

COMPANY REGISTRATION NUMBER SC000358

**THE INSTITUTION OF ENGINEERS &
SHIPBUILDERS IN SCOTLAND
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31 JULY 2014**

Charity Number SC011583

NELSON GILMOUR SMITH

Chartered Accountants
Mercantile Chambers
53 Bothwell Street
Glasgow
G2 6TB

**THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN
SCOTLAND
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2014

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**THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN
SCOTLAND
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Registered charity name	The Institution of Engineers & Shipbuilders in Scotland
Charity number	SC011583
Company registration number	SC000358
	Clydeport Building 16 Robertson Street Glasgow G2 8DS
Registered office	Clydeport Building 16 Robertson Street Glasgow G2 3EY
Council	Mr P Preston CEng, FIES - President (2014-2015) Ms K R Dinardo CEng, FIES - Vice President & Secretary (2014-2015) Professor I A Macleod CEng, FIES - Immediate Past President (2014-2015) Dr G G T Masterton OBE, FEng, FIES - Past President (2013-2014) Mr C Gibson CEng, FIES - Treasurer Mr I Barton, CEng, FIES Mr C Denton CEng, FIES (Retired 1 April 2014) Mr D Elder CEng, FIES Mr G Fletcher CEng, FIES Mrs S Flynn CEng, FIES Mr G Forsyth CEng, FIES (Retired 1 April 2014) Mr R Harley CEng, FIES Professor D K Harrison CEng, FIES (Retired 1 April 2014) Professor P Jowitt CBE, FEng, FIES (Retired 1 April 2014) Mr A Kilbride CEng, FIES (Appointed 1 April 2014) Dr M Macdonald CEng, FIES (Retired 1 April 2014) Mrs R Mackintosh CEng, FIES (Appointed 1 April 2014) Mr J McCafferty CEng, FIES (Retired 1 April 2014) Mr H Osborn CEng, FIES (Retired 1 April 2014) Dr A Pearson CEng, FIES (Appointed 1 April 2014) Mr W S Ross CEng, FIES (Retired 1 April 2014) Mr G Taylor CEng, FIES Mr N Wardil CEng, FIES Mr D M Westmore CEng, FIES
Secretary	Ms K R Dinardo CEng, FIES

**THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN
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COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS *(continued)*

Independent examiner	Andrew Wilson CA, Partner, Nelson Gilmour Smith Chartered Accountants & Registered Auditors Mercantile Chambers 53 Bothwell Street Glasgow G2 6TB
Investment adviser	Speirs & Jeffrey 36 Renfield Street Glasgow G2 1NA
Bankers	Bank of Scotland 235 Sauchiehall Street Glasgow G2 3EY

THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN SCOTLAND COMPANY LIMITED BY GUARANTEE

COUNCILLORS ANNUAL REPORT

YEAR ENDED 31 JULY 2014

The Council present their report and the unaudited financial statements of the company for the year ended 31 July 2014.

Reference and administrative details

Reference and administrative details are shown in the schedule of members of the board and professional advisers on pages 1 to 2 of the financial statements.

The council

The Council who served the company during the period were as follows:

Mr P Preston CEng, FIES - President (2014-2015)
Ms K R Dinardo CEng, FIES - Vice President & Secretary (2014-2015)
Professor I A Macleod CEng, FIES - Immediate Past President (2014-2015)
Dr G G T Masterton OBE, FEng, FIES - Past President (2013-2014)
Mr C Gibson CEng, FIES - Treasurer
Mr I Barton, CEng, FIES
Mr C Denton CEng, FIES
Mr D Elder CEng, FIES
Mr G Fletcher CEng, FIES
Mrs S Flynn CEng, FIES
Mr G Forsyth CEng, FIES
Mr R Harley CEng, FIES
Professor D K Harrison CEng, FIES
Professor P Jowitt CBE, FEng, FIES
Mr A Kilbride CEng, FIES
Dr M Macdonald CEng, FIES
Mrs R Mackintosh CEng, FIES
Mr J McCafferty CEng, FIES
Mr H Osborn CEng, FIES
Dr A Pearson CEng, FIES
Mr W S Ross CEng, FIES
Mr G Taylor CEng, FIES
Mr N Wardil CEng, FIES
Mr D M Westmore CEng, FIES

