

ANNUAL REPORT AND ACCOUNTS

of the Council of
the Institution of Engineering Designers
1 January 2021 to 31 December 2021

THE INSTITUTION OF ENGINEERING DESIGNERS
REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

THE INSTITUTION OF ENGINEERING DESIGNERS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees at as 31 December 2021

D T H Castle IEng RCADMan FIED MBCS CIP (Chair) ^{2,3}
Eurling C Ledsoe BEng MEng CEng FBIS FIMechE FIED(PCh) MCMIMDS (Immediate Past Chair)^{2,4}
Dr T M B Humphries-Smith BSc PGDip MPhil EdD CEng CTPD MIED(PCh) FHEA FRSA ²
P K R Bateman EngTech MIED (Vice Chair)
N Phelps IEng MIED MIET ^{2,3}
S J Benfield CEng CEnv CTPD FIED(PCh) MAPM ^{2,3,4}
T N Channell MEng CEng MIED
D Farrell BSc(Hons) MTech CEng CTPD FIED (Vice Chair)
M Lynch BSc(Hons) MSc CEng MIED
Dr E Pei BA(Hons) MSc PhD CTPD CEng CEnv FIED
A Penn BSc(Hons) MSc CTPD MIED
J Roberts MEng CEng MIED
Dr P J Sewell BEng(Hons) PGCert PhD MIMechE FHEA CEng FIED ^{1,2}
Dr G A L Tizzard BSc MPhil DIC PhD MIEEE CEng MIED FHEA ^{1,2}
I Treacy BA MSc IEng MIED MIET
Eurling S P Vaitkevicius BEng(Hons) MSc CEng FIED
Dr B Watson MDes(Hons) PhD LCGI CEng CEnv CTPD FIED (Vice Chair)
R Yuen MEng CEng FIED MICE MAPM

Trustee & Honorary Treasurer

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

¹ Education and Training Committee

² Membership Accreditation Board

³ Membership Committee

⁴ Editorial Committee

Secretary

Mrs E K Meyrick BSc(Hons) FRSA

Charity number

1145678

Principal address

Courtleigh
Westbury Leigh
Westbury
Wiltshire
BA13 3TA

Independent Examiner

Martin Gurney FCA
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 2021

The trustees present their report and the financial statements for the year ended 31 December 2021.

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:

Eurling C Ledsome BEng MEng CEng FBIS FIMechE FIED
MCMI MDS (Chair/Immediate Past Chair) (Resigned as Chair 10 July 2021)

Dr T M B Humphries-Smith BSc PGDip MPhil EdD CEng
CTPD MIED(PCh) FHEA FRSA (Immediate Past Chair/Councillor) (Immediate Past Chair until 10 July 2021)

P K R Bateman EngTech MIED (Vice-Chair)

D T H Castle IEng RCADMan FIED MBCS CITP (Vice Chair/Chair) (Appointed Chair 10 July 2021)

N Phelps IEng MIED MIET (Vice Chair/Councillor) (Resigned as Vice Chair 10 July 2021)

S J Benfield CEng CEnv CTPD FIED(PCh) (Councillor)

T N Channell MEng CEng MIED (Councillor)

D Farrell BSc(Hons) MTech CEng CTPD FIED (Vice Chair/Councillor) (Appointed Vice Chair 10 July 2021)

A T A Keegan CEng FIED(PCh) (Honorary Treasurer/Councillor)

M Lynch BSc(Hons) MSc CEng MIED (Councillor)

Dr E Pei BA(Hons) MSc PhD CTPD CEng CEnv FIED (Councillor)

A Penn BSc(Hons) MSc CTPD MIED (Councillor)

J Roberts MEng CEng MIED (Councillor)

Dr P J Sewell BEng(Hons) PGCert PhD MIMechE FHEA CEng FIED (Councillor)

Dr G A L Tizzard BSc MPhil DIC PhD MIEEE CEng MIED FHEA (Councillor)

I Treacy BA MSc IEng MIED MIET (Councillor)

