430</u>	<u>64,265</u>

9 Grants payable

	2017	2016
	£	£
IED	<u>1,489</u>	<u>1,025</u>

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

10 Support costs

	IED	Benevolent Fund	Total 2017	Total 2016
	£	£	£	£
Administration	94,998	-	94,998	90,142
Staff costs	121,219	-	121,219	126,406
Benevolent Fund	-	-	-	792
Depreciation	1,570	-	1,570	10,068
	<u>217,787</u>	<u>-</u>	<u>217,787</u>	<u>227,408</u>

11 Support Costs - IED

Description	Costs of Generating Voluntary Income	Investment Management Costs	Governance Costs	Educational Schemes	Journal
Percentage	62.00%	0.50%	1.50%	27.00%	9.00%
Wages & salaries	71,331	575	1,726	31,063	10,354
Employer's National Insurance	3,423	28	83	1,491	497
Employer's pension contributions	402	3	10	175	58
Freehold property depreciation	-	-	-	-	-
Other depreciation	973	8	24	424	141
Operating lease rentals	1,193	10	29	519	173
Property maintenance	11,481	93	278	5,000	1,667
Equipment maintenance	890	7	22	387	129
General expenses	138	1	3	60	20
Office refreshments	168	1	4	73	24
Subscriptions payable	1,852	15	45	806	269
Rates & water	1,521	13	37	662	221
Insurance	1,937	16	47	843	281
Light & heat	5,023	41	122	2,188	730
Printing & stationery	1,983	16	48	864	288
Postage	2,243	18	54	977	326
Telephone	1,842	15	45	802	267
Accountancy fees	2,753	22	67	1,199	400
Legal & professional fees	7,223	58	175	3,146	1,049
Bank charges	3,674	30	89	1,600	533
Irrecoverable VAT	4,960	40	120	2,160	720
Staff training	260	2	6	113	38
Project Courtleigh	5,461	44	132	2,378	793
Loan interest	319	3	8	139	46
Computer expenditure/IT support	3,980	32	96	1,733	578
Total	<u>135,030</u>	<u>1,088</u>	<u>3,266</u>	<u>58,802</u>	<u>19,601</u>

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

11 Support Costs - IED

Description	Total 2017 £	Total 2016 £
Wages & salaries	115,049	118,729
Employer's National Insurance	5,521	5,715
Employer's pension contributions	649	1,962
Freehold property depreciation	-	7,700
Other depreciation	1,570	2,368
Operating lease rentals	1,924	1,985
Property maintenance	18,518	18,849
Equipment maintenance	1,435	325
General expenses	222	1,193
Office refreshments	271	288
Subscriptions payable	2,987	1,989
Rates & water	2,453	2,531
Insurance	3,124	3,643
Light & heat	8,102	9,805
Printing & stationery	3,198	3,636
Postage	3,618	5,595
Telephone	2,971	2,899
Accountancy fees	4,440	3,677
Legal & professional fees	11,650	8,578
Bank charges	5,925	4,691
Unrecoverable Input VAT	8,000	8,178
Staff training	419	298
Project Courtleigh	8,808	5,001
Loan interest	514	1,281
Computer expenditure/IT support	6,419	6,490
Total	217,787	227,408

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but were reimbursed a total of £3,046 for expenses (2016: were reimbursed £5,185). This included £2,182 (2016 £3,016) in relation to travel expenditure, £476 (2016 £1,023) for meetings and the remainder £388 (2016 £1,147) was for other expenditure.

Five trustees loaned a total of £ 75,000 (2016 £95,000) to the charity during the year as short term working capital. Loan interest at 2.95% per month is payable on the loans being £514 for 2017 (2016 £1,281). The loans have been fully repaid post year end. No other related party transactions took place during the year.

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

13 Employees

Staff Costs

	2017 £	2016 £
Wages and salaries	115,049	118,729
Employer's National Insurance contributions	5,521	5,715
Pension costs	649	1,962
	<u>121,219</u>	<u>126,406</u>

There were no employees whose annual remuneration was £60,000 or more.

The average monthly number of employees during the year was 7 (2016: 7).

14 Tangible fixed assets

	Land and buildings £	Computer Equipment £	Fixtures and Fittings £	Total £
Cost				
At 1 January 2017	518,498	11,206	6,655	536,359
Additions	<u>-</u>	<u>410</u>	<u>-</u>	<u>410</u>
At 31 December 2017	<u>518,498</u>	<u>11,616</u>	<u>6,655</u>	<u>536,769</u>
Depreciation				
At 1 January 2017	37,742	7,326	5,253	50,321
Charge for the year	<u>-</u>	<u>1,362</u>	<u>208</u>	<u>1,570</u>
At 31 December 2017	<u>37,742</u>	<u>8,688</u>	<u>5,461</u>	<u>51,891</u>
Net book value				
At 31 December 2017	<u>480,756</u>	<u>2,928</u>	<u>1,194</u>	<u>484,878</u>
At 31 December 2016	<u>480,756</u>	<u>3,880</u>	<u>1,402</u>	<u>486,038</u>

Included in land and buildings is freehold land of £165,000 (2016 £165,000). Assets were transferred into IED during 2014 at book value and are carried at cost less depreciation charged.