Mr A Kilbride CEng, FIES was appointed as a director on 1 April 2014.
Mrs R Mackintosh CEng, FIES was appointed as a director on 1 April 2014.
Dr A Pearson CEng, FIES was appointed as a director on 1 April 2014.
Mr C Denton CEng, FIES retired as a director on 1 April 2014.
Mr G Forsyth CEng, FIES retired as a director on 1 April 2014.
Professor D K Harrison CEng, FIES retired as a director on 1 April 2014.
Professor P Jowitt CBE, FEng, FIES retired as a director on 1 April 2014.
Dr M Macdonald CEng, FIES retired as a director on 1 April 2014.
Mr J McCafferty CEng, FIES retired as a director on 1 April 2014.
Mr H Osborn CEng, FIES retired as a director on 1 April 2014.
Mr W S Ross CEng, FIES retired as a director on 1 April 2014.

THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN SCOTLAND COMPANY LIMITED BY GUARANTEE

COUNCILLORS ANNUAL REPORT *(continued)*

YEAR ENDED 31 JULY 2014

Structure, governance and management

The Institution of Engineers & Shipbuilders in Scotland Limited is constituted as a company limited by guarantee and recognised as a charity by the Office of Scottish Charities Regulator and HM Revenue and Customs. The company is governed by its Council who sets overall objectives and policies as well as overseeing and controlling activities. Day to day management of the company is delegated by the Council to an Executive committee. The governing documents of the company are contained within a memorandum and articles of association. The memorandum and articles of association contain provision for the appointment of 15 members of council who become directors of the company. Vacancies on the Council are filled by election of members at the Annual General Meeting.

The company has one wholly owned dormant subsidiary company, The Institution of Engineers in Scotland Limited.

Objectives and activities

The mission of the Institution is to provide a forum in which individual members from all engineering and related disciplines can discuss and exchange information, generate ideas, involve young engineers and, with kindred bodies, promote a wider understanding of the role of the engineering profession in society.

Achievements and performance

Lecture Programme

ProfEng Lecture - Joint lecture with RSE, ICE and IStructE

'Commitment, Value, Excellence ... Engineered'

Monday 16th September 2013

Tuesday 1st October 2013 - The University Lecture

'Rising to meet the challenge - how British manufacturing won the Great War'

Speaker -Dr Wayne Osborne - due to unforeseen circumstances this lecture was cancelled

Tuesday 1st October 2013 - The MacMillan Lecture, Joint lecture with WES (Womens Engineering Society)

'God Particle or God-damn Particle? Work at the Hadron Collider'

Speaker - Victoria Martin

ProfEng Lecture

Wednesday 6th November 2013,

'Engineers Unchained 2'

Speaker - Ed McCann

Thursday 7th November 2013 Joint Lecture with IMechE

'ITER - dedicated followers of Fusion - the story so far'

Speaker - David Baird

Tuesday 3rd December 2013 - Joint Meeting with RINA & ICE

'Lean - what does it mean?' the talk will discuss how the lean approach can be used help to achieve successful outcomes in Engineering and beyond.

Speaker -Alan Harrison

Tuesday 21st January 2014 - Joint meeting with IMarEST,

'Does confidential reporting reduce failures? Learning from experiences in structural, aircraft and maritime engineering'

Speaker - Alasdair Soane (CROSS) plus a representative from CHIRP

THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN SCOTLAND COMPANY LIMITED BY GUARANTEE

COUNCILLORS ANNUAL REPORT *(continued)*

YEAR ENDED 31 JULY 2014

Tuesday 11th February 2014

'Nuclear Generation and the Implications of Fukushima'

Speaker - Ian Cathro

Tuesday 11th March 2014

'Guid gear comes in sma" bulk! - Nanotechnology in engineering'

Speakers - Deepak Uttamchandani

Tuesday 1st April 2014 - AGM plus Members' meeting

These lectures sought to build on the success of previous years with a varied programme and a broad appeal to both members of the Institution and members of the public. It is intended to try to hold more joint lectures with other institutions. The average attendance was 50.

Other Activities

Scottish Engineering Hall of Fame

The Scottish Engineering Hall of Fame continues to flourish; four more engineers were inducted into the Hall of Fame at the 2013 James Watt Dinner.