Eurling S P Vaitkevicius BEng(Hons) MSc CEng FIED (Councillor)

Dr B Watson MDes(Hons) PhD LCGI CEng CEnv CTPD FIED (Vice Chair/Councillor) (Appointed Vice Chair 10 July 2021)

R Yuen MEng CEng FIED MICE MAPM (Councillor)

THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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 three full-time and three part-time members of staff, including the Secretary. Mr David Osborne - Accounts Officer, Mrs Linda Parry – Membership Officer, Mrs Nadine Pearce - PA to the Secretary, Mrs Jo Winslow - Education and Training Officer and Mrs Denise Watson - Administrative Assistant, continue to give the Institution invaluable service.

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

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, Mr Neil Phelps 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 2021 as partners in the very successful Engineering and Product Design Education Conference, a virtual event hosted by VIA University College, Herning, Denmark for the second year in a row.

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 'Professional Engineering Committee' administered by the Academy and the Academy's National Engineering Policy Centre. In addition, members of the IED contributed to reports drawn up by the Academy during the year and the Secretary was invited to Chair the EECG (Engineering Ethics Coordination Group), an ongoing project overseeing the implementation of the recommendations of a report into ethics in engineering.

THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Society for the Environment

The Institution has a licence to award Chartered Environmentalist (CEnv) status to suitably qualified and experienced members and during 2021 gained an extension to that licence to award Registered Environmental Practitioner grade (REnvP) to suitably qualified members. 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.

Objectives and activities

a. Policies and objectives

Mission Statement

We work to inspire, develop and promote professionals working in engineering and product design. Setting standards and competencies for our members who advance and progress society by providing technical products and solutions.

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.

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 2021

c. Activities for achieving objectives Significant activities

Due to the global Covid-19 pandemic, many of the Institution's projects were delayed whilst working practices, communications and IT were all updated to allow staff and volunteers to carry out their roles in a Covid-secure manner.

However, the following progress has been made:

- Project Courtleigh, an initiative aimed at utilising the asset that is the IED HQ, has moved forward and will hopefully come to fruition in 2022.
- A new website was launched in mid-2021.
- An activity to seek new publishers for the IED magazine *Engineering Designer* was completed with Syon Media taking over the role in mid-2021. In addition to the printed magazine Syon Media have also introduced a monthly digital publication plus a weekly 'newsblast', available free of charge to members and the wider design community.
- 'Project IED' was established – a group of initiatives aimed at a number of outcomes, including widening membership, improving communications, providing a greater range of membership services and looking at non-membership revenue. A group of Trustees are steering these various projects which will help the IED become the Institution of the future.
- Review of the standards and practices for professional registration and course accreditations in CAD and Product Design. The new standards will be launched in 2022.

d. Volunteers

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

Achievements and performance

a. Review of activities General Progress

Objectives

The main objective for 2021 was to continue to provide membership and registration services and support to IED members in the midst of a global pandemic. The development and delivery of a new website, magazine and wider communications plus the delivery of online assessments and course accreditations and the launch of the Project IED initiative were all achieved during this difficult period.

Membership

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

	Dec 2021	Dec 2020
Fellows	161	166
Members	1,334	1,403
Students (including OU)	2,346	4,904
Affiliates	20	21
Total	3,861	6,494

During 2021 there was an effort made to clear up the legacy Student members – those who had graduated a few years previously but had not upgraded to Member. Every effort was made to contact these students and offer them free upgrade to Membership of the IED – those who did not respond were cleared out of the system, giving a much more accurate figure regarding membership going forward. Efforts are being made to attract more Member grade professionals to replace those coming to the end of their careers.

THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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. The Engineering Council have introduced mandatory CPD monitoring for all PEIs. The IED developed a monitoring and feedback process to meet this requirement which was further refined in 2021. 10% of registrants were randomly sampled and asked to provide up-to-date CPD records for the previous 12 months, of these 10% were reviewed by the Membership Committee and feedback given to responders.

