

REGISTERED COMPANY NUMBER: 01959979 (England and Wales)
REGISTERED CHARITY NUMBER: 327121

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
ENGINEERING INTEGRITY SOCIETY
(A COMPANY LIMITED BY GUARANTEE)

ENGINEERING INTEGRITY SOCIETY

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6 to 7
Notes to the Financial Statements	8 to 12
Detailed Statement of Financial Activities	13 to 14

ENGINEERING INTEGRITY SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objective and principal activity is to provide a forum for engineers, technicians and materials specialists to discuss and assess technological developments and their practical application to measurement techniques and structural integrity and noise, vibration and human characteristics of components, sub assemblies and complete products.

Public benefit

The trustees have complied with the duty in section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission.

The Society provides a forum for the interchange of ideas and information for practising engineers and engineering researchers, as well as a journal containing technical papers, topical discussion pieces and news, and regular events.

ACHIEVEMENT AND PERFORMANCE

Summary of Main Achievements During The Year

We started the financial year 2020/21 in the early stages of the CoVid-19 pandemic knowing that there would be a significant impact on the EIS but with little indication of how long we would have to deal with it. We had already cancelled our two major events, the annual Instrumentation, Analysis and Testing Exhibition at Silverstone and the international conference Fatigue 2020 in Cambridge. In addition, we had cancelled all our seminar and workshop events. Decisive action meant that we started the year in a satisfactory financial position but needed to rebuild our programme of events to suit the new conditions.

The fatigue conference was revised as Fatigue 2021 and run as an online, on-demand event in March. This was the first virtual conference the society has held and we engaged the services of an experienced audio visual company to support us during the three day event. The conference was hosted on a dedicated portal and all the presentations were available to view both live and on-demand. The event has been the highlight of our year and, despite the challenges faced, we saw an increase in both the number of presentations (68) and attendees (139) compared with the 2017 conference. In addition, the online nature of the event enabled attendees from all over the world to access the presentations and increased our delegate reach. We also made three awards to young presenters in the Peter Watson Prize competition after a record number of entries. We were extremely grateful for the support of our Corporate Members who sponsored the event, provided virtual stands in the exhibition area and contributed to the technical presentations and discussions. The inability to hold our annual Instrumentation, Analysis and Testing Exhibition or our regular seminars this year meant that the Fatigue 2021 conference was our only income generating event and made a net contribution of £15,829.67 to the society's funds.

Over the year we have regrettably lost five corporate members, and this is a reflection of the changes and refocusing that many companies have had to implement. We hope to re-engage with these corporate members in the future.

Our strategy to build up significant reserves and structure the Society to keep overheads and operating costs low has meant that we have been able to control our expenditure and use some of the society's reserves to fund ongoing charitable activities. The global pandemic has provided an opportunity to explore new avenues to support our members, primarily through a series of webinars. The webinars, run by our EIS Young Engineers Forum, have been well-received and have covered a variety of technical subjects. As numbers have not been limited these have also been available to all engineers regardless of their experience. This has enabled us to interact with new attendees and increased our online presence through social media channels.

We have continued to sponsor the University of Wolverhampton's Formula Student team. We were delighted to support the team of student engineers and although their activity has been curtailed due to the pandemic we wish them the best of luck for future competitions when racing can resume.

We published two issues of the journal Engineering Integrity in September 2020 and March 2021 and we welcomed our new Honorary Editor Dr Spencer Jeffs of Swansea University. Five newsletters were also released alongside regular email communications to our members. In addition, we have continued to make use of social media to promote all our activities.

ENGINEERING INTEGRITY SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

Financial position

The Society's financial position is recorded in detail in this Annual Report. It is gratifying to record that we have returned a surplus of almost £10,000 and increased our total funds to £149,275. An amount of £18,641 has been carried forward to the new financial year as deferred income. This comprises credits for the cancelled Silverstone exhibition as well as additional bookings for the planned exhibition in September 2021.

Our capital reserves have allowed us to maintain the society's charitable activities through this difficult period. We intend to proceed with the Instrumentation, Analysis and Testing Exhibition at Silverstone in September and are planning to resume the seminar programme before the end of 2021. Over the past year we have gained a great deal of experience in running virtual seminars and expect that our future programme will include a mix of online and physical events.

In summary, our current income and reserves are sufficient to maintain our planned activities. It is the Trustees' intention to maintain this position whilst growing the numbers of engineers who engage with the Society as members, delegates and presenters.

Reserves policy

The Trustees have ensured that all cash reserves, apart from those required for the day to day operation of the company, are held in an interest bearing account, and that the company aims to have a free reserve to cover costs associated with any future events.

