

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 2022
FOR
ENGINEERING INTEGRITY SOCIETY
(A COMPANY LIMITED BY GUARANTEE)

ENGINEERING INTEGRITY SOCIETY

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

	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 2022

The trustees present their report with the financial statements of the charity for the year ended 31 March 2022. 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

The past year has been a great success for the EIS as we return to a full programme of activities, albeit in a rather different mix compared with the pre-CoVid era. The Society's financial position is recorded in detail in this Annual Report. We are pleased to report that we have returned a surplus of almost £10,000 and increased our total funds to £158,825.

Our income is in two distinct streams with almost equal contributions from Corporate Membership fees and from the Instrumentation, Analysis and Testing Exhibition at Silverstone. Having lost Corporate Members in the 2020/21 financial year, we are pleased that we have gained seven new members this year, including one returning Corporate Member, and lost 1 through a merger giving us a total of 49 companies. We are extremely grateful for the support that the Corporate Members give to the EIS.

We ran the Instrumentation, Analysis and Testing Exhibition at Silverstone in September 2021, a change from our usual March time, and our first live event in two years. Although attendance was down around 20% on previous years, there was a high level of satisfaction from exhibitors. Many commented that they were pleasantly surprised by the turn out and the numbers had exceeded their expectations. For many exhibitors and visitors this was the first exhibition they had attended since the start of the pandemic and there was a good atmosphere in the exhibition hall. Upon reflecting on the feedback from the exhibitors we have decided to bring the event forward in the calendar and run it in May 2022.

The EIS did not run any other live events this year but organised a programme of ten free webinars. These have evolved from our Young Engineers initiative and now attract a wide range of engineers. We shall continue to offer these free webinars in the future as part of diversified portfolio of online and physical events.

Our financial resilience, backed by our capital reserves, has enabled us to maintain the society's charitable activities through this the year. As well as the free webinars, we ran a photography competition with prizes provided by several Corporate Members. The competition was a success and has generated a stock of images for the Society's use. The EIS continues to support the University of Wolverhampton student motor racing activities and we are delighted to receive their reports for our Journal. The Journal is thriving under the new Editor and we published two issues this year, as well as three Newsletters and a stream of emails and social media content.

Our strategy to maintain significant reserves and control overheads and operating costs has served us well and we go into the 2022/23 financial year in a strong position. We are exploring ways of generating income from virtual events and plan an increasing programme of paid to attend physical meetings. We are also organising our next international conference, Fatigue 2024, to be held in Jesus College, Cambridge in June 2024.

In summary, the EIS has had a successful year, increasing our reserves by 6.4%, and offering a good range of activities to benefit our community. The Trustees wish to maintain this position and continue to increase the numbers of engineers who engage with the Society as members, delegates and presenters.

ENGINEERING INTEGRITY SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

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 another surplus of almost £10,000 and increased our total funds to £158,8255. An amount of £24,618 has been carried forward to the new financial year as deferred income. This comprises credits for the planned exhibition in 2022.

Our capital reserves have allowed us to maintain the society's charitable activities through this difficult period.

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

ENGINEERING INTEGRITY SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

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
Dr S Jeffs
J Joy
Dr A O'Neill
P Roberts
R Wood
T Margereson
S Payne
K Vickers
J Shenton (appointed 1/12/21)

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 R Yates
R J Hobson
G Hemmings
E R Cawte
N W Thornton
N J Richardson
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 30 August 2022 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 2022.

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

26 September 2022

ENGINEERING INTEGRITY SOCIETY

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted fund £	Restricted fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Conferences		41,618	-	41,618	45,509
Membership		20,907	-	20,907	21,275
Investment income	2	192	-	192	142
Other income		2,627	-	2,627	1,871
Total		<u>65,344</u>	<u>-</u>	<u>65,344</u>	<u>68,797</u>
EXPENDITURE ON					
Charitable activities					
Conferences		26,197	-	26,197	38,201
Other		29,549	-	29,549	20,682
Total		<u>55,746</u>	<u>-</u>	<u>55,746</u>	<u>58,883</u>
NET INCOME		9,598	-	9,598	9,914
RECONCILIATION OF FUNDS					
Total funds brought forward		149,227	-	149,227	139,313
TOTAL FUNDS CARRIED FORWARD		<u><u>158,825</u></u>	<u><u>-</u></u>	<u><u>158,825</u></u>	<u><u>149,227</u></u>

The notes form part of these financial statements

ENGINEERING INTEGRITY SOCIETY

**BALANCE SHEET
31 MARCH 2022**

	Notes	Unrestricted fund £	Restricted fund £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	7	1,208	-	1,208	1,532
CURRENT ASSETS					
Debtors	8	11,210	-	11,210	11,424
Cash at bank		181,610	-	181,610	185,041
		<u>192,820</u>	-	<u>192,820</u>	<u>196,465</u>
CREDITORS					
Amounts falling due within one year	9	(35,203)	-	(35,203)	(48,770)
NET CURRENT ASSETS		<u>157,617</u>	-	<u>157,617</u>	<u>147,695</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>158,825</u>	-	<u>158,825</u>	<u>149,227</u>
NET ASSETS		<u>158,825</u>	-	<u>158,825</u>	<u>149,227</u>
FUNDS					
Unrestricted funds	10			<u>158,825</u>	<u>149,227</u>
TOTAL FUNDS				<u>158,825</u>	<u>149,227</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 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 2022