Publications

A further four 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 journal is available electronically to all members including those who live internationally and non-paying students.

Charitable activities

Due to the Covid-19 pandemic, many of the IED's activities had been put on hold with many developing under new practices and procedures. However, the following still took place:

- Virtual accreditation visits were carried out at universities and colleges in the UK. The purpose of these visits is to assess the standards of design courses, in terms of content, delivery, staff development, student attainment, resources, support and industry satisfaction.

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 Secretary represents the IED 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.
- The Secretary was invited to Chair the EECG (Engineering Ethics Coordination Group), an ongoing project overseeing the implementation of the recommendations of a report into ethics in engineering as drawn up by the Royal Academy of Engineering and the Engineering Council.
- 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 2021 to run a joint Engineering and Product Design Conference, with the theme of 'Continuity and Adaptability in Design and Engineering Education'. The conference was a two-day virtual event hosted by VIA University College, Herning, Denmark, where a total of 91 papers were presented, all of which have been reproduced on a memory stick and a paperback publication. The event was a great success with 116 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 2021 to accredit their educational programmes. Panels of volunteer assessors, accompanied by the IED Secretariat, carried out 12 accreditation visits during the year, with 54 courses accredited.
- The IED supported the annual Engineering Design Show, with a stand at the event held in Coventry on 19 and 20 October.

THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Awards and Prizes

The Institution continued to run the IED Prize aimed at accredited Degree and HNC/D graduates. Twenty-eight 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 Institution's annual awards have been presented remotely, the winners being:

The Institution's most prestigious design award, the Gerald Frewer Memorial Trophy was awarded to Professor Peter Ogrodnik for his work in the development of the 'Engineers 4 NHS' scheme in answer to the global Covid-19 pandemic.

The Hornsby Cup, given for the best article published in the Institution's journal during the previous year, was awarded to Alexander Dickinson for his article 'The Vacuum Cleaner Respirator'.

The Chair's Award was presented to The IED Staff in recognition of their efforts in continuing to provide services to members and the Institution during lockdown in the midst of a global pandemic.

Five medals of appreciation were awarded:

- Mr Neil Phelps, for his services as Vice Chair of Council
- Dr Philip Sewell for his ongoing support of the Education and Training Committee especially in leading on the development of new methods and processes for virtual course accreditation events
- Mr Richard Morris for over 25 years as a member of the Education and Training Committee
- Mrs Rachel Sparkhall for her many years' service as a member of the Education and Training Committee
- Mr Will Dalrymple for his service as editor of the Engineering Designer magazine

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 2021 was presented to NIMTE, the New Model Institute for Technology and Engineering for their innovations in Design education and widening participation.

The Geoff Kirk Young Members Award is aimed at recognising promising new members starting on a career in engineering design. The 2021 winner was Poppy Cooper of Herman Miller.

The Kathbert Trophy, awarded to the most promising new member, was awarded to George Lymn-Collins.

The Alex Moulton Award is awarded to recognise outstanding innovation. The 2021 award was presented to UCL Mechanical Engineering and UCLH Mercedes-AMG for their work on the development of the UCL Ventura CPAP breathing aid.

The Hills Millennium Award was presented to Larry Leifer, of Stanford University.

The Founders Award was presented to Colin Ledsome in recognition of his service as Chair of Council.

A celebration of the awards was held at the National Royal Navy Museum at Portsmouth in October 2021.

Branches

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

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 Chair 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 Synopses. Meetings are normally held on the third Wednesday in every month.
 - Education and Training Committee - in addition to the Council appointed Chair 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.
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THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

- 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 volunteers have all adapted to remote working and continue to give excellence service.

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 and Registered Environmental Practitioner interviews
- CTPD, RProdDes, RCP and RCADMan interviews

There are thirteen volunteers on the Membership Committee and fifteen volunteers on the Education and Training 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 11) shows that for this year there was a surplus of £45,082 (2020: deficit of £21,028).

