



Society of Operations Engineers

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 DECEMBER 2024**

THE SOCIETY OF OPERATIONS ENGINEERS

Registered in England
Private Company No 03667147
Registered Charity No 1081753



ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2024

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Registered Office

22 Greencoat Place, London SW1P 1PR
Tel: 020 7630 1111 Website: www.soe.org.uk

The Society is governed by its Articles of Association

VAT Registration No 751 8131 42

A private company limited by guarantee.

A Licensed Member of the Engineering Council and the Society for the Environment

THE SOCIETY OF OPERATIONS ENGINEERS

Patron	Sir John Parker GBE
<u>TRUSTEE BOARD</u>	
President	JE Eastman EngTech CEnv FSOE FIRTE (resigned Feb 2024)
Chair (then appointed President from Dec 2024)	HM Seymour CEng CEnv FSOE FIPlantE FIRTE
Honorary Treasurer	MP Sweetmore Eng Tech MSOE MIRTE
Director Standards	GM Gilby IEng CEnv FSOE FIPlantE (resigned Dec 2024)
Director IRTE	SS Cheema EngTech FSOE FIRTE (resigned Sept 2024)
Director BES	D Greer IEng REnvP MSOE MBES (resigned Dec 2024)
Chair of Environmental	SG Tweed CEng CEnv FSOE FIPlantE
Chair of Membership & Professional Standards	IM MacDonald IEng FSOE FIRTE FIPlantE
Director Co-opted (appointed as Honorary Secretary from Dec 2024)	CJ Harries MSOE MIRTE
Chair of IRTE	NP Elliott MSOE MIRTE (joined Dec 2024)
Chair of BES	DM Dawson CEng MSOE MBES (joined Dec 2024)
Chair of IPlantE	FS Lock CEng CEnv HonFSOE HonFIPlantE (joined Dec 2024)
Director	DJ Carter IEng MSOE MIRTE (joined Dec 2024)
Director	G Haywood EngTech FSOE FIRTE (joined Dec 2024)

<u>MANAGEMENT TEAM</u>	
Executive Director & Company Secretary	Emma Thompson MSOE
Chief Operating Officer	Daniel Moir BA(Hons) (until April 2024)
CV Show Executive Lead	Susan Kitchener (until Sept 2024)
Head of Finance	Pamela Mansley FCCA (until June 2024)
Head of Finance and Services	Deva Wijeyesekera FCCA (from June 2024)
Marketing & Strategy Lead	Greeshma Suresh
Member Relations Manager	Oliver Teasell MSOE
Membership and Professional Standards Lead	Robin Bates MSOE MBES
Technical Product Manager	Leo Hubbard MSOE MIRTE
PA and Office Manager	Chelsea Gilkes (from Mar 2024)
CRM Manager	Richard Pacy (from Mar 2024)
Business Development Manager	Alex Clifton (from September 2024)

<u>PROFESSIONAL ADVISORS</u>	
Statutory Auditor	Crowe U.K. LLP R+ Building, 2 Blagrove Street, Reading RG1 1AZ
Bankers	HSBC Bank plc 333 Vauxhall Bridge Road, London SW1V 1EJ
Investment Manager	Rathbone Investment Management Limited Port of Liverpool Building, Pier Head, Liverpool L3 1NW

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

Trustees' Report for the Year Ending 31 December 2024

The Trustees, who also serve as Directors of the Society of Operations Engineers (SOE), a registered charity (No. 1081753) and a company limited by guarantee (No. 03667147), are pleased to present their annual report together with the audited financial statements for the year ending 31 December 2024. This report has been prepared in accordance with the Charities SORP (FRS 102), applicable UK financial reporting standards, and the Charities Act 2011.

The Society is governed by its Articles of Association, originally adopted on 12 November 1998 and most recently amended on 2 September 2024 in line with the Companies Act 2006. These amendments reflect the Society's ongoing commitment to maintaining a modern and effective governance structure.

Legal Status

SOE is a private company limited by guarantee, registered in England (Company No. 03667147), and a registered charity (Charity No. 1081753).

Purpose

The Society's charitable objects, as set out in its articles, are focused on promoting excellence, advancing knowledge, and upholding high standards within operations engineering and related disciplines.

Membership

SOE operates as a membership organisation, offering defined classes of membership and a structure that enables representation from across the professional sectors it serves.

Governance Structure

The Society is governed by a Trustee Board comprising Officers, elected Trustees, and representatives from key professional sectors. The powers and duties of the Board are defined in the Articles of Association.

Powers and Responsibilities

The Articles establish provisions for governance, including delegation of powers, conflict of interest management, and the application of the Society's income solely toward its charitable purposes.

Dissolution

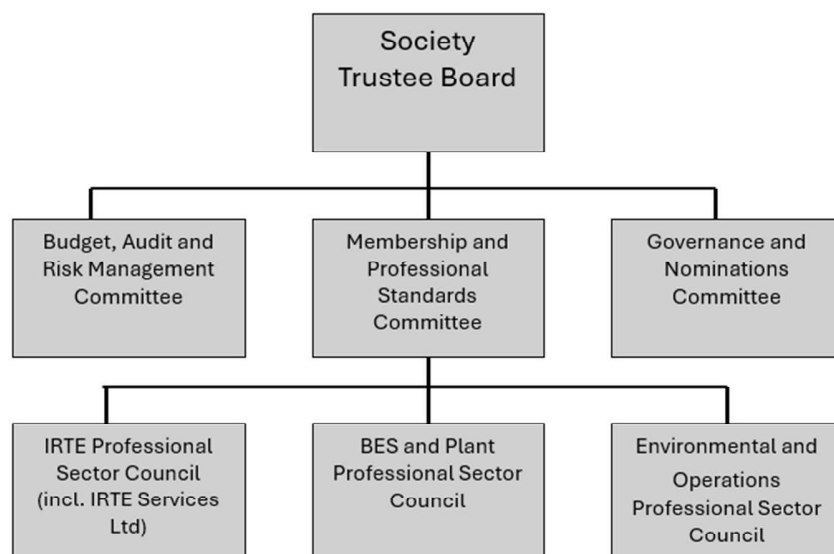
In the event of dissolution, any remaining assets must be transferred to another charity with similar charitable objectives.

Throughout 2024, the Society has made significant updates to its Articles of Association to ensure that its governance remains effective and relevant in a changing professional environment. These changes have strengthened the collaborative relationship between the management team and the Directors. Monthly Trustee Board meetings were held throughout the year to address key issues and enhance the transparency and accountability of the Society's operations.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

About the Society of Operations Engineers (SOE)

The SOE is a forward-thinking membership body representing engineers across various sectors, including IRTE (Institute of Road Transport Engineers), IPlantE (Institution of Plant Engineers), BES (Bureau of Engineering Surveyors), and Environmental & Operations Engineering. With a professional staff team of 19 and a diverse membership, the SOE focuses on advancing safe, efficient, and sustainable engineering practices across multiple industries.