15 Debtors

	2017 £	2016 £
Trade debtors	2,018	3,061
Other debtors	4,290	9,936
Prepayments	3,094	4,094
	<u>9,402</u>	<u>17,091</u>

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

16	Creditors: amounts falling due within one year	2017	2016
		£	£
	Trade creditors	1,920	5,177
	Other creditors	165,990	147,082
	Accruals	4,306	7,110
	Deferred income	10,832	-
		<u>183,048</u>	<u>159,369</u>

Deferred income represent 2018 subscriptions invoiced in 2017.

17 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:

	Movement in funds			Balance at 31 December 2017
	Balance at 1 January 2017	Net movement	Transfer	
	£	£	£	£
Benevolent Fund	19,946	(526)	-	19,420
	<u>19,946</u>	<u>(526)</u>	<u>-</u>	<u>19,420</u>

Benevolent Fund – funded by donations from members and used to pay direct grants or, where specifically approved by Council, annual subscriptions on behalf of applicant members who otherwise cannot afford to retain their membership.

18 Analysis of net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Fund balances at 31 December 2017 are represented by:			
Tangible fixed assets	484,878	-	484,878
Current assets	54,190	19,946	74,136
Creditors: amounts falling due within one year	(182,522)	(526)	(183,048)
	<u>356,546</u>	<u>19,420</u>	<u>375,966</u>

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

Detailed Income and Expenditure account

	2017 £	2016 £
Income		
Incoming resources from generated funds		
Donations and gifts	2,070	702
Gift Aid	21,074	14,370
Subscriptions & fee income from members	209,356	231,389
Sponsorship and commissions	6,880	13,794
Members joining fees	17,768	11,056
	<u>257,148</u>	<u>271,311</u>
Activities for generating funds		
Journal advertising and non-member subscriptions	1,107	1,822
Rental income, room hire charges & sundry income	28,416	22,773
	<u>29,523</u>	<u>24,595</u>
Investment income		
Bank and building society interest	86	99
Incoming resources from charitable activities		
Seminar and course income	1,288	8,822
	<u>1,288</u>	<u>8,822</u>
Total Income	<u><u>288,045</u></u>	<u><u>304,827</u></u>
Expenditure		
Costs of generating funds		
Website running costs	-	150
Councillor expenses	3,046	5,185
Secretariat expenses	5,062	5,767
New members expenses	4,649	4,188
Branch expenses reimbursed	287	411
Marketing & promotions	758	40
Exhibitions costs	900	336
AGM/EGM expenses	4,115	1,196
(Increase)/decrease in stock	(1,731)	1,278
	<u>17,086</u>	<u>18,551</u>

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

Detailed Income and Expenditure account

Charitable activities

Journal publishing costs	59,668	59,732
University accreditation	4,762	4,533
	<u>64,430</u>	<u>64,265</u>

Other resources expended (restricted)

Benevolent Fund	-	792
	<u>-</u>	<u>792</u>

Support costs

Wages & salaries	115,049	118,729
Employer's National Insurance	5,521	5,715
Employer's pension contributions	649	1,962
Freehold property depreciation	-	7,700
Plant & machinery depreciation	208	300
Computer equipment depreciation	1,362	2,068
Operating lease rentals	1,924	1,985
Property maintenance	18,518	18,849
Equipment maintenance	1,435	325
General expenses	222	1,483
Office refreshments	271	-
Subscriptions payable	2,987	1,989
Rates & water	2,453	2,531
Insurance	3,124	3,643
Light & heat	8,102	9,805
Printing & stationery	3,198	3,636
Postage	3,618	5,595
Telephone	2,971	2,899
Accountancy fees	4,440	3,677
Legal & professional fees	11,650	8,578
Bank charges	5,925	4,691
Unrecoverable Input VAT under Partial Exemption rules	8,000	8,178
Loan interest	514	1,281
Staff training	419	298
Computer expenses/IT support	6,419	6,490
Project Courtleigh	8,808	5,001
	<u>217,787</u>	<u>227,408</u>

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

Detailed Income and Expenditure account		
Total expenditure	<u>300,792</u>	<u>311,016</u>
Total movement in Funds	<u>(12,747)</u>	<u>(6,189)</u>