

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

England & Wales · Charity number 214011

Details

Other names	THE INSTITUTION OF GAS ENGINEERS, THE IGEM, THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
Status	Registered
Legal form	Other
Registered	1963-12-12
Register	View on the Charity Commission register

Contact

Address	I G E M 28 High Street Kegworth Derby DE74 2DA
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Activities

Objects: TO PROMOTE BY RESEARCH, DISCUSSION, EDUCATION OR OTHERWISE AS MAY BE SEEN BY THE INSTITUTION DESIRABLE EACH AND ALL OF THE SCIENCES OF WHICH KNOWLEDGE MAY FROM TIME TO TIME BE REQUIRED FOR THE BETTER EXPLORATION FOR OR THE BETTER PRODUCTION WINNING TREATMENT TRANSMISSION DISTRIBUTION OR UTILISATION OF GAS AND OF THE BY-PRODUCTS OF ITS PRODUCTION

Activities: Professional Membership Institution and provider of Industry Technical Standards.Organiser of related conferences, seminars and events to facilitate and enhance Member benefits, careers, technical knowledge, learning and development.To serve Gas Professionals Worldwide and promote safety and excellence within the industry.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£3,045,637	£3,180,981	£5,019,566	27
2023-12-31	£2,669,543	£2,831,989	£4,941,306	26
2022-12-31	£2,447,777	£2,781,306	£5,016,094	23
2021-12-31	£2,066,550	£2,265,870	£5,873,975	25
2020-12-31	£2,182,803	£1,929,998	£5,601,060	25

Trustees

Name	Role	Appointed
Adam Madgett		2023-05-10
Anthony Wimpenny		2023-05-10
Daniel Mee		2025-05-07
Darren Elsom		2023-05-10
David Tomkin		2023-05-10
Desmond Cheung		2024-05-08
Earl Richards		2023-05-10
Emma Buckton		2025-05-07
Gordon McMillan		2020-06-18
Jayne Dawson		2025-05-07
John McCorry		2024-05-08
Kieren Shipp		2024-05-08
Lewis Kirkwood		2025-05-07
Lynsey Stevenson		2024-05-08
Marc Owen		2024-05-08
Matthew MacLennan		2025-05-07
Mumtaz Patel		2025-05-07
Nicola Evans		2023-05-10
Peter Sykes-Tucker		2024-05-08
Sikander Mahmood		2023-05-10
Simon Joyce		2023-05-10
Stephen Dunn		2024-05-08
Thomas James		2023-05-10
Vic Tuffen		2025-05-07
Vincent Chow		2025-05-07

Linked charities

- DEMPSTER TRAVELLING FELLOWSHIP FUND (214011-1)
- JAMES ARCHIBALD MACLAY MEMORIAL PRIZE FUND (214011-10)
- THE INSTITUTION OF GAS ENGINEERS AND MANAGERS SCHOLARSHIPS, MEDALS, PRIZES AND LECTURESHIPS FUND (214011-11)
- W H BENNETT TRAVELLING FELLOWSHIP FUND (214011-2)
- CORBET AND HENRY WOODALL SCHOLARSHIP FUND (214011-3)
- WILLIAM CARTWRIGHT HOLMES SCHOLARSHIP FUND (214011-4)
- ARTHUR DUCKHAM MEMORIAL FUND (214011-5)
- BIRMINGHAM MEDAL FUND (214011-6)
- H E JONES LONDON MEDAL FUND (214011-7)
- CHARLES HUNT MEMORIAL MEDAL FUND (214011-8)
- DIETERICHS MACLAY MEMORIAL PRIZE (214011-9)

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

England & Wales - Charity number 214011

Accounts

ANNUAL REPORT AND ACCOUNTS

2024

Registered Charity Number: 214011

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

Trustees' Report and Financial Statements

Year Ended 31 December 2024

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

CONTENTS

	Page
Legal and Administrative Information	3 - 4
Trustees' Report	5 – 14
Statement of Trustees' Responsibilities	15
Independent Auditor's Report	16 – 18
Consolidated Statement of Financial Activities	19
Consolidated Balance Sheet	20
Charity Balance Sheet	21
Consolidated Statement of Cash Flows	22
Notes to the Financial Statements	23 – 40

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2024

LEGAL AND ADMINISTRATIVE INFORMATION

Officers and Council Members as at 31st December 2024:

President	David Tomkin CEng FIGEM	
Past President	Andrew Musgrave CEng FIGEM	
President Elect	Nicola Evans CEng MIGEM	
Vice President	Darren Elsom IEng FIGEM	
Honorary Secretary*	Benjamin Clarke CEng MIET FIGEM	
Chief Executive*	Oliver Lancaster BSc MSc FGS EngTech FIGEM	
Ordinary Members	Adam Madgett EngTech MIGEM Earl Richards EngTech MIGEM Sikander Mahmood IEng MIMechE AIGEM Thomas James CEng MIGEM Lynsey Stevenson CEng MIMechE MIGEM Stephen Dunn EngTech FIGEM Simon Joyce CEng MIGEM Peter Sykes-Tucker CEng MIGEM Desmond Cheung CEng MIGEM	
Section Members	Charles Chan CEng MIMechE FIGEM John McCorry CEng MIGEM Kieren Shipp EngTech MIGEM Marc Owen EngTech MIGEM Daren Dickinson AIGEM Nick Jerman EngTech MIGEM Gordon McMillan MIGEM Jodie McEvoy AIGEM Josh Williams-Trim EngTech MIGEM Harriet Guiry GradIGEM Tony Wimpenny BEng MSc	Far East Irish London, Southern & Eastern Midlands North East & Yorkshire North West Scottish Welsh South West Young Persons Section Company Members
Co-opted Members*	Hilary Buxton CEng MIMechE HonFIGEM* Christopher Gorman CEng HonFIGEM* David Parkin CEng FIGEM* Michael Blake CEng MIMechE MIGEM*	

*denotes Non-Trustee

Also, Trustees for the period to 8th May 2024:

David Parkin CEng FIGEM	Jordan Rowbottom CEng FIGEM
David Frost CEng MIGEM	Lucy Ritchie MIGEM
Paul Denniff CEng FIMechE FIGEM	Conor O'Reilly CEng MIGEM
Chi Kin Peter Chak BSc CEng FIGEM	Heng Xiang Zhou CEng MIGEM

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2024

LEGAL AND ADMINISTRATIVE INFORMATION

Secretariat Senior Staff

Chief Executive Officer	Oliver Lancaster BSc MSc FGS EngTech FIGEM
Head of Technical Services & Policy	Ian McCluskey BEng CEng FIMechE FIGEM
Head of Finance	Yusuf Girach FCCA
Head of Membership Services	Claire McHugh BA(Hons) AIGEM
Head of Corporate Affairs and Operations	Carl Stokes AIGEM
Head of Facilities	Lesley Ecob AIGEM

Charity Number 214011

Registered Office Institution of Gas Engineers and Managers
IGEM House
26 & 28 High Street
Kegworth
Derbyshire
DE74 2DA

Auditors UHY Hacker Young
14 Park Row
Nottingham
NG1 6GR

Bankers HSBC Bank Plc
117 Great Portland Street
London
W1W 6QJ

Solicitors Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

Investment Managers Rathbones Investment Management
8 Finsbury Circus
London
EC2M 7AZ

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2024

TRUSTEES' REPORT

The Trustees of the Institution of Gas Engineers and Managers ("IGEM") present their report and audited financial statements for the year ended 31 December 2024. The financial statements comply with the Institution's Royal Charter, applicable Companies and Charities Acts and the Charities Statement of Recommended Practice issued in October 2019. The Trustees consider that they have complied with their duties under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Objectives and Activities

IGEM has a significant opportunity to lead an ambitious response from our sector to engineer a sustainable gas future and help mitigate the impacts of climate change. IGEM needs to influence and keep in step with the evolving landscape, and our Ambition, Priorities and Values will help deliver this for both our members and broader society for the gas system of today and tomorrow.

We are delivering against our 2023-2028 business plan, which includes a critical timeframe of both regulatory and policy decisions that are expected to determine, and hopefully secure, the long-term direction of our industry.

We recently consolidated IGEM's focus and the way we go about our business – our identity – which is at our core as we serve our members and deliver our strategy.

Our Ambition is to be the world's leading institution for gas professionals, advancing the safety, reliability and sustainability of energy.

Our Priorities are core to our operation, supporting the delivery of our strategy for societal benefit:

- Promote, inspire and support the attainment and maintenance of the highest standards of professional competence and excellence through the provision of high-quality products and services;
- Design the gas system of the future, by leaning on our rich history and in leading the transition from fossil fuels to net zero, with low carbon gases as a critical part of a secure, whole energy system;
- Provide personal and professional development for members and staff to grow their skills and reach their full potential in a supportive and diverse business environment;
- Engage stakeholders and listen, advise and influence; developing innovation partnerships to build informed analysis and evidence; and
- Ensure our governance framework is robust and fit for purpose to allow our charitable objectives to be conducted effectively and efficiently.

Our Values define our professionalism and behaviours. They reflect on our performance as a business and how we interact with members, colleagues, partners and customers:

- Excellence: to confidently and competently achieve, and help others achieve, the very highest standards.
- Integrity: doing the right thing based on core moral and ethical convictions;
- Respect: trusting, valuing and appreciating the work of colleagues, members, volunteers and stakeholders independent of their position or background;
- Open Mindedness: having an unprejudiced mindset that is receptive to new ideas and opinions that may differ to your own; and
- Innovative: cultivate a community of engaged members and partners to undertake informed analysis and develop robust evidence to advise, influence and improve gas policy for public benefit.

Our business plan pushes stronger in some of our current delivery areas, but has importantly introduced new activities to push the boundaries and grow the membership, revenue and impact of the Institution. Key activities continue, which include recruitment and retention of members, as well as provision of training and services to members and the wider industry to support members' continuing professional development, through the Gi journal, website, communications, conferences, lectures and technical training. In addition, technical advancement is achieved through review and development of Industry Standards and recommendations, research, networking and support.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2024

TRUSTEES' REPORT (CONTINUED)

We have been delighted to see, as a result of our efforts, supported very much by our new website, significant growth in numbers of individual members. We also see a continued growth in Company Members and have the most we've ever had in IGEM, including our first Company Members in Australia and Italy.

The Sections within IGEM's membership deliver varied programmes of events encompassing technical visits and paper evenings as well as networking and social activities. Several of these activities are international.

Public Benefit Statement

We have referred to the guidance contained in the Charity Commission's general guidance of public benefit when considering our Ambition, Priorities and Values and in planning our future activities. In particular, the Trustees routinely consider how planned activities will contribute to the Ambition, Priorities and Values they have set.

IGEM delivers benefits for Society by applying expertise and experience to make an influential contribution to solving pressing energy challenges in areas such as safety, security, affordability and sustainability, often by collaborating openly to enable effective action. We also effect positive change by supporting the development of gas engineering professionals as credible participants in a wider community of technical practitioners.

Our main objectives for the year continued to be the development and promotion of the science and engineering facts and evidence across the broad gas industry; and to improve and elevate the technical knowledge of those engaged in the profession of gas engineering. The strategies we used to meet these objectives included:

- Ensuring the competence of practising gas engineers through a pathway for recognition, including registration with the Engineering Council;
- Providing members with continuing professional development opportunities including free access to mentoring and support towards advancement through grades of membership;
- Providing awareness of technical developments and innovations through publications, conferences and events, at both national and local level;
- Utilising technical expertise to advise and support the Government's policies on Net Zero, specifically developing technical standards and responding to consultations influencing statutory regulation;
- Continuing to develop and publish peer reviewed Industry Standards aimed at enhancing the procedures for the safe use of natural gas and hydrogen in the areas of transmission, distribution, utilisation and metering;
- Securing approval to be an authoriser of recognised training providers;
- Working with skills partners to approve apprenticeships that lead to qualified gas technicians;
- Provision of scholarships and grants to individuals and companies undertaking research, development and innovation, where their area of interest furthers the objectives of the charity;
- Ensuring a selection of free and discounted provision of services are offered within membership services, event placements and access to Technical Standards;
- Auditing and authorisation of approved gas industry training providers; and
- Extending our reach by developing support for new sectors and in developing relationships, such as with India, Australia and Italy.

Our public benefit activities focus on the safe passage of gas through the supply chains through to safe use by the public and by industrial customers, as well as the planning for their future energy needs as part of an affordable, just and secure transition. These activities include competence assessment, provision of opportunities for the continued demonstration of competence through personal professional development for our members, and those in the wider gas industry. In addition, we support, showcase and finance research, such as Carbon Monoxide and net zero policy research.

Structure, Governance and Management

The Institution of Gas Engineers and Managers is a registered charity established in 1863, incorporated by Royal Charter in 1929 and governed by By-laws, which were last amended in July 2001. IGEM has a Governance Manual,

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2024

TRUSTEES' REPORT (CONTINUED)

comprehensively updated during 2019 incorporating Charter, By-laws, requirements of Trustees, organisational structure, key terms of reference of Boards and Committees as well as Membership Policy and Procedures, Finance Policy and Procedures, and IGEM's Quality Policies and Procedures and requirements of Charity Law. In addition, IGEM has a Conflicts of Interest Policy.

The main decision making body of IGEM is Council, which governs IGEM and owns the strategy that IGEM will adopt and implement. It consists of 27 Trustees together with other, non-voting, members. These are:

- President*
- President Elect*
- Vice President*
- Immediate Past President*
- Honorary Secretary
- 12 Ordinary Members*
- 11 Section Chairs [or nominated representative]*
- Chief Executive Officer
- Co-opted advisors to Council

* Indicates a Trustee member of Council

Council can invite the election or appointment of any member of IGEM onto Council if it feels that they can bring value, knowledge and expertise. Some Trustees change at IGEM's Annual General Meeting each year. Ordinary Members serve for three years and Section Chairs serve for at least one year.

Council is supported by an Executive Board that acts as a steering committee to Council to assist with Trustee deliberations at Council. The Executive Board consists of:

- President*
- President Elect*
- Vice President*
- Immediate Past President*
- Honorary Secretary
- A representative each from gas networks, the YPN and Company Members **
- Co-options (up to two)**
- Chief Executive Officer

* Trustee member of Council

** Trustee or non-Trustee of Council

IGEM comprises the following entities:

Institution of Gas Engineers and Managers	Charity No. 214011
History Fund	Charity No. 287678
Institution of Gas Engineers (Scottish Section) Benevolent and Education Funds	Charity No. SC006601
IGEM House Ltd	Company No. 03093169
IGEM Future Energy Networks Ltd	Company No. 15730432
Institution of Gas Engineers and Managers Scholarships, Medals, Prizes and Lectureships Fund	Charity No. 214011-11

IGEM has a subsidiary trading company, IGEM House Ltd trading as Meetpoint Midlands. This company undertakes commercial trading activities, and the results are consolidated in these financial statements. This company commenced trading during 2011 and rents conference and meeting facilities to third parties.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2024

TRUSTEES' REPORT (CONTINUED)

A new subsidiary, IGEM Future Energy Networks Ltd, was formed during 2024 to undertake commercial trading activities and the results are also consolidated in these financial statements.

The Institution has a Benevolent Fund, the Incorporated Benevolent Fund of the Institution of Gas Engineers and Managers, which reports separately to its members.

IGEM operates a number of Boards, Committees, Sub-Committees and Panels through which it undertakes its educational, technical and administrative functions. IGEM benefits from the input of many volunteers, who govern the Institution, run the Sections, contribute to committees, panels, mentoring and interviewing. Over 2024, there were 598 volunteers actively involved in IGEM who collectively provided volunteer services totalling 13,789 hours, equivalent to eight full time staff.

All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 9 to the accounts. Trustees are required to disclose all relevant interests and register them with the Chief Executive and withdraw from decisions where a conflict of interest arises. All incoming Trustees are provided with training to fully explain their roles and responsibilities and an induction package. This includes a copy of "How to be an effective Trustee" published by the Charity Commission, together with the By-laws, Governance Manual and Business Plan for the Institution.

The general membership is organised into eight regional Sections throughout the UK and one overseas Section:

- Far East District Section;
- Irish Section;
- London, Southern & Eastern Section;
- Midlands Section;
- North East & Yorkshire Section;
- North West Section;
- Scottish Section;
- South West Section; and
- Welsh Section.

Throughout the year, the Sections organise a varied programme of events encompassing informative, technical presentations from high profile speakers from within and outside the gas industry as well as social networking opportunities. These events also provide a valuable element to the ongoing development of our members and evidence of attendance can be used within our Continuing Professional Development framework. In addition, IGEM has two further Sections, each established to meet the more specific needs of the individual membership group:

- Company Member Section, which represents organisations that are members of IGEM. These members include network asset owner operators, gas supply businesses, companies engaged within the supply chain, consultancies and educational establishments; and
- Young Persons Network. A key role of the Section is to give a voice to our younger, often more junior, members and to encourage them to play an active part within the Institution. As well as being assigned to a geographically defined Section, all of our members under the age of 35 are included within the auspices of the YPN.

Political Donations and Expenditure

No contributions have been made to any political party in this financial year.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2024

TRUSTEES' REPORT (CONTINUED)

Achievement and Performance

IGEM maintains ISO 9001:2015 quality accreditation.

IGEM is licenced by the Engineering Council to assess applicants for inclusion on the national register of professional engineers and technicians, to recognise academic programmes and professional development schemes and to monitor the Continuing Professional Development (CPD) of professionally active members. 104 gas industry professionals achieved professional registration and the titles EngTech, IEng and CEng and three Honorary titles were awarded to recognise outstanding achievements. This was helped by 119 members who generously volunteered their time and expertise as mentors, interviewers, and committee/panel members to support the membership processes and procedures.

Individual Members	Opening	New	Lapsed or resigned	Movement	Closing
Honorary	10	1	-	2	13
Companion	19	-	4	-	15
Fellow	208	-	7	5	206
Chartered Member	1,034	13	63	7	991
Incorporated Member	330	2	20	-	312
Engineering Technician Member	774	54	62	15	781
Member Manager	112	3	14	3	104
Graduate	73	6	11	(2)	66
Associate	623	238	121	(23)	717
Gas Technician	179	81	51	(6)	203
Licensed Gas Technician	17	1	2	-	16
Students	218	100	-	(1)	317
Total	3,597	499	355	-	3,741

Company Members	Opening	New	Lapsed or resigned	Movement	Closing
Small (1-5 employees)	114	13	18	(5)	104
Small - Medium (6-15 employees)	76	9	2	5	88
Medium (16-99 employees)	108	15	4	-	119
Medium - Large (100-499 employees)	75	3	6	-	72
Large (500+ employees)	27	-	-	1	28
Housing Partner	20	7	1	(1)	25
Total	420	47	31	-	436

In 2024, we continued our focus to support the technician community and improve the EngTech value proposition by delivering a number of site visits and events for our EngTech members. We plan to continue our focus on growth and retention into 2025.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2024

TRUSTEES' REPORT (CONTINUED)

We held a Mentor Workshop at IGEM House for our Incorporated Members (IEng MIGEM) and Chartered Members (CEng MIGEM) interested in becoming an approved IGEM Mentor to help others to achieve professional registration. In addition, we held a number of professional registration webinars open to all those interested in becoming a member or transferring grades as well as inhouse webinars and exhibitions with the support of our Company Members. The online 1:1 booking system has continued to benefit those wanting to discuss their individual pathway to membership and professional registration.

We also launched our informative New Member Welcome Meetings which provide insights into the full spectrum of membership services and benefits which include exclusive features of our MyIGEM portal, Hydrogen Knowledge Centre, Section membership and how we can support members with their CPD.

After reaching out to even more of our professionally registered members for our annual CPD sampling in 2024, we saw a new record number of CPD submissions resulting in a sample of 2.7%. Supportive discussions took place, and individual feedback was provided to those who submitted a CPD record to support their professional development journey. This year no members were removed from the national Engineering Council register due to non-compliance.

We had another successful year with our Scholarships, Grants and Awards scheme. The scheme continues to support the engineers of the future, and with such a high standard of applications, three Prospective Undergraduate Scholarships and one Engineering Technician grant were awarded.

IGEM develops and produces Technical Standards with related activities including research, record management, training and liaising with industry and external stakeholders. Selected standards are made available for a reduced rate through the Gas Safe Register. This supports operatives working in the downstream sector to enable more industry representatives to have affordable access to Standards.

Working with the technical committees, expert panels and working groups, members and volunteers were involved in 97 meetings, resulting in the department producing 290 technical papers and publishing 13 standards throughout the year, these were:

Hydrogen

- IGEM/H/1 Edition 2 *Hydrogen Reference Standard*
- IGEM/H/2 Edition 2 *Hydrogen Enabling Standard - Domestic*
- IGEM/H/3 Edition 2 *Hydrogen Enabling Standard – Non -Domestic*

TD Series

- IGEM/TD/1 Edition 6 Amendments *Steel Pipelines for High Pressure Gas Transmission*
- IGEM/TD/2 Edition 3 - Assessing the risks from high pressure natural gas pipelines
- IGEM/TD/23 - Reference Standard Hydrogen pressure regulating installations not exceeding 7 bar
- IGEM/TD/13 Edition 3 Supplement 2 - *Pressure regulating installations for Natural Gas/Hydrogen blended mixtures at pressures not exceeding 7 bar*
- IGEM/TD/13 Edition 3 Supplement 1 - *Pressure regulating installations for hydrogen at pressures exceeding 7 bar*

G Series

- IGEM/G/6 Edition 2 - *Gas supplies to mobile dwellings*
- IGEM/G/11 Ed 2 Amendments June 2024 *Gas industry unsafe situations procedure*
- IGEM/G/14 *Competence Framework*

GM Series

- IGEM/GM/PRS/11 *Purchasing specification for diaphragm meters*

UP Series

- IGEM/UP/19 Ed2 Supplement 1 - *Catering equipment engineers guide to relevant sections of IGEM/UP/19*

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2024

TRUSTEES' REPORT (CONTINUED)

IGEM's governance and leadership in the production of new hydrogen standards continued in 2024 through Hydrogen Committee, chaired by Keith Owen of Northern Gas Networks (NGN). The committee continues to grow in strength and is supporting the UK Government's commitment to achieve net zero carbon emissions by 2050. The committee is working on our strategic plan with key stakeholders on a range of research and demonstration projects investigating the role of hydrogen within the national transmission and distribution system. For these projects to achieve their full scope of work, it is recognised that the research and engineering standards will have a critical role.