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 30 August 2022 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 2022

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

	2022	2021
	£	£
Interest receivable	192	142
	<u>192</u>	<u>142</u>

ENGINEERING INTEGRITY SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

3. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Depreciation - owned assets	464	433
	<u>464</u>	<u>433</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

Expenses totalling £413.80 (2021 £nil) 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	2021
	£	£
Marketing and Event Services costs for the year (including administration and conference costs)	30,295	24,929

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 2021	506	3,767	4,273
Additions	140	-	140
At 31 March 2022	<u>646</u>	<u>3,767</u>	<u>4,413</u>
DEPRECIATION			
At 1 April 2021	378	2,363	2,741
Charge for year	96	368	464
At 31 March 2022	<u>474</u>	<u>2,731</u>	<u>3,205</u>
NET BOOK VALUE			
At 31 March 2022	<u>172</u>	<u>1,036</u>	<u>1,208</u>
At 31 March 2021	<u>128</u>	<u>1,404</u>	<u>1,532</u>

ENGINEERING INTEGRITY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	8,103	6,925
Other debtors	3,107	105
Expense debtor	-	1,745
Accrued event income	-	552
VAT	-	2,097
	<u>11,210</u>	<u>11,424</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	5,379	5,562
VAT	2,489	-
Sales credits	-	7,369
Accrued expenses	2,717	17,198
Deferred income	24,618	18,641
	<u>35,203</u>	<u>48,770</u>

10. MOVEMENT IN FUNDS

	At 1/4/21	Net movement in funds	At 31/3/22
	£	£	£
Unrestricted funds			
General fund	149,227	9,598	158,825
	<u>149,227</u>	<u>9,598</u>	<u>158,825</u>
TOTAL FUNDS	<u>149,227</u>	<u>9,598</u>	<u>158,825</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	65,344	(55,746)	9,598
	<u>65,344</u>	<u>(55,746)</u>	<u>9,598</u>
TOTAL FUNDS	<u>65,344</u>	<u>(55,746)</u>	<u>9,598</u>

ENGINEERING INTEGRITY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

10. MOVEMENT IN FUNDS - continued

Comparatives for 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
TOTAL FUNDS	<u>139,313</u>	<u>9,914</u>	<u>149,227</u>

Comparative 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
TOTAL FUNDS	<u>68,797</u>	<u>(58,883)</u>	<u>9,914</u>

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

	At 1/4/20 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General fund	139,313	19,512	158,825
TOTAL FUNDS	<u>139,313</u>	<u>19,512</u>	<u>158,825</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	134,141	(114,629)	19,512
TOTAL FUNDS	<u>134,141</u>	<u>(114,629)</u>	<u>19,512</u>

ENGINEERING INTEGRITY SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022.

12. CONFERENCES AND EXHIBITIONS

Title		Gross Income £	Expenses £	Net Income £
Webinar: Importance of Mechanical Material	10.06.2021	0.00	236.50	(236.50)
Webinar: Basics of Transducers	29.06.2021	0.00	99.00	(99.00)
Webinar: Introduction to Accelerometers	09.07.2021	0.00	192.50	(192.50)
Webinar: Performance of Electric Vehicles	20.07.2021	0.00	38.50	(38.50)
Exhibition 2021	14.09.2021	41,218.37	22,371.37	18,847.00
Webinar: Model based system testing	22.09.2021	0.00	137.50	(137.50)
Webinar series: Renewables	11-12.2021	0.00	572.00	(572.00)
Webinar Strain Gauges	19.01.2022	0.00	143.00	(143.00)
Young Engineers Seminars			170.50	(170.50)
Advanced Engineering NEC Show			1,647.64	(1,647.64)
Photography Competition		400.00	526.50	(126.50)
		<u>41,618.37</u>	<u>26,135.01</u>	<u>15,483.36</u>

ENGINEERING INTEGRITY SOCIETY**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Investment income		
Interest receivable	192	142
Charitable activities		
Conference income	41,618	45,509
Corporate membership	20,363	20,700
Personal membership	544	575
	<hr/>	<hr/>
	62,525	66,784
Other income		
Fraud debt repayment	755	-
Publishers Licensing Service	1,872	1,846
Bank compensation	-	25
	<hr/>	<hr/>
	2,627	1,871
Total incoming resources	<hr/>	<hr/>
	65,344	68,797
EXPENDITURE		
Charitable activities		
Conference costs	26,135	32,237
Bad debts	(4,256)	629
EIS Journal	4,249	3,777
DC Working Group	-	297
Cancelled events	69	610
	<hr/>	<hr/>
	26,197	37,550
Other		
Insurance	3,544	2,716
Telephone and data line	487	650
Postage and stationery	132	114
Marketing	2,870	2,939
Miscellaneous expenses	4,932	3,919
Computer consumables	137	161
Bank charges	44	(245)
iZettle costs	134	359
Depreciation of tangible fixed assets	462	434
	<hr/>	<hr/>
	12,742	11,047
Support costs		
Finance		
Bank charges	43	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 2022**

	2022 £	2021 £
Finance		
Governance costs		
Accountancy fees	3,950	2,570
Marketing and Events Manager	12,549	6,703
Council/committee meetings	265	758
	<u>16,764</u>	<u>10,031</u>
Total resources expended	<u>55,746</u>	<u>58,883</u>
Net income	<u>9,598</u>	<u>9,914</u>

This page does not form part of the statutory financial statements