Total resources expended amounted to £276,369 (2020: £302,708).

b. Reserves

Total reserves amounts to £367,353 (2020: £322,271). General reserves (excluding restricted and endowment funds) stand at £353,463 (2020: £307,021).

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 £13,890 (2020: £15,250).

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, 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 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.

THE INSTITUTION OF ENGINEERING DESIGNERS

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Plans for the future

Future developments

The new standards for professional registration and course accreditation for CAD and Product Design and Engineering will be rolled out during 2022.

Project Courtleigh will see phase 1 of the project come to fruition.

Project IED will introduce a number of new initiatives and services to members and improved communications across the board.

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 E K 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 2021, which are set out on pages 10 to 24.

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. (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. (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;
 - iii. 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.

.....
Martin Gurney FCA
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 2021

		Unrestricted funds	Restricted funds	Total 2021	Total 2020
	Notes	£	£	£	£
<u>Incoming resources from generated funds</u>					
Donations and legacies	2	278,544	-	278,544	247,651
Activities for generating funds	3	31,982	-	31,982	26,735
Investment income	4	-	-	-	-
		<u>310,526</u>	<u>-</u>	<u>310,526</u>	<u>274,386</u>
Incoming resources from charitable activities	5	10,925	-	10,925	7,294
		<u>321,451</u>	<u>-</u>	<u>321,451</u>	<u>281,680</u>
Resources expended					
Costs of generating funds					
Costs of generating donations and legacies	6	151,263	-	151,263	146,501
		<u>170,188</u>	<u>-</u>	<u>170,188</u>	<u>135,179</u>
Net incoming resources available					
Charitable activities					
Other costs		123,746	-	123,746	154,550
Benevolent Fund		-	1,360	-	1,657
		<u>123,746</u>	<u>1,360</u>	<u>125,106</u>	<u>156,207</u>
Total charitable expenditure					
Total resources expended					
		<u>275,009</u>	<u>1,360</u>	<u>276,369</u>	<u>302,708</u>
Net income/(expenditure) for the year					
		46,442	(1,360)	45,082	(21,028)
Transfer of funds					
	17	-	-	-	-
Net movement in funds					
		46,442	(1,360)	45,082	(21,028)
Fund balances at 1 January					
		307,021	15,250	322,271	343,299
Fund balances at 31 December					
		<u>353,463</u>	<u>13,890</u>	<u>367,353</u>	<u>322,271</u>

THE INSTITUTION OF ENGINEERING DESIGNERS

BALANCE SHEET

AS AT 31 DECEMBER 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14		498,179		481,887
Current assets					
Stocks		5,486		5,486	
Debtors	15	10,951		5,219	
Cash at bank and in hand		27,446		25,304	
		<u>43,883</u>		<u>36,009</u>	
Creditors: amounts falling due within one year	16	<u>(174,709)</u>		<u>(195,625)</u>	
Net current (liabilities)/assets			<u>(130,826)</u>		<u>(159,616)</u>
Total assets less current liabilities			<u>367,353</u>		<u>322,271</u>
Income funds					
Restricted funds	17		13,890		15,250
Unrestricted funds			353,463		307,021
			<u>367,353</u>		<u>322,271</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 2021

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 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 2021

Tangible fixed assets and depreciation (continued)

The accounting policy for the depreciation of land and buildings has been changed during the prior 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 equal 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 selling price less 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 2021

2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donations and gifts (including Gift Aid)	16,526	-	16,526	20,723
Subscriptions and membership income (see below)	242,525	-	242,525	226,928
Exceptional item – Engineering Council fees adjustment	19,493	-	19,493	-
	<u>278,544</u>	<u>-</u>	<u>278,544</u>	<u>247,651</u>

Subscriptions and membership income receivable

Unrestricted funds:

	2021 £	2020 £
Subscription and fee income from members	216,149	215,075
Members joining fees	10,476	8,513
	<u>226,625</u>	<u>223,588</u>
Accreditation fees	15,900	3,340
	<u>242,525</u>	<u>226,928</u>