Decision-Making Structure

1. Strategic and Governance-Level Decisions (Trustee Board)

The Trustee Board holds ultimate responsibility for the governance and strategic oversight of the Society. The Board have authority to:

- Manage the business of the Society and exercise all its powers
- Approve policies, budgets, and strategic direction
- Appoint, co-opt, and remove directors and officers
- Form and regulate Professional Sector Councils and Committees
- Approve and amend Rules of the Society
- Make decisions on conflict-of-interest issues and director benefits
- Authorise delegations of authority to staff, officers, or committees

2. Delegated Operational Decisions (Staff and Officers)

The Trustee Board delegates operational matters to staff and Officers to manage the day-to-day running of the organisation:

- Officers are appointed by the Society in general meeting and have powers as set out in the Rules

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

- The directors may delegate any of their powers or functions to staff or committees, provided such delegations are recorded in writing
- Staff, under the direction of the Chief Executive or designated managers, manage operational execution in line with Board-approved strategies and policies.

3. Committee and Council Input

Professional Sector Councils and other committees may be delegated specific responsibilities, with all actions reported back to the Board.

Our Mission

The SOE aims to:

- Enhance the technical expertise, ethical standards, and competence of engineers in operations engineering and related fields.
- Promote innovation, knowledge sharing, and advancements in science, technology, and engineering practices.
- Champion safety, efficiency, and environmental sustainability for the benefit of society.

Strategic Highlights of 2024

This year, the SOE concentrated on:

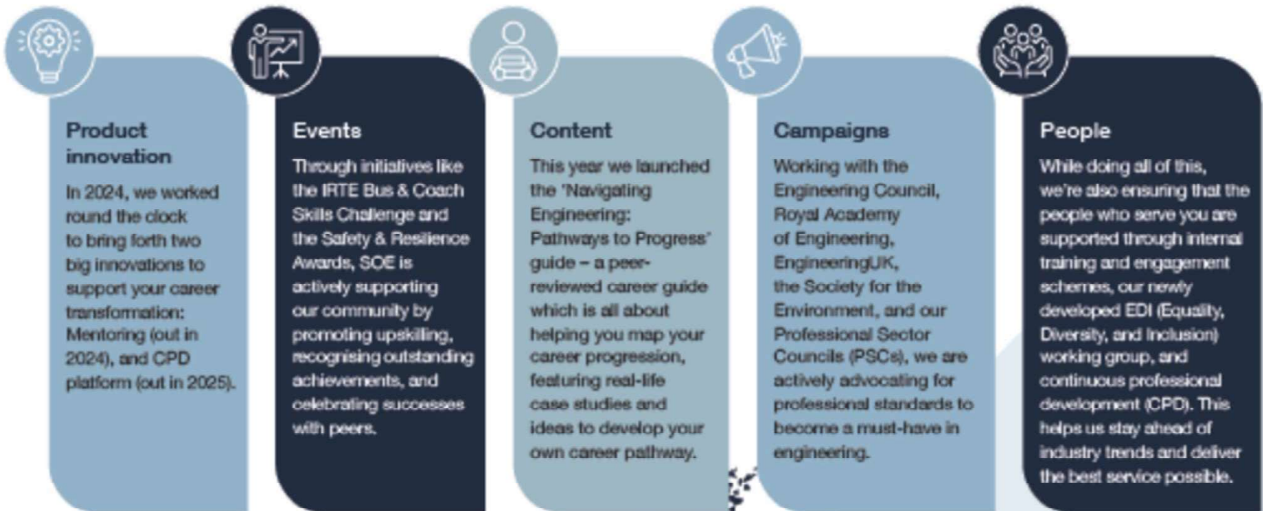
- Strengthening partnerships with stakeholders and Corporate Partners.
- Extending licences with the Environmental and Engineering Councils.
- Boosting membership growth, registration numbers, and the uptake of initiatives such as the Maintenance Provision Rating Scheme (MPRS).
- Expanding digital engagement through webinars and online resources to provide accessible CPD opportunities for members.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

IMPACTING AND INFLUENCING engineers responsible for a safer and ethical tomorrow

SOE is at the forefront of elevating standards in engineering, raising the profile of professional registration and guiding members through their career aspirations. With the support of you, our members, we have made a huge impact in the sector through events, webinars, new content and innovative solutions with more to come.

Key areas where SOE invests your membership fees



Raising the profile of our industry

Speaking engagements:

Spokespeople of the SOE represented us across these conferences raising awareness of our sectors' work and sharing their thought leadership:

- Commercial Vehicle Show 2024
- IRTE Bus & Coach Skills Challenge 2024
- APSE Conference 2024
- Net Zero Week 2024
- Industrial Maintenance Solutions Summit 2024
- AMPS Industry Day
- Safety & Resilience in Engineering Awards 2024
- Energy Security & Green Infrastructure Week 2024

Regional coverage:

Our volunteer network ran CPD lectures, demonstrations and meetings across the country. Check out our popular regions.



REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

Guiding new members



To date we have awarded membership to
385 members in 2024

We have supported
121 students & apprentices

by granting them student or apprentice membership. (included in the 385 figure)



1 month
the average time it takes to process an EngTech application

6 months
the average time it takes to complete a CEng application

We ratified and approved



79 professional registration applications

Expanding content library

We have been busy growing our library of technical content, career advice and real-life stories as well as bringing the latest technical advancements, legislation and compliance updates.

Navigating Engineering: Pathways to Progress guide



Navigating Engineering videos

For the Sake of Safety podcast



Inspiring case studies from our members



Transport Engineer



Operations Engineer



SOE News

Raising and upholding Professional Standards



New innovations

- **Mentoring scheme** offering a matching service to connect experienced professionals with those looking to advance their careers.
- **CPD platform** (coming early 2025) providing world-class content to support you in developing and maintaining your engineering competence.
- **REnvTech** in collaboration with the Society for the Environment offering professional registration for environmental technicians.
- **Training courses** – From 2025, SOE members in the IRTE sector will benefit from a 10% discount on select training courses offered by Beverley Bell Consulting.



Accreditations and CPD

- **Approved and accredited the training at Infinis** to meet the academic and competence requirements for EngTech. This was one of the first activities under the Engineering Council's updated AAQA first edition, done in collaboration with our Professional Affiliate, IPowerE.
- **Approved the CLP Power Emerging Professional Development Programme Training Scheme** as meeting the competence requirements for CEng, providing a streamlined route to professional registration for employees who complete the training.
- **Approved 5 CPD schemes** as delivering high-quality content against set learning outcomes, serving as a badge of excellence.
- **Provided training to over 30 volunteers** to ensure they have up-to-date knowledge, skills and experience across all membership and registration activities.
- **Audited and reviewed the CPD logs of over 130 members**, ensuring their engineering competence remains current and promoting professionalism within the industry.



Over 15,000 active irtec technicians, with 257 irtec Accredited Assessors and 59 irtec Assessment Centres globally. Steady growth since 2010 reflects the industry's commitment to professional standards.