Our financial strategy of building reserves provides the Society with the resilience to promote engineering to young people and support them in their professional development during the politically and financially uncertain times ahead.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Directors are a subset of Trustees. Trustees are all members of the council and their nomination must be approved by council members. They must be nominated and seconded by the membership.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01959979 (England and Wales)

Registered Charity number

327121

Registered office

c/o Hollis and Co
35 Wilkinson Street
Sheffield
S10 2GB

Principal address

6 Brickyard Lane
Farnsfield
Nottinghamshire
NG22 8JS

ENGINEERING INTEGRITY SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Trustees

E R Cawte
R J Hobson (Vice Chair)
N W Thornton
G Hemmings (Treasurer)
Dr J R Yates (Chair)
N J Richardson
Dr P Bailey
Professor M Bache
D Ensor
D Fish
Professor P Irving (appointed 4/2/21)
Dr S Jeffs (appointed 1/6/20)
J Joy
A O'Neil
P Roberts
R Wood
T Margereson
S Payne (appointed 16/10/20)
K Vickers

All elected Council members of the Society are trustees of the Society. Of the trustees, the following are also directors of the charity for the purposes of the Companies Act 2006:-

J Yates
R J Hobson
G Hemmings
E R Cawte
N W Thornton
N J Richardson
Dr P Bailey

Company Secretary

N J Richardson

Independent Examiner

Hollis and Co Limited
Chartered Accountants
35 Wilkinson Street
Sheffield
South Yorkshire
S10 2GB

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 8 December 2021 and signed on its behalf by:

Dr J R Yates (Chair) - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ENGINEERING INTEGRITY SOCIETY

Independent examiner's report to the trustees of Engineering Integrity Society ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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

Peter Hollis
ICAEW
Hollis and Co Limited
Chartered Accountants
35 Wilkinson Street
Sheffield
South Yorkshire
S10 2GB

13 December 2021

ENGINEERING INTEGRITY SOCIETY

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Conferences		45,509	-	45,509	43,386
Membership		21,275	-	21,275	23,910
Investment income	2	142	-	142	76
Other income		1,871	-	1,871	4,364
Total		<u>68,797</u>	<u>-</u>	<u>68,797</u>	<u>71,736</u>
 EXPENDITURE ON					
Charitable activities					
Conferences		38,201	-	38,201	50,447
Other		20,682	-	20,682	21,253
Total		<u>58,883</u>	<u>-</u>	<u>58,883</u>	<u>71,700</u>
NET INCOME		<u>9,914</u>	<u>-</u>	<u>9,914</u>	<u>36</u>
 RECONCILIATION OF FUNDS					
Total funds brought forward		139,313	-	139,313	139,277
TOTAL FUNDS CARRIED FORWARD		<u><u>149,227</u></u>	<u><u>-</u></u>	<u><u>149,227</u></u>	<u><u>139,313</u></u>

The notes form part of these financial statements

ENGINEERING INTEGRITY SOCIETY

**BALANCE SHEET
31 MARCH 2021**

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	7	1,532	-	1,532	494
CURRENT ASSETS					
Debtors	8	11,424	-	11,424	12,786
Cash at bank		185,041	-	185,041	226,897
		<u>196,465</u>	<u>-</u>	<u>196,465</u>	<u>239,683</u>
CREDITORS					
Amounts falling due within one year	9	(48,770)	-	(48,770)	(100,864)
		<u>147,695</u>	<u>-</u>	<u>147,695</u>	<u>138,819</u>
NET CURRENT ASSETS					
		<u>149,227</u>	<u>-</u>	<u>149,227</u>	<u>139,313</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>149,227</u>	<u>-</u>	<u>149,227</u>	<u>139,313</u>
NET ASSETS					
		<u>149,227</u>	<u>-</u>	<u>149,227</u>	<u>139,313</u>
FUNDS					
Unrestricted funds	10			<u>149,227</u>	<u>139,313</u>
TOTAL FUNDS					
				<u>149,227</u>	<u>139,313</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

ENGINEERING INTEGRITY SOCIETY

BALANCE SHEET - continued
31 MARCH 2021

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 8 December 2021 and were signed on its behalf by:

J R Yates (Chair) - Trustee

G Hemmings (Treasurer) - Trustee

ENGINEERING INTEGRITY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Expenditure on management and administration of the charity includes all expenditure not directly related to the charitable activity and related activities. This includes cost of office services, audit and professional fees.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment	- 20% on cost
Computer equipment	- 25% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2. INVESTMENT INCOME

	2021	2020
	£	£
Interest receivable	142	76
	<u>142</u>	<u>76</u>

ENGINEERING INTEGRITY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	433	581

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

Expenses totalling £nil (2020 £504) were reimbursed to officers of the Society during the year. These officers comprise trustees and committee members who have retired from active employment but remain active as committee members.

5. STAFF COSTS

The Society does not employ any staff.

An individual under a contract for services, the costs of which were as follows, managed administration on a day to day basis:

	2021	2020
	£	£
Marketing and Event Services costs for the year (including administration and conference costs)	24,929	28,891

6. INDEMNITY INSURANCE

The Society has taken out insurance to indemnify officers and trustees against any potential neglect or default for an annual limit of £500,000, including costs and expenses, which is renewed on a rolling basis each year on 9 June.