Energy Strategy Group

Although engineering methods need to be used more extensively across the whole of the energy sector, the IESIS Energy Strategy Group focuses on the problems of electricity generation because it is believed the greatest risk to society lies in that area. A meeting was held with senior representatives of the Department of Business Innovation and Skills of the Westminster Government to explain the need for better cost analysis for electricity generation. A response was made to a House of Lords call for evidence about the resilience of the Electricity System. Efforts to help the Scottish Government to improve their policy on energy continue.

Professional Engineering Group

The group promotes professional engineering as a very worthwhile career for young people. We manage a website for this purpose, organise special lectures for aspiring engineers and visits to universities to inform students about career prospects. The institution held two prestige lectures for aspiring engineers in 2013. The lectures were well attended. Considerable work has been done upgrading the website.

James Watt Dinner

The annual James Watt Dinner was held on 30th September 2013. The dinner was held in the Radisson Blu hotel, Glasgow. The Council records its thanks to the members of the JWD sub-group for organising the successful event.

Membership

During the session, 32 applications for membership were approved. As a consequence, as detailed in the membership roll shown on page 6, membership of the Institution at the 31st July 2014 was 497. The membership approved a clarification and streamlining of the membership grades at the AGM.

Publications

The Transactions publication has been updated to a more modern, full colour, magazine style. Volume 153 was published in this format and copies were sent to other Engineering Institutions and MSPs. The IESIS website has been improved. The institution published a newsletter in December 2013.

CPD

Iain MacLeod initiated a series of workshops on engineering contracts. The workshops were held on six Monday evenings in January and February 2014 in the meeting room of DWF Biggart Baillie in

THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN SCOTLAND COMPANY LIMITED BY GUARANTEE

COUNCILLORS ANNUAL REPORT *(continued)*

YEAR ENDED 31 JULY 2014

Glasgow. Two of the workshops were full and the remaining four were well attended.

Representation

Mr Graeme Fletcher has taken over from Mr Fred Walker on the Technical Committee of Lloyds Register as the IESIS representative.

Other Bodies

The Institution continues to provide secretarial support and office space for meetings to Engineering Scotland, the organisation that produces a combined programme of events for engineering institutions and organisations in Scotland. The Institution continues to support the work of the Primary Engineer, and has been able to give £2000 in sponsorship of engineering kits to schools in Glasgow. The Institution is pleased to have forged closer links with other engineering institutions, particularly WES and IMechE with whom the first joint lectures were held.

Financial review

The results for the year to 31st July 2014 show a positive outcome. Council wishes to record their thanks to Speirs and Jeffrey for their management of the funds which has increased income from the portfolio in line with Council's request. Council also wishes to thank Iain MacLeod for his work on the CPD workshops, the success of these workshops added £5,000 to the Institution's income.

Financial Instruments

The company's principal liquid financial assets are its bank balances and investments. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. The company does not enter into any derivative financial instruments. The investment portfolio is spread across a range of listed securities.

Risk Management

The Council is advised by its independent financial advisors, Speirs & Jeffrey, who has conducted its own review of the major risks to which the charity is exposed, and systems have been established to mitigate those risks. External risks have been addressed in the strategic plan, which allows for the diversification and development of activities to mitigate the identified risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Going Concern

The company has financial resources, both liquid and investments, that can be readily converted to cash. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

Membership Roll

The membership profile is presented in the following table:

	2014	2013
Honorary Fellow	4	2
Life Members	3	5
Fellows	143	142
Members	36	28
Companions	2	4
Graduates	8	5
Students	195	194
Retired Fellows	106	110
Total	497	490

THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN SCOTLAND COMPANY LIMITED BY GUARANTEE

COUNCILLORS ANNUAL REPORT *(continued)*

YEAR ENDED 31 JULY 2014

Plans for future periods

The Institution intends to build on its recent successes by offering good quality speakers on a wide range of engineering subjects. Other plans include:

- to forge closer links with other engineering bodies.
- to continue its work with the Energy Strategy Group, providing advice, knowledge and support for those seeking information on energy matters.
- to continue its progress with the ProfEng group and develop support from other bodies.
- to continue to develop the Scottish Engineering Hall of Fame.

Several groups have been formed within Council, these groups will also address the issues of membership, awards and papers.