The upcoming BSI Flex Standards present an opportunity for alignment with irtec's long-term strategy, particularly around zero-emission HGV maintenance.



310 active Workshop Accreditations, with 65 completed in 2024. We will have 20 auditors by the end of 2024. Our accreditations have expanded internationally, with audits in Ireland and Singapore, continuing to raise workshop standards globally.

With your continued support, together we can shape the future of our sector

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

Governance and Structure

The SOE operates under the guidance of a Trustee Board, consisting of up to 14 members responsible for governance and strategic oversight. Supporting the Board are the following committees:

- **Budget, Audit, and Risk Committee**
- **Membership and Professional Standards Committee**
- **Governance and Nominations Committee**
- **Sector Chairs Committee**
- **Professional Sector Councils**

Trustee Selection and Training

The Trustee Board is primarily elected from the members of the Society. Exceptions include two Directors of IRTE Services Limited, the Chair of the Membership and Professional Standards Committee, and the President of the Society, who are appointed by invitation based on their experience. The Professional Sectors are represented by a nominated member from each respective Council, with elections held for these Councils. Both the Trustee Board and the Professional Sector Councils regularly review the skills needed and recruitment opportunities. They also have the ability to co-opt key members with the appropriate skills and knowledge to join and contribute to their activities.

Upon taking up their roles, newly elected Trustees receive comprehensive training covering corporate governance, charity law, GDPR, and the Society's policies and procedures. Trustees and members of the Professional Sector Councils adhere to the Society's Code of Conduct. The Trustees confirm that they have complied with the requirements of the Charities Act 2011 and have duly considered the Charity Commission's published general guidance on public benefit.

Risk Management

The Trustees prioritise early identification and mitigation of risks. Key risks monitored in 2024 included membership retention, income stability, and maintaining licenced body status. Controls such as a risk register, strategic planning, and financial audits ensure the Society's resilience.

Remuneration of Key Management Personnel

The Society of Operations Engineers operates as a charitable company governed by its Articles of Association (adopted 2 September 2024). The Articles set out clear boundaries and provisions regarding the remuneration of those involved in the charity's governance and management.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

1. Trustee Remuneration

Directors (i.e. Trustees) are not permitted to receive any remuneration or other financial benefit for their role unless expressly permitted under the Articles.

Permitted exceptions include:

- Reimbursement of reasonable out-of-pocket expenses
- Payment for professional services rendered in a non-directorial capacity, provided strict conflict of interest protocols are followed
- Indemnity insurance cover

Key Management Personnel and Staff Remuneration

The Articles (specifically Article 5.1.9) empower the Society to:

“Employ and remunerate such staff as are necessary for carrying out the work of the Society.”

While the Articles permit payment of salaries to non-trustee staff, they do not detail specific procedures for setting remuneration levels.

As such, remuneration for key management personnel (e.g. Executive Director) is typically determined by the Trustee Board or a delegated committee, with the following arrangements likely in place (in line with best practice):

- Benchmarks and Criteria: Market comparisons, sector salary surveys (e.g. ACEVO, NCVO), and internal pay scales are commonly used to ensure fairness and competitiveness.
- Parameters: Remuneration is set to attract and retain talent while reflecting the charity's size, scope, and financial position.
- Oversight: The Trustee Board remains accountable for approving or reviewing any significant changes to senior staff pay, to ensure alignment with charitable purpose and public trust.

Transparency

All remuneration arrangements must comply with charity law and reporting standards. Details of senior staff pay would typically be included in the Society's Annual Report and Accounts, in accordance with the Charities SORP (Statement of Recommended Practice).

Key Activities and Achievements in 2024

Supporting Professional Growth

- Awarded 44 Chartered Engineer registrations, 15 Incorporated Engineer registrations, and 42 Engineering Technician registrations.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

- Accredited over 4,000 irtec licenses and launched the pilot phase of the Maintenance Provision Rating Scheme (MPRS).
- Enhanced digital platforms and introduced new webinars and podcasts to deliver CPD and technical guidance.

Industry Collaboration

The SOE actively engaged with stakeholders, including the Department for Transport (DfT), Driver Vehicle Standards Agency (DVSA), and vehicle manufacturers. These partnerships strengthened the Society's role in shaping engineering standards and supporting apprenticeships.

Membership Development

- Steady membership growth with successful campaigns targeting apprentices and key employers.
- Streamlined routes to membership and improved support for Corporate Partners.
- Offered free apprentice memberships to organisations like MAN, Scania, and Stagecoach.

Regional and Volunteer Engagement

- Improved support for regional groups and volunteers through the National Regional Network Change programme, set to launch fully in 2025.
- Acknowledged the invaluable contributions of 250 volunteers who help drive the Society's mission.

Financial Review

The Statement of Financial Activities (SOFA) for the year is set out on page 19 of the financial statements.

- The loss for the year (including losses on investment) is £277,408 compared to the loss last year of £124,517.
- Charitable income of £1,839,955 in 2024 is £31.7k higher than in 2023.
- Advertising revenue continues its downward trend. Investment income totalled £85k (2023: £89k).
- The results for the year to December 2024 before realised and unrealised gains on investments and contribution/loss from the joint venture show an operating loss of £384,645 compared to an operating loss of £239,541 in 2023.
- The loss from the CV show of £67,203 (2023: profit £60,607) results in a deficit position before realised and unrealised gains on investments of £451,849 (2023: loss £178,934).
- The realised and unrealised gains on investments in 2024 of £174,440 (2023: £54,417) gives an overall net movement downwards for the year of £277,408 (2023: loss £124,517).

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

Investment powers and policy

The Society's investments are managed by Rathbones Investment Management Limited in accordance with the discretionary management agreement and the agreed investment policy. Rathbones reports quarterly and annually to the Trustee Board. The Trustees recognise there is risk associated with investment in mainstream financial markets and accept this risk in return for the prospect of additional returns over longer periods of time. As such, the Trustees wish to remain largely invested at all times, subject to cash reserves being held as part of the investment management process and to cover liabilities. The investments should be well diversified and include a range of assets including fixed interest stocks, UK shares and overseas shares.

The investment portfolio as at 31 December 2024 was valued at £3,148,417 (2023: £2,936,655) comprising 17% fixed interest funds, 24% equities, 47% overseas investments, and other investments 12%. Absolute returns have been strong with the portfolio returning 8.1% over the year. With such concentrated leadership from the large US technology firms in global indices, relative performance is challenging with the index weighted benchmark rising 10.4%. The portfolio remains ahead of benchmark in the longer term with the portfolio ahead of both the index weighed benchmark and more significantly ahead of the ARC peer group benchmark. The Trustees have reviewed the performance of the investments with the Investment Advisor and are happy to maintain the current investment strategy and will continue to closely monitor performance of the investments in the future.

Trading Company

The Society's wholly owned trading subsidiary, IRTE Services Limited, made a net profit before gift aid of £32,862 (2023: £157,618) from its activities. These activities include IRTE Workshop Accreditation and managing the Commercial Vehicle Show up until September 2024 which is organised in partnership with the Society of Motor Manufacturers and Traders Limited (SMMT) and the Road Haulage Association (RHA).