3 Activities for generating funds

	2021 £	2020 £
Activities for generating funds (rent, journal advertising etc)	31,982	26,735
Net Activities for generating funds	<u>31,982</u>	<u>26,735</u>

4 Investment income

	2021 £	2020 £
Bank interest	-	-
	<u>-</u>	<u>-</u>

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Incoming resources from charitable activities

	2021	2020
	£	£
Seminar and course income	<u>10,925</u>	<u>7,294</u>

6 Total resources expended

	2021	2020
	£	£
Costs of generating funds		
Costs of generating donations and legacies (note 7)	<u>151,263</u>	<u>146,501</u>

Included in costs of generating funds are Project Courtleigh costs which have increased and are as shown in note 11.

Charitable activities

	2021	2020
	£	£
<u>Other costs</u>		
Activities undertaken directly (note 8)	35,312	69,457
Grant funding of activities	-	643
Support costs (note 11 – investment, governance, education & journal)	<u>88,434</u>	<u>84,450</u>
Total	<u>126,066</u>	154,550

Benevolent Funds

Costs	<u>1,360</u>	<u>1,657</u>
	<u>125,106</u>	<u>156,207</u>
	<u>276,369</u>	<u>302,708</u>

Included in support costs are payments to the Independent Examiner of £3,000 (2020: £3,000).

Also Included in support costs are Project Courtleigh costs which have increased and are as shown in note 11.

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7	Costs of generating donations and legacies (see note 6)	2021	2020
		£	£
	Other costs comprise:		
	Advertising	520	-
	AGM/EGM expenses	3,896	200
	Branch expenses reimbursed	-	68
	Councillor expenses	881	726
	Exhibitions costs	-	-
	(Increase)/decrease in stock	1,254	-
	Marketing & promotions	-	5,000
	New members expenses	60	1,545
	Secretariat expenses	361	1,172
	Support costs (note 11 – including Project Courtleigh)	144,291	137,790
		<u>151,263</u>	<u>146,501</u>
	Project Courtleigh costs have increased and are as shown in note 11		
8	Activities undertaken directly (see note 6)	2021	2020
		£	£
	Other costs relating to IED comprise:		
	Journal publishing costs	23,211	61,500
	Postage re-allocated to journal publishing	12,101	7,893
	University accreditation costs	-	64
		<u>35,312</u>	<u>69,457</u>
9	Grants payable	2021	2020
		£	£
	IED	-	643
		<u>-</u>	<u>643</u>

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Support costs (see note 11 for detail)

	IED £	Benevolent Fund £	Total 2021 £	Total 2020 £
Administration (including Project Courtleigh)	93,176	-	93,176	89,378
Staff costs	137,595	-	137,595	129,983
Depreciation	1,954	-	1,954	2,879
	<u>232,725</u>	<u>-</u>	<u>232,735</u>	<u>222,240</u>

11 Support Costs – allocation

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%
Accountancy fees	2,102	17	51	916	305
Bank charges	3,902	31	94	1,699	567
Computer equipment depreciation	1,211	10	29	528	176
Computer expenses/IT support	7,247	58	175	3,156	1,052
Employer's National Insurance	4,203	34	102	1,830	610
Employer's pension contributions	1,674	14	41	729	242
Equipment hire	-	-	-	-	-
Equipment maintenance	89	1	2	39	12
Fixtures & fitting depreciation	-	-	-	-	-
Furlough grant	-	-	-	-	-
General expenses	569	5	14	248	82
Insurance	3,045	25	74	1,326	441
Interest payable	877	7	21	382	128
Irrecoverable VAT under Partial	3,868	31	94	1,684	561
Legal & professional fees	1,302	11	32	567	188
Light & heat	7,774	63	188	3,385	1,128
Office refreshments	239	2	6	104	34
Postage	10,921	88	264	4,756	1,585
Postage re-allocated to journal	(7,503)	(61)	(182)	(3,267)	(1,088)
Printing & stationery	921	7	22	401	135
Project Courtleigh	3,947	32	95	1,719	573
Property maintenance	15,804	127	382	6,882	2,295
Rates & water	908	7	22	395	132
Staff training	317	3	8	138	46
Subscriptions payable	825	7	20	359	119
Telephone	617	5	15	269	89
Wages & salaries	79,432	641	1,922	34,591	11,530
Total	<u>144,291</u>	<u>1,165</u>	<u>3,491</u>	<u>62,836</u>	<u>20,942</u>