Responsibilities of the council

The Council (whose members are also the Directors of the Institution of Engineers & Shipbuilders in Scotland for the purposes of company law) is responsible for preparing the Councillors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Independent examiner

Andrew Wilson CA, Partner, Nelson Gilmour Smith Chartered Accountants & Registered Auditors has been re-appointed as independent examiner for the ensuing year.

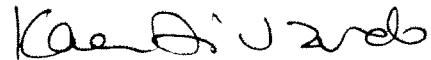
**THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN
SCOTLAND
COMPANY LIMITED BY GUARANTEE**

COUNCILLORS ANNUAL REPORT *(continued)*

YEAR ENDED 31 JULY 2014

Registered office:
Clydeport Building
16 Robertson Street
Glasgow
G2 3EY

Signed by order of the Council



Ms K R Dinardo CEng, FIES
Company Secretary

.....21/4/2015.....

**THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN
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**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES AND MEMBERS OF THE
INSTITUTION OF ENGINEERS & SHIPBUILDERS IN SCOTLAND**

YEAR ENDED 31 JULY 2014

I report on the accounts of the charity for the year ended 31 July 2014 that are set out on pages 10 to 18.

Respective responsibilities of the Councillors and Independent Examiner The charity's council (whose members are also Directors of the company for the purposes of company law and Trustees of the charity for the purposes of charity law) is responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity council considers that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply.

It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of Independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. 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 seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's statement

In the course of my examination, no matter has come to my attention

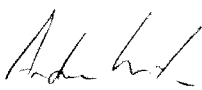
1. which gives me reasonable cause to believe that in any material aspect the requirements:

- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and

- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Andrew Wilson CA, Partner,
Nelson Gilmour Smith
Chartered Accountants & Registered Auditors

Mercantile Chambers
53 Bothwell Street
Glasgow
G2 6TB

22/4/2015

**THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE
ACCOUNT)**

YEAR ENDED 31 JULY 2014

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Incoming resources					
Incoming resources from generating funds:					
Voluntary income	2	15,701	–	15,701	16,314
Activities for generating funds	3	5,134	–	5,134	136
Investment income	4	45,971	–	45,971	42,839
Total incoming resources		66,806	–	66,806	59,289
Resources expended					
Charitable activities	5	(62,551)	–	(62,551)	(56,646)
Governance costs	6	(1,328)	–	(1,328)	(2,160)
Total resources expended		(63,879)	–	(63,879)	(58,806)
Net incoming resources for the year					
	8	2,927	–	2,927	483
Realised Gains/(losses)		(8,996)	–	(8,996)	1,525
Unrealised Gains/(losses) on investments		19,648	–	19,648	160,831
Net movement in funds/net income for the year		13,579	–	13,579	162,839
Reconciliation of funds					
Total funds brought forward		1,076,725	66,874	1,143,599	980,760
Total funds carried forward		1,090,304	66,874	1,157,178	1,143,599

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 12 to 18 form part of these financial statements.

**THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN
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BALANCE SHEET *(continued)*

31 JULY 2014

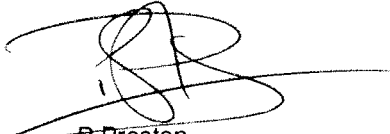
Fixed assets			
Tangible assets	10	603	626
Investments	11	<u>1,150,982</u>	<u>1,140,903</u>
		1,151,585	1,141,529
Current assets			
Stocks	12	350	350
Debtors	13	2,910	2,976
Cash at bank and in hand		<u>23,099</u>	<u>16,726</u>
		26,359	20,052
Creditors: Amounts falling due within one year	14	<u>(20,766)</u>	<u>(17,982)</u>
Net current assets		5,593	2,070
Total assets less current liabilities		<u>1,157,178</u>	<u>1,143,599</u>
Net assets		<u>1,157,178</u>	<u>1,143,599</u>
Funds			
Restricted income funds	15	66,874	66,874
Unrestricted income funds	16	<u>1,090,304</u>	<u>1,076,725</u>
Total funds		<u>1,157,178</u>	<u>1,143,599</u>

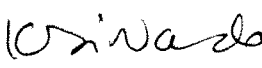
For the year ended 31 July 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.