Group reserves

The reserves policy, which is reviewed annually by the Board is formulated with regard to:

- Forecasts of future income, taking into account the reliability of existing sources and prospects for new sources;
- Forecasts of future expenditure based on planned activities;
- An analysis of any future needs, opportunities, contingencies or risks the effects of which are unlikely to be met out of income if and when they arise; and
- An assessment of the likelihood that any of these future events will arise and the potential consequences of not being able to meet them.

The Group's aim is to maintain sufficient free reserves to cover 18 months total expenditure, the target for 2024 being £4.0m (2023: £3.84m).

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

At the year end the free reserves which consist unrestricted funds less tangible and intangible fixed assets, totalled £3.58m (2023: £3.77m). The Group did not meet this target for free reserves at the end of 2024.

The current economic crises as evidenced by rising inflation and cost of living increases has reinforced the continual need for closer monitoring of the various income streams, reserves and cash-flow which may result in reserves being utilised in the short term to meet any shortfall in income. The Trustees remain committed to maintaining the current policy but accept that any departure, while necessary, will be temporary until such time as funds are available to rebuild back to the 18 months target level.

Tangible and Intangible fixed assets

The freehold land and building were professionally revalued in January 2006 at approximately £2.1m. The value in use is therefore in excess of the carrying value of £1,337,781 in the financial statements. The movements in fixed assets during the year are set out in note 7 to the financial statements.

The Trustees are minded taking the long-term view that even though investment values have been impacted by current events, the Society has historically been and still is able to operate without the need to dispose of its investments. The Society has no immediate plans to dispose of any of its assets.

Going Concern

Having taken into consideration the risks and challenges facing the Society and weighing them against its assets, reserves and future income streams, the Trustees are confident that the Society can and will continue to operate as a going concern.

Looking Ahead: Priorities for 2025

The SOE will focus on:

- Increasing engagement with apprentices and student members.
- Encouraging diversity and inclusion within the engineering profession.
- Supporting members and volunteers through improved resources and communication.
- Expanding international membership and partnerships.
- Launching the full Maintenance Provision Rating Scheme (MPRS).

Trustee Responsibilities

The Trustees affirm their responsibility for ensuring the Society operates in accordance with its charitable objectives and complies with all legal and regulatory requirements. This includes maintaining accurate financial records and safeguarding the Society's assets.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

Auditor

Crowe U.K. LLP has expressed its willingness to continue as the Society's statutory auditor.

The Directors have taken advantage of the small companies' exemption (section 8.39, small entity exemptions) in the compilation of the financial statements.

Signed on behalf of the Trustees:



H M Seymour (President)



M Sweetmore (Honorary Treasurer)

27 June 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SOCIETY OF OPERATIONS ENGINEERS

Opinion

We have audited the financial statements of Society of Operations Engineers for the year ended 31 December 2024 which comprise Consolidated Statement of Financial Activities, Consolidated and Company Balance Sheets, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the groups and the charitable company's affairs as of 31 December 2024 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the groups or the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SOCIETY OF OPERATIONS ENGINEERS

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken during our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Considering the knowledge and understanding of the group and the charitable company and their environment obtained during the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SOCIETY OF OPERATIONS ENGINEERS

- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the trustees' directors' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SOCIETY OF OPERATIONS ENGINEERS

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the groups and the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the group and the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data protection Regulation (GDPR), taxation legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SOCIETY OF OPERATIONS ENGINEERS

company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Janette Joyce
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Reading.

Date: 10-07-25

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE SOCIETY OF OPERATIONS ENGINEERS

Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account) for the year ended 31 December 2024

	Notes	Discontinuing Funds 2024 £	Continuing Funds 2024 £	Total Funds 2024 £	Discontinuing Funds 2023 £	Continuing Funds 2023 £	Total Funds 2023 £
Income and endowments from:							
Charitable activities	3	0	1,839,955	1,839,955	0	1,808,250	1,808,250
Other trading activities							
Commercial trading operations	4	259,446	96,806	356,252	328,627	93,953	422,580
Investments		0	84,846	84,846	0	88,660	88,660
Total income		<u>259,446</u>	<u>2,021,607</u>	<u>2,281,053</u>	<u>328,627</u>	<u>1,990,863</u>	<u>2,319,490</u>
Expenditure on:							
Charitable activities:	6	0	2,390,423	2,390,423	0	2,215,481	2,215,481
Other							
Commercial trading operations (including taxation)	4	214,966	41,221	256,187	279,623	45,946	325,569
Investment management fees		0	19,088	19,088	0	17,981	17,981
Total expenditure		<u>214,966</u>	<u>2,450,732</u>	<u>2,665,698</u>	<u>279,623</u>	<u>2,279,408</u>	<u>2,559,031</u>
Net gains on revaluation and disposal of investments	9	0	174,440	174,440	0	54,417	54,417
Net income/(expenditure)		<u>44,480</u>	<u>(254,685)</u>	<u>(210,205)</u>	<u>49,004</u>	<u>(234,128)</u>	<u>(185,124)</u>
Other recognised gains/ (losses):							
Net (loss)/income from joint ventures	5	(67,203)	0	(67,203)	60,607	0	60,607
Net movement in funds		<u>(22,723)</u>	<u>(254,685)</u>	<u>(277,408)</u>	<u>109,611</u>	<u>(234,128)</u>	<u>(124,517)</u>
Reconciliation of funds:							
Total funds brought forward				5,210,454			5,334,971
Total funds carried forward				<u>4,933,046</u>			<u>5,210,454</u>

The notes on pages 22 to 36 form part of these accounts.

The Statement of Financial Activities has been prepared in accordance with Financial Reporting Standard No 102. All gains and losses recognised in the year are included above.

All funds are unrestricted.

THE SOCIETY OF OPERATIONS ENGINEERS

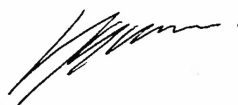
Consolidated and Society Balance Sheets

Company number: 03667147

	Notes	Group		Society	
		31.12.24	31.12.23	31.12.24	31.12.23
		£	£	£	£
Fixed assets					
Tangible assets	7	1,365,047	1,443,890	1,365,047	1,443,890
Intangible assets	8	29,000	0	29,000	0
Investments	9	3,148,417	2,936,665	3,148,517	2,936,765
Investment in joint venture					
Share of net assets	5	0	160,607	0	0
		<u>4,542,464</u>	<u>4,541,162</u>	<u>4,542,564</u>	<u>4,380,655</u>
Current assets					
Debtors	10	190,128	292,015	190,791	350,378
Cash at bank and in hand	11	834,535	1,103,402	524,336	890,164
		<u>1,024,663</u>	<u>1,395,417</u>	<u>715,127</u>	<u>1,240,542</u>
Creditors: amounts falling due within one year	12	(634,081)	(726,125)	(614,845)	(700,943)
Net current assets		<u>390,582</u>	<u>669,292</u>	<u>100,282</u>	<u>539,599</u>
Net assets		<u><u>4,933,046</u></u>	<u><u>5,210,454</u></u>	<u><u>4,642,846</u></u>	<u><u>4,920,254</u></u>
Funds					
Unrestricted funds	15				
General		4,933,046	5,210,454	4,920,254	5,044,771
Loss for the year				(277,408)	(124,517)
Total Funds		<u><u>4,933,046</u></u>	<u><u>5,210,454</u></u>	<u><u>4,642,846</u></u>	<u><u>4,920,254</u></u>

The notes on pages 22 to 36 form part of these accounts.