Continued on next page

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Support Costs – total

Description	Total	Total
	2021	2020
	£	£
Accountancy fees	3,391	5,376
Bank charges	6,293	8,750
Computer equipment depreciation	1,954	2,879
Computer expenses/IT support	11,688	7,448
Employer's National Insurance	6,779	6,268
Employer's pension contributions	2,700	3,216
Equipment hire	-	-
Equipment maintenance	143	838
Fixtures & fitting depreciation	-	-
Furlough grant	-	(2,773)
General expenses	918	431
Insurance	4,911	3,438
Interest payable	1,415	-
Irrecoverable VAT under Partial Exemption rules	6,238	8,063
Legal & professional fees	2,100	2,010
Light & heat	12,538	11,823
Office refreshments	385	180
Postage	17,614	11,489
Postage re-allocated to journal publishing	(12,101)	(7,893)
Printing & stationery	1,486	2,110
Project Courtleigh	6,366	9,566
Property maintenance	25,490	19,819
Rates & water	1,464	1,706
Staff training	512	-
Subscriptions payable	1,330	2,952
Telephone	995	1,272
Wages & salaries	128,116	123,272
Total	232,725	222,240

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but were reimbursed a total of £687 for expenses (2020: £672). This included £nil (2020: £nil) in relation to accreditation expenditure, £nil (2020: £23) for interview expenses and the remainder £687 (2020: £649) was for other expenditure.

Trustees loaned a total of £60,000 (2020: £30,000) to the charity during the year as short-term working capital. Loan interest at 2.95% per month was payable on the loans. The loans outstanding at the year end were £60,000 (2020: £30,000). 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 2021

13 Employees

Staff Costs

	2021 £	2020 £
Wages and salaries	128,116	123,272
Furlough grant	-	(2,773)
Employer's National Insurance contributions	6,779	6,268
Pension costs	2,700	3,216
	<u>137,595</u>	<u>129,983</u>

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

The average monthly number of employees during the year was 7 (2020: 7).

14 Tangible fixed assets

	Land and buildings £	Computer Equipment £	Fixtures and Fittings £	Total £
Cost				
At 1 January 2021	518,498	17,699	6,655	542,852
Additions	<u>17,423</u>	<u>823</u>	<u>-</u>	<u>18,246</u>
At 31 December 2021	<u>535,921</u>	<u>18,522</u>	<u>6,655</u>	<u>561,098</u>
Depreciation				
At 1 January 2021	37,742	16,568	6,655	60,965
Charge for the year	<u>-</u>	<u>1,954</u>	<u>-</u>	<u>1,954</u>
At 31 December 2021	<u>37,742</u>	<u>18,522</u>	<u>6,655</u>	<u>62,919</u>
Net book value				
At 31 December 2021	<u>498,179</u>	<u>-</u>	<u>-</u>	<u>498,179</u>
At 31 December 2020	<u>480,756</u>	<u>1,131</u>	<u>-</u>	<u>481,887</u>

Included in land and buildings is freehold land of £165,000 (2020: £165,000).

15 Debtors

	2021 £	2020 £
Trade debtors	10,951	3,186
Other debtors	-	1,540
Prepayments	-	493
	<u>10,951</u>	<u>5,219</u>

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16	Creditors: amounts falling due within one year	2021	2020
		£	£
	Accruals	21,374	3,000
	Bank overdraft	42,852	32,276
	Bounce-back loan (Coronavirus support)	-	50,000
	Deferred income	-	-
	Engineering Council	29,076	44,290
	Loans from Trustees	60,000	30,000
	Other creditors	12,908	19,567
	Other taxes and social security costs	3,240	2,615
	Trade creditors	5,156	13,877
	VAT	103	-
		<u>174,709</u>	<u>195,625</u>

The bank overdraft is secured by a fixed charge over the freehold property.