Council' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The Council acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the councillors and authorised for issue on the21/4/2015..... and are signed on their behalf by:


P Preston
President


K Dinardo
Vice President


C Gibson
Treasurer

Company Registration Number: SC000358

The notes on pages 12 to 18 form part of these financial statements.

THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN SCOTLAND COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2014

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value, and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Subscriptions

Subscriptions, donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

Resources expended

Expenditure is accounted for on an accruals basis. All costs have been attributed to one of the functional categories of resources expended in the Statement of Financial Activities (SOFA). The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment	-	20% Reducing Balance
Fixtures & Fittings	-	20% Reducing Balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2014

2. Voluntary income

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Donations			
Donations - Gifts & Bequests	563	563	979
Subscriptions	15,138	15,138	15,335
	<u>15,701</u>	<u>15,701</u>	<u>16,314</u>

3. Incoming resources from activities for generating funds

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
CPD Workshops	4,650	4,650	-
Sale of Technical Papers	484	484	136
	<u>5,134</u>	<u>5,134</u>	<u>136</u>

4. Investment income

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Income from UK listed investments	45,965	45,965	42,834
Other interest receivable	6	6	5
	<u>45,971</u>	<u>45,971</u>	<u>42,839</u>

5. Costs of charitable activities by fund type

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Administration Costs	62,551	62,551	56,646

6. Governance costs

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Accountancy fees	1,328	1,328	1,680
Legal fees	-	-	480
	<u>1,328</u>	<u>1,328</u>	<u>2,160</u>

**THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2014

7. Analysis of grants

	2014	2013
	£	£
Grants to individuals		
Grants to individuals	2,000	—
Total grants	<u>2,000</u>	<u>—</u>

8. Net incoming resources for the year

This is stated after charging:

	2014	2013
	£	£
Depreciation	768	157
	<u>768</u>	<u>157</u>

9. Staff costs and emoluments

Total staff costs were as follows:

	2014	2013
	£	£
Wages and salaries	15,832	16,847
Social security costs	1,155	1,282
	<u>16,987</u>	<u>18,129</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2014	2013
	No	No
Number of administrative staff	1	1
	<u>1</u>	<u>1</u>

No employee received remuneration of more than £60,000 during the year (2013 - Nil).

**THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2014

10. Tangible fixed assets

	Equipment £	Fixtures & Fittings £	Total £
Cost			
At 1 August 2013	3,090	9,785	12,875
Additions	745	–	745
Disposals	(597)	–	(597)
At 31 July 2014	<u>3,238</u>	<u>9,785</u>	<u>13,023</u>
Depreciation			
At 1 August 2013	2,464	9,785	12,249
Charge for the year	768	–	768
On disposals	(597)	–	(597)
At 31 July 2014	<u>2,635</u>	<u>9,785</u>	<u>12,420</u>
Net book value			
At 31 July 2014	<u>603</u>	–	<u>603</u>
At 31 July 2013	<u>626</u>	–	<u>626</u>

11. Investments

Movement in market value

	2014 £	2013 £
Market value at 1 August 2013	1,140,903	978,734
Acquisitions at cost	96,320	92,165
Disposals at opening book value	(105,889)	(90,828)
Net gains on revaluations in the year ended 31 July 2014	19,648	160,832
Market value at 31 July 2014	<u>1,150,982</u>	<u>1,140,903</u>
Historical cost at 31 July 2014	<u>753,274</u>	<u>755,007</u>

Analysis of investments at 31 July 2014 between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Other investments				
UK Group undertakings	2	–	2	2
Other Investments	1,084,106	66,874	1,150,980	1,140,901
	<u>1,084,108</u>	<u>66,874</u>	<u>1,150,982</u>	<u>1,140,903</u>

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2014

11. Investments (continued)

The company owns 100% of the issued share capital of The Institution Engineers in Scotland Limited, a company registered in Scotland. The Company was dormant throughout the year.