The financial statements were approved by the Trustees and authorised for issue on 27 June 2025 and signed on their behalf by:



H Seymour (Jul 9, 2025 15:16 GMT+1)

H Seymour
President



Michael Sweetmore (Jul 2, 2025 20:49 GMT+1)

M Sweetmore
Honorary Treasurer

Statement of Cash Flows for the year ended 31 December 2024

	Notes	Total Funds 2024 £	Total Funds 2023 £
Cash flows from operating activities:			
<i>Net cash provided by (used in) operating activities</i>		<u>(247,861)</u>	<u>(184,635)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		84,846	88,660
Purchase of property, plant and equipment and intangible assets		(49,453)	(10,881)
Proceeds from sale of investments		814,522	410,728
Purchase of investments		(851,833)	(328,067)
Investment managers fees		(19,088)	(17,981)
<i>Net cash provided by (used in) investing activities</i>		<u>(21,006)</u>	<u>142,459</u>
Cash flows from financing activities:		0	0
<i>Change in cash and cash equivalents in the reporting period</i>		(268,867)	(42,176)
<i>Cash and cash equivalents at the beginning of the reporting period</i>		1,103,402	1,145,578
<i>Cash and cash equivalents at the end of the reporting period</i>		<u>834,535</u>	<u>1,103,402</u>
Reconciliation of net expenditure to net cash flow from operating activities			
<i>Net (expenditure) for the accounting period as per the statement of financial activities</i>		(277,408)	(124,517)
Adjustments for:			
Depreciation charges		99,296	189,527
(Gains) on investments		(174,440)	(54,417)
Dividends, interest and rents from investments		(84,846)	(88,660)
Decrease in investment in joint venture		160,607	43,848
Investment managers fees		19,088	17,981
Decrease/(Increase) in debtors		101,887	(144,795)
Decrease in creditors		(92,045)	(23,602)
<i>Net cash used in operating activities</i>		<u>(247,861)</u>	<u>(184,635)</u>
Analysis of cash and cash equivalents			
Cash in hand		834,535	1,103,402
Total cash and cash equivalents		<u>834,535</u>	<u>1,103,402</u>

THE SOCIETY OF OPERATIONS ENGINEERS

Notes to the financial statements for the year ended 31 December 2024

1. Accounting policies

i. Company Information and Objectives

The Society of Operations Engineers is a registered charity (reg. no. 1081753) and Private Company (reg. no. 3667147) which is incorporated and domiciled in the United Kingdom. The address of the registered office is 22 Greencoat Place, London SW1P 1PR.

The company objectives are as follows:

To improve and elevate technical and general understanding, knowledge, skill and competence of persons engaged or desiring to be engaged in operations engineering or any related employment, and the integrity and repute of the profession thereof.

To promote and encourage the advancement of science, technology and practice, and inventions and improvements in the field of operations engineering and any other related branches of engineering, and the dissemination and exchange of ideas, information and knowledge thereof.

By means of the above, but without prejudice to the generality thereof, to promote the safety, efficiency and environmental sustainability of operations engineering to the benefit of the community at large.

ii. Basis of accounting

These financial statements have been prepared in accordance with the Charities SORP (FRS 102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006 and UK Generally Accepted Practice.

The entity has taken exemption from presenting its unconsolidated profit and loss account under section 408 of Companies Act 2006.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Society, its subsidiary IRTE Services Limited and dormant subsidiaries (note 21) and include the results of the Society's regional groups and centres on a line by line basis.

The Society's annual share of the profits/losses from its joint venture are included in the Statement of Financial Activities and its share of the net assets are included in the balance sheet.

The Society meets the definition of a public benefit entity under FRS 102.

The charity has taken advantage of the exemptions in FRS 102 from the requirements to present a charity only Cash Flow Statement and certain disclosures about the charity's financial instruments.

Having assessed the charity's financial position, its plans for the foreseeable future and the risks to which it is exposed, the Trustees are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

iii. Functional & presentation currency

The functional currency of the charity and its subsidiary is considered to be pounds sterling because this is the currency of the primary economic environment in which the charity operates. The Consolidated Financial Statements are also presented in pounds sterling.

THE SOCIETY OF OPERATIONS ENGINEERS

Notes to the financial statements for the year ended 31 December 2024

1. Accounting policies (continued)

iv. Critical accounting judgements and key sources of estimation uncertainty (policy)

In the application of the charity's accounting policies, which are described in notes I, the Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

v. Incoming Resources

All incoming resources from membership, education, events and publications for the year are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

vi. Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to an expenditure group. Salaries are allocated in proportion to the Society's staff time spent on each expenditure group. Support costs are those costs incurred directly in support of the objects of the charity and also allocated to each expenditure group on the basis of staff time. Governance costs are those incurred in connection with the governance of the charity, including compliance with constitutional and statutory requirements. Irrecoverable VAT is written off as incurred.

vii. Depreciation

a. Land and buildings

Depreciation has been charged at 2% on half of the cost of land and buildings, this being the proportion relating to the building only.

b. Other fixed assets

The following annual rates of depreciation on cost have been applied:

Furniture and fittings	20%
Property improvements	10%
Office equipment	20%
Computers	33%

c. Intangible assets

Digital infrastructure	20%
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THE SOCIETY OF OPERATIONS ENGINEERS

Notes to the financial statements for the year ended 31 December 2024

1. Accounting policies (continued)

viii. Pension scheme

The Society operates a Group Personal Pension Plan (Group PPP) which is a money purchase scheme. Pension costs are charged to the SOFA, representing a constant percentage of earnings payable by the Society to employee's plans. The Society has also made provision for employees not covered by the Group PPP to take out stakeholder pensions, in order to comply with current legislation.

ix. Publications

As in previous years the postage costs relating to the distribution of the SOE News are included under this heading.

x. Foreign currencies

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of the transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date. All differences are taken to the SOFA.

xi. Income and expenditure

As permitted by Section 408 of the Companies Act 2006, the income and expenditure of the parent undertaking is not presented as part of these accounts. The deficit of the parent entity pre receipt of Gift Aid from IRTE Services for the period under review was £310,270(2023: £282,135).

xii. Financial instruments

If the charity has any basic financial instruments, they are initially recognised at transaction value and subsequently measured at amortised costs using the effective interest method. Financial assets held at amortised cost comprise cash and bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary undertakings are held at cost less impairment.

xiii. Gift Aid

Donations to the parent charity are recognised as an expense either when paid or at the date when the company has a legal liability to make the donation payment, if earlier.

2. Taxation

As a registered Charity, the Society is not liable to Corporation Tax on its income.

THE SOCIETY OF OPERATIONS ENGINEERS

Notes to the financial statements for the year ended 31 December 2024

3. Income from charitable activities

	Society	
	Year to 31.12.24 £	Year to 31.12.23 £
Activities in furtherance of the charity's objects		
Membership	1,266,549	1,265,844
Education and Events	254,460	238,652
Publications	109,654	127,260
Income from regional groups and centres	15,992	19,372
Room rental and sundry income	193,300	157,122
	1,839,955	1,808,250

4. Commercial trading operations

The Society has a subsidiary that has been trading since 11 October 1993 and pays all its profits to The Society of Operations Engineers by gift aid. The principal activity of the Company is to raise funds in order to promote the aims of the Society.

The Society holding in the issued ordinary share capital of £100 is as follows:

Name	Country of Registration	Registration Number	Proportion held 31.12.24	Proportion held 31.12.23
IRTE Services Limited	England and Wales	2854868	100%	100%

A summary of IRTE Services Limited's results are shown below and audited accounts will be filed with the Registrar of Companies at Companies House.

Profit and Loss Account for the year ended 31 December 2024

	Year to 31.12.24 £	Year to 31.12.23 £
Turnover	351,013	417,624
Expenditure		
Cost of sales	(248,946)	(317,990)
Administrative expenses	(7,241)	(7,547)
	(256,187)	(325,537)
Operating Profit/(Loss)	94,826	92,087
Interest receivable	5,239	4,956
Profit/(Loss) on ordinary activities	100,065	97,043
Net (Loss)/Income from Joint Venture	(67,203)	60,607
(Loss)/Profit before gift aid and taxation	32,862	157,650
Amount gifted to the society	(32,862)	(157,650)
(Loss)/Profit before taxation	0	0
Taxation	0	(32)
Retained profit for the year	0	(32)

The company incurred corporation tax in the year of Nil (2023: £32). No further provision for corporation tax has been made on the company's profit for the year due to its policy of donating all its tax adjusted profits available for distribution under gift aid to its ultimate parent undertaking within nine months of each year-end date and because the company early implemented FRS 102 para 29.14A.

Notes to the financial statements for the year ended 31 December 2024

4. Commercial trading operations (continued)

	2023 £
Corporation tax computation	
Corporation tax payable	Nil
Taxable total profits	
Income	
Trading profits	152,407
Non-trade loan relationships	4,956
	157,363
Deductions and reliefs	
Qualifying charitable donations	(157,363)
Taxable total profits	Nil

	As at 31.12.24 £	As at 31.12.23 £
IRTE Services Limited		
The aggregate of the assets, liabilities and funds was:		
Assets	347,218	496,577
Liabilities	(56,918)	(206,277)
Funds	290,300	290,300

The costs of the Commercial Vehicle Show LLP management team totalling £212,251 (2023: £275,849) are recharged to IRTE Services Limited by the SOE. One of the tenants occupying office space in the SOE building is a firm of solicitors which includes amongst its partners, a director of IRTE Services Limited. The contractual arrangements are at arms length and the tenant pays rent at a commercial rate. The directors of IRTE Services Limited agreed to declare a Gift Aid donation of £32,862 (2023: £157,650).

	At 31.12.24	At 31.12.23
Amount owing by/(to) parent company (included in liabilities)	206	(161,424)

Notes to the financial statements for the year ended 31 December 2024

5. Joint Venture

IRTE Services Limited has a 33.33% interest in the Commercial Vehicle Show Limited Liability Partnership.

Summary financial information of the CV Show LLP	Year to 30 June 2024	
	Partnership total £	SOE share £
Profit and Loss Account		
Turnover	1,640,061	546,687
Operating (Loss)/Profit	(201,607)	(67,203)
Partners' Asset	300,000	100,000
Balance Sheet		
	As at 30 June 2024	
Current Assets	714,028	238,009
Current Liabilities	(414,028)	(138,009)
Net Assets	<u>300,000</u>	<u>100,000</u>
Represented by:		
Partners' Capital Accounts	300,000	100,000
	<u>300,000</u>	<u>100,000</u>

The Partnership prepares accounts to 30 June and the above extract is therefore from the most recently available accounts.

The Directors gave notice to its other two partners in the Commercial Vehicle Show LLP joint venture, to withdraw from the partnership with effect from 30 September 2024.

The effect of this withdrawal means that IRTE Services will no longer be entitled to a share of the profits from any future shows post September 2024 and will cease to be responsible for the CV show staff for which it charges a management fee.

In November 2024 the Commercial Vehicle Show returned IRTE Services' capital (£100k) in the joint venture net of the combined 2023 profit (£60.6k) and 2024 ((£67.2k)) loss suffered.

THE SOCIETY OF OPERATIONS ENGINEERS

Notes to the financial statements for the year ended 31 December 2024

6a. Analysis of charitable expenditure

	Staff Costs £	Support Costs £	Other Direct Costs £	Total £
Year to 31 December 2024				
Services to engineers	482,211	217,657	22,159	722,027
Regional groups and centres	47,871	21,607	121,011	190,489
Publications	41,400	18,686	386,299	446,385
Education	147,812	66,719	24,538	239,069
Marketing, committees and exhibitions	214,649	96,886	113,006	424,541
Governance	152,747	68,947	146,218	367,912
	1,086,690	490,502	813,231	2,390,423
Year to 31 December 2023 (Prior Year)				
Services to engineers	437,756	252,401	27,720	717,877
Regional groups and centres	24,453	14,099	113,035	151,587
Publications	40,008	23,068	334,534	397,610
Education	109,191	62,957	22,510	194,658
Marketing, committees and exhibitions	168,209	96,986	100,692	365,887
Governance	170,652	98,394	118,816	387,862
	950,269	547,905	717,307	2,215,481

6b. Analysis of support costs

	Premises	Communications and IT	Postage & Printing	Financial Costs	Depreciation	Total
Engineers	58,695	63,692	2,389	48,819	44,062	217,657
Regions	5,827	6,323	237	4,846	4,374	21,607
Publications	5,039	5,468	205	4,191	3,783	18,686
Education	17,992	19,524	732	14,965	13,506	66,719
Marketing/Publicity	26,127	28,352	1,063	21,731	19,613	96,886
Governance	18,592	20,176	757	15,464	13,958	68,947
Total Support	132,272	143,535	5,383	110,016	99,296	490,502
Total Support costs 2023	135,441	125,494	5,342	92,101	189,527	547,905

6c. Governance costs are made up of the following:

Governance costs include audit fees of £26,200 (2023: £24,500), non audit fees of £3,000 (2023: £3,655). All 16 Trustees (including the 7 Directors of IRTE Services Ltd) claim out of pocket expenses in relation to travel and subsistence costs for attendance at meetings and representation events amounting to £28,594 (2023: £44,306); Trustees' and Officers' liability insurance £2,234 (2023: £2,234); remainder is expenditure on legal and other administrative costs and an apportionment of staff time.