7. TANGIBLE FIXED ASSETS

	Office equipment £	Computer equipment £	Totals £
COST			
At 1 April 2020	506	2,296	2,802
Additions	-	1,471	1,471
	<hr/>	<hr/>	<hr/>
At 31 March 2021	506	3,767	4,273
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 April 2020	312	1,996	2,308
Charge for year	66	367	433
	<hr/>	<hr/>	<hr/>
At 31 March 2021	378	2,363	2,741
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 March 2021	128	1,404	1,532
	<hr/>	<hr/>	<hr/>
At 31 March 2020	194	300	494
	<hr/>	<hr/>	<hr/>

ENGINEERING INTEGRITY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	6,925	11,098
Other debtors	105	28
Expense debtor	1,745	1,660
Accrued event income	552	-
VAT	2,097	-
	<u>11,424</u>	<u>12,786</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	5,562	3,223
VAT	-	2,697
Sales credits	7,369	11,439
Accrued expenses	17,198	3,074
Deferred income	18,641	80,431
	<u>48,770</u>	<u>100,864</u>

10. MOVEMENT IN FUNDS

	At 1/4/20	Net movement in funds	At 31/3/21
	£	£	£
Unrestricted funds			
General fund	139,313	9,914	149,227
	<u>139,313</u>	<u>9,914</u>	<u>149,227</u>
TOTAL FUNDS	<u>139,313</u>	<u>9,914</u>	<u>149,227</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	68,797	(58,883)	9,914
	<u>68,797</u>	<u>(58,883)</u>	<u>9,914</u>
TOTAL FUNDS	<u>68,797</u>	<u>(58,883)</u>	<u>9,914</u>

ENGINEERING INTEGRITY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

10. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	At 31/3/20 £
Unrestricted funds			
General fund	139,277	36	139,313
TOTAL FUNDS	<u>139,277</u>	<u>36</u>	<u>139,313</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	71,736	(71,700)	36
TOTAL FUNDS	<u>71,736</u>	<u>(71,700)</u>	<u>36</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/19 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General fund	139,277	9,950	149,227
TOTAL FUNDS	<u>139,277</u>	<u>9,950</u>	<u>149,227</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	140,533	(130,583)	9,950
TOTAL FUNDS	<u>140,533</u>	<u>(130,583)</u>	<u>9,950</u>

ENGINEERING INTEGRITY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

12. CONFERENCES AND EXHIBITIONS

Title		Gross Income £	Expenses £	Net Income £
Webinar: RLD collection	23.07.2020	0.00	214.50	(214.50)
Webinar: Myth of Accuracy	22.09.2020	0.00	232.50	(232.50)
Webinar: Feedback that works	04.11.2020	0.00	181.50	(181.50)
Webinar: Improving Performance	02.12.2020	0.00	159.50	(159.50)
Webinar: Destination Zero	21.01.2021	0.00	253.00	(253.00)
Webinar: Sound and Vibration	11.02.2021	0.00	381.25	(381.25)
Fatigue 2021	29-31.03.2021	45,509.14	29,679.47	15,829.67
Young Engineers Seminars			280.67	(280.67)
Peter Watson prize			851.90	(851.90)
		<u>45,509.14</u>	<u>32,234.29</u>	<u>13,274.85</u>

ENGINEERING INTEGRITY SOCIETY**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Investment income		
Interest receivable	142	76
Charitable activities		
Conference income	45,509	43,386
Corporate membership	20,700	23,200
Personal membership	575	710
	<hr/>	<hr/>
	66,784	67,296
Other income		
Fraud debt repayment	-	280
Publishers Licensing Service	1,846	4,084
Bank compensation	25	-
	<hr/>	<hr/>
	1,871	4,364
Total incoming resources	<hr/>	<hr/>
	68,797	71,736
EXPENDITURE		
Charitable activities		
Conference costs	32,237	30,975
Bad debts	629	76
EIS Journal	3,777	6,785
DC Working Group	297	-
Cancelled events	610	12,611
	<hr/>	<hr/>
	37,550	50,447
Other		
Insurance	2,716	2,427
Telephone and data line	650	868
Postage and stationery	114	472
Marketing	2,939	887
Miscellaneous expenses	3,919	3,735
Computer consumables	161	322
Bank charges	(245)	(675)
iZettle costs	359	280
Fixtures and fittings	66	147
Computer equipment	368	433
	<hr/>	<hr/>
	11,047	8,896
Support costs		
Finance		
Bank charges	255	-

This page does not form part of the statutory financial statements

ENGINEERING INTEGRITY SOCIETY

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
Finance		
Governance costs		
Accountancy fees	2,570	2,122
Marketing and Events Manager	6,703	7,767
Council/committee meetings	758	2,468
	<u>10,031</u>	<u>12,357</u>
Total resources expended	<u>58,883</u>	<u>71,700</u>
Net income	<u>9,914</u>	<u>36</u>

This page does not form part of the statutory financial statements