Material Investment Holdings

The following holdings represent more than 5% of the value of the Charity's total investments:

	2014
	£
45,000 British Assets Trust	60,525
30,000 Legal & General	70,320
17,000 Merchant's Trust	83,640
3,000 Royal Dutch Shell	76,665
6,750 Temple Bar	82,080
2,500 Weir Group	64,175
	2013
	£
45,000 British Assets Trust	61,313
3,000 Diageo	61,620
3,500 GlaxoSmithKline	58,940
30,000 Legal & General	57,870
17,000 Merchant's Trust	85,170
3,000 Royal Dutch Shell	69,585
6,750 Temple Bar	82,350

12. Stocks

	2014	2013
	£	£
Stock	350	350

13. Other debtors

	2014	2013
	£	£
Prepayments	2,910	2,976

14. Creditors: Amounts falling due within one year

	2014	2013
	£	£
Accruals	20,766	17,982

**THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN
SCOTLAND
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2014

15. Restricted income funds

	Balance at 1 Aug 2013 and at 31 Jul 2014 £
Marlow (Scotland) Lecture	15,000
Hugh Macmillan Memorial	26,000
W W Marriner	1,000
Other Special Funds	23,298
Social Fund	1,576
	<u>66,874</u>

There have been no movements on restricted funds during the year ended 31 July 2014.

The Hugh Macmillan Memorial was established to provide income to fund a lecture and dinner each year.

The Marlow (Scotland) Lecture was established to provide funds for a lecture and dinner every second year.

The W W Marriner Fund was established to provide funds for a prize.

All of the above funds were bestowed upon the Institution a number of years ago and, as such, the income arising from the specific investment of the funds is not separately identifiable. These funds are being treated as permanent endowment funds.

In general the costs of meeting the specific requirements of the above funds are met through the unrestricted funds.

16. Unrestricted income funds

	Balance at 1 Aug 2013 £	Incoming resources £	Outgoing resources £	Gains and losses £	Balance at 31 Jul 2014 £
General Funds	<u>1,076,725</u>	<u>66,806</u>	<u>(63,879)</u>	<u>10,652</u>	<u>1,090,304</u>

**THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2014

17. Analysis of net assets between funds

	Tangible fixed assets	Investments	Net current assets	Total
	£	£	£	£
Restricted Income Funds:				
Marlow (Scotland) Lecture	–	15,000	–	15,000
Hugh Macmillan Memorial	–	26,000	–	26,000
W W Murriner	–	1,000	–	1,000
Other Special Funds	–	23,298	–	23,298
Social Fund	–	1,576	–	1,576
	–	<u>66,874</u>	–	<u>66,874</u>
Unrestricted Income Funds	603	1,084,108	5,593	1,090,304
Total Funds	603	1,150,982	5,593	1,157,178

18. Company limited by guarantee

The company is limited by Guarantee, as such, on winding up each member's liability is restricted to £10.

**THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN
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MANAGEMENT INFORMATION

YEAR ENDED 31 JULY 2014

**The following pages do not form part of the statutory financial statements
which are the subject of the independent examiner's report on page 9.**

**THE INSTITUTION OF ENGINEERS & SHIPBUILDERS IN
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DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 JULY 2014

	2014 £	2013 £
Incoming resources		
Voluntary income		
Donations - Gifts & Bequests	563	979
Member Subscriptions	15,138	15,335
	<u>15,701</u>	<u>16,314</u>
Activities for generating funds		
CPD Workshops	4,650	-
Sale of Technical Papers	484	136
	<u>5,134</u>	<u>136</u>
Investment income		
Income from UK listed investments	45,965	42,834
Other interest receivable	6	5
	<u>45,971</u>	<u>42,839</u>
Total incoming resources	<u>66,806</u>	<u>59,289</u>
Resources expended		
Charitable activities		
Staff costs - Wages & Salaries	15,832	16,847
Staff costs - Employer's NIC	1,155	1,282
Rent, Service Charge & Insurance	13,253	11,995
Office expenses - Telephone	665	490
Depreciation	768	157
Financial Admin	5,500	5,500
Printing & Stationery	14,841	12,151
Meeting Expenses	5,381	5,226
James Watt Dinner - (Surplus)/Deficit	(176)	-
Prizes	839	1,120
Bank Charges	1,257	794
Sundries	362	1,084
CPD Workshop Expenses	874	-
Grants to Individuals	2,000	-
	<u>62,551</u>	<u>56,646</u>
Governance costs		
Accountancy fees	1,328	1,680
Legal fees	-	480
	<u>1,328</u>	<u>2,160</u>
Total resources expended	<u>63,879</u>	<u>58,806</u>
Net incoming resources for the year	<u>2,927</u>	<u>483</u>