THE SOCIETY OF OPERATIONS ENGINEERS

Notes to the financial statements for the year ended 31 December 2024

7. Tangible fixed assets	Land and buildings freehold	Computer and other assets	Total
Group and Society			
Cost	£	£	£
Cost at 31 December 2023	2,257,845	120,040	2,377,885
Additions	0	20,453	20,453
Fully depreciated and written off	0	0	0
Cost at 31 December 2024	<u>2,257,845</u>	<u>140,493</u>	<u>2,398,338</u>
Depreciation			
Balance at 31 December 2023	832,081	101,914	933,995
Charge for the year	87,983	11,313	99,296
Fully depreciated and written off	0	0	0
Balance at 31 December 2024	<u>920,064</u>	<u>113,227</u>	<u>1,033,291</u>
Net book value at 31 December 2024	<u><u>1,337,781</u></u>	<u><u>27,266</u></u>	<u><u>1,365,047</u></u>
Net book value at 31 December 2023	<u><u>1,425,764</u></u>	<u><u>18,126</u></u>	<u><u>1,443,890</u></u>

8. Intangible fixed assets	Digital Infrastructure
Group and Society	
Cost	£
Cost at 31 December 2023	449,485
Additions	29,000
Fully depreciated and written off	0
Cost at 31 December 2024	<u>478,485</u>
Depreciation	
Balance at 31 December 2023	449,485
Charge for the year	0
Asset Write downs from previous years	0
Balance at 31 December 2024	<u>449,485</u>
Net book value at 31 December 2024	<u><u>29,000</u></u>
Net book value at 31 December 2023	<u><u>0</u></u>

THE SOCIETY OF OPERATIONS ENGINEERS

Notes to the financial statements for the year ended 31 December 2024

9. Investments	31.12.24	31.12.24	31.12.23	31.12.23
Group	Cost	Market Value	Cost	Market Value
Listed stocks and shares	£	£	£	£
UK Gilts and other fixed interest	535,777	537,352	512,815	532,925
UK Equities	529,639	766,377	640,974	979,578
Alternatives & Hedge Funds	355,586	347,405	452,783	450,075
Overseas investments	1,191,122	1,497,283	740,919	974,087
Investments total	2,612,124	3,148,417	2,347,491	2,936,665
Movements during the year			Year to 31.12.24	Year to 31.12.23
Group			£	£
Market value as at start of year			2,936,665	2,964,910
Purchases during the year			851,833	328,067
Sales at market value prior to disposal			(813,713)	(416,575)
Unrealised (loss)/gain on revaluation			172,352	58,264
Non market transactions			1,280	1,999
Market value as at end of year			3,148,417	2,936,665
Realised gain on disposal of investments			808	(5,846)
Unrealised (loss)/gain on revaluation			172,352	58,264
Gain/(losses) on non market transactions			1,280	1,999
Net gains/(losses) on revaluation and disposal of investments			174,440	54,417

Investments over 5%

There were no investments with a market valuation of over 5% of the total investment valuation.

Society

The Society's investments include a further £100 investment in IRTE Services Limited (see note 4).

10. Debtors	Group		Society	
	31.12.24	31.12.23	31.12.24	31.12.23
	£	£	£	£
Trade debtors (less bad debts)	97,295	186,476	60,770	68,382
Owed by subsidiary undertaking	0	0	32,656	161,424
VAT	20,759	9,936	25,579	29,607
Other debtors	848	4,772	848	134
Prepayments and accrued income	71,226	90,831	70,938	90,831
	190,128	292,015	190,791	350,378

THE SOCIETY OF OPERATIONS ENGINEERS

Notes to the financial statements for the year ended 31 December 2024

11. Cash and bank balances

	Group		Society	
	31.12.24	31.12.23	31.12.24	31.12.23
	£	£	£	£
Deposit and current accounts	834,528	1,103,363	524,329	890,125
Cash in hand	7	39	7	39
	<u>834,535</u>	<u>1,103,402</u>	<u>524,336</u>	<u>890,164</u>

12. Creditors: amounts falling due within one year

	Group		Society	
	31.12.24	31.12.23	31.12.24	31.12.23
	£	£	£	£
Subscriptions in advance	391,172	384,296	391,172	384,296
Trade and other creditors	122,217	225,486	116,456	218,229
Social security and other taxes	30,974	29,466	30,974	29,466
VAT	0	0	0	0
Accruals and deferred income	89,718	86,877	76,243	68,952
	<u>634,081</u>	<u>726,125</u>	<u>614,845</u>	<u>700,943</u>

Creditor accruals totalled £ Nil (2023: £Nil). The deferred income includes office rental income from tenants.

	Group		Society	
Subscriptions in advance Reconciliation	31.12.24	31.12.23	31.12.24	31.12.23
Opening balance	384,296	424,456	384,296	424,456
Received in year	1,647,758	1,569,707	1,647,758	1,569,707
Released to the Statement of Financial Activities	<u>(1,640,882)</u>	<u>(1,609,867)</u>	<u>(1,640,882)</u>	<u>(1,609,867)</u>
Total Deferred Income	<u>391,172</u>	<u>384,296</u>	<u>391,172</u>	<u>384,296</u>

	Group		Society	
Deferred Income Reconciliation	31.12.24	31.12.23	31.12.24	31.12.23
Opening balance	5,000	5,000	5,000	5,000
Received in year	329,788	318,370	329,788	318,370
Released to the Statement of Financial Activities	<u>(329,788)</u>	<u>(318,370)</u>	<u>(329,788)</u>	<u>(318,370)</u>
Total Deferred Income	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

Notes to the financial statements for the year ended 31 December 2024

13. Capital Commitments and Operating Leases

In 2023, the Group entered into a three year operating lease agreement to hire two office photocopiers. The quarterly payment includes the rental and maintenance of these equipment.

In 2024, the Group entered into a five year operating lease agreement to hire an 'Inventory' system and an one year operating lease for a coffee vending machine. Payments are made quarterly. The outstanding contractual rental payments are summarised below.

	2024	2023
	£	£
Not later than one year	3,948	2,054
Later than one year and not later than five years	4,611	3,082
	<u>8,559</u>	<u>5,136</u>

14. Lessor Accounting

The Group has a number of lease agreements with tenants occupying office space on all floors of 22 Greencoat Place. These agreements are open ended with notice periods of either three or six months required for either party to terminate the agreement. There are no contingent rent clauses in place.

The income from these agreements, should no termination take place over the next five years are summarised below:

	2024	2023
	£	£
Not later than one year	193,715	155,721
Later than one year and not later than five years	853,772	821,641
	<u>1,047,487</u>	<u>977,362</u>

Notes to the financial statements for the year ended 31 December 2024

15. Reserves	General Reserves £	Regional Reserves £	Total Reserves £
Year to 31 December 2024			
Group			
Balance at 31 December 2023	5,122,035	88,419	5,210,454
Surplus/(Deficit) for the year	(275,491)	(1,917)	(277,408)
Balance at 31 December 2024	<u>4,846,544</u>	<u>86,502</u>	<u>4,933,046</u>
<i>Represented by</i>			
Fixed assets	4,542,464	0	4,542,464
Cash at bank and in hand	748,033	86,502	834,535
Other net current assets	(443,953)	0	(443,953)
	<u>4,846,544</u>	<u>86,502</u>	<u>4,933,046</u>
Society			
Balance at 31 December 2023	4,831,835	88,419	4,920,254
Surplus/(Deficit) for the year	(275,491)	(1,917)	(277,408)
Balance at 31 December 2024	<u>4,556,344</u>	<u>86,502</u>	<u>4,642,846</u>
<i>Represented by</i>			
Fixed assets	4,542,564	0	4,542,564
Cash at bank and in hand	437,834	86,502	524,336
Other net current assets	(424,054)	0	(424,054)
	<u>4,556,344</u>	<u>86,502</u>	<u>4,642,846</u>
Year to 31 December 2023			
Group			
Balance at 31 December 2022	5,248,891	86,080	5,334,971
Surplus/(Deficit) for the year	(126,856)	2,339	(124,517)
Balance at 31 December 2023	<u>5,122,035</u>	<u>88,419</u>	<u>5,210,454</u>
<i>Represented by</i>			
Fixed assets	4,541,162	0	4,541,162
Cash at bank and in hand	1,014,983	88,419	1,103,402
Other net current assets	(434,110)	0	(434,110)
	<u>5,122,035</u>	<u>88,419</u>	<u>5,210,454</u>
Society			
Balance at 31 December 2022	4,958,660	86,080	5,044,740
Surplus/(Deficit) for the year	(126,825)	2,339	(124,486)
Balance at 31 December 2023	<u>4,831,835</u>	<u>88,419</u>	<u>4,920,254</u>
<i>Represented by</i>			
Fixed assets	4,380,655	0	4,380,655
Cash at bank and in hand	801,745	88,419	890,164
Other net current assets	(350,565)	0	(350,565)
	<u>4,831,835</u>	<u>88,419</u>	<u>4,920,254</u>

THE SOCIETY OF OPERATIONS ENGINEERS

Notes to the financial statements for the year ended 31 December 2024

16. Staff

	Year to 31.12.24 £	Year to 31.12.23 £
The total staff emoluments including taxable benefits for the year:		
Gross salaries permanent and temporary staff	892,906	782,738
Employer's NI	92,420	79,746
Employer's pension	46,503	43,655
Life assurance cover	3,360	3,964
	<u>1,035,189</u>	<u>910,103</u>

Redundancy and termination payments totalling £43,882 (2023: £14,942) were paid during the year.

	2024	2023
Key Management (defined as the senior management team & management team):		
Total emoluments including taxable benefits for the year	578,673	427,494

During the year, payments totalling £600 (2023: £6,000) were paid to Mr J E Eastman (Trustee) as fees in connection with workshop inspections on behalf IRTE Services Ltd. No other payments were made except for out of pocket expenses (see note 6c)

	2024	2023
Average number of employees analysed by function was:		
Charitable expenditure	17	17
Management, administration and support	3	3
CV Show management team	3	4
	<u>23</u>	<u>24</u>

A number of temporary staff were employed during the year to provide additional support in certain departments.

Number of staff whose emoluments (excluding pensions) including taxable benefits from the Society exceeded £60,000:	2024	2023
£60,001 - £70,000		1
£70,001 - £80,000		
£80,001 - £90,000		
£90,001 - £100,000	1	1
£100,000 - £110,000		
£110,000 - £120,000		

The Society's pension contribution for any member of staff whose emoluments exceed £60,000 is paid at the same rate as applicable to all staff eligible to join the group personal pension scheme.

17. Society Pension Arrangements

The Society's contributions made on behalf of eligible employees in the year amounted to £52,706 (2023: £56,037). (Also see note 1(vii) of the accounts.)

Notes to the financial statements for the year ended 31 December 2024

18. The Trustee Board

The Trustee Board consists of 14 members including the chairs of the 5 Professional Sector Councils. No remuneration or other benefit in money or money's worth was given by the Society to any other member of the Board except out of pocket expenses (see note 6c).

19. Volunteers

The Trustees are grateful for the invaluable time and support given by the 200 volunteers who sit on the Trustee Board, IRTE Services Board, five Professional Sector Councils, the Membership & Professional Standards Committee and Regional Committees.

20. Liability of Members

The Society is a company limited by guarantee and Clause 3.1 of its Articles of Association states that the maximum contribution for which a member can be liable in the event of the Society's liquidation is £10.

21. Dormant Companies

The following companies are subsidiaries of SOE but did not trade during the year:

Name:	Country of Registration:	Registration Number	Reserves 31.12.24 £	Reserves 31.12.23 £
Institution of Plant Engineers	England & Wales	419646	1,000	1,000
Institute of Road Transport Engineers	England & Wales	395541	1,000	1,000

Both of these companies are limited by guarantee.

22. Financial Instruments

At the balance sheet date, the consolidated group held financial assets at amortised cost comprising investment in joint venture, trade debtors, other debtors and cash and cash deposits of £954,893 (2023: £1,468,568) and financial liabilities at amortised cost comprising trade and other creditors and accruals of £242,909 (2023: £341,829).

Total interest income received in respect of financial assets held at amortised cost totalled £14,566 (2023: £13,073). The charity held financial assets at fair value through income or expenditure company investments of £3,148,417 (2023: £2,936,665). Movements in the year through the Statement of Financial Activities comprise dividend income of £70,280 (2023: £75,587) and net gains of £174,440 (2023: £54,417).

THE SOCIETY OF OPERATIONS ENGINEERS

Notes to the financial statements for the year ended 31 December 2024

23 Continuing and Discontinued Operations (IRTE Services Limited)

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2024

	Year to 31.12.24 Continuing Operations £	Year to 31.12.23 Continuing Operations £	Year to 31.12.24 Discontinued Operations £	Year to 31.12.23 Discontinued Operations £
Turnover	93,532	91,475	257,481	326,149
Cost of sales	(36,695)	(42,141)	(212,251)	(275,849)
Gross profit	56,837	49,334	45,230	50,300
Administrative expenses	(4,526)	(3,774)	(2,715)	(3,773)
Operating profit/(loss)	52,311	45,560	42,515	46,527
Interest receivable	3,275	2,478	1,964	2,478
Interest payable	0	0	0	0
Profit on ordinary activities	55,586	48,038	44,479	49,005
Net income from Joint Venture	0	0	(67,203)	60,607
(Loss)/Profit before taxation	55,586	48,038	(22,724)	109,612
Taxation	0	0	0	(32)
(Loss)/Profit after taxation	55,586	48,038	(22,724)	109,580

The above results are all in respect of continuing & discontinued operations.