In June we published a report on an IGEM peer review of the research on the effects of hydrogen on cast iron. The IGEM Cast Iron Technical Peer Review Group (CITPRG) critically reviewed two research reports covering iron-based components at pressures of up to 7 barg and the comparative risk of hydrogen compared to natural gas from a hydrogen pipeline failure.

We worked with industry experts on the Department for Energy Security and Net Zero (DESNZ) funded Hydrogen Standards and Skills for Heating programme for the implementation of a competence framework for the community trials for hydrogen. The IGEM working group, chaired by Dr Richard Marrow, successfully delivered the three new standards at the end of the year to support the training for engineers working on the trials which was based on the results of the research on the effects of hydrogen

IGEM also continued to support the OFGEM funded project led by SGN and partnering with the gas networks, National Gas and DNV on the Velocity Design with Hydrogen Project. This project will demonstrate safe velocity limits for hydrogen, and hydrogen blends, with focus on erosion, vibration, noise, and particle transportation.

The digital repository, dedicated to the advancement of hydrogen learning globally and supporting the transition to a net zero carbon emissions future, continues to go from strength to strength. At its core, the Hydrogen Knowledge Centre enables learning to be shared with others, through a carefully curated, comprehensive and growing database of information from the widest possible range of sources. The repository, managed by a dedicated team at IGEM, has grown to include over 6,000 resources. By the end of 2024, the platform had been accessed on average 2,557 times per month with around 84 downloads per month.

This year saw IGEM strengthen its policy engagement role, from producing research, policy briefs and consultation responses to directly engaging stakeholders across government, academia, professional bodies and industry groups. We continued to serve as a trusted hub of information and insights for our members and stakeholders, empowering them with the knowledge they need. By championing low-carbon gases, we're helping shape the future of our energy system, offering evidence and insights that support informed decision-making for policymakers.

We responded to government consultations, including the Future Policy Framework for Biomethane Production call for evidence and the Scotland Heat in Buildings Bill; working to amplify the voice of our members and industry stakeholders.

We produced the first in a series of Country Case Studies looking at Germany's Heat Hammer controversy following consumer backlash to the German government's heat policy changes.

IGEM were honoured to be invited to provide oral evidence at the government's Energy Security and Net Zero Select Committee, following our written response to their Heating our Homes inquiry.

In January 2024 IGEM launched ground-breaking grid connections research at the inaugural Winter Warmer Reception, hosted by the Parliamentary Group for Energy Studies (PGES) at the House of Commons. The event brought together distinguished stakeholders from industry, academia, regulators, policy and Parliament, to discuss energy challenges during winter and the transition to net zero. The research unveiled eye-opening statistics and myth-dispelling graphics showing where different connections to the gas grid are located.

IGEM were delighted to host an engagement event in May 2024, which brought together representatives of the National Energy System Operation (NESO, before their transition from ESO) and the gas sector, to share insights about the current gas system, explore the role of green gases in decarbonising the energy system and showcase gas innovation.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2024

TRUSTEES' REPORT (CONTINUED)

We have been reactive to important policy news, providing our responses to various events, announcements and publications such as, our pre-election brief on IGEM's 'priorities for the next UK parliament' and post-election 'Policy asks of our new government', the King's Speech at the State Opening of Parliament, the UK Government Autumn Budget, and 'The role of gas in a power system transformation' following the announcement of the government's target of clean power by 2030.

More recently, we developed a policy brief for the Department for Education on sustainable gases in the STEM curriculum, highlighting the lack of gas industry knowledge and general energy literacy in schools and the need for accurate and balanced information for teachers and pupils.

We have played a key role participating in the work of several influential groups and organisations including, the All-Party Parliamentary Group for Energy Studies, All-Party Parliamentary Group on Carbon Monoxide, Energy Research Partnership, National Engineering Policy Centre (NEPC), Hydrogen Innovation Initiative, Hello Hydrogen Strategic Review Group, Palace Yard and Beyond 2050.

IGEM's events kicked off the year with the Winter Warmer event at the Houses of Parliament in January, followed then by the annual programme of events which continued their strong performance of the prior year with on-target attendance to conference, and keynote speaking events.

The year started with the Gas Utilisation Conference, the only dedicated downstream engineering conference, achieving a 40% increase in attendance, and concluded with the Annual Conference, which despite the snow achieved on-target capacity attendance. In between, we had the excellent Sir Denis Rooke Memorial Lecture from Joanna Whittington, former Director General, Energy and Security at BEIS and Partner for Markets at Ofgem with an insightful lecture on "In a time of energy transition and global uncertainty, what next for gas infrastructure?". This was then followed by the Policy Conference, which also achieved on-target attendance, where the attendees heard from a wide range of speakers focusing on Shaping a Sustainable Gas Future, with sessions looking at Whole System Operation, System Transformation and Distributed Demand.

Throughout the year, we supported IGEM's Sections wide range of events which accounted for over 38% of the events in the year, providing valuable CPD opportunities for our members.

With almost 50% of the events dedicated to training on the technical standards, we continue to provide essential CPD and learning opportunities for IGEM members and non-members to ensure the industry continues to provide a safe and secure gas network from beach to meter.

IGEM also had a presence at various exhibitions such as the Installer Show, CCUS & Hydrogen Decarbonisation Summit, Utility Week Live, Political Party Conferences and held or attended a number of GDN events supporting their staff.

Investments

IGEM's Portfolio of Investments are managed by Rathbones Investment Management held within their Core Investment Fund for Charities. Performance is measured against a pre-agreed composite benchmark of market indices. The investment objectives for both the Unrestricted Funds and the Restricted Funds are to be balanced and managed for total return.

During the year the IGEM portfolio values have increased by a total of £14,448 (2023: increased by £97,421) being 0.4% of the opening value. In addition, dividends earned are £104,230 (2023: £106,083).

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2024

TRUSTEES' REPORT (CONTINUED)

2024 Financial Review Funds Summary	2024/£	2023/£
General Reserve	1,373,513	1,300,000
Development	1,231,571	1,102,616
Property Maintenance Reserve	136,948	136,948
Scholarships & Medals Fund	525,390	527,949
Gas Innovation Fund	556,420	517,401
Hydrogen Standards Innovation Fund	-	7,411
Sections	170,440	166,545
History Fund	8,285	8,227
Property and Assets	1,131,942	1,174,209
	5,134,509	4,941,306

Reserves

The Institution's reserves are held to meet liabilities, working capital, operations, research, education and future developments to benefit members, customers and support the gas industry in a viable and sustainable manner. The Development Reserve is for future investment into the development of the Institution and to facilitate the investment into the energy transformation that is facing the industry.

In March 2024, the second phase of the Digital Evolution and Engagement Project (Project DEEP) went live after Council approved the spend to build on the minimum viable product (MVP), successfully launched in January 2023. During the second quarter, IGEM operations focussed over a 10-week sprint to move our files and software from the ageing and unsupported physical servers onto a scalable Cloud platform. This has provided a more robust, integrated and secure environment delivering improvements in cyber-security, and a programme of ongoing training for all staff.

After being rescope in early 2024 with Council oversight and approval, Sph₂ere evolved into an internal communication channel. This will engage with those interested in hydrogen development, attract early career professionals potentially to convert them to members and/or customers for training, events and standards. Sph₂ere soft-launched in mid-December with future phases planned for early 2025.

The General Reserve is the free reserve, held at a value of up to approximately six months expenditure, held at £1,300,000 for the institution, which provides adequate resilience to maintain liquidity and mitigate risks. The Restricted Funds were repurposed to enable increased application of the funds in order to make proper use of them in line with their objectives.

Total funds held by the group at the end of the reporting period are £5,134,509. This is constituted of general, designated and restricted funds as detailed below.

Restricted	1,111,275
Designated	1,517,779
Fixed Assets	1,131,942
Free Reserves	1,373,513
	5,134,509

The expected timeframe of expenditure of the designated and restricted funds will be in line with the external environment of transition of energy over the decade to 2030.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2024

TRUSTEES' REPORT (CONTINUED)

The amount of reserves freely available to the charity, after allowing for restricted funds, committed expenditure, assets and designations are therefore greater than six months of expenditure and is in line with the reserve policy.

Further details of the funds held are included in Notes 19 and 20 to these financial statements.

Risk Management

The Audit & Risk Committee is responsible for providing a robust risk management framework with effective controls that are integrated to the operational management of the Institution. The committee oversees quality management and governance processes including health, safety and environment, quality assurance management system that complies with BS EN ISO 9001:2015 standard and also a comprehensive risk register to identify, monitor and improve controls embedded within the organisation. The risk register has undergone a full review and has been simplified into a new format that has dashboard views for headline risks.

Strategies for managing these risks include the maintenance of identified processes that specifically mitigate the risk and a regularly reviewed action plan that is considered to provide further mitigation.

The Secretariat are responsible for the identification of risks and the effectiveness of management action to mitigate adverse performance against the Business Plan.

The detailed planning and execution of objectives and actions, resulting from risk reviews, are managed at an operational level within the Secretariat and are overseen by the Executive Board. There is an integrated management system that links risks, strategies, objectives and actions, managed by the Chief Executive Officer.

As a part of the requirements of this Standard, internal audits have to be undertaken. There are four member auditors, sitting on Audit & Risk Committee and two staff auditors. There were eight audits planned and all have been completed in 2024. We also completed a deep dive into the risk register. The review resulted in six changes to the risk scores in which all were lowered. There were six risks reviewed which resulted in no change to risk score. Two risks were considered opportunities for improvement and removed from the risk register but entered on to the opportunities register.

Lloyds Register Quality Assurance is our Accreditor and there was a recertification audit completed in June. The two non-conformance from the last audit were closed off and no new non-conformances were raised. The audit outcome is the continued accreditation of IGEM's quality management system in compliance with BS EN ISO 9001-2015.

Provision of Information to the Auditor

So far as each of the Trustees are aware at the time the report is approved:

- There is no relevant audit information of which the charity's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the Council on 12 March 2025 and signed on its behalf.



David Tomkin
President

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

Opinion

We have audited the financial statements of The Institution of Gas Engineers and Managers (the "Parent Charity") and its subsidiaries (the "Group") for the year ended 31 December 2024 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated statement of cash flows 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 FRS 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 group and charity's affairs as at 31 December 2024 and of its incoming resources and application of resources 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 Charities Act 2011.

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 charity 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statement 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 charity'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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the financial statements. 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 course of 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees 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 charity'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 charity 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the charitable company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to completeness of income for the year.

Audit procedures performed included:

- review of the financial statement disclosures to underlying supporting documentation;
- testing of sales invoices to ensure revenue is recognised correctly within the financial statements;
- review of correspondence with and reports to the regulators, including correspondence on the Charity Commission;
- Enquiries of management in so far as they related to the financial statements, and
- testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

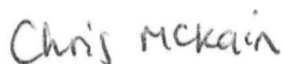
**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF THE INSTITUTION OF GAS ENGINEERS AND MANAGERS**

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Chris Mckain
(Senior Statutory Auditor)

For and on behalf of UHY Hacker Young
Chartered Accountants and Statutory Auditor

14 March 2025

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2024 £	TOTAL 2023 £
Incoming Resources						
Charitable Activities	2	2,806,047	103,872	378	2,910,297	2,472,014
Trading Activities	3	843,691	-	-	843,691	90,032
Investment Income	4	66,178	1,303	37,765	105,246	107,497
Total Incoming Resources		3,715,916	105,175	38,143	3,859,234	2,669,543
Resources Expended						
Raising Funds:						
Investment Manager Fees		5,033	-	2,845	7,878	7,449
Trading Expenditure	5	656,813	-	-	656,813	24,083
		661,846	-	2,845	664,691	31,532
Charitable Activities	6	2,930,348	202,536	98,983	3,231,867	2,800,457
Total Resources Expended		3,592,194	202,536	101,828	3,896,558	2,831,989
Net surplus / (deficit) pre fair value adjustments		123,722	(97,361)	(63,685)	(37,324)	(162,446)
Net gains on Investments	10	161,409	379	93,244	255,032	87,658
Net surplus / (deficit) before tax		285,131	(96,982)	29,559	217,708	(74,788)
Tax payable	11	(24,505)	-	-	(24,505)	-
Net surplus / (deficit)		260,626	(96,982)	29,559	193,203	(74,788)
Transfer between Funds		(229,380)	229,380	-	-	-
Net movement in Funds		31,246	132,398	29,559	193,203	(74,788)
Total Funds Brought Forward	20	2,474,209	1,385,381	1,081,716	4,941,306	5,016,094
Total Funds Carried Forward	20	2,505,455	1,517,779	1,111,275	5,134,509	4,941,306

The statement of financial activities includes gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 23 to 39 form part of these accounts.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2024

		2024	2023
		£	£
Fixed Assets			
Tangible	12	1,131,942	1,174,209
Investments	13	<u>3,864,049</u>	<u>3,849,601</u>
		4,995,991	5,023,810
Current Assets			
Debtors	14	977,192	504,165
Short Term Investments	15	1,493	6,610
Cash at bank and in Hand	16	<u>2,229,727</u>	<u>356,136</u>
		3,208,412	866,911
Creditors: amounts falling due within one year	17	<u>(3,069,894)</u>	<u>(949,415)</u>
Net Current Assets/(Liabilities)		138,518	(82,504)
Net Assets		<u><u>5,134,509</u></u>	<u><u>4,941,306</u></u>
FUNDS			
Unrestricted	20	2,505,455	2,474,209
Restricted	20	1,111,275	1,081,716
Designated	20	<u>1,517,779</u>	<u>1,385,381</u>
		<u><u>5,134,509</u></u>	<u><u>4,941,306</u></u>

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on 12 March 2025.



David Tomkin
President

The notes on pages 23 to 39 form part of these accounts.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CHARITY BALANCE SHEET
YEAR ENDED 31 DECEMBER 2024

		2024	2023
		£	£
Fixed Assets			
Tangible	12	1,131,942	1,174,209
Investments	13	<u>3,865,149</u>	<u>3,850,601</u>
		4,997,091	5,024,810
Current Assets			
Debtors	14	532,450	502,847
Short Term Investments	15	1,493	6,610
Cash at bank and in Hand	16	<u>529,485</u>	<u>308,658</u>
		1,063,428	818,115
Creditors: amounts falling due within one year	17	<u>(1,040,953)</u>	<u>(943,047)</u>
Net Current Assets/(Liabilities)		22,475	(124,932)
Net Assets		<u><u>5,019,566</u></u>	<u><u>4,899,878</u></u>
FUNDS			
Unrestricted	20	2,431,942	2,474,209
Restricted	20	1,081,810	1,052,761
Designated	20	<u>1,505,814</u>	<u>1,372,908</u>
		<u><u>5,019,566</u></u>	<u><u>4,899,878</u></u>

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on 12 March 2025.



David Tomkin
President

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	2023 £
Net cash inflow / (outflow) from operating activities	23	<u>1,522,643</u>	<u>(211,398)</u>
Cash flows from Investing Activities:			
Dividends & Interest received		105,246	107,497
Purchase of investments		(16,778)	(16,516)
Proceeds from sale of investments		<u>257,363</u>	<u>6,753</u>
Net cash in from investing activities		<u>345,831</u>	<u>97,734</u>
 Increase / (decrease) in cash and cash equivalents in the reporting period		 1,868,474	 (113,664)
 Cash and cash equivalent at the beginning of the reporting period		 <u>362,746</u>	 <u>476,410</u>
Cash and cash equivalent at the end of the reporting period		<u>2,231,220</u>	<u>362,746</u>
 Relating to:			
Cash at Bank and in hand		2,229,727	356,136
Short Term Investments		<u>1,493</u>	<u>6,610</u>
		<u>2,231,220</u>	<u>362,746</u>

The notes on pages 23 to 39 form part of these accounts.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

1 ACCOUNTING POLICIES

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Institution constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Institution's ability to continue as a going concern.

There are no significant areas of adjustment or key assumptions that affect items in the accounts.

(b) Group financial statements

These financial statements consolidate the results of the charity, its wholly-owned subsidiaries, IGEM House Ltd and IGEM Future Energy Networks Ltd; and the Scholarships, Medals, Prizes and Lectureship Fund, the History Fund and the Institution of Gas Engineers (Scottish Section) Benevolent and Education Funds, which are separate charities, on a line by line basis. A separate Statement of Financial Activities (SOFA) for the Institution alone is not presented because the charity has taken advantage of the provisions to not disclose.

(c) Funds accounting

Funds held by the charity are:

Unrestricted general funds - these funds can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds - these are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

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

(d) Incoming resources

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

Voluntary income is accounted for when received. Incoming resources represents the amount receivable during the year in respect of subscriptions, fees and other income.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Where income is received in advance of performance, its recognition is deferred and included in creditors until the contract is performed. Membership subscriptions received in advance are deferred and included in creditors.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

1 ACCOUNTING POLICIES (continued)

(e) Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- costs of raising funds include those costs incurred in the management of the charity's investment portfolio; and
- charitable activities include expenditure associated with the objects of the charity and include direct costs and support costs associated to these activities.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(f) Tangible Fixed Assets and Depreciation

Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided to write off the cost of fixed assets to their residual value evenly over their estimated useful lives, which are as follows:-

Freehold property	50 years
Fixtures & Fittings	7 years
Computer equipment	3 years

(g) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of financial activities.

(h) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(i) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

1 ACCOUNTING POLICIES (continued)

(i) Realised gains and losses (continued)

are calculated as the difference between the fair value at the year-end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(j) Heritage assets

The Institution possesses a collection of regalia and memorabilia, and a collection of library books. These items are held for the furtherance of the Institution's objects and are considered heritage assets.

Where heritage assets are donated, the Trustees consider that in the absence of reliable cost information, the expense of determining a reliable valuation of these artefacts is onerous compared with the additional benefit derived by users of the accounts in assessing the Trustees' stewardship of the assets. Heritage assets are gifted and are therefore excluded from the balance sheet in accordance with paragraph 18.14 of the SORP. Where heritage assets are purchased, the purchase costs are capitalised in the balance sheet.

(k) Cash and cash equivalents

Cash and cash equivalents include cash at bank and cash in hand as well as short-term highly liquid investments with a short maturity (recognised within short-term investments).

(l) Pensions

The Institution makes payments to defined contribution pension schemes on behalf of qualifying employees. Such contributions are charged in the Statement of Financial Activities when made. The contributions are invested separately from the Institution's assets.

(m) Operating leases

Operating lease rentals are charged on a straight-line basis over the lease term.

(n) Corporation tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. However, one of the subsidiaries has elected to not gift-aid any surplus to the parent charity and as such, incurs corporation tax on the company's taxable income.

(o) Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

(p) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Trustees consider that there are no material judgements or estimates.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

2 CHARITABLE ACTIVITIES

Activities in the furtherance of the charity's objectives.

	Unrestricted	Designated	Restricted	Total 2024	Total 2023
	£	£	£	£	£
Membership	981,594	-	-	981,594	893,899
Technical	1,361,664	-	-	1,361,664	1,130,034
Conferences & Events	347,505	-	-	347,505	289,836
Journal	115,284	-	-	115,284	81,559
Sections (Excl Scottish Section)	-	101,133	-	101,133	72,591
Scottish Section	-	2,739	-	2,739	2,807
History Fund	-	-	378	378	1,288
	2,806,047	103,872	378	2,910,297	2,472,014

In 2023, of total income from charitable activities, £2,395,328 was to unrestricted funds, £75,398 was to designated funds and £1,288 was to restricted funds.

3 TRADING INCOME

	Unrestricted	Designated	Restricted	Total 2024	Total 2023
	£	£	£	£	£
Conference income	46,336	-	-	46,336	90,032
Subscriptions and project income	797,355	-	-	797,355	-
	843,691	-	-	843,691	90,032

In 2023, trading income of £90,032 was unrestricted funds.

4 INVESTMENTS

Investment Income	Unrestricted	Designated	Restricted	Total 2024	Total 2023
	£	£	£	£	£
Bank Interest	299	265	452	1,016	1,414
Dividends and interest from investments	65,879	1,038	37,313	104,230	106,083
	66,178	1,303	37,765	105,246	107,497

In 2023, of total income from investments, £68,895 was to unrestricted funds, £1,022 was to designated funds and £37,580 was to restricted funds.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

5 TRADING EXPENDITURE

	Staff Costs	Other Costs	Support and Governance	Total 2024	Total 2023
	£	£	£	£	£
General Funds	197,085	451,028	8,700	656,813	24,083
	197,085	451,028	8,700	656,813	24,083

6 CHARITABLE EXPENDITURE

Cost of activities in the furtherance of the objectives of the charity

	Staff Costs	Other Costs	Support and Governance Costs (note 7)	Total 2024	Total 2023
	£	£	£	£	£
General Funds:					
Membership	228,086	112,352	173,860	514,298	468,834
Technical	330,505	584,739	241,179	1,156,423	814,737
Conferences, Events, Marketing & Media	322,267	270,187	61,550	654,004	589,429
Journal	61,435	170,658	20,419	252,512	219,230
Facilities	35,428	90,164	17,913	143,505	123,416
Establishment	164,480	45,126	-	209,606	203,104
	1,142,201	1,273,226	514,921	2,930,348	2,418,750
Designated Funds:					
Section Expenditure	-	102,111	-	102,111	75,965
Development	-	100,425	-	100,425	115,966
Property Maintenance	-	-	-	-	13,052
	-	202,536	-	202,536	204,983
Restricted Funds:					
Scholarships & Medals	-	68,135	-	68,135	76,021
Gas Innovation	-	23,117	-	23,117	50,690
Hydrogen Standards Innovation	-	7,411	-	7,411	42,798
GIUSP	-	-	-	-	7,000
History	-	320	-	320	215
	-	98,983	-	98,983	176,724
	1,142,201	1,574,745	514,921	3,231,867	2,800,457

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

7 SUPPORT AND GOVERNANCE COSTS

	Staff Costs £	Other Costs £	Total 2024 £	Total 2023 £
<u>General & Support Costs:</u>				
Central Support	224,792	60,704	285,496	234,327
Legal and Professional Fees	-	6,889	6,889	3,263
Council Meetings & Staff Expenses	-	12,877	12,877	4,838
Bank & Credit Charges	-	37,760	37,760	30,593
Sundry	-	(13,749)	(13,749)	18,943
Postage & Telephone	-	27,225	27,225	27,718
Printing & Stationery	-	3,109	3,109	4,385
Computer Expenses	-	97,993	97,993	75,255
Subscriptions and Other Costs	-	4,567	4,567	5,889
Irrecoverable VAT	-	19,725	19,725	17,486
<u>Governance Costs:</u>				
Audit & Accountancy Fees	-	12,591	12,591	13,785
Council and Trustee Expenses	-	20,438	20,438	18,734
	224,792	290,129	514,921	455,216

The Institution initially identifies the costs of its support functions. It then identifies those costs that relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the five key charitable activities undertaken (see note 5) in the year, based on the income generated for these charitable activities.