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 2021
	Balance at 1 January 2021	Net movement	Transfer	
	£	£	£	£
Benevolent Fund	15,250	(1,360)	-	13,890
	<u>15,250</u>	<u>(1,360)</u>	<u>-</u>	<u>13,890</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 2021 are represented by:			
Tangible fixed assets	498,179	-	498,179
Current assets	29,993	13,890	43,883
Creditors: amounts falling due within one year	(174,709)	-	(174,709)
	<u>353,463</u>	<u>13,890</u>	<u>367,353</u>

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Detailed Income and Expenditure account

	2021	2020
	£	£
Income		
Incoming resources from generated funds		
Donations and gifts	30	106
Exceptional item – Engineering Council fees adjustment	19,493	-
Gift Aid	16,496	20,617
Members joining fees	10,476	8,513
Sponsorship and commissions (accreditation)	15,900	3,340
Subscriptions & fee income from members	216,149	215,075
	<u>278,544</u>	<u>247,651</u>
Activities for generating funds		
Journal advertising and non-member subscriptions	9,242	6,340
Rental income, room hire charges & sundry income	22,740	20,395
	<u>31,982</u>	<u>26,735</u>
Investment income		
Bank and building society interest	-	-
Incoming resources from charitable activities		
Seminar and course income	10,925	7,294
	<u>321,451</u>	<u>281,680</u>
Total Income		
	<u>321,451</u>	<u>281,680</u>
Expenditure		
Costs of generating funds		
Advertising & marketing	520	-
AGM/EGM expenses	3,896	200
Branch expenses reimbursed	-	68
Councillor expenses	881	726
Exhibitions costs	-	-
(Increase)/decrease in stock	1,254	-
Marketing & promotions	-	5,000
New members expenses	60	1,545
Secretariat expenses	361	1,172
	<u>6,972</u>	<u>8,711</u>

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Detailed Income and Expenditure account

Charitable activities

Journal publishing costs	35,312	69,393
University accreditation	-	64
	<hr/>	<hr/>
	35,312	69,457
Grants provided	-	643
	<hr/>	<hr/>
	35,312	70,100

Other resources expended (restricted)

Benevolent Fund	1,360	1,657
	<hr/>	<hr/>
	1,360	1,657

Support costs

Accountancy fees	3,391	5,376
Bank charges	6,293	8,750
Computer equipment depreciation	1,954	2,879
Computer expenses/IT support	11,688	7,448
Employer's National Insurance	6,779	6,268
Employer's pension contributions	2,700	3,216
Equipment hire	-	-
Equipment maintenance	143	838
Fixtures & fitting depreciation	-	-
Furlough grant	-	(2,773)
General expenses	918	431
Insurance	4,911	3,438
Interest payable	1,415	-
Irrecoverable VAT under Partial Exemption rules	6,238	8,063
Legal & professional fees	2,100	2,010
Light & heat	12,538	11,823
Office refreshments	385	180
Postage	17,614	11,489
Postage re-allocated to journal publishing	(12,101)	(7,893)
Printing & stationery	1,486	2,110
Project Courtleigh	6,366	9,566
Property maintenance	25,490	19,819
Rates & water	1,464	1,706
Staff training	512	-
Subscriptions payable	1,330	2,952
Telephone	995	1,272
Wages & salaries	128,116	123,272
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	232,725	222,240

THE INSTITUTION OF ENGINEERING DESIGNERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Detailed Income and Expenditure account (<i>continued</i>)		
Total expenditure	<u>276,369</u>	<u>302,708</u>
Total movement in Funds	<u>45,082</u>	<u>(21,028)</u>