8 NET OUTGOING RESOURCES

This is stated after charging:

	2024 £	2023 £
Depreciation of Tangible Fixed Assets	42,267	42,410
Operating Lease Rentals	26,932	2,148
Audit fee	19,500	13,000
Non-audit fees	2,593	-

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

9 STAFF COSTS

The average monthly number of employees during the year was:

	2024	2023
	No.	No.
Office and Management	32	26

	2024	2023
	£	£
Staff Costs:		
Direct Salaries	1,268,624	954,751
National Insurance Contributions	133,720	88,414
Pension Contributions	161,734	122,833
	<u>1,564,078</u>	<u>1,165,998</u>

The number of employees whose emoluments as defined for taxation purposes amounting to over £60,000 in the year was as follows:

	2024	2023
	No.	No.
£60,000 to £70,000	-	1
£70,000 to £80,000	2	1
£80,000 to £90,000	2	-
£120,000 to £130,000	-	1
£130,000 to £140,000	1	-

Pension contributions relating to those staff earning over £60,000 totalled £33,800 (2023: £23,607).

The Trustees and members of the Council received no remuneration during the year but travel expenses of £20,438 were paid to 5 council members (2023: £9,679 to 4 council members).

The Institution considers its key management personnel to comprise the Chief Executive Officer and the senior management team. The total employment benefits including employer pension contributions of the five (2023: five) key management personnel were £618,328 (2023: £485,243).

10 NET GAINS ON INVESTMENT ASSETS

	Unrestricted Funds	Restricted Funds	Designated Funds	Total 2024	Total 2023
	£	£	£	£	£
Gains on disposals	40,363	206	-	40,569	646
Net unrealised gains on revaluation to market value	<u>121,046</u>	<u>93,038</u>	<u>379</u>	<u>214,463</u>	<u>87,012</u>
	<u>161,409</u>	<u>93,244</u>	<u>379</u>	<u>255,032</u>	<u>87,658</u>

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

11 TAXATION

	2024 £	2023 £
Current tax:		
UK corporation tax on profits for the current period	<u>24,505</u>	-
Total tax charge	<u><u>24,505</u></u>	<u>-</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2024 £	2023 £
Surplus/(deficit) before taxation	<u>217,708</u>	<u>(74,788)</u>
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 25.00% (2023: 23.50%)	54,427	(17,575)
Items not subject to tax	<u>(29,922)</u>	<u>17,575</u>
Taxation charge for the year	<u><u>24,505</u></u>	<u><u>-</u></u>

12 TANGIBLE FIXED ASSETS

Group and Institution

Tangible Fixed Assets	Land & Buildings £	Office Equipment £	Total £
Cost			
At 1 January 2024	1,403,613	396,042	1,799,655
At 31 December 2024	<u>1,403,613</u>	<u>396,042</u>	<u>1,799,655</u>
Depreciation			
At 1 January 2024	326,574	298,872	625,446
Charge for the Year	<u>24,753</u>	<u>17,514</u>	<u>42,267</u>
At 31 December 2024	<u>351,327</u>	<u>316,386</u>	<u>667,713</u>
Net Book Amount			
At 31 December 2024	<u><u>1,052,286</u></u>	<u><u>79,656</u></u>	<u><u>1,131,942</u></u>
At 31 December 2023	<u>1,077,039</u>	<u>97,170</u>	<u>1,174,209</u>

Land and Buildings include land valued at £300,000 which is not depreciated.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

12. TANGIBLE FIXED ASSETS (continued)

Regalia, memorabilia and library collection of books – Heritage assets

The Institution has in its possession items gifted to it that comprises of regalia, memorabilia and a library collection of books, which have historical qualities and are held principally for their contribution to knowledge and therefore met the criteria for heritage assets.

These assets have not been included on the balance sheet as the information on their cost or valuation is not available, as these items were gifted to the Institution, and the information cannot be obtained at a cost commensurate with the benefit derived from obtaining this information. This is due to these items being unique and therefore a market value cannot be obtained, as their value would differ dependent on the user.

These regalia and memorabilia items are insured at a cumulative value of £322,567 (2023: £307,200). While the collection of library books has an insurance value of £67,593 (2023: £64,717).

13 INVESTMENTS

Group
Quoted Investments

	Unrestricted & Designated	Restricted	Total 2024	Total 2023
	£	£	£	£
Market Value at 1 January 2024	2,486,787	1,362,814	3,849,601	3,752,180
Additions	-	16,778	16,778	16,516
Disposals	(215,558)	(1,236)	(216,794)	(6,107)
Revaluation to market value	121,426	93,038	214,464	87,012
Market Value at 31 December 2024	<u>2,392,655</u>	<u>1,471,394</u>	<u>3,864,049</u>	<u>3,849,601</u>
Historical Cost at 31 December 2024	<u>1,965,295</u>	<u>1,214,224</u>	<u>3,179,519</u>	<u>3,379,536</u>

The Investments are split as follows

Rathbones Core Investment Fund for Charities	2,378,024	1,471,394	3,849,418	3,835,350
M&G Investments	14,631	-	14,631	14,251
	<u>2,392,655</u>	<u>1,471,394</u>	<u>3,864,049</u>	<u>3,849,601</u>

Institution

	Unrestricted & Designated	Restricted	Total 2024	Total 2023
	£	£	£	£
Quoted Investments	2,392,655	1,471,394	3,864,049	3,849,601
IGEM House Ltd	1,000	-	1,000	1,000
IGEM Future Energy Networks Ltd	100	-	100	-
	<u>2,393,755</u>	<u>1,471,394</u>	<u>3,865,149</u>	<u>3,850,601</u>

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

13. INVESTMENTS (continued)

Holdings in excess of 5% of the total market value:

Rathbones Core Investment Fund for Charities 99.6%

IGEM House Ltd, a wholly owned subsidiary of the Institution, was incorporated to carry out the commercial activities of the Institution.

IGEM Future Energy Networks Ltd, a wholly owned subsidiary of the Institution, was incorporated to carry out the management of the transition towards building the energy networks of the future.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The main risk to the Institution from financial instruments lies in the combination of uncertain investment markets and volatility in yield.

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so their ability to buy and sell quoted equities and stock is anticipated to continue. The Institution's investments are mainly traded in markets with good liquidity and high trading volumes.

The Institution has no material investment holdings in markets subject to exchange controls or trading restrictions. The Institution does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer-term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5-year period will normally be corrected.

14 DEBTORS

	Group		Institution	
	2024	2023	2024	2023
	£	£	£	£
Due within one year				
Trade Debtors	867,047	426,400	459,947	387,732
Amounts due from Group				
Undertakings	-	-	19,463	37,350
Prepayments & Accrued Income	110,145	77,765	53,040	77,765
	977,192	504,165	532,450	502,847

15 SHORT TERM INVESTMENTS

Short term investments represent uninvested cash funds and are held in interest-bearing bank accounts.

Group and Institution

	Unrestricted	Restricted	Total	Total
	£	£	2024	2023
	£	£	£	£
Income and Capital Account	987	506	1,493	610
Money Market Account	-	-	-	6,000
	987	506	1,493	6,610

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

16 CASH AT BANK AND IN HAND

	Group		Institution	
	2024	2023	2024	2023
	£	£	£	£
Unrestricted	2,144,544	273,360	485,757	267,342
Designated	55,693	53,789	43,728	41,316
Restricted	29,490	28,987	-	-
	<u>2,229,727</u>	<u>356,136</u>	<u>529,485</u>	<u>308,658</u>

17 CREDITORS

	Group		Institution	
	2024	2023	2024	2023
	£	£	£	£
Due within one year				
Trade Creditors	313,443	198,919	95,441	198,300
Corporation tax	24,505	-	-	-
Other Tax and Social Security	388,010	68,105	113,396	64,003
Other Creditors	22,885	15,135	22,885	15,136
Accruals and Deferred income	2,321,051	667,256	809,231	665,608
	<u>3,069,894</u>	<u>949,415</u>	<u>1,040,953</u>	<u>943,047</u>

18 DEFERRED INCOME

Group and Institution

Movements in Deferred Income:	£	£
	Group	Institution
Balance at 1 January 2024	538,845	538,845
Released during the year	(663,964)	(663,964)
Deferred during the year	<u>2,233,171</u>	<u>764,727</u>
Balance at 31 December 2024	<u>2,108,052</u>	<u>639,608</u>

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

18. DEFERRED INCOME (continued)

	Group		Institution	
	2024	2023	2024	2023
	£	£	£	£
Deferred Income is made up of:				
Membership Income received in advance	423,058	307,540	423,058	307,540
Event Income received in advance	26,380	48,315	26,380	48,315
Technical Income received in advance	174,984	148,977	174,984	148,977
Hydrogen Knowledge Centre received in advance		12,750	-	12,750
History Fund Income received in advance	24	32	24	32
Journal Income received in advance	15,162	17,606	15,162	17,606
Section Income received in advance	-	3,625	-	3,625
Subscription/Project Income received in advance	1,468,444	-	-	-
	<u>2,108,052</u>	<u>538,845</u>	<u>639,608</u>	<u>538,845</u>

Membership income received in advance relates to subscriptions received in the current year that relate to the year to December 2025. Other income received in advance relates to journal advertising income and History Fund income received in the current year that relate to the year to December 2025. Subscription/project income relates to subscription income received in the current year that relates to the year to December 2025 and project income relating to the 2025 year.

19 FUNDS

Restricted

1. Scholarship, Medals, Prizes and Lectureship Fund

This restricted fund has various scholarship, medals, prizes and lectureship funds that have been previously donated by individuals and organisations, and are consolidated into this fund. The objects of the fund are to further education and knowledge in gas engineering and management (in particular but not exclusively by the award of medals, scholarships, prizes, and lectureships) and in the provision of other learning opportunities and events.

2. History Fund

The purpose of this fund is to promote public education and research into the history of the gas industry and publish the useful results of such research. The Panel for the History of the Industry administers the fund and, amongst its other activities, it produces a quarterly newsletter, *Historic Gas Times*.

3. Gas Innovation Fund (previously LNG Fund)

The surplus from the 11th LNG International Conference and Exhibition held in 1995 has been donated to the Institution used for educational purposes and research into technical and commercial applications of gas such as Liquid Natural Gas, Hydrogen and Methane etc.

4. Scottish Section Education Fund

This fund exists to sponsor a travelling scholarship, awarded from time to time by the Scottish section.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

19. FUNDS (continued)

5. Gas Industry Unsafe Procedures (GIUSP)

Gainshare funding of £45,000 has been received in 2017 for IGEM to review and manage the Gas Industry Unsafe Situation Procedures over the next seven years.

6. Hydrogen Standards Innovation Fund

This fund was created in 2020 to fund research activities to enable Hydrogen Standards to be written. IGEM has contributed £100,000 from the Development Fund as a commitment to initiate the fund and further funding has been received from industry network partners.

Designated

1. Development Fund

The Institution has set up a fund to promote the commercial development of the Institution in line with its charitable objectives, to facilitate investment into future sustainability and the energy transformation that is facing the industry. The previously designated International Development Fund has now been incorporated into here.

2. Sections

The Institution has affiliated Sections that have a uniform constitution agreed by the Council and the same charity registration number as the Institution. Grants are sometimes allocated to the Sections. Funds held by Sections are designated for the development of the Institution's activities in the regions.

3. Property maintenance reserve

The Institution has set up a fund for refurbishments in order to maintain the value and use of the property.

Unrestricted

This is expendable at the discretion of the Trustees. It ensures that services are not interrupted in the event of a sudden loss of income or unexpected expenditure. It includes the operating activities of the Institution in addition to the operating results of IGEM House Ltd and IGEM Future Energy Networks Ltd.

Property and assets represent the net book value of fixed asset acquired and funded from the Charity's unrestricted funds.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

20 MOVEMENT OF FUNDS

	Balance at 1st Jan 2024	Income	Expenditure	Investment movement	Transfers	Balance at 31st Dec 2024
Unrestricted Funds						
Group and Institution						
General Reserve	1,300,000	3,715,916	(3,616,699)	161,409	(187,113)	1,373,513
Property and Assets	1,174,209	-	-	-	(42,267)	1,131,942
	2,474,209	3,715,916	(3,616,699)	161,409	(229,380)	2,505,455
Restricted Funds						
Institution						
Scholarships & Medals Fund	527,949	19,138	(69,595)	47,898	-	525,390
Gas Innovation Fund	517,401	18,175	(24,502)	45,346	-	556,420
Hydrogen Standards Innovation Fund	7,411	-	(7,411)	-	-	-
Group (including above)						
History Fund	8,227	378	(320)	-	-	8,285
Scottish Section	20,728	452	-	-	-	21,180
	1,081,716	38,143	(101,828)	93,244	-	1,111,275
Designated Funds						
Institution						
Development	1,102,616	-	(100,425)	-	229,380	1,231,571
Property Maintenance Reserve	136,948	-	-	-	-	136,948
Sections:						
Northeast & Yorkshire	12,686	12,676	(13,827)	-	-	11,535
Welsh	19,749	13,088	(14,029)	379	-	19,187
Midlands	24,107	900	(4,986)	-	-	20,021
North West	10,617	10,406	(11,797)	-	-	9,226
Far East	41,317	43,201	(40,790)	-	-	43,728
London, Southern & Eastern	3,863	5,891	(5,194)	-	-	4,560
South West	4,755	1,140	(952)	-	-	4,943
Irish	4,170	-	-	-	-	4,170
Industrial Affiliates	5,413	3,200	(2,445)	-	-	6,168
Young Persons Network	6,667	11,934	(4,844)	-	-	13,757
Group (including above)						
Scottish	12,473	2,739	(3,247)	-	-	11,965
	1,385,381	105,175	(202,536)	379	229,380	1,517,779
	4,941,306	3,859,234	(3,921,063)	255,032	-	5,134,509

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

20.MOVEMENT OF FUNDS (continued)
PRIOR YEAR COMPARATIVE

	Balance at 1st Jan 2023	Income	Expenditure	Investment movement	Transfers	Balance at 31st Dec 2023
Unrestricted Funds						
Group and Institution						
General Reserve	900,000	2,554,255	(2,405,239)	56,917	194,067	1,300,000
Property and Assets	1,216,619	-	(42,410)	-	-	1,174,209
	2,116,619	2,554,255	(2,447,649)	56,917	194,067	2,474,209
Restricted Funds						
Institution						
Scholarships & Medals Fund	569,816	19,346	(77,393)	16,180	-	527,949
Gas Innovation Fund	536,109	17,871	(51,951)	15,372	-	517,401
Hydrogen Standards Innovation Fund	50,209	-	(42,798)	-	-	7,411
GIUSP	7,000	-	(7,000)	-	-	-
Group (including above)						
History Fund	7,154	1,288	(215)	-	-	8,227
Scottish Section	20,365	363	-	-	-	20,728
	1,190,653	38,868	(179,357)	31,552	-	1,081,716
Designated Funds						
Institution						
Development	1,412,650	-	(115,967)	-	(194,067)	1,102,616
Property Maintenance Reserve	150,000	-	(13,052)	-	-	136,948
Sections:						
Northeast & Yorkshire	11,420	13,819	(12,553)	-	-	12,686
Welsh	18,736	13,739	(11,915)	(811)	-	19,749
Midlands	26,990	-	(2,883)	-	-	24,107
North West	12,066	8,252	(9,701)	-	-	10,617
Far East	41,877	21,607	(22,167)	-	-	41,317
London, Southern & Eastern	5,659	4,785	(6,581)	-	-	3,863
South West	5,243	2,110	(2,598)	-	-	4,755
Irish	4,170	-	-	-	-	4,170
Industrial Affiliates	6,758	3,300	(4,645)	-	-	5,413
Young Persons Network	833	6,000	(166)	-	-	6,667
Group (including above)						
Scottish	12,420	2,808	(2,755)	-	-	12,473
	1,708,822	76,420	(204,983)	(811)	(194,067)	1,385,381
	5,016,094	2,669,543	(2,831,989)	87,658	-	4,941,306

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted/ Designated Funds £	Restricted Funds £	Total 2024 £
Fund Balances at 31 December 2024 are represented by:			
Tangible fixed assets	1,131,942	-	1,131,942
Investments	2,392,655	1,471,394	3,864,049
Cash and short term investments	2,201,224	29,996	2,231,220
Net current liabilities	(1,702,587)	(390,115)	(2,092,702)
Total net assets	4,023,234	1,111,275	5,134,509

	Unrestricted/ Designated Funds £	Restricted Funds £	Total 2023 £
Fund balances at 31 December 2023 are represented by:			
Tangible fixed assets	1,174,209	-	1,174,209
Investments	2,486,787	1,362,814	3,849,601
Cash and short term investments	333,247	29,499	362,746
Net current liabilities	(134,653)	(310,597)	(445,250)
Total net assets	3,859,590	1,081,716	4,941,306

22 COMMITMENTS UNDER OPERATING LEASES

As at 31 December 2024 the Group and Institution had commitments under operating leases as follows:

	2024 £	Other 2023 £
Group and Institution		
Within one year	707	1,670
Between two and five years	1,591	-
	2,298	1,670

In January 2025, IGEM Future Energy Networks Ltd signed a 24-month operating lease for office space which represents a commitment of £66,480 per annum.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

23 RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£	£
Net income / (expenditure) for the reporting period	193,203	(74,788)
Adjustments for:		
Depreciation charges	42,267	42,410
Taxation charged	24,505	-
Gain on disposal of Investments	(40,569)	(646)
Fair value movement on investments	(214,463)	(87,012)
Dividends, interest and rents from investments	(105,246)	(107,497)
(Increase) in debtors	(473,027)	(172,777)
Increase in creditors	2,095,973	188,912
Cash inflow / (used) from Operations	1,522,643	(211,398)

24 ANALYSIS OF NET DEBT

	1 January 2024 £	Cash flows £	31 December 2024 £
Short term investments	6,610	(5,117)	1,493
Cash	356,136	1,873,591	2,229,727
Total net debt	362,746	1,868,474	2,231,220

25 RELATED PARTY TRANSACTIONS

The group and the institution have taken advantage of the exemption available under section 1AC.35 of FRS 102, from disclosing transactions entered into between two or more wholly owned members of the group.

26 CONSOLIDATED ENTITIES

The entities included in the consolidation are:

The History Fund – charity number 287678 – incorporated in England and Wales
IGEM House Ltd (100% owned) – company number 03093169 – incorporated in England and Wales
Institution of Gas Engineers (Scottish Section) Benevolent and Education Fund - charity number SC006601
– incorporated in Scotland
IGEM Future Energy Networks Ltd (100% owned) – company number 15730432 – incorporated in England and Wales

The charity's financial statements include those of the Institution of Gas Engineers and Managers Scholarships, Medals, Prizes and Lectureships Fund - charity number 214011-11 - registered in England and Wales.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2024

27 FINANCIAL INSTRUMENTS

The Group's financial instruments may be analysed as follows:

	2024	2023
	£	£
Financial assets		
Financial assets measured at amortised cost	3,098,267	789,146
	<u> </u>	<u> </u>
Financial liabilities		
Financial liabilities measured at amortised cost	2,657,379	881,310
	<u> </u>	<u> </u>

Financial assets measured at amortised cost comprise cash at bank, trade debtors and short-term investments.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

BACK COVER

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

England & Wales - Charity number 214011

Accounts

Registered Charity Number: 214011

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

Trustees' Report and Financial Statements

Year Ended 31 December 2023

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

CONTENTS

	Page
Legal and Administrative Information	3 - 4
Trustees' Report	5 – 14
Statement of Trustees' Responsibilities	15
Independent Auditor's Report	16 – 18
Consolidated Statement of Financial Activities	19
Consolidated Balance Sheet	20
Charity Balance Sheet	21
Consolidated Statement of Cash Flows	22
Notes to the Financial Statements	23 – 39

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

LEGAL AND ADMINISTRATIVE INFORMATION

Officers and Council Members as at 31st December 2023:

President	Andrew Musgrave CEng FIGEM	
Past President	David Parkin CEng FIGEM	
President Elect	David Tomkin CEng FIGEM	
Vice President	Sarah Williams MIGEM	
Honorary Secretary*	Benjamin Clarke CEng MIET FIGEM	
Chief Executive*	Oliver Lancaster BSc MSc FGS EngTech FIGEM	
Ordinary Members	Paul Denniff CEng MIMechE FIGEM Jordan Rowbottom CEng FIGEM Chi Kin Peter Chak BSc CEng FIGEM Lucy Ritchie MIGEM Gordon McMillan AIGEM Darren Elsom IEng FIGEM Nicola Evans CEng MIGEM Adam Madgett EngTech TMIET MIGEM Earl Richards EngTech MIGEM Sikander Mahmood IEng MIMechE AIGEM Thomas James CEng MIGEM	
Section Members	Heng Xiang Zhou CEng MIGEM Conor O'Reilly CEng MIGEM Simon Joyce IEng MIGEM Peter Sykes-Tucker CEng MIGEM Lynsey Stevenson CEng MIMechE MIGEM Nick Jerman EngTech MIGEM David Frost CEng MIGEM Henry James GradIGEM Josh Williams-Trim EngTech MIGEM Harriet Guiry GradIGEM Tony Wimpenny BEng MSc	Far East Irish London, Southern & Eastern Midlands North East & Yorkshire North West Scottish Welsh South West Young Persons Section Company Members
Co-opted Members*	Hilary Buxton CEng FIMechE HonFIGEM* Christopher Gorman CEng HonFIGEM* Sheila Lauchlan BSc CEng FIGEM* Michael Blake CEng MIMechE MIGEM* Bridget Hartley CEng MIGEM*	

*denotes Non-Trustee

Also, Trustees for the period to 10th May 2023:

David McLeod CEng MIGEM
Bridget Hartley CEng MIGEM
Steve Critchlow EngTech FIGEM
Michael Blake CEng MIMechE MIGEM
Tim Roff CEng MICE FIGEM
Lewis Watts CEng MWeldI MIGEM
Kyle Lewis MIGEM
Tom Stuart EngTech
Matthew Kluwe AIGEM
Andrew Jones CEng

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

LEGAL AND ADMINISTRATIVE INFORMATION

Secretariat Senior Staff

Chief Executive Officer	Oliver Lancaster BSc MSc FGS EngTech FIGEM
Head of Technical Services & Policy	Ian McCluskey BEng CEng FIMechE FIGEM
Head of Finance	Yusuf Girach FCCA
Head of Membership Services	Claire McHugh BA(Hons) AIGEM
Head of Corporate Affairs and Operations	Carl Stokes AIGEM

Charity Number 214011

Registered Office Institution of Gas Engineers and Managers
IGEM House
26 & 28 High Street
Kegworth
Derbyshire
DE74 2DA

Auditors UHY Hacker Young
14 Park Row
Nottingham
NG1 6GR

Bankers HSBC Bank Plc
117 Great Portland Street
London
W1W 6QJ

Solicitors Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

Investment Managers Rathbones Investment Management
8 Finsbury Circus
London
EC2M 7A

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2023

TRUSTEES' REPORT

The Trustees of the Institution of Gas Engineers and Managers ("IGEM") present their report and audited financial statements for the year ended 31 December 2023. The financial statements comply with the Institution's Royal Charter, applicable Companies and Charities Acts and the Charities Statement of Recommended Practice issued in October 2019. The Trustees consider that they have complied with their duties under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Objectives and Activities

IGEM has a significant opportunity to lead an ambitious response from our sector to engineer a sustainable gas future and help mitigate the impacts of climate change. IGEM needs to influence and keep in step with the evolving landscape, and our Ambition, Priorities and Values will help deliver this for both our members and broader society for the gas system of today and tomorrow.

We have embarked upon a new business plan covering the period 2023-2028 inclusive, which includes a critical timeframe of both regulatory and policy decisions that are expected to determine, and hopefully secure, the long-term direction of our industry.

We recently consolidated IGEM's focus and the way we go about our business – our identity – which is at our core as we serve our members and deliver our strategy.

Our Ambition is to be the world's leading institution for gas professionals, advancing the safety, reliability and sustainability of energy.

Our Priorities are core to our operation, supporting the delivery of our strategy for societal benefit:

- Promote, inspire and support the attainment and maintenance of the highest standards of professional competence and excellence through the provision of high-quality products and services;
- Design the gas system of the future, by leaning on our rich history and in leading the transition from fossil fuels to net zero, with low carbon gases as a critical part of a secure, whole energy system;
- Provide personal and professional development for members and staff to grow their skills and reach their full potential in a supportive and diverse business environment;
- Engage stakeholders and listen, advise and influence; developing innovation partnerships to build informed analysis and evidence; and
- Ensure our governance framework is robust and fit for purpose to allow our charitable objectives to be conducted effectively and efficiently.

Our Values define our professionalism and behaviours. They reflect on our performance as a business and how we interact with members, colleagues, partners and customers:

- Excellence: to confidently and competently achieve, and help others achieve, the very highest standards.
- Integrity: doing the right thing based on core moral and ethical convictions;
- Respect: trusting, valuing and appreciating the work of colleagues, members, volunteers and stakeholders independent of their position or background;
- Open Mindedness: having an unprejudiced mindset that is receptive to new ideas and opinions that may differ to your own; and
- Innovative: cultivate a community of engaged members and partners to undertake informed analysis and develop robust evidence to advise, influence and improve gas policy for public benefit.

Our business plan pushes stronger in some of our current delivery areas, but has importantly introduced new activities to push the boundaries and grow the membership, revenue and impact of the Institution. Key activities continue, which includes recruitment and retention of members, as well as provision of training and services to members and the wider industry to support members' continuing professional development, through the Gi journal, website, communications,

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2023

TRUSTEES' REPORT

conferences, lectures and technical training. In addition, technical advancement is achieved through review and development of Industry Standards and recommendations, research, networking and support.

We have been delighted to see, as a result of our efforts, supported very much by our new website, the record growth in numbers of individual members in a year since modern records began in 2009. We also see a continued growth in Company Members and have the most we've ever had in IGEM.

The Sections within IGEM's membership deliver varied programmes of events encompassing technical visits and paper evenings as well as networking and social activities. Several of these activities are international.

Public Benefit Statement

We have referred to the guidance contained in the Charity Commission's general guidance of public benefit when considering our Ambition, Priorities and Values and in planning our future activities. In particular, the Trustees routinely consider how planned activities will contribute to the Ambition, Priorities and Values they have set.

IGEM delivers benefits for Society by applying expertise and experience to make an influential contribution to solving pressing energy challenges in areas such as safety, security, affordability and sustainability, often by collaborating openly to enable effective action. We also effect positive change by supporting the development of gas engineering professionals as credible participants in a wider community of technical practitioners.

Our main objectives for the year continued to be the promotion of engineering science as applied to the broad gas industry; and to improve and elevate the technical knowledge of those engaged in the profession of gas engineering. The strategies we used to meet these objectives included:

- Ensuring the competence of practising gas engineers through a pathway for recognition, including registration with the Engineering Council;
- Providing members with continuing professional development opportunities including free access to mentoring and support towards advancement through grades of membership;
- Providing awareness of technical developments and innovations through publications, conferences and events, at both national and local level;
- Utilising technical expertise to advise and support the Government's policies on Net Zero, specifically developing technical standards and responding to consultations influencing statutory regulation;
- Continuing to develop and publish peer reviewed Industry Standards aimed at enhancing the procedures for the safe use of natural gas and hydrogen in the areas of transmission, distribution, utilisation and metering;
- Securing approval to be an authoriser of recognised training providers;
- Working with skills partners to approve apprenticeships that lead to qualified gas technicians;
- Provision of scholarships and grants to individuals and companies undertaking research, development and innovation, where their area of interest furthers the objectives of the charity;
- Ensuring a selection of free and discounted provision of services are offered within membership services, event placements and access to Technical Standards;
- Auditing and authorisation of approved gas industry training providers; and
- Extending our reach by developing support for new sectors and in developing relationships with India, Australia and Sweden.

Our public benefit activities focus on the safe passage of gas through the supply chains through to safe use by the public and by industrial customers, as well as the planning for their future energy needs as part of an affordable, just and secure transition. These activities include competence assessment, provision of opportunities for the continued demonstration of competence through personal professional development for our members, and those in the wider gas industry. In addition, we support, showcase and finance research, such as Carbon Monoxide and net zero policy research.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2023

TRUSTEES' REPORT

Structure, Governance and Management

The Institution of Gas Engineers and Managers is a registered charity established in 1863, incorporated by Royal Charter in 1929 and governed by By-laws, which were last amended in July 2001. IGEM has a Governance Manual, comprehensively updated during 2019 incorporating Charter, By-laws, requirements of Trustees, organisational structure, key terms of reference of Boards and Committees as well as Membership Policy and Procedures, Finance Policy and Procedures, and IGEM's Quality Policies and Procedures and requirements of Charity Law. In addition, IGEM has a Conflicts of Interest Policy.

The main decision making body of IGEM is Council, which governs IGEM and owns the strategy that IGEM will adopt and implement. It consists of 27 Trustees together with other, non-voting, members. These are:

- President*
- President Elect*
- Vice President*
- Immediate Past President*
- Honorary Secretary
- 12 Ordinary Members*
- 11 Section Chairs [or nominated representative]*
- Chief Executive Officer
- Co-opted advisors to Council

* Indicates a Trustee member of Council

Council can invite the election or appointment of any member of IGEM onto Council if it feels that they can bring value, knowledge and expertise. Some Trustees change at IGEM's Annual General Meeting each year. Ordinary Members serve for three years and Section Chairs serve for at least one year.

Council is supported by an Executive Board that acts as a steering committee to Council to assist with Trustee deliberations at Council. The Executive Board consists of:

- President*
- President Elect*
- Vice President*
- Immediate Past President*
- Honorary Secretary
- A representative each from gas networks, the YPN and Company Members **
- Co-options (up to two)**
- Chief Executive Officer

* Trustee member of Council

** Trustee or non-Trustee of Council

IGEM comprises the following entities:

Institution of Gas Engineers and Managers

Charity No. 214011

History Fund

Charity No. 287678

Institution of Gas Engineers (Scottish Section) Benevolent and Education Funds

Charity No. SC006601

IGEM House Ltd

Company No. 03093169

Institution of Gas Engineers and Managers Scholarships, Medals, Prizes and Lectureships Fund

Charity No. 214011-11

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2023

TRUSTEES' REPORT

IGEM has a subsidiary trading company, IGEM House Ltd trading as Meetpoint Midlands. This company undertakes commercial trading activities, and the results are consolidated in these financial statements. This company commenced trading during 2011 and rents conference and meeting facilities to third parties.

The Institution has a Benevolent Fund, the Incorporated Benevolent Fund of the Institution of Gas Engineers and Managers, which reports separately to its members.

IGEM operates a number of Boards, Committees, Sub-Committees and Panels through which it undertakes its educational, technical and administrative functions. IGEM benefits from the input of many volunteers, who govern the Institution, run the Sections, contribute to committees, panels, mentoring and interviewing. Over 2023, there were 608 volunteers actively involved in IGEM who collectively provided volunteer services totalling 11,524 hours, equivalent to seven full time staff.

All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 7 to the accounts. Trustees are required to disclose all relevant interests and register them with the Chief Executive and withdraw from decisions where a conflict of interest arises. All incoming Trustees are provided with training to fully explain their roles and responsibilities and an induction package. This includes a copy of "How to be an effective Trustee" published by the Charity Commission, together with the By-laws, Governance Manual and Business Plan for the Institution.

The general membership is organised into eight regional Sections throughout the UK and one overseas Section:

- Far East District Section;
- Irish Section;
- London, Southern & Eastern Section;
- Midlands Section;
- North East & Yorkshire Section;
- North West Section;
- Scottish Section;
- South West Section; and
- Welsh Section.

Throughout the year, the Sections organise a varied programme of events encompassing informative, technical presentations from high profile speakers from within and outside the gas industry as well as social networking opportunities. These events also provide a valuable element to the ongoing development of our members and evidence of attendance can be used within our Continuing Professional Development framework. In addition, IGEM has two further Sections, each established to meet the more specific needs of the individual membership group:

Company Member Section, which represents organisations that are members of IGEM. These members include network asset owner operators, gas supply businesses, companies engaged within the supply chain, consultancies and educational establishments.

Young Persons Network. A key role of the Section is to give a voice to our younger, often more junior, members and to encourage them to play an active part within the Institution. As well as being assigned to a geographically defined Section, all of our members under the age of 35 are included within the auspices of the YPN.

Political Donations and Expenditure

No contributions have been made to any political party in this financial year.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2023

TRUSTEES' REPORT

Achievement and Performance

IGEM maintains ISO 9001:2015 quality accreditation.

IGEM is licenced by the Engineering Council to assess applicants for inclusion on the national register of professional engineers and technicians, to recognise academic programmes and professional development schemes and to monitor the Continuing Professional Development of registrants. 162 gas industry professionals achieved professional registration and the titles EngTech, IEng and CEng. This was supported by 118 members who volunteered their time and expertise as mentors, interviewers, and committee/panel members to support the membership processes and procedures.

Individual Members	Opening	New	Lapsed or resigned	Movement	Closing
Honorary	6	-	1	5	10
Companion	21	1	4	1	19
Fellow	220	-	15	3	208
Chartered Member	1,064	13	49	6	1,034
Incorporated Member	354	3	25	(2)	330
Engineering Technician Member	714	110	59	9	774
Member Manager	117	10	17	2	112
Graduate	100	5	30	(2)	73
Associate	510	229	111	(5)	623
Gas Technician	101	96	19	1	179
Licensed Gas Technician	22	-	4	(1)	17
Students	117	102	1	-	218
Total	3,346	569	335	17	3,597

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2023

TRUSTEES' REPORT

Company Members	Opening	New	Lapsed or resigned	Movement	Closing
Small (1-5 employees)	105	18	7	(2)	114
Small - Medium (6-15 employees)	77	5	6	-	76
Medium (16-99 employees)	98	16	7	1	108
Medium - Large (100-499 employees)	71	7	3	-	75
Large (500+ employees)	24	5	2	-	27
Housing Partner	15	6	2	1	20
Total	390	57	27	-	420

In 2023, we continued our focus to support the technician community and improve the EngTech value proposition. IGEM's EngTech working group continued to drive this initiative forward which resulted in an overall 8.4% increase in EngTech membership and retention increased to 93%.

In addition, we held a number of professional registration webinars open to all those interested in becoming a member or transferring grades as well as inhouse webinars with the support of our Company Members. The online 1:1 booking system has also been popular for those wanting to discuss their individual pathway to membership and professional registration.

Our annual CPD sampling progressed in 2023 as we saw a record number of submissions from our professionally registered members. Supportive discussions were had and individual feedback was provided to those who submitted a CPD record, to support with their professional development journey. Two members had to be removed from the professional register due to non-compliance.

We had another successful year with our scholarships, grants and awards scheme. The scheme continues to support the engineers of the future, and with such a high standard of applications, one undergraduate scholarship, one postgraduate scholarship and two Engineering Technician grants were awarded.

IGEM develops and produces Technical Standards with related activities including research, record management, training and liaising with industry and external stakeholders. Selected standards are made available for a reduced rate through the Gas Safe Register. This supports operatives working in the downstream sector to enable more industry representatives to have affordable access to Standards.

Working with the technical committees, expert panels and working groups, members and volunteers were involved in 123 meetings, resulting in the department producing 267 technical papers and publishing 16 standards throughout the year, these were:

Hydrogen

- IGEM/TD/13 Edition 2 Supplement 2 - Pressure regulating installations for Natural Gas/Hydrogen blended mixtures at pressures not exceeding 7 bar
- IGEM/TD/21 *New steel and PE pipelines and installations for hydrogen*
- IGEM/TD/22 *Reference Standard for repurposing Natural Gas distribution mains and services for Hydrogen*
- IGEM/IG/1 Edition 2 Supplement 5 - *Interim Hydrogen training specification.*
- IGEM/H/1 with amendments June 2022 and July 2023 Reference Standard for low pressure hydrogen utilisation

TD Series

- IGEM/TD/13 Edition 3 Pressure regulating installations exceeding 7 bar

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2023

TRUSTEES' REPORT

G Series

- IGEM/G/5 Edition 3 with amendments April 2023 Gas in multi-occupancy buildings
- IGEM/G/12 *Universally adopted symbols*
- IGEM/G/13 Amendments *Domestic supply capacity and operating pressure at the outlet of the meter.*

GM Series

- IGEM/GM/5 Edition 4 Electronic gas meter volume conversion systems
- IGEM/GM/PRS/11 *Purchasing specification for diaphragm meters.*

UP Series

- IGEM/UP/12 Edition 3 *Application of burners and controls to gas fired process plant*
- IGEM/UP/16 Amendments November 2023 *Design for Natural Gas installations on industrial and commercial premises with respect to DSEAR*

IG Series

- IGEM/IG/1 Ed 2 Supplement 3 *Metering/ESP Natural Gas training specification*
- IGEM/IG/3 *Guidance for the safe recovery of road tankers*
- IGEM/IG/4 *Bulk transport of LNG by road.*

Throughout the year our Hydrogen Committee, chaired by Keith Owen of Northern Gas Networks (NGN), continued to grow in strength and provided the governance and leadership in the production of new hydrogen standards. The committee is helping to support the UK Government's commitment to achieve net zero carbon emissions by 2050 and our strategic plan of working with key stakeholders on a range of research and demonstration projects investigating the role of hydrogen within the national transmission and distribution system. In particular for these projects to achieve their full scope of work, it is recognised that the research and engineering standards will have a critical role.

Early in the year we undertook a funded review for the technical requirements for the construction of a new hydrogen pipeline and associated pipework as part of CELSA Steel's study to assess the viability of operating the reheat furnaces on hydrogen gas.

Throughout the year IGEM worked with industry experts on the Department for Energy Security and Net Zero (DESNZ) funded Hydrogen Standards and Skills for Heating programme for the implementation of a competence framework for the community trials for hydrogen. The IGEM working group, chaired by Dr Richard Marrow, successfully delivered the two new standards to support the training for engineers working on the trials which was based on the results of the research on the effects of hydrogen on materials, pipe sizing, metering, purging, tightness testing, ventilation and fluing.

Towards the end of the year we began work on the OFGEM funded project led by SGN and partnering with the gas networks, National Gas and DNV on the Velocity Design with Hydrogen Project. This project will demonstrate safe velocity limits for hydrogen, and hydrogen blends, with focus on erosion, vibration, noise, and particle transportation.

The digital repository, dedicated to the advancement of hydrogen learning globally and supporting the transition to a net zero carbon emissions future, continues to go from strength to strength. At its core, the Hydrogen Knowledge Centre enables learning to be shared with others, through a carefully curated, comprehensive and growing database of information from the widest possible range of sources.

The repository, managed by a dedicated team at IGEM, has grown to include over 4,500 resources. By the end of 2023 the platform had been accessed on average 3,800 times per month with around 160 downloads per month. IGEM's policy role has gone from strength to strength in 2023, seeing unprecedented levels of direct engagement with key policy makers and influencers. We continued to amplify the voice of our members through responses to several government consultations, including the Improving Boiler Standards and Efficiency, Clean Heat Market Mechanism,

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2023

TRUSTEES' REPORT

Strategy & Policy Statement for Energy Policy in Great Britain, the Heat Strategy for Wales, Net Zero Sector Skills in Wales and Hydrogen Blending into GB Gas Distribution Networks.

We have also taken great interest in the work of the government Select Committees presiding over energy security and net zero policy, responding to two Committee inquiries this year including, Heating our Homes and Keeping the Power On. We have been reactive to important policy news, providing our responses to various announcements and publications such as, the government's Net Zero Review, Powering Up Britain package, Hydrogen Updates to Market and reports by the Climate Change Committee.

These responses, and more, have been published on IGEM's Policy, Practice and Research web page, providing a trusted source of information and insights for our members and stakeholders. Through this work we are supporting our industry in making the case for low carbon gases in our energy system and providing the evidence base on which policy makers can base their decisions – a recent example being the government's positive decision on blending hydrogen up to 20% into the existing gas network. We have played a key role participating in the work of several influential groups and organisations including, the All-Party Parliamentary Group for Energy Studies, the All-Party Parliamentary Group for Carbon Monoxide, the NEPC Net Zero Working Group, Gas Goes Green Review Group and Insights Forum, Hello Hydrogen Strategic Review Group, Energy Research Partnership, Palace Yard and Beyond 2050.

These groups see us working directly across industry, academia and government; contributing to research, sharing our knowledge and developing fact-based policy recommendations on the future of the gas grid and how sustainable gases can support the UK's decarbonisation efforts.

IGEM's events went from strength to strength through the year with record attendance to conference, and keynote speaking events, with the year kicking off with the Gas Utilisation Conference, the only dedicated downstream engineering conference receiving record bookings, and the year concluding with the largest Annual Conference in recent history. In between we had the excellent Sir Denis Rooke Memorial Lecture from Louise Kingham, BP's Senior Vice-President, Europe, and Head of Country, UK with an engaging lecture on the "The role of natural gas on the road to net zero", shortly followed by the Policy Conference which had over 30% increase in attendance on the prior year, who heard from a wide range of speakers focusing on the whole energy system planning, domestic heating and flexible power generation – with a keynote session including the Department for Energy Security and Net Zero and Ofgem which set the scene for hydrogen across policy and regulation.

Throughout the year we supported the IGEM Sections wide range of events which accounted for over 50% of the events in the year, providing valuable CPD opportunities for our members. CPD isn't just reserved for IGEM members, and with almost 40% of the events dedicated to training on the technical standards we continue to provide essential learning opportunities for IGEM members and non-members to ensure the industry continues to provide a safe and secure gas network from beach to meter.

Outside of the annual calendar IGEM also had presence at various exhibitions such as the Installer Show, CCUS & Hydrogen Decarbonisation Summit, Political Party Conferences and held a visit to the historic Granton gasholder to re-enact a lunch first held in 1901 on the demolition of the gasholder, which is now part of the wider regeneration of the area with the iconic structure being restored and repurposed.

Investments

IGEM's Portfolio of Investments are managed by Rathbones Investment Management held within their Core Investment Fund for Charities. Performance is measured against a pre-agreed composite benchmark of market indices. The investment objectives for both the Unrestricted Funds and the Restricted Funds are to be balanced and managed for total return.

During the year the IGEM portfolio values have increased by a total of £87,658 (2022: decreased by £524,352) being 2.6% of the opening value. This represents a significant increase from last year. In addition, dividends earned are £106,083 (2022: £90,631).

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2023

TRUSTEES' REPORT

2023 Financial Review Funds Summary

	2023	2022
General Reserve	1,300,000	900,000
Development	1,102,616	1,412,650
Property Maintenance Reserve	136,948	150,000
Scholarships & Medals Fund	527,949	569,816
Gas Innovation Fund	517,401	536,109
Hydrogen Standards Innovation Fund	7,411	50,209
GIUSP	-	7,000
Sections	166,545	166,537
History Fund	8,227	7,154
Property and Assets	1,174,209	1,216,619
	<u>4,941,306</u>	<u>5,016,094</u>

Reserves

The Institution's reserves are held to meet liabilities, working capital, operations, research, education and future developments to benefit members, customers and support the gas industry in a viable and sustainable manner. The Development Reserve is for future investment into the development of the Institution and to facilitate the investment into the energy transformation that is facing the industry.

In 2023, after the successful launch of the IGEM website and CRM system, Council approved funding for the next phase of the Digital Evolution and Engagement Project (Project DEEP) for up to £10,000 to scope the needs to build on the minimum viable product delivered for launch, and subsequently approved funding for up to £59,000, with 10% contingency, from the Development Reserve to develop the outputs of the scoping activity. DEEP Phase 2 is forecast to be complete in Q1 2024. Council previously approved a £100,000 budget in 2021 from the Development Reserve to a form a new hydrogen social community network (titled Sph2ere), which the Secretariat continue to progress towards a launch in 2024 after a dedicated resource was recruited in September 2023. The General Reserve is the free reserve, held at a value of up to approximately 6 months expenditure, currently set at £1,300,000 which provides adequate resilience to maintain liquidity and mitigate risks. The Restricted Funds were repurposed to enable increased application of the funds in order to make proper use of them in line with their objectives.

Total funds held by the charity at the end of the reporting period are £4,941,306. This is constituted of general, designated and restricted funds as detailed below.

Restricted	1,081,716
Designated	1,385,381
Fixed Assets	1,174,209
Free Reserves	<u>1,300,000</u>
	<u>4,941,306</u>

The expected timeframe of expenditure of the designated and restricted funds will be in line with the external environment of transition of energy over the decade to 2030.

The amount of reserves freely available to the charity, after allowing for restricted funds, committed expenditure, assets and designations are therefore greater than 6 months of expenditure and is in line with the reserve policy.

Further details of the funds held are included in Notes 16 and 17 to these financial statements.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2023

TRUSTEES' REPORT

Risk Management

The Audit & Risk Committee is responsible for providing a robust risk management framework with effective controls that are integrated to the operational management of the Institution. The committee oversees quality management and governance processes including health, safety and environment, quality assurance management system that complies with BS EN ISO 9001:2015 standard and also a comprehensive risk register to identify, monitor and improve controls embedded within the organisation. The risk register has undergone a full review and has been simplified into a new format that has dashboard views for headline risks.

Strategies for managing these risks include the maintenance of identified processes that specifically mitigate the risk and a regularly reviewed action plan that is considered to provide further mitigation.

The Secretariat are responsible for the identification of risks and the effectiveness of management action to mitigate adverse performance against the Business Plan.

The detailed planning and execution of objectives and actions, resulting from risk reviews, are managed at an operational level within the Secretariat and are overseen by the Executive Board. There is an integrated management system that links risks, strategies, objectives and actions, managed by the Chief Executive Officer.

Lloyds Register Quality Assurance is our Accreditor and there were two surveillance visits undertaken this year, one on 2nd February (was postponed in December 2022) and 4th September. The outcome of September's audit was a continued satisfactory conformance to the Standard.

As a part of the requirements of this Standard, internal audits have to be undertaken. There are 4 member auditors, sitting on Audit & Risk Committee and 2 Staff auditors. There were 11 audits planned and all have been completed except one planned for the end of January 2024.

Provision of Information to the Auditor.

So far as each of the Trustees are aware at the time the report is approved:

- There is no relevant audit information of which the charity's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the Council on 13 March 2024 and signed on its behalf.



Andrew Musgrave
President

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF THE INSTITUTION OF GAS ENGINEERS AND MANAGERS**

Opinion

We have audited the financial statements of The Institution of Gas Engineers and Managers (the "Parent Charity") and its subsidiaries (the "Group") for the year ended 31 December 2023 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated statement of cash flows 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 FRS 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 group and charity's affairs as at 31 December 2023 and of its incoming resources and application of resources 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 Charities Act 2011.

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 charity 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statement 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 charity'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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the financial statements. 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 course of 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees 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 charity'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 charity 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the charitable company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charitable company's net income for the year.

Audit procedures performed included:

- review of the financial statement disclosures to underlying supporting documentation;
- testing of sales invoices to ensure revenue is recognised correctly within the financial statements;
- review of correspondence with and reports to the regulators, including correspondence on the Charity Commission;
- Enquiries of management in so far as they related to the financial statements, and
- testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF THE INSTITUTION OF GAS ENGINEERS AND MANAGERS**

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

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Chris Mckain

Chris Mckain
(Senior Statutory Auditor)

For and on behalf of UHY Hacker Young
Chartered Accountants and Statutory Auditor

11 April 2024

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2023 £	TOTAL 2022 £
Incoming Resources						
Charitable Activities	2	2,395,328	75,398	1,288	2,472,014	2,299,213
Trading Activities		90,032	-	-	90,032	57,651
Investment Income	3	68,895	1,022	37,580	107,497	90,913
Total Incoming Resources		2,554,255	76,420	38,868	2,669,543	2,447,777
Resources Expended						
Raising Funds:						
Investment Manager Fees		4,816	-	2,633	7,449	7,849
Trading Expenditure		24,083	-	-	24,083	18,845
		28,899	-	2,633	31,532	26,694
Charitable Activities	4,5	2,418,750	204,983	176,724	2,800,457	2,754,612
Total Resources Expended		2,447,649	204,983	179,357	2,831,989	2,781,306
Net surplus/(deficit) before investments		106,606	(128,563)	(140,489)	(162,446)	(333,529)
Net gain/(loss) on Investments	8	56,917	(811)	31,552	87,658	(524,352)
Net surplus/(deficit) before transfers		163,523	(129,374)	(108,937)	(74,788)	(857,881)
Transfer between Funds		194,067	(194,067)	-	-	-
Net Movement in Funds		357,590	(323,441)	(108,937)	(74,788)	(857,881)
Total Funds Brought Forward	17	2,116,619	1,708,822	1,190,653	5,016,094	5,873,975
Total Funds Carried Forward	17	2,474,209	1,385,381	1,081,716	4,941,306	5,016,094

The statement of financial activities includes gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 23 to 39 form part of these accounts.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023

		2023	2022
		£	£
Fixed Assets			
Tangible	9	1,174,209	1,216,619
Investments	10	<u>3,849,601</u>	<u>3,752,180</u>
		5,023,810	4,968,799
Current Assets			
Debtors	11	504,165	331,388
Short Term Investments	13	6,610	56,863
Cash at bank and in Hand	12	<u>356,136</u>	<u>419,547</u>
		866,911	807,798
Creditors: amounts falling due within one year	14	<u>(949,415)</u>	<u>(760,503)</u>
Net Current (Liabilities)/Assets		(82,504)	47,295
Net Assets		<u><u>4,941,306</u></u>	<u><u>5,016,094</u></u>
FUNDS			
Unrestricted	17	2,474,209	2,116,619
Restricted	17	1,081,716	1,190,653
Designated	17	<u>1,385,381</u>	<u>1,708,822</u>
		<u><u>4,941,306</u></u>	<u><u>5,016,094</u></u>

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on 13 March 2024.



Andrew Musgrave
President

The notes on pages 23 to 39 form part of these accounts.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CHARITY BALANCE SHEET
YEAR ENDED 31 DECEMBER 2023

		2023	2022
		£	£
Fixed Assets			
Tangible	9	1,174,209	1,216,619
Investments	10	<u>3,850,601</u>	<u>3,753,180</u>
		5,024,810	4,969,799
Current Assets			
Debtors	11	502,847	348,458
Short Term Investments	13	6,610	56,863
Cash at bank and in Hand	12	<u>308,658</u>	<u>373,299</u>
		818,115	778,620
Creditors: amounts falling due within one year	14	<u>(943,047)</u>	<u>(773,063)</u>
Net Current (Liabilities)/Assets		(124,932)	5,557
Net Assets		<u><u>4,899,878</u></u>	<u><u>4,975,356</u></u>
FUNDS			
Unrestricted		2,474,209	2,100,406
Restricted		1,052,761	1,163,135
Designated		<u>1,372,908</u>	<u>1,711,815</u>
		<u><u>4,899,878</u></u>	<u><u>4,975,356</u></u>

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on 13 March 2024.



Andrew Musgrave
President

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CONSOLIDATED STATEMENT OF CASH FLOW
YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	2022 £
Net cash outflow from operating activities	20	<u>(211,398)</u>	<u>(575,927)</u>
Cash flows from Investing Activities:			
Dividends & Interest received		107,497	90,913
Purchase of property, plant and equipment		-	(1,501)
Purchase of investments		(16,516)	(13,671)
Proceeds from sale of investments		6,753	6,460
Net cash in from investing activities		<u>97,734</u>	<u>82,201</u>
 Decrease in cash and cash equivalents in the reporting period		 (113,664)	 (493,726)
 Cash and cash equivalent at the beginning of the reporting period		 <u>476,410</u>	 <u>970,136</u>
Cash and cash equivalent at the end of the reporting period		<u>362,746</u>	<u>476,410</u>
 Relating to:			
Cash at Bank and in hand		356,136	419,547
Short Term Investments		6,610	56,863
		<u>362,746</u>	<u>476,410</u>

The notes on pages 23 to 39 form part of these accounts

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

1 ACCOUNTING POLICIES

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Institution constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Institution's ability to continue as a going concern.

There are no significant areas of adjustment or key assumptions that affect items in the accounts.

(b) Group financial statements

These financial statements consolidate the results of the charity, its wholly-owned subsidiary, IGEM House Ltd; and the Scholarships, Medals, Prizes and Lectureship Fund, the History Fund and the Institution of Gas Engineers (Scottish Section) Benevolent and Education Funds, which are separate charities, on a line by line basis. A separate Statement of Financial Activities (SOFA) for the Institution alone is not presented because the charity has taken advantage of the provisions to not disclose.

(c) Funds accounting

Funds held by the charity are:

Unrestricted general funds - these funds can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds - these are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

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

(d) Incoming resources

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

Voluntary income is accounted for when received. Incoming resources represents the amount receivable during the year in respect of subscriptions, fees and other income.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Where income is received in advance of performance, its recognition is deferred and included in creditors until the contract is performed. Membership subscriptions received in advance are deferred and included in creditors.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

1 ACCOUNTING POLICIES (continued)

(e) Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- costs of raising funds include those costs incurred in the management of the charity's investment portfolio.
- charitable activities include expenditure associated with the objects of the charity and include direct costs and support costs associated to these activities.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(f) Tangible Fixed Assets and Depreciation

Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided to write off the cost of fixed assets to their residual value evenly over their estimated useful lives, which are as follows:-

Freehold property	50 years
Fixtures & Fittings	7 years
Computer equipment	3 years

(g) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of financial activities.

(h) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(i) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

1 ACCOUNTING POLICIES (continued)

(i) Realised gains and losses

are calculated as the difference between the fair value at the year-end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(j) Heritage assets

The Institution possesses a collection of regalia and memorabilia, and a collection of library books. These items are held for the furtherance of the Institution's objects and are considered heritage assets.

Where heritage assets are donated, the Trustees consider that in the absence of reliable cost information, the expense of determining a reliable valuation of these artefacts is onerous compared with the additional benefit derived by users of the accounts in assessing the Trustees' stewardship of the assets. Heritage assets are gifted and are therefore excluded from the balance sheet in accordance with paragraph 18.14 of the SORP. Where heritage assets are purchased, the purchase costs are capitalised in the balance sheet.

(k) Cash and cash equivalents

Cash and cash equivalents include cash at bank and cash in hand as well as short-term highly liquid investments with a short maturity (recognised within short-term investments).

(l) Pensions

The Institution makes payments to defined contribution pension schemes on behalf of qualifying employees. Such contributions are charged in the Statement of Financial Activities when made. The contributions are invested separately from the Institution's assets.

(m) Operating leases

Operating lease rentals are charged on a straight-line basis over the lease term.

(n) Corporation tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

(o) Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

(p) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Trustees consider that there are no material judgements or estimates.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

2 CHARITABLE ACTIVITIES

Activities in the furtherance of the charity's objectives.

	Unrestricted	Designated	Restricted	Total 2023	Total 2022
	£	£	£	£	£
Membership	893,899	-	-	893,899	841,295
Technical	1,130,034	-	-	1,130,034	935,193
Conferences & Events	289,836	-	-	289,836	328,738
Journal	81,559	-	-	81,559	114,471
Sections (Excl Scottish Section)	-	72,591	-	72,591	74,689
Scottish Section	-	2,807	-	2,807	2,425
History Fund	-	-	1,288	1,288	2,402
	2,395,328	75,398	1,288	2,472,014	2,299,213

In 2022, of total income from charitable activities, £2,215,508 was to unrestricted funds, £77,114 was to designated funds and £6,591 was to restricted funds.

3 INVESTMENTS

Investment Income	Unrestricted	Designated	Restricted	Total 2023	Total 2022
	£	£	£	£	£
Bank Interest	823	228	363	1,414	282
Dividends and interest from investments	68,072	794	37,217	106,083	90,631
	68,895	1,022	37,580	107,497	90,913

In 2022, of total income from investments, £58,490 was to unrestricted funds, £872 was to designated funds and £31,551 was to restricted funds.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

4 CHARITABLE EXPENDITURE

Cost of activities in the furtherance of the objectives of the charity

	Staff Costs £	Other Costs £	Support and Governance Costs £	Total 2023 £	Total 2022 £
General Funds:					
Membership	236,303	67,648	164,883	468,834	442,903
Technical	285,276	321,022	208,439	814,737	685,083
Conferences, Events, Marketing & Media	274,117	261,851	53,461	589,429	515,288
Journal	45,653	158,533	15,044	219,230	237,467
Facilities	33,461	76,566	13,389	123,416	86,745
Establishment	158,298	44,806	-	203,104	175,533
	1,033,108	930,426	455,216	2,418,750	2,143,019
Designated Funds:					
Section Expenditure	-	75,965	-	75,965	83,388
Development	-	115,966	-	115,966	214,676
Property Maintenance	-	13,052	-	13,052	-
	-	204,983	-	204,983	298,064
Restricted Funds:					
Scholarships & Medals	-	76,021	-	76,021	69,549
Gas Innovation	-	50,690	-	50,690	17,547
Hydrogen Standards Innovation	-	42,798	-	42,798	216,448
GIUSP	-	7,000	-	7,000	7,500
History	-	215	-	215	2,485
	-	176,724	-	176,724	313,529
	1,033,108	1,312,133	455,216	2,800,457	2,754,612

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

5 SUPPORT AND GOVERNANCE COSTS

	Staff Costs £	Other Costs £	Total 2023 £	Total 2022 £
<u>General & Support Costs:</u>				
Central Support	234,327	-	234,327	210,308
Legal and Professional Fees	-	3,263	3,263	935
Council Meetings & Staff Expenses	-	4,838	4,838	2,963
Bank & Credit Charges	-	30,593	30,593	24,789
Sundry	-	18,943	18,943	548
Postage & Telephone	-	27,718	27,718	27,130
Printing & Stationery	-	4,385	4,385	2,425
Computer Expenses	-	75,255	75,255	57,544
Subscriptions and Other Costs	-	5,889	5,889	7,854
Bad and Doubtful Debts	-	-	-	20,000
Irrecoverable VAT	-	17,486	17,486	20,618
<u>Governance Costs:</u>				
Audit & Accountancy Fees	-	13,785	13,785	13,500
Council and Trustee Expenses	-	18,734	18,734	2,258
	234,327	220,889	455,216	390,872

The Institution initially identifies the costs of its support functions. It then identifies those costs that relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the five key charitable activities undertaken (see note 4) in the year, based on the income generated for these charitable activities.

6 NET OUTGOING RESOURCES

This is stated after charging:

	2023 £	2022 £
Depreciation of Tangible Fixed Assets	42,410	29,228
Operating Lease Rentals	2,148	3,623
Audit fee	13,785	13,500

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

7 STAFF COSTS

The average monthly number of employees during the year was:

	2023	2022
	No.	No.
Office and Management	26	23

	2023	2022
	£	£
Staff Costs:		
Direct Salaries	954,751	960,860
National Insurance Contributions	88,414	93,599
Pension Contributions	122,833	113,723
	<u>1,165,998</u>	<u>1,168,182</u>

The number of employees whose emoluments as defined for taxation purposes amounting to over £60,000 in the year was as follows:

	2023	2022
	No.	No.
£60,000 to £70,000	1	1
£70,000 to £80,000	1	1
£110,000 to £120,000	-	1
£120,000 to £130,000	1	-

Pension contributions relating to those staff earning over £60,000 totalled £39,524 (2022: £51,756).

The Trustees and members of the Council received no remuneration during the year but travel expenses of £9,679 were paid to 4 council members (2022: £2,529 to 7 council members).

The Institution considers its key management personnel to comprise the Chief Executive Officer and the senior management team. The total employment benefits including employer pension contributions of the five (2022: five) key management personnel were £485,243 (2022: £439,602).

8 NET GAINS ON INVESTMENT ASSETS

	Unrestricted Funds	Restricted Funds	Designated Funds	Total 2023	Total 2022
	£	£	£	£	£
Gains on disposals	502	144	-	646	869
Net unrealised (loss) /gains on revaluation to market value	56,415	31,408	(811)	87,012	(525,221)
	<u>56,917</u>	<u>31,552</u>	<u>(811)</u>	<u>87,658</u>	<u>(524,352)</u>

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

9 TANGIBLE FIXED ASSETS

Group and Institution

Tangible Fixed Assets	Land & Buildings £	Office Equipment £	Total £
Cost			
At 1 January 2023	1,537,667	261,988	1,799,655
Transfer	(134,054)	134,054	-
At 31 December 2023	1,403,613	396,042	1,799,655
Depreciation			
At 1 January 2023	339,357	243,679	583,036
Charge for the Year	24,752	17,658	42,410
Transfer	(37,535)	37,535	-
At 31 December 2023	326,574	298,872	625,446
Net Book Amount			
At 31 December 2023	1,077,039	97,170	1,174,209
At 31 December 2022	1,198,310	18,309	1,216,619

Land and Buildings include land valued at £300,000 which is not depreciated.

Regalia, memorabilia and library collection of books – Heritage assets

The Institution has in its possession items gifted to it that comprises of regalia, memorabilia and a library collection of books, which have historical qualities and are held principally for their contribution to knowledge and therefore met the criteria for heritage assets.

These assets have not been included on the balance sheet as the information on their cost or valuation is not available, as these items were gifted to the Institution, and the information cannot be obtained at a cost commensurate with the benefit derived from obtaining this information. This is due to these items being unique and therefore a market value cannot be obtained, as their value would differ dependent on the user.

These regalia and memorabilia items are insured at a cumulative value of £307,200 (2022: £258,689). While the collection of library books has an insurance value of £64,717 (2022: £56,275).

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

10 INVESTMENTS

Group
Quoted Investments

	Unrestricted & Designated £	Restricted £	Total 2023 £	Total 2022 £
Market Value at 1 January 2023	2,436,052	1,316,128	3,752,180	4,269,320
Additions	-	16,516	16,516	13,671
Disposals	(4,869)	(1,238)	(6,107)	(5,590)
Revaluation to market value	55,604	31,408	87,012	(525,221)
Market Value at 31 December 2023	<u>2,486,787</u>	<u>1,362,814</u>	<u>3,849,601</u>	<u>3,752,180</u>
Historical Cost at 31 December 2023	<u>2,180,854</u>	<u>1,198,682</u>	<u>3,379,536</u>	<u>3,368,618</u>

The Investments are split as follows

Rathbones Core Investment Fund for Charities	2,472,536	1,362,814	3,835,350	3,737,117
M&G Investments	14,251	-	14,251	15,063
	<u>2,486,787</u>	<u>1,362,814</u>	<u>3,849,601</u>	<u>3,752,180</u>

Institution

	Unrestricted & Designated £	Restricted £	Total 2023 £	Total 2022 £
Quoted Investments	2,486,787	1,362,814	3,849,601	3,752,180
IGEM House Ltd	1,000	-	1,000	1,000
	<u>2,487,787</u>	<u>1,362,814</u>	<u>3,850,601</u>	<u>3,753,180</u>

Holdings in excess of 5% of the total market value:

Rathbones Core Investment Fund for Charities 99.6%

IGEM House Ltd, a wholly owned subsidiary of the Institution, was incorporated to carry out the commercial activities of the Institution.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The main risk to the Institution from financial instruments lies in the combination of uncertain investment markets and volatility in yield.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

10 INVESTMENTS (continued)

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so their ability to buy and sell quoted equities and stock is anticipated to continue. The Institution's investments are mainly traded in markets with good liquidity and high trading volumes.

The Institution has no material investment holdings in markets subject to exchange controls or trading restrictions. The Institution does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer-term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5-year period will normally be corrected.

11 DEBTORS

Debtors	Group		Institution	
	2023	2022	2023	2022
	£	£	£	£
Due within one year				
Trade Debtors	426,400	290,962	387,732	282,946
Amounts due from Group				
Undertakings	-	-	37,350	25,086
Other Tax & Social Security	-	4,559	-	4,559
Prepayments & Accrued Income	77,765	35,867	77,765	35,867
	<u>504,165</u>	<u>331,388</u>	<u>502,847</u>	<u>348,458</u>

12 CASH AT BANK AND IN HAND

Cash at Bank and in Hand	Group		Institution	
	2023	2022	2023	2022
	£	£	£	£
Unrestricted	273,360	336,811	267,342	331,422
Designated	53,789	54,332	41,316	41,877
Restricted	28,987	28,404	-	-
	<u>356,136</u>	<u>419,547</u>	<u>308,658</u>	<u>373,299</u>

13 SHORT TERM INVESTMENTS

Short term investments represent uninvested cash funds and are held in interest-bearing bank accounts.

Group and Institution

	Unrestricted	Restricted	Total	Total
	£	£	2023	2022
	£	£	£	£
Income and Capital Account	98	512	610	863
Money Market Account	6,000	-	6,000	56,000
	<u>6,098</u>	<u>512</u>	<u>6,610</u>	<u>56,863</u>

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

14 CREDITORS

Creditors	Group		Institution	
	2023	2022	2023	2022
	£	£	£	£
Due within one year				
Trade Creditors	198,919	79,751	198,300	91,751
Other Tax and Social Security	68,105	42,423	64,003	38,575
Other Creditors	15,135	11,745	15,136	11,745
Accruals and Deferred income	667,256	626,584	665,608	630,992
	<u>949,415</u>	<u>760,503</u>	<u>943,047</u>	<u>773,063</u>

15 DEFERRED INCOME

Group and Institution

	£	
Movements in Deferred Income:		
Balance at 1 January 2023	496,089	
Released during the year	(487,987)	
Deferred during the year	530,743	
Balance at 31 December 2023	<u>538,845</u>	
	2023	2022
	£	£
Deferred Income is made up of:		
Membership Income received in advance	307,540	304,706
Event Income received in advance	48,315	28,995
Technical Income received in advance	148,977	143,153
Hydrogen Knowledge Centre received in advance	12,750	12,750
History Fund Income received in advance	32	268
Journal Income received in advance	17,606	6,217
Section income received in advance	3,625	-
	<u>538,845</u>	<u>496,089</u>

Membership income received in advance relates to subscriptions received in the current year that relate to the year to December 2024. Other income received in advance relates to journal advertising income and History Fund income received in the current year that relate to the year to December 2024.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

16 FUNDS

Restricted

1. Scholarship, Medals, Prizes and Lectureship Fund

This restricted fund has various scholarship, medals, prizes and lectureship fund that have been previously donated by individuals and organisations, and are consolidated into this fund. The objects of the fund are to further education and knowledge in gas engineering and management (in particular but not exclusively by the award of medals, scholarships, prizes, and lectureships) and in the provision of other learning opportunities and events.

2. History Fund

The purpose of this fund is to promote public education and research into the history of the gas industry and publish the useful results of such research. The Panel for the History of the Industry administers the fund and, amongst its other activities, it produces a quarterly newsletter, *Historic Gas Times*.

3. Gas Innovation Fund (previously LNG Fund)

The surplus from the 11th LNG International Conference and Exhibition held in 1995 has been donated to the Institution used for educational purposes and research into technical and commercial applications of gas such as Liquid Natural Gas, Hydrogen and Methane etc.

4. Scottish Section Education Fund

This fund exists to sponsor a travelling scholarship, awarded from time to time by the Scottish section.

5. Gas Industry Unsafe Procedures (GIUSP)

Gainshare funding of £45,000 has been received in 2017 for IGEM to review and manage the Gas Industry Unsafe Situation Procedures over the next seven years.

6. Hydrogen Standards Innovation Fund

This fund was created in 2020 to fund research activities to enable Hydrogen Standards to be written. IGEM has contributed £100,000 from the Development Fund as a commitment to initiate the fund and further funding has been received from industry network partners.

Designated

1. Development Fund

The Institution has set up a fund to promote the commercial development of the Institution in line with its charitable objectives, to facilitate investment into future sustainability and the energy transformation that is facing the industry. The previously designated International Development Fund has now been incorporated into here.

2. Sections

The Institution has affiliated Sections that have a uniform constitution agreed by the Council and the same charity registration number as the Institution. Grants are sometimes allocated to the Sections. Funds held by Sections are designated for the development of the Institution's activities in the regions.

3. Property maintenance reserve

The Institution has set up a fund for refurbishments in order to maintain the value and use of the property.

Unrestricted

This is expendable at the discretion of the Trustees. It ensures that services are not interrupted in the event of a sudden loss of income or unexpected expenditure. It includes the operating activities of the Institution in addition to the operating results of IGEM House Ltd.

Property and assets represent the net book value of fixed asset acquired and funded from the Charity's unrestricted funds.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

17 MOVEMENT OF FUNDS

	Balance at 1st Jan 2023	Income	Expenditure	Investment Movement	Transfers	Balance at 31st Dec 2023
Unrestricted Funds						
Group and Institution						
General Reserve	900,000	2,554,255	(2,405,239)	56,917	194,067	1,300,000
Property and Assets	1,216,619	-	(42,410)	-	-	1,174,209
	2,116,619	2,554,255	(2,447,649)	56,917	194,067	2,474,209
Restricted Funds						
Institution						
Scholarships & Medals Fund	569,816	19,346	(77,393)	16,180	-	527,949
Gas Innovation Fund	536,109	17,871	(51,951)	15,372	-	517,401
Hydrogen Standards Innovation Fund	50,209	-	(42,798)	-	-	7,411
GIUSP	7,000	-	(7,000)	-	-	-
Group (including above)						
History Fund	7,154	1,288	(215)	-	-	8,227
Scottish Section	20,365	363	-	-	-	20,728
	1,190,653	38,868	(179,357)	31,552	-	1,081,716
Designated Funds						
Institution						
Development	1,412,650	-	(115,967)	-	(194,067)	1,102,616
Property Maintenance Reserve	150,000	-	(13,052)	-	-	136,948
Sections:						
Northeast & Yorkshire	11,420	13,819	(12,553)	-	-	12,686
Welsh	18,736	13,739	(11,915)	(811)	-	19,749
Midlands	26,990	-	(2,883)	-	-	24,107
North West	12,066	8,252	(9,701)	-	-	10,617
Far East	41,877	21,607	(22,167)	-	-	41,317
London, Southern & Eastern	5,659	4,785	(6,581)	-	-	3,863
South West	5,243	2,110	(2,598)	-	-	4,755
Irish	4,170	-	-	-	-	4,170
Industrial Affiliates	6,758	3,300	(4,645)	-	-	5,413
Young Persons Network	833	6,000	(166)	-	-	6,667
Group (including above)						
Scottish	12,420	2,808	(2,755)	-	-	12,473
	1,708,822	76,420	(204,983)	(811)	(194,067)	1,385,381
	5,016,094	2,669,543	(2,831,989)	87,658	-	4,941,306

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

17 MOVEMENT OF FUNDS (continued)
PRIOR YEAR COMPARATIVE

	Balance at 1st Jan 2022	Income	Expenditure	Investment Movement	Transfers	Balance at 31st Dec 2022
Unrestricted Funds						
Group and Institution						
General Reserve	900,000	2,331,649	(2,139,234)	(340,742)	148,327	900,000
Property and Assets	1,244,347	-	(27,728)	-	-	1,216,619
	2,144,347	2,331,649	(2,166,962)	(340,742)	148,327	2,116,619
Restricted Funds						
Institution						
Scholarships & Medals Fund	719,691	17,965	(70,997)	(96,843)	-	569,816
Gas Innovation Fund	632,091	14,882	(18,850)	(86,767)	(5,247)	536,109
Hydrogen Standards Innovation Fund	258,612	2,798	(216,448)	-	5,247	50,209
GIUSP	14,500	-	(7,500)	-	-	7,000
Group (including above)						
History Fund	7,237	2,402	(2,485)	-	-	7,154
Scottish Section	20,270	95	-	-	-	20,365
	1,652,401	38,142	(316,280)	(183,610)	-	1,190,653
Designated Funds						
Institution						
Development	1,775,653	-	(214,676)	-	(148,327)	1,412,650
Property Maintenance Reserve	150,000	-	-	-	-	150,000
Sections:						
Northeast & Yorkshire	9,593	15,551	(13,724)	-	-	11,420
Welsh	19,788	9,161	(10,213)	-	-	18,736
Midlands	25,031	3,700	(1,741)	-	-	26,990
North West	15,605	12,195	(15,734)	-	-	12,066
Far East	28,332	23,866	(10,321)	-	-	41,877
London, Southern & Eastern	8,477	3,909	(6,727)	-	-	5,659
South West	5,543	7,179	(7,479)	-	-	5,243
Irish	4,170	-	-	-	-	4,170
Industrial Affiliates	7,153	-	(395)	-	-	6,758
Young Persons Network	15,033	-	(14,200)	-	-	833
Group (including above)						
Scottish	12,849	2,425	(2,854)	-	-	12,420
	2,077,227	77,986	(298,064)	-	(148,327)	1,708,822
	5,873,975	2,447,777	(2,781,306)	(524,352)	-	5,016,094

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted/ Designated Funds £	Restricted Funds £	Total 2023 £
Fund Balances at 31 December 2023 are represented by:			
Tangible fixed assets	1,174,209	-	1,174,209
Investments	2,486,787	1,362,814	3,849,601
Cash	333,247	29,499	362,746
Net current liabilities	(134,653)	(310,597)	(445,250)
Total net assets	3,859,590	1,081,716	4,941,306

	Unrestricted/ Designated Funds £	Restricted Funds £	Total 2022 £
Fund balances at 31 December 2022 are represented by:			
Tangible fixed assets	1,216,619	-	1,216,619
Investments	2,436,052	1,316,128	3,752,180
Cash	447,599	28,811	476,410
Net current liabilities	(274,829)	(154,286)	(429,115)
Total net assets	3,825,441	1,190,653	5,016,094

19 COMMITMENTS UNDER OPERATING LEASES

As at 31 December 2023 the Group and Institution had commitments under operating leases as follows:

	Other 2023 £	2022 £
Group and Institution		
Within one year	1,670	2,070
Between two and five years	-	1,552
	1,670	3,622

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

20 RECONCILIATION OF NET DEFICIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net deficit for the reporting period	(74,788)	(857,881)
Adjustments for:		
Depreciation charges	42,410	29,228
Gain on disposal of Investments	(646)	(869)
Fair value movement on investments	(87,012)	525,221
Dividends, interest and rents from investments	(107,497)	(90,914)
(Increase) in debtors	(172,777)	(53,338)
Increase / (decrease) in creditors	188,912	(127,374)
Cash used from Operations	<u>(211,398)</u>	<u>(575,927)</u>

21 ANALYSIS OF NET DEBT

	1 January 2023 £	Cash flows £	31 December 2023 £
Short term investments	56,863	(50,253)	6,610
Cash	419,547	(63,411)	356,136
Total net debt	<u>476,410</u>	<u>(113,664)</u>	<u>362,746</u>

22 RELATED PARTY TRANSACTIONS

The group and the institution has taken advantage of the exemption available under section 1AC.35 of FRS 102, from disclosing transactions entered into between two or more wholly owned members of the group.

23 CONSOLIDATED ENTITIES

The entities included in the consolidation are:

The History Fund – charity number 287678 – incorporated in England and Wales
IGEM House Ltd (100% owned) – company number 03093169 – incorporated in England and Wales
Institution of Gas Engineers (Scottish Section) Benevolent and Education Funds - charity number SC006601
– incorporated in Scotland

The charity's financial statements include those of the Institution of Gas Engineers and Managers Scholarships, Medals, Prizes and Lectureships Fund - charity number 214011-11 - registered in England and Wales.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

24 FINANCIAL INSTRUMENTS

The Society's financial instruments may be analysed as follows:

	2023	2022
	£	£
Financial assets		
Financial assets measured at amortised cost	789,146	766,966
Financial liabilities		
Financial liabilities measured at amortised cost	881,310	718,080

Financial assets measured at amortised cost comprise cash at bank, trade debtors and short-term investments.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

England & Wales - Charity number 214011

Accounts

Registered Charity Number: 214011

ANNUAL REPORT AND ACCOUNTS

2022

Registered Charity Number: 214011

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

Trustees' Report and Financial Statements

Year Ended 31 December 2022

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

CONTENTS

	Page
Legal and Administrative Information	3 - 4
Trustees' Report	5 – 14
Statement of Trustees' Responsibilities	15
Independent Auditor's Report	16 – 18
Consolidated Statement of Financial Activities	19
Consolidated Balance Sheet	20
Charity Balance Sheet	21
Consolidated Statement of Cash Flows	22
Notes to the Financial Statements	23 - 39

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

LEGAL AND ADMINISTRATIVE INFORMATION

Officers and Council Members as at 31st December 2022:

President	David Parkin CEng FIGEM	
Past President	Benjamin Clarke CEng FIGEM IET	
President Elect	Andrew Musgrave CEng FIGEM	
Vice President	David Tomkin EngTech FIGEM	
Honorary Secretary*	Benjamin Clarke CEng FIGEM IET	
Chief Executive*	Oliver Lancaster BSc MSc FGS EngTech FIGEM	
Ordinary Members	David McLeod CEng MIGEM Bridget Hartley CEng MIGEM Steve Critchlow EngTech MIGEM Michael Blake CEng MIMechE MIGEM Paul Denniff CEng MIMechE FIGEM Jordan Rowbottom CEng FIGEM Chi Kin Peter Chak BSc CEng FIGEM Lucy Ritchie MIGEM Sarah Williams MIGEM Gordon McMillan AIGEM Darren Elsom IEng FIGEM Nicola Evans CEng MIGEM	
Section Members	Heng Xiang Zhou CEng MIGEM Conor O'Reilly IEng MIGEM Simon Joyce IEng MIGEM Tim Roff CEng MICE MIGEM Adam Madgett EngTech TMIET MIGEM Lewis Watts CEng MWeldI MIGEM David Frost CEng MIGEM Kyle Lewis Tom Stuart Matthew Kluwe AIGEM Tony Wimpenny BEng MSc	Far East Irish London, Southern & Eastern Midlands North East & Yorkshire North West Scottish Welsh South West Young Persons Section Industrial Affiliate
Co-opted Members*	Hilary Buxton CEng MIMechE FIGEM Christopher Gorman CEng MIGEM Antony Green CEng FCIWEM CWEM MIW FIGEM Sheila Lauchlan BSc CEng FIGEM	

Also, Trustees for the period to 18th May 2022:

Duncan Wong CEng FIGEM FHKIE	Trevor Smailpeice EngTech FIGEM	
Ben Kuchta CEng FIGEM	Cheung Pak-kin BSc CEng FIGEM	
Gary Hesketh EngTech MIGEM	James McStravog HCEng MIGEM	
Andrew Fuller EngTech MIGEM	Glenn Halton MIGEM	
Stuart McLeod IEng MIGEM	Sean Noonan FIGEM	
Matthew Davies CEng MIMechE MIGEM	George Brookfield CEng MIGEM	*denotes Non - Trustee

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

LEGAL AND ADMINISTRATIVE INFORMATION

Secretariat Senior Staff

Chief Executive Officer	Oliver Lancaster BSc MSc FGS EngTech FIGEM
Head of Technical Services & Policy	Ian McCluskey BEng CEng FIMechE FIGEM
Interim Head of Finance	Stephanie Hay BSc ACA
Head of Membership Services	Claire McHugh BA(Hons) AIGEM
Head of Corporate Affairs and Operations	Carl Stokes AIGEM

Charity Number 214011

Registered Office Institution of Gas Engineers and Managers
IGEM House
26 & 28 High Street
Kegworth
Derbyshire
DE74 2DA

Auditors UHY Hacker Young
14 Park Row
Nottingham
NG1 6GR

Bankers HSBC Bank Plc
117 Great Portland Street
London
W1W 6QJ

Solicitors Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

Investment Managers Rathbones Investment Management
8 Finsbury Circus
London
EC2M 7A

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2022

TRUSTEES' REPORT

The Trustees of the Institution of Gas Engineers and Managers (IGEM) present their report and audited financial statements for the year ended 31 December 2022. The financial statements comply with the Institution's Royal Charter, applicable Companies and Charities Acts and the Charities Statement of Recommended Practice issued in October 2019. The Trustees consider that they have complied with their duties under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Objectives and Activities

IGEM has a significant opportunity to lead an ambitious response from our sector to engineer a sustainable gas future and help mitigate the impacts of climate change. IGEM needs to influence and keep in step with the evolving landscape, and our new Ambition, Priorities and Values will help deliver this for both our members and broader society for the gas system of today and tomorrow.

We are about to embark upon a new business plan covering the period 2023-2028 inclusive, which includes a critical timeframe of both regulatory and policy decisions that are expected to determine, and hopefully secure, the long-term direction of our industry.

At the end of 2022, we consolidated IGEM's focus and the way we go about our business – our identity – which is at our core as we serve our members and deliver our strategy.

Our Ambition is to be the world's leading institution for gas professionals, advancing the safety, reliability and sustainability of energy.

Our Priorities are core to our operation, supporting the delivery of our strategy for societal benefit:

- Promote, inspire and support the attainment and maintenance of the highest standards of professional competence and excellence through the provision of high-quality products and services.
- Design the gas system of the future, by leaning on our rich history and in leading the transition from fossil fuels to net zero, with low carbon gases as a critical part of a secure, whole energy system.
- Provide personal and professional development for members and staff to grow their skills and reach their full potential in a supportive and diverse business environment.
- Engage stakeholders and listen, advise and influence; developing innovation partnerships to build informed analysis and evidence.
- Ensure our governance framework is robust and fit for purpose to allow our charitable objectives to be conducted effectively and efficiently.

Our Values define our professionalism and behaviours. They reflect on our performance as a business and how we interact with members, colleagues, partners and customers:

- Excellence: to confidently and competently achieve, and help others achieve, the very highest standards.
- Integrity: doing the right thing based on core moral and ethical convictions.
- Respect: trusting, valuing and appreciating the work of colleagues, members, volunteers and stakeholders independent of their position or background.
- Open Mindedness: having an unprejudiced mindset that is receptive to new ideas and opinions that may differ to your own.
- Innovative: cultivate a community of engaged members and partners to undertake informed analysis and develop robust evidence to advise, influence and improve gas policy for public benefit.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2022

TRUSTEES' REPORT

Our business plan pushes stronger in some of our current delivery areas, but importantly introduces new activities to push the boundaries and grow the membership, revenue and impact of the Institution. Key activities continue, which includes recruitment and retention of members, as well as provision of training and services to members and the wider industry to support members' continuing professional development, through the *Gi* journal, website, communications, conferences, lectures and technical training. In addition, technical advancement is achieved through review and development of Industry Standards and recommendations, research, networking and support.

The Sections within IGEM's membership deliver varied programmes of events encompassing technical visits and paper evenings as well as networking and social activities. Several of these activities are international.

Key Matters in 2022

Everyone at IGEM was saddened to hear of the passing of Her Late Majesty Queen Elizabeth II, who chose to be our Patron in 1953. We are grateful to our resident gas history expert, Russell Thomas, for putting a *Gi* article together to celebrate her life and association with the gas industry.

We also mourned the loss of our much-loved colleague, friend and Past President, Chris Bielby. He was much more than a long-standing member and tireless volunteer (to continually improve the sector and develop the next generation), but a part of the IGEM family through and through.

Another unexpected situation in 2022 was Russia's invasion of Ukraine and understanding how IGEM ought to respond, like other Professional Engineering Institutions were also considering. We were very pleased that we were able to donate £25k to support the supply of critical and urgently needed equipment to the Ukraine gas network operators, which we did in collaboration with the five gas networks in Britain.

Public Benefit Statement

We have referred to the guidance contained in the Charity Commission's general guidance of public benefit when considering our Ambition, Priorities and Values and in planning our future activities. In particular, the Trustees routinely consider how planned activities will contribute to the Ambition, Priorities and Values they have set.

IGEM delivers benefits for Society by applying expertise and experience to make an influential contribution to solving pressing energy challenges in areas such as safety, security, affordability and sustainability, often by collaborating openly to enable effective action. We also effect positive change by supporting the development of gas engineering professionals as credible participants in a wider community of technical practitioners.

Our main objectives for the year continued to be the promotion of engineering science as applied to the broad gas industry; and to improve and elevate the technical knowledge of those engaged in the profession of gas engineering. The strategies we used to meet these objectives included:

- Ensuring the competence of practising gas engineers through a pathway for recognition, including registration with the Engineering Council;
- Providing members with continuing professional development opportunities including free access to mentoring and support towards advancement through grades of membership;
- Providing awareness of technical developments and innovations through publications, conferences and events, at both national and local level;

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2022

TRUSTEES' REPORT

- Utilising technical expertise to advise and support the Government's policies on Net Zero, specifically developing technical standards and responding to consultations influencing statutory regulation;
- Continuing to develop and publish peer reviewed Industry Standards aimed at enhancing the procedures for the safe use of natural gas and hydrogen in the areas of transmission, distribution, utilisation and metering;
- Securing approval to be an authoriser of recognised training providers;
- Working with skills partners to approve apprenticeships that lead to qualified gas technicians;
- Provision of scholarships and grants to individuals and companies undertaking research, development and innovation, where their area of interest furthers the objectives of the charity;
- Ensuring a selection of free and discounted provision of services are offered within membership services, event placements and access to Technical Standards;
- Auditing and authorisation of approved gas industry training providers;
- Extending our reach by developing support for new sectors and in developing relationships with India.

Our public benefit activities focus on the safe passage of gas through the supply chains through to safe use by the public and by industrial customers, as well as the planning for their future energy needs as part of an affordable, just and secure transition. These activities include competence assessment, provision of opportunities for the continued demonstration of competence through personal professional development for our members, and those in the wider gas industry. In addition, we support, showcase and finance research, such as Carbon Monoxide and net zero policy research.

Structure, Governance and Management

The Institution of Gas Engineers and Managers is a registered charity established in 1863, incorporated by Royal Charter in 1929 and governed by By-Laws, which were last amended in July 2001. IGEM has a Governance Manual, comprehensively updated during 2019 incorporating Charter, By-Laws, requirements of Trustees, organisational structure, key terms of reference of Boards and Committees as well as Membership Policy and Procedures, Finance Policy and Procedures, and IGEM's Quality Policies and Procedures and requirements of Charity Law. In addition, IGEM has a Conflicts of Interest Policy.

The main decision making body of IGEM is Council, which governs IGEM and owns the strategy that IGEM will adopt and implement. It consists of 27 Trustees together with other, non-voting, members. These are:

- President*
- President Elect*
- Vice President*
- Immediate Past President*
- Honorary Secretary
- 12 Ordinary Members*
- 11 Section Chairs [or nominated representative]*
- Chief Executive Officer
- Co-opted advisors to Council

* Indicates a Trustee member of Council

Council can invite the election or appointment of any member of IGEM onto Council if it feels that they can bring value, knowledge and expertise. Some Trustees change at IGEM's Annual General Meeting each year. Ordinary Members serve for three years and Section Chairs serve for at least one year.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS YEAR ENDED 31 DECEMBER 2022

TRUSTEES' REPORT

Council is supported by an Executive Board that acts as a steering committee to Council to assist with Trustee deliberations at Council. The Executive Board consists of:

- President*
- President Elect*
- Vice President*
- Immediate Past President*
- Honorary Secretary
- A representative each from gas networks, the YPN and Company Members **
- Co-options (up to two)**
- Chief Executive Officer

* Trustee member of Council

** Trustee or non-Trustee of Council

IGEM comprises the following entities:

Institution of Gas Engineers and Managers

Scholarships, Medals, Prizes and Lectureship Fund

History Fund

Institution of Gas Engineers (Scottish Section) Benevolent and Education

IGEM House Ltd

Charity No. 214011

Charity No. 214011-11

Charity No. 287678

Charity No. SC006601

Company No. 03093169

IGEM has a subsidiary trading company, IGEM House Ltd trading as Meetpoint Midlands. This company undertakes commercial trading activities, and the results are consolidated in these financial statements. This company commenced trading during 2011 and rents conference and meeting facilities to third parties.

The Institution has a Benevolent Fund, the Incorporated Benevolent Fund of the Institution of Gas Engineers and Managers, which reports separately to its members.

IGEM operates a number of Boards, Committees, Sub-Committees and Panels through which it undertakes its educational, technical and administrative functions. IGEM benefits from the input of many volunteers, who govern the Institution, run the Sections, contribute to committees, panels, mentoring and interviewing. Over 2022, there were 608 volunteers actively involved in IGEM who collectively provided volunteer services totalling 8,228 hours, equivalent to five full time staff.

All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 7 to the accounts. Trustees are required to disclose all relevant interests and register them with the Chief Executive and withdraw from decisions where a conflict of interest arises. All incoming Trustees are provided with training to fully explain their roles and responsibilities and an induction package. This includes a copy of "How to be an effective Trustee" published by the Charity Commission, together with the By-Laws, Governance Manual and Business Plan for the Institution.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2022

TRUSTEES' REPORT

The general membership is organised into eight regional Sections throughout the UK and one overseas Section:

- Far East District Section
- Irish Section
- London, Southern & Eastern Section
- Midlands Section
- North East & Yorkshire Section
- North West Section
- Scottish Section
- South West Section
- Welsh Section

Throughout the year, the Sections organise a varied programme of events encompassing informative, technical presentations from high profile speakers from within and outside the gas industry as well as social networking opportunities. These events also provide a valuable element to the ongoing development of our members and evidence of attendance can be used within our Continuing Professional Development framework. In addition, IGEM has two further Sections, each established to meet the more specific needs of the individual membership group:

Industrial Affiliates Section, which represents our company members. These members include network asset owner operators, gas supply businesses, companies engaged within the supply chain, consultancies and educational establishments.

Young Persons Network. A key role of the Section is to give a voice to our younger, often more junior, members and to encourage them to play an active part within the Institution. As well as being assigned to a geographically defined Section, all of our members under the age of 35 are included within the auspices of the YPN. The flagship event of the YPN is its short paper competition. The winner of the YPPC 2022 was Emily Mulcair, of Fingleton White, whose presentation was on Modelling Grid Stabilisation using Curtailed Wind & Liquid H₂.

Covid-19

The Covid-19 pandemic resulted in some challenges for the Industry and the Institution; however the secretariat have now moved to hybrid working between the office and home.

Political Donations and Expenditure

No contributions have been made to any political party in this financial year.

Achievement and Performance

IGEM maintains ISO 9001:2015 quality accreditation.

IGEM is licenced by the Engineering Council to assess candidates for inclusion on the national register of professional engineers and technicians, to recognise academic programmes and professional development schemes and to monitor the Continuing Professional Development of registrants.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2022

TRUSTEES' REPORT

Membership services recruited and supported members during the year, including delivery of mentoring and Continuing Professional Development.

Individual Members	Opening	New	Lapsed or resigned	Movement	Closing
Honorary	5	0	0	1	6
Companion	22	0	1	0	21
Fellow	227	0	9	2	220
Chartered Member	1,096	19	55	4	1,064
Incorporated Member	377	5	34	6	354
Engineering Technician Member	693	86	62	-3	714
Member Manager	120	8	14	3	117
Associate Member	6	0	0	-2	4
Graduate	97	21	18	0	100
Associate	474	134	94	-8	506
Gas Technician	106	14	18	-1	101
Licensed Gas Technician	25	0	1	-2	22
Students	110	9	2	0	117
Total	3,358	296	308	0	3,346

Affiliate Members	Opening	New	Lapsed or resigned	Movement	Closing
Small (1-5 employees)	97	20	12	0	105
Small - Medium (6-15 employees)	69	9	1	0	77
Medium (16-99 employees)	96	7	4	-1	98
Medium - Large (100-499 employees)	67	5	1	0	71
Large (500+ employees)	25	0	1	0	24
Housing Partner	8	7	0	0	15
Total	362	48	19	-1	390

Highlights for 2022 include the Institution's Engineering Council licence for professional registration and recognition of learning programmes being approved for a further five years.

Our annual CPD sampling exercise continued and individual feedback was provided to those who submitted a CPD record to support them with their CPD journey. Two members had to be removed from the register due to non-compliance.

A program of awarding grants and scholarships progressed, with a high quality of applications resulting in three undergraduate scholarships, awarded to support relevant sector studies.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS YEAR ENDED 31 DECEMBER 2022

TRUSTEES' REPORT

IGEM develops and produces Technical Standards with related activities including research, record management, training and liaising with industry and external stakeholders. Selected standards are made available for a reduced rate through the Gas Safe Register. This supports operatives working in the downstream sector to enable more industry representatives to have affordable access to Standards.

Working with the technical committees, expert panels and working groups, members and volunteers were involved in 118 meetings, resulting in the department producing 273 technical papers and publishing 14 standards throughout the year, these were:

- IGEM/G/5 Gas in multi-occupancy buildings
- IGEM/IG/1 Supplement 2 Domestic training Specification
- IGEM/G/11 Supplement 1 Responding To Domestic CO Alarm Activations
- IGEM/H/1 with Amendments June 2022 Reference standard hydrogen utilisation
- IGEM/G/11 with amendments July 2022 Gas industry unsafe situations procedure
- IGEM/UP/19 Edition 2 Design and application of interlock devices and associated systems used with gas appliance installations in commercial catering establishments
- IGEM/GM/PRS/3 with amendments July 2019 and July 2022 Meter Regulators for gas flow rates not exceeding 6m³ h⁻¹ and inlet pressures not exceeding 75 mbar
- IGEM/GM/6 Edition 3 Non-domestic meter installations. Standard Designs
- IGEM/UP/11 Edition 3 Supplement 1 Guidance on gas installations for the management and staff within educational establishments
- IGEM/TD/3 Supplement 1 Steel and PE Pipelines for Hydrogen/Natural Gas Blends Distribution
- IGEM/UP/9 Application Of Natural Gas And Fuel Oil Systems To Gas Turbines
- IGEM/G/13 Domestic Supply Capacity And Operating Pressure At The Outlet Of The Meter
- IGEM/SR/25 Supplement 1 Hazard Area Classification Of Hydrogen Installations
- IGEM/GL/8 Reporting And Investigation Of Gas Related Incidents

In response to the UK Government's commitment to achieve net-zero carbon emissions by 2050, a range of research and demonstration projects are underway to investigate the feasibility of using hydrogen in place of natural gas within the national transmission and distribution system. In particular for these projects to achieve their full scope of work, it is recognised that engineering standards will have a critical role. The Hydrogen Committee, chaired by Keith Owen of Northern Gas Networks (NGN), provided the governance and leadership in the production and the development of 7 new hydrogen standards. This included a mechanism for performing hazardous area classification for hydrogen installations. The IGEM/SR/25 Standard is used to undertake such assessments for natural gas installations and a supplement has been produced to cover the requirements for hydrogen or hydrogen/natural gas blends. Work is currently being finalised with DNV on the production of a new Hazardous Area calculator which will cover hydrogen and blends and is expected in early 2023 for members and the industry. During the year work was also completed on the IGEM/TD/3 supplement for distributions systems using hydrogen blends for new and repurposed networks.

Towards the end of 2021, an agreement was made with BEIS for the funding of hydrogen end user standards and the implementation of a competence framework, working in a consortium with Energy and Utility Skills. The IGEM working group, chaired by Dr Richard Marrow, was set up to deliver the standards to support the training for engineers working on the Community trials. Members include Global Energy Associates, Blue Flame, Energy Assets, Simmons Consulting, DNV and Kiwa.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2022

TRUSTEES' REPORT

The working group oversaw the update to the IGEM/H/1 reference standard for hydrogen utilisation and work began on two new standards for this project;

- IGEM/H/2: Enabling standard (domestic).
- IGEM/H/3: Enabling standard (commercial).

Both standards are currently on the second working draft and on target for production in Q4 of 2023 once the industry research has been completed in the key gap areas

Building on the successful launch of the Hydrogen Knowledge Centre in 2021, the digital repository, dedicated to the advancement of hydrogen learning globally and supporting the transition to a net zero carbon emissions future, continues to go from strength to strength. At its core, the Hydrogen Knowledge Centre enables learning to be shared with others, through a carefully curated, comprehensive and growing database of information from the widest possible range of sources.

The repository, managed by a dedicated team at IGEM, has grown to include over 3,800 resources, from 320 credible sources, across 70 countries. By the end of 2022 the platform had been accessed on average 3,355 times per month with around 240 downloads per month.

IGEM was delighted that this valuable resource was recognised by the three institutions for awards in 2022. The EIC nomination for an Energy Innovation Award, the Heating & Ventilation News Awards for Collaboration of the Year and the prestigious Memcom Excellence Awards where the site received a highly commended award for the best E-learning / Online Education Initiative.

The training, events and conferences programme moved to a post-COVID set-up with a mix of in-person, digital and hybrid activities through the year. The Sir Denis Rooke Memorial Lecture was delivered by The Rt Hon Lord Deben, Chairman of the Climate Change Committee and the UK's longest ever serving Secretary of State for the Environment (1993-97). He spoke about the UK's net zero challenge, including the potential role of hydrogen, and argued for a balanced approach to the future energy system.

Gas Utilisation – Today and Tomorrow was held at the National Conference Centre in March, focused on key areas in the transition to hydrogen and was aimed at those working in downstream operations to raise awareness of what they need to do to prepare for the future.

The Policy Conference in July featured keynote speakers from BEIS and the Climate Change Committee, and looked at the next steps for hydrogen and the evidence gathering to support decision-making on the role of hydrogen in our net zero energy system.

IGEM's Annual Conference brought the latest insights from the front line of the energy transition. With sessions dedicated to the Gas Industry Today; the Iron Mains Risk Reduction Programme; the Safety of the Network and Delivering Hydrogen, this flagship event attracted an audience of over 200 delegates.

Investments

IGEM's Portfolio of Investments are managed by Rathbones Investment Management held within their Core Investment Fund for Charities. Performance is measured against a pre-agreed composite benchmark of market indices. The investment objectives for both the Unrestricted Funds and the Restricted Funds are to be balanced and managed for total return.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2022

TRUSTEES' REPORT

During the year the IGEM portfolio values have decreased by a total of £524,352 (2021: increased by £472,235) being 12.3% of the opening value. This represents a significant decrease from last year. In addition, dividends earned are £90,631 (2021: £84,714).

2022 Financial Review Funds Summary	2022	2021
General Reserve	900,000	900,000
Development Fund	1,412,650	1,775,653
Property Maintenance Reserve	150,000	150,000
S&M	569,816	719,691
Gas Innovation Fund	536,109	632,091
Hydrogen Standards Innovation Fund	50,209	258,612
GIUSP	7,000	14,500
Sections	166,537	171,844
History	7,154	7,237
Property & Assets	1,216,619	1,244,347
	<u>5,016,094</u>	<u>5,873,975</u>

Reserves

The Institution's reserves are held to meet liabilities, working capital, operations, research, education and future developments to benefit members, customers and support the gas industry in a viable and sustainable manner. The Development Reserve is for future investment into the development of the Institution and to facilitate the investment into the energy transformation that is facing the industry. In 2021, after a strategic review the Council had approved the funding for the Digital Evolution and Engagement Project (Project DEEP) up to £250,000 with 10% contingency from the Development Reserve to upgrade IGEM's CRM system and Website. The Council had also agreed that £100,000 be allocated from the Development Reserve to a new hydrogen social community network (titled Sph2ere) with the YPN Committee. Both projects were started in 2021 with continuation in 2022; DEEP project completed in 2022; with Sph2ere planned to complete in 2023. The General Reserve are the free reserves, held at a value of up to approximately 6 months expenditure, currently set at £900,000 which provides adequate resilience to maintain liquidity and mitigate risks. The Restricted Funds were repurposed to enable increased application of the funds in order to make proper use of them in line with their objectives.

Total funds held by the charity at the end of the reporting period are £5,016,094. This is constituted of general, designated and restricted funds as detailed below.

Restricted	1,190,653
Designated	1,708,822
Fixed Assets	1,216,619
Free Reserves	<u>900,000</u>
	<u>5,016,094</u>

The expected timeframe of expenditure of the designated and restricted funds will be in line with the external environment of transition of energy over the decade to 2030.

The amount of reserves freely available to the charity, after allowing for restricted funds, committed expenditure, assets and designations are therefore £900,000 and is in line with the reserve policy. Further details of the funds held are included in Notes 16 and 17 to these financial statements.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2022

TRUSTEES' REPORT

Risk Management

The Audit & Risk Committee is responsible for providing a robust risk management framework with effective controls that are integrated to the operational management of the Institution. The committee oversees quality management and governance processes including health, safety and environment, quality assurance management system that complies with BS EN ISO 9001:2015 standard and also a comprehensive risk register to identify, monitor and improve controls embedded within the organisation. The risk register has undergone a full review and has been simplified into a new format that has dashboard views for headline risks.

Strategies for managing these risks include the maintenance of identified processes that specifically mitigate the risk and a regularly reviewed action plan that is considered to provide further mitigation.

The Secretariat are responsible for the identification of risks and the effectiveness of management action to mitigate adverse performance against the Business Plan.

The detailed planning and execution of objectives and actions, resulting from risk reviews, are managed at an operational level within the secretariat and are overseen by the Executive Board. There is an integrated management system that links risks, strategies, objectives and actions, managed by the Chief Executive Officer.

In 2023, work will continue in monitoring the governance of IGEM through financial viability, continued development of financial policy and procedures and the assessment of financial risk. This will be monitored, measured and reported through forecast reviews, audits, development of key performance indicators and regular reporting to the Management Team, Audit and Risk Committee, Executive Board and Council.

Provision of Information to the Auditor.

So far as each of the Trustees are aware at the time the report is approved:

- There is no relevant audit information of which the charity's auditors are unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the Council on 11 May 2023... and signed on its behalf.



David Parkin
President

**THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF THE INSTITUTION OF GAS ENGINEERS AND MANAGERS**

Opinion

We have audited the financial statements of The Institution of Gas Engineers and Managers (the "Parent Charity") and its subsidiaries (the "Group") for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the 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 FRS 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 group and charity's affairs as at 31 December 2022 and of its incoming resources and application of resources 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 Charities Act 2011.

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 charity 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statement 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 charity'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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the financial statements. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF THE INSTITUTION OF GAS ENGINEERS AND MANAGERS**

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees 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 charity'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 charity 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the charitable company, which were contrary to applicable laws and regulations including fraud, and we

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF THE INSTITUTION OF GAS ENGINEERS AND MANAGERS**

considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charitable company's net income for the year.

Audit procedures performed included:

- review of the financial statement disclosures to underlying supporting documentation;
- testing of sales invoices to ensure revenue is recognised correctly within the financial statements;
- review of correspondence with and reports to the regulators, including correspondence on the Charity Commission;
- Enquiries of management in so far as they related to the financial statements, and
- testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young

Roger Merchant
(Senior Statutory Auditor)

Date: 15 May 2023

For and on behalf of UHY Hacker Young
Chartered Accountants and Statutory Auditor

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2022 £	TOTAL 2021 £
Incoming Resources						
Grant Income	6	-	-	-	-	(52,382)
Charitable Activities	2	2,215,508	77,114	6,591	2,299,213	2,006,194
Trading Activities		57,651	-	-	57,651	27,968
Investment Income	3	58,490	872	31,551	90,913	84,770
Total Incoming Resources		2,331,649	77,986	38,142	2,447,777	2,066,550
Resources Expended						
Raising Funds:						
Investment Mgr Fees		5,098	-	2,751	7,849	7,966
Trading Expenditure		18,845	-	-	18,845	3,022
		23,943		2,751	26,694	10,988
Charitable Activities	4	2,143,019	298,064	313,529	2,754,612	2,254,882
Total Resources Expended		2,166,962	298,064	316,280	2,781,306	2,265,870
Net (loss)/surplus pre fair value adjustments		164,687	(220,078)	(278,138)	(333,530)	(199,320)
Net (losses) / gains on Investments	8	(340,742)	-	(183,610)	(524,352)	472,235
Net (Expenditure)/ Income		(176,055)	(220,078)	(461,748)	(857,881)	272,915
Transfer between Funds	22	148,327	(148,327)	-	-	-
Net Movement in Funds		(27,728)	(368,405)	(461,748)	(857,881)	272,915
Total Funds Brought Forward	17	2,144,347	2,077,227	1,652,401	5,873,975	5,601,060
Total Funds Carried Forward	17	2,116,619	1,708,822	1,190,653	5,016,094	5,873,975

The statement of financial activities includes gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 23 to 39 form part of these accounts

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

		2022 £	2021 £
Fixed Assets			
Tangible	9	1,216,619	1,244,347
Investments	10	3,752,180	4,269,320
		<u>4,968,799</u>	<u>5,513,667</u>
Current Assets			
Debtors	11	331,388	268,286
Short Term Investments	13	56,863	756,642
Cash at bank and in Hand	12	419,547	213,494
		<u>807,798</u>	<u>1,238,422</u>
Creditors: amounts falling due within one year	14	<u>(760,503)</u>	<u>(878,114)</u>
Net Current Assets		47,295	360,308
Net Assets		<u>5,016,094</u>	<u>5,873,975</u>
FUNDS			
Unrestricted	17	2,116,619	2,144,347
Restricted	17	1,190,653	1,652,401
Designated	17	1,708,822	2,077,227
		<u>5,016,094</u>	<u>5,873,975</u>

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on11 May 2023.....



David Parkin
President

The notes on pages 23 to 39 form part of these accounts

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2022

		2022 £	2021 £
Fixed Assets			
Tangible	9	1,216,619	1,244,347
Investments	10	<u>3,753,180</u>	<u>4,269,523</u>
		4,969,799	5,513,870
Current Assets			
Debtors	11	348,458	270,839
Short Term Investments	13	56,863	756,642
Cash at bank and in Hand	12	<u>373,299</u>	<u>168,112</u>
		788,620	1,195,593
Creditors: amounts falling due within one year	14	<u>(773,063)</u>	<u>(875,847)</u>
Net Current Assets		5,557	319,746
Net Assets		<u>4,975,356</u>	<u>5,833,616</u>
FUNDS			
Unrestricted		2,100,406	2,144,347
Restricted		1,163,135	1,624,894
Designated		<u>1,711,815</u>	<u>2,064,375</u>
		<u>4,975,356</u>	<u>5,833,616</u>

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on ~~....11.May.2023.~~



David Parkin
President

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Net cash (outflow) / inflow from operating activities	20	<u>(575,927)</u>	<u>155,491</u>
Cash flows from Investing Activities:			
Dividends received & Interest		90,913	84,770
Purchase of property, plant and equipment		(1,501)	(32,787)
Purchase of Investment		(13,671)	(12,343)
Proceeds from sale of investments		6,460	6,788
Net cash in / (out) investing activities		<u>82,201</u>	<u>46,428</u>
 (Decrease)/ increase in cash and cash equivalents in the reporting period		 (493,726)	 201,919
 Cash and cash equivalent at the beginning of the reporting period		 <u>970,136</u>	 <u>768,217</u>
Cash and cash equivalent at the end of the reporting period		<u>476,410</u>	<u>970,136</u>
 Relating to:			
Cash at Bank and in hand		419,547	213,494
Short Term Investments		56,863	756,642
		<u>476,410</u>	<u>970,136</u>

The notes on pages 23 to 39 form part of these accounts

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

1 ACCOUNTING POLICIES

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Institution constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Institution's ability to continue as a going concern.

There are no significant areas of adjustment or key assumptions that affect items in the accounts.

(b) Group financial statements

These financial statements consolidate the results of the charity, its wholly-owned subsidiary, IGEM House Ltd; and the Scholarships, Medals, Prizes and Lectureship Fund, the History Fund and the Institution of Gas Engineers (Scottish Section) Benevolent and Education Funds, which are separate charities, on a line by line basis. A separate Statement of Financial Activities (SOFA) for the Institution alone is not presented because the charity has taken advantage of the provisions to not disclose.

(c) Funds accounting

Funds held by the charity are:

Unrestricted general funds - these funds can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds - these are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

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

(d) Incoming resources

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

Voluntary income is accounted for when received. Incoming resources represents the amount receivable during the year in respect of subscriptions, fees and other income.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Where income is received in advance of performance, its recognition is deferred and included in creditors until the contract is performed. Membership subscriptions received in advance are deferred and included in creditors.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

1 ACCOUNTING POLICIES (continued)

(e) Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- costs of raising funds include those costs incurred in the management of the charity's investment portfolio.
- charitable activities include expenditure associated with the objects of the charity and include direct costs and support costs associated to these activities.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(f) Tangible Fixed Assets and Depreciation

Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided to write off the cost of fixed assets to their residual value evenly over their estimated useful lives, which are as follows:-

Freehold property	50 years
Fixtures & Fittings	7 years
Computer equipment	3 years

(g) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of financial activities.

(h) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(i) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

1 ACCOUNTING POLICIES (continued)

(i) Realised gains and losses

are calculated as the difference between the fair value at the year-end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(j) Heritage assets

The Institution possesses a collection of regalia and memorabilia, and a collection of library books. These items are held for the furtherance of the Institution's objects and are considered heritage assets.

Where heritage assets are donated, the Trustees consider that in the absence of reliable cost information, the expense of determining a reliable valuation of these artefacts is onerous compared with the additional benefit derived by users of the accounts in assessing the Trustees' stewardship of the assets. Heritage assets are gifted and are therefore excluded from the balance sheet in accordance with paragraph 18.14 of the SORP. Where heritage assets are purchased, the purchase costs are capitalised in the balance sheet.

(k) Cash and cash equivalents

Cash and cash equivalents include cash at bank and cash in hand as well as short-term highly liquid investments with a short maturity (recognised within short-term investments).

(l) Pensions

The Institution makes payments to defined contribution pension schemes on behalf of qualifying employees. Such contributions are charged in the Statement of Financial Activities when made. The contributions are invested separately from the Institution's assets.

(m) Operating leases

Operating lease rentals are charged on a straight-line basis over the lease term.

(n) Corporation tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

(o) Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

(p) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Trustees consider that there are no material judgements or estimates.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

2 CHARITABLE ACTIVITIES

Activities in the furtherance of the charity's objectives.

	Unrestricted	Designated	Restricted	Total 2022	Total 2021
	£	£	£	£	£
Membership	841,295	-	-	841,295	768,539
Technical	931,054	-	4,139	935,193	952,695
Conferences & Events	328,688	-	50	328,738	161,706
Journal	114,471	-	-	114,471	82,927
Section Income, Excl					
Scottish Section	-	74,689	-	74,689	35,517
Scottish Section Income	-	2,425	-	2,425	2,684
History Fund	-	-	2,402	2,402	2,126
	2,215,508	77,114	6,591	2,299,213	2,006,194

In 2021, of total income from charitable activities, £1,784,040 was to unrestricted funds, £38,201 was to designated funds and £183,953 was to restricted funds.

3 INVESTMENTS

Investment Income	Unrestricted	Designated	Restricted	Total 2022	Total 2021
	£	£	£	£	£
Bank Interest	172	15	95	282	56
Dividends Received	58,318	857	31,456	90,631	84,714
	58,490	872	31,551	90,913	84,770

In 2021, of total income from investments, £53,839 was to unrestricted funds, £2,206 was to designated funds and £28,725 was to restricted funds.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

4 CHARITABLE EXPENDITURE

Cost of activities in the furtherance of the objectives of the charity

	Staff Costs £	Other Costs £	Support and Governance Costs £	Total 2022 £	Total 2021 £
General Funds:					
Membership	235,651	63,929	143,323	442,903	371,772
Technical	276,911	248,853	159,320	685,083	536,881
Conferences, Events, Marketing & Media	229,312	229,972	56,004	515,288	413,518
Journal	45,217	172,748	19,501	237,467	214,412
Facilities	26,712	47,309	12,724	86,745	7,110
Establishment	144,071	31,462	-	175,533	192,088
	957,874	794,273	390,872	2,143,019	1,735,781
Designated Funds:					
Section Expenditure	-	83,388	-	83,388	29,892
Development	-	214,676	-	214,676	105,427
	-	298,064	-	298,064	135,319
Restricted Funds:					
Scholarships & Medals	-	69,549	-	69,549	38,771
Gas Innovation	-	17,547	-	17,547	24,667
Hydrogen Standards Innovation	-	216,448	-	216,448	310,600
GIUSP	-	7,500	-	7,500	7,500
History	-	2,485	-	2,485	2,244
	-	313,529	-	313,529	383,782
	957,874	1,405,866	390,872	2,754,612	2,254,882

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

5 SUPPORT AND GOVERNANCE COSTS

	Staff Costs £	Other Costs £	Total 2022 £	Total 2021 £
<u>General & Support Costs:</u>				
Central Support	210,308	-	210,308	166,958
Legal and Professional Fees	-	935	935	5,707
Council Meetings & Staff Expenses	-	2,963	2,963	13,417
Bank & Credit Charges	-	24,789	24,789	15,033
Recruitment	-	-	-	12,789
Sundry	-	548	548	462
Staff Training	-	-	-	23,712
Postage & Telephone	-	27,130	27,130	24,221
Printing & Stationery	-	2,425	2,425	4,501
Computer Expenses	-	57,544	57,544	64,746
Subscriptions and Other Costs	-	7,854	7,854	6,342
Bad and Doubtful Debts	-	20,000	20,000	-
Irrecoverable VAT	-	20,618	20,618	10,729
<u>Governance Costs:</u>				
Audit & Accountancy Fees	-	13,500	13,500	10,088
Council and Trustee Expenses	-	2,258	2,258	481
	210,308	180,564	390,872	359,186

The Institution initially identifies the costs of its support functions. It then identifies those costs that relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the five key charitable activities undertaken (see note 4) in the year, based on the income generated for these charitable activities.

6 NET OUTGOING RESOURCES

This is stated after charging:

	2022 £	2021 £
Depreciation of Tangible Fixed Assets	29,228	29,198
Operating Lease Rentals	3,628	4,677
Government grants repaid/(received)	-	52,382
 Audit and Accountancy Charges:		
Statutory Audit	12,000	10,300

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

7 STAFF COSTS

The average monthly number of employees during the year was:

	2022	2021
	No.	No.
Office and Management	23	25
	2022	2021
	£	£
Staff Costs:		
Direct Salaries	960,860	806,454
National Insurance Contributions	93,599	76,073
Pension Contributions	113,723	99,066
	1,168,182	981,593

The number of employees whose emoluments as defined for taxation purposes amounting to over £60,000 in the year was as follows:

	2022	2021
	No.	No.
£60,000 to £70,000	1	1
£70,000 to £80,000	1	-
£90,000 to £100,000	-	1
£110,000 to £120,000	1	-

Pension contributions relating to those staff earning over £60,000 totalled £51,756 (2021: £48,662).

The Trustees and members of the Council received no remuneration during the year but travel expenses of £2,529 were paid to 7 council members (2021: £481 to 3 council members).

The Institution considers its key management personnel to comprise the Chief Executive Officer and the senior management team. The total employment benefits including employer pension contributions of the five (2021: eight) key management personnel were £439,602 (2021: £411,069).

8 NET GAINS ON INVESTMENT ASSETS

	Unrestricted Funds	Restricted Funds	Designated Funds	Total 2022	Total 2021
	£	£	£	£	£
Gains on disposals	676	193	-	869	1,144
Net unrealised (loss) /gains on revaluation to market value	<u>(341,418)</u>	<u>(183,803)</u>	<u>-</u>	<u>(525,221)</u>	<u>471,091</u>
	(340,742)	(183,610)	-	(524,352)	472,235

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

9 TANGIBLE FIXED ASSETS

Group and Institution

Tangible Fixed Assets	Land & Buildings £	Office Equipment £	Total £
Cost			
At 1 January 2022	1,536,166	261,988	1,798,154
Additions	1,501		1,501
Transfer	-		
At 31 December 2022	<u>1,537,667</u>	<u>261,988</u>	<u>1,799,655</u>
Depreciation			
At 1 January 2022	314,602	239,205	553,807
Charge for the Year	24,755	4,474	29,229
At 31 December 2022	<u>339,357</u>	<u>243,679</u>	<u>583,036</u>
Net Book Amount			
At 31 December 2022	<u>1,198,310</u>	<u>18,309</u>	<u>1,216,619</u>
At 31 December 2021	<u>1,221,564</u>	<u>22,783</u>	<u>1,244,347</u>

Land and Buildings include land valued at £300,000 which is not depreciated.

Regalia, memorabilia and library collection of books – Heritage assets

The Institution has in its possession items gifted to it that comprises of regalia, memorabilia and a library collection of books, which have historical qualities and are held principally for their contribution to knowledge and therefore met the criteria for heritage assets.

These assets have not been included on the balance sheet as the information on their cost or valuation is not available, as these items were gifted to the institution, and the information cannot be obtained at a cost commensurate with the benefit derived from obtaining this information. This is due to these items being unique and therefore a market value cannot be obtained, as their value would differ dependent on the user.

These regalia and memorabilia items are insured at a cumulative value of £258,689 (2021: £259,349). While the collection of library books has an insurance value of £56,275 (2021: £53,045).

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

10 INVESTMENTS

Group
Quoted Investments

	Unrestricted & Designated £	Restricted £	Total 2022 £	Total 2021 £
Market Value at 1 January 2022	2,781,824	1,487,496	4,269,320	3,791,530
Additions	-	13,671	13,671	12,343
Disposals	(4,354)	(1,236)	(5,590)	(5,644)
Revaluation to market value	(341,418)	(183,803)	(525,221)	471,091
Market Value at 31 December 2022	<u>2,436,052</u>	<u>1,316,128</u>	<u>3,752,180</u>	<u>4,269,320</u>
Historical Cost at 31 December 2022	<u>2,185,208</u>	<u>1,183,410</u>	<u>3,368,618</u>	<u>3,360,537</u>
The Investments are split as follows				
Rathbones Core Investment Fund for Charities	2,420,989	1,316,128	3,737,117	4,253,740
M&G Investments	15,063	-	15,063	15,580
	<u>2,436,052</u>	<u>1,316,128</u>	<u>3,752,180</u>	<u>4,269,320</u>

Institution

	Unrestricted & Designated £	Restricted £	Total 2022 £	Total 2021 £
Quoted Investments	2,436,052	1,316,128	3,752,180	4,269,320
IGEM House Ltd	1,000	-	1,000	1,000
	<u>2,437,052</u>	<u>1,316,128</u>	<u>3,753,180</u>	<u>4,270,320</u>

Holdings in excess of 5% of the total market value:

Rathbones Core Investment Fund for Charities = 99.9%

IGEM House Ltd, a wholly owned subsidiary of the Institution, was incorporated to carry out the commercial activities of the Institution.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

10 INVESTMENTS (continued)

The main risk to the Institution from financial instruments lies in the combination of uncertain investment markets and volatility in yield.

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so their ability to buy and sell quoted equities and stock is anticipated to continue. The Institution's investments are mainly traded in markets with good liquidity and high trading volumes.

The Institution has no material investment holdings in markets subject to exchange controls or trading restrictions. The Institution does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer-term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5-year period will normally be corrected.

11 DEBTORS

Debtors	Group		Institution	
	2022	2021	2022	2021
	£	£	£	£
Due within one year				
Trade Debtors	290,962	206,021	282,946	203,666
Amounts due from Group				
Undertakings	-	-	25,086	4,908
Other Tax & Social Security	4,559	-	4,559	-
Other Debtors	-	-	-	-
Prepayments & Accrued Income	35,867	62,265	35,867	62,265
	<u>331,388</u>	<u>268,286</u>	<u>348,458</u>	<u>270,839</u>

12 CASH AT BANK AND IN HAND

Cash at Bank and in Hand	Group		Institution	
	2022	2021	2022	2021
	£	£	£	£
Unrestricted	336,811	143,386	331,422	138,942
Designated	54,332	42,021	41,877	29,170
Restricted	28,404	28,087	-	-
	<u>419,547</u>	<u>213,494</u>	<u>373,299</u>	<u>168,112</u>

13 SHORT TERM INVESTMENTS

Short term investments represent uninvested cash funds and are held in interest-bearing bank accounts.

Group and Institution

	Unrestricted	Restricted	Total	Total
	£	£	2022	2021
	£	£	£	£
Income and Capital Account	457	406	863	642
Money Market Account	56,000	-	56,000	756,000
	<u>56,457</u>	<u>406</u>	<u>56,863</u>	<u>756,642</u>

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

14 CREDITORS

Creditors	Group		Institution	
	2022	2021	2022	2021
	£	£	£	£
Due within one year				
Trade Creditors	79,751	138,581	91,751	138,484
Other Tax and Social Security	42,423	49,804	38,575	49,012
Other Creditors	11,745	171,464	11,745	171,465
Accruals and Deferred income	626,584	518,265	630,992	516,886
	<u>760,503</u>	<u>878,114</u>	<u>773,063</u>	<u>875,847</u>

15 DEFERRED INCOME

Group and Institution

	£	
Movements in Deferred Income:		
Balance at 1 January 2022	407,911	
Released during the year	(400,317)	
Deferred during the year	488,495	
Balance at 31 December 2022	<u>496,089</u>	
	2022	2021
	£	£
Deferred Income is made up of:		
Membership Income received in advance	304,706	312,694
Event Income received in advance	28,995	7,975
Technical Income received in advance	143,153	57,710
Hydrogen Knowledge Centre received in advance	12,750	12,750
History Fund Income received in advance	268	572
Journal Income received in advance	6,217	16,210
	<u>496,089</u>	<u>407,911</u>

Membership income received in advance relates to subscriptions received in the current year that relate to the year to December 2023. Other income received in advance relates to journal advertising income and History Fund income received in the current year that relate to the year to December 2023.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

16 FUNDS

Restricted

1. Scholarship, Medals, Prized and Lectureship Fund

This restricted fund has various scholarship, medal, lectureship and prize funds that have been previously donated by individuals and organisations, and are consolidated into this fund. The objects of the fund are to further education and knowledge in gas engineering and management (in particular but not exclusively by the award of medals, scholarships, prizes, and lectureships) and in the provision of other learning opportunities and events.

2. History Fund

The purpose of this fund is to promote public education and research into the history of the gas industry and publish the useful results of such research. The Panel for the History of the Industry administers the fund and, amongst its other activities, it produces a quarterly newsletter, *Historic Gas Times*.

3. Gas Innovation Fund (previously LNG Fund)

The surplus from the 11th LNG International Conference and Exhibition held in 1995 has been donated to the Institution used for educational purposes and research into technical and commercial applications of gas such as Liquid Natural Gas, Hydrogen and Methane etc.

4. Scottish Section Education Fund

This fund exists to sponsor a travelling scholarship, awarded from time to time by the Scottish section.

5. Gas Industry Unsafe Procedures (GIUSP)

Gainshare funding of £45,000 has been received in 2017 for IGEM to review and manage the Gas Industry Unsafe Situation Procedures over the next seven years.

6. Hydrogen Standards Innovation Fund

This fund was created in 2020 to fund research activities to enable Hydrogen Standards to be written. IGEM has contributed £100,000 from the Development Fund as a commitment to initiate the fund and further funding has been received from industry network partners.

Designated

1. Development Fund

The Institution has set up a fund to promote the commercial development of the Institution in line with its charitable objectives, to facilitate investment into future sustainability and the energy transformation that is facing the industry. The previously designated International Development Fund has now been incorporated into here.

2. Sections

The Institution has affiliated Sections that have a uniform constitution agreed by the Council and the same charity registration number as the Institution. Grants are sometimes allocated to the Sections. Funds held by Sections are designated for the development of the Institution's activities in the regions.

3. Property maintenance reserve

The Institution has set up a fund for refurbishments in order to maintain the value and use of the property.

Unrestricted

This is expendable at the discretion of the Trustees. It ensures that services are not interrupted in the event of a sudden loss of income or unexpected expenditure. It includes the operating activities of the Institution in addition to the operating results of IGEM House Ltd.

Property and assets represent the net book value of fixed asset acquired and funded from the Charity's unrestricted funds.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

17 MOVEMENT OF FUNDS

	Balance at 1st Jan 2022	Income	Expenditure	Investment Movement	Transfers	Balance at 31st Dec 2022
Unrestricted Funds						
Group and Institution						
General Reserve	900,000	2,331,649	(2,139,234)	(340,742)	148,327	900,000
Property and Assets	1,244,347	-	(27,728)	-	-	1,216,619
	2,144,347	2,331,649	(2,166,962)	(340,742)	148,327	2,116,619
Restricted Funds						
Institution						
Scholarships & Medals Fund	719,691	17,965	(70,997)	(96,843)	-	569,816
Gas Innovation Fund	632,091	14,882	(18,850)	(86,767)	(5,247)	536,109
Hydrogen Standards Innovation Fund	258,612	2,798	(216,448)	-	5,247	50,209
GIUSP	14,500	-	(7,500)	-	-	7,000
Group (including above)						
History Fund	7,237	2,402	(2,485)	-	-	7,154
Scottish Section	20,270	95	-	-	-	20,365
	1,652,401	38,142	(316,280)	(183,610)	-	1,190,653
Designated Funds						
Institution						
Development	1,775,653	-	(214,676)	-	(148,327)	1,412,650
Property Maintenance Reserve	150,000	-	-	-	-	150,000
Sections:						
Northeast & Yorkshire	9,593	15,551	(13,724)	-	-	11,420
Welsh	19,788	9,161	(10,213)	-	-	18,736
Midlands	25,031	3,700	(1,741)	-	-	26,990
North West	15,605	12,195	(15,734)	-	-	12,066
Far East	28,332	23,866	(10,321)	-	-	41,877
London, Southern & Eastern	8,477	3,909	(6,727)	-	-	5,659
South West	5,543	7,179	(7,479)	-	-	5,243
Irish	4,170	-	-	-	-	4,170
Industrial Affiliates	7,153	-	(395)	-	-	6,758
Young Persons Network	15,033	-	(14,200)	-	-	833
Group (including above)						
Scottish	12,849	2,425	(2,854)	-	-	12,420
	2,077,227	77,986	(298,064)	-	(148,327)	1,708,822
	5,873,975	2,447,777	(2,781,306)	(524,352)	-	5,016,094

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

17 MOVEMENT OF FUNDS (continued)
PRIOR YEAR COMPARATIVE

	Balance at 1st Jan 2021	Income	Expenditure	Investment Movement	Transfers	Balance at 31st Dec 2021
Unrestricted Funds						
Group and Institution						
General Reserve	900,000	1,813,465	(1,747,583)	306,679	(372,561)	900,000
Property and Assets	1,240,758	-	3,589	-	-	1,244,347
	2,140,758	1,813,465	(1,743,994)	306,679	(372,561)	2,144,347
Restricted Funds						
Institution						
Scholarships & Medals Fund	657,437	15,337	(40,246)	87,163	-	719,691
Gas Innovation Fund	567,723	13,436	(25,967)	76,899	-	632,091
Hydrogen Standards Innovation Fund	387,435	181,777	(310,600)	-	-	258,612
GIUSP	22,000	-	(7,500)	-	-	14,500
Group (including above)						
History Fund	7,355	2,126	(2,244)	-	-	7,237
Scottish Section	20,268	2	-	-	-	20,270
	1,662,218	212,678	(386,557)	164,062	-	1,652,401
Designated Funds						
Institution						
Development	1,508,519	-	(105,427)	-	372,561	1,775,653
Property Maintenance Reserve	150,000	-	-	-	-	150,000
Sections:						
Northeast & Yorkshire	10,582	1,113	(1,914)	-	(188)	9,593
Welsh	18,056	712	(474)	1,494	-	19,788
Midlands	25,952	240	(1,161)	-	-	25,031
North West	15,944	8,977	(9,504)	-	188	15,605
Far East	10,995	25,481	(8,144)	-	-	28,332
London, Southern & Eastern	12,514	1,200	(5,237)	-	-	8,477
South West	5,543	-	-	-	-	5,543
Irish	4,170	-	-	-	-	4,170
Industrial Affiliates	7,153	-	-	-	-	7,153
Young Persons Network	15,807	-	(774)	-	-	15,033
Group (including above)						
Scottish	12,849	2,684	(2,684)	-	-	12,849
	1,798,084	40,407	(135,319)	1,494	372,561	2,077,227
	5,601,060	2,066,550	(2,265,870)	472,235	-	5,873,975

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted/ Designated Funds £	Restricted Funds £	Total 2022 £
Fund Balances at 31 December 2022 are represented by:			
Tangible Fixed Assets	1,216,619		1,216,619
Investments	2,436,052	1,316,128	3,752,180
Cash	447,599	28,811	476,410
Net Current liabilities	(274,829)	(154,286)	(429,115)
	3,825,441	1,190,653	5,016,094

	Unrestricted/ Designated Funds £	Restricted Funds £	Total 2021 £
Fund balances at 31 December 2021 are represented by:			
Tangible fixed assets	1,244,347		1,244,347
Investments	2,781,824	1,487,496	4,269,320
Cash	941,533	28,604	970,137
Net current (liabilities)/assets	(746,130)	136,301	(609,829)
Total net assets	4,221,574	1,652,401	5,873,975

19 COMMITMENTS UNDER OPERATING LEASES

As at 31 December 2022 the Group and Institution had commitments under operating leases as follows:

	2022 £	Other 2021 £
Group and Institution		
Within one year	2,070	4,143
Between two and five years	1,552	5,518
	3,622	9,661

One operating lease totalling £3,987 (within one year: £2,080, between two and five years: £1,907) of the 2021 disclosure was discontinued in the year.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

20 RECONCILIATION OF NET (EXPENDITURE) / INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net (expenditure) / income for the reporting period	(857,881)	272,915
Adjustments for:		
Depreciation charges	29,228	29,198
Gain on disposal of Investments	(869)	(1,144)
Fair value movement on investments	525,221	(471,091)
Dividends, interest and rents from investments	(90,914)	(84,770)
(Increase) / decrease in debtors	(53,338)	355,766
(Decrease) / increase in creditors	(127,374)	54,617
Cash (used) / generated from Operations	(575,927)	155,491

21 ANALYSIS OF NET DEBT

	1 January 2022 £	Cash flows £	31 December 2022 £
Short term investments	756,642	(699,779)	56,863
Cash	213,494	206,053	419,547
Total net debt	970,136	(493,726)	476,410

22 TRANSFER BETWEEN FUNDS

A transfer of £148,327 was made from the Development Fund (Designated) to the General Reserve (Unrestricted) in consideration of the reserves policy to maintain the general reserve at around six months expenditure.

A transfer of £5,247 was made from the Gas Innovation Fund (Restricted) to the Hydrogen Standard Innovation Fund (Restricted) as an adjustment to reflect the allocation of prior year transactions.

23 RELATED PARTY TRANSACTIONS

The group and the institution has taken advantage of the exemption available under section 1AC.35 of FRS 102, from disclosing transactions entered into between two or more wholly owned members of the group.

24 CONSOLIDATED ENTITIES

The entities included in the consolidation are:

The History Fund – charity number 287678 – incorporated in England and Wales
IGEM House Ltd (100% owned) – company number 03093169 – incorporated in England and Wales
Institution of Gas Engineers (Scottish Section) Benevolent and Education Fund - charity number SC006601
– incorporated in Scotland

The charity's financial statements include those of The Scholarships, Medals, Prizes and Lectureships Fund – charity number 214011/11 - registered in England and Wales.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

25 FINANCIAL INSTRUMENTS

The Society's financial instruments may be analysed as follows:

	2022 £	2021 £
Financial assets		
Financial assets measured at amortised cost	766,966	1,181,057
Financial liabilities		
Financial liabilities measured at amortised cost	718,080	833,210

Financial assets measured at amortised cost comprise cash at bank, trade debtors and short-term investments.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

England & Wales - Charity number 214011

Accounts



ANNUAL REPORT AND ACCOUNTS

2021

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

Trustees' Report and Financial Statements

Year Ended 31 December 2021

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

CONTENTS

	Page
Legal and Administrative Information	3 - 4
Trustees' Report	5 – 15
Statement of Trustees' Responsibilities	16
Independent Auditor's Report	17 – 19
Consolidated Statement of Financial Activities	20
Consolidated Balance Sheet	21
Charity Balance Sheet	22
Consolidated Statement of Cash Flows	23
Notes to the Financial Statements	24 - 40

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

LEGAL AND ADMINISTRATIVE INFORMATION

Officers and Council Members as at 31st December 2021:

President	Benjamin Clarke CEng FIGEM IET	
Past President	Duncan Wong CEng FIGEM FHKIE	
President Elect	David Parkin CEng FIGEM	
Vice President	Andrew Musgrave CEng FIGEM	
Honorary Secretary*	Gordon Davies CEng FIGEM	
Chief Executive*	Oliver Lancaster BSc MSc FGS EngTech FIGEM	
Ordinary Members	Trevor Smallpeice EngTech FIGEM Ben Kuchta CEng FIGEM David Tomkin EngTech FIGEM Gordon McMillan AIGEM David McLeod CEng MIGEM Bridget Hartley CEng MIGEM Steve Critchlow EngTech MIGEM Michael Blake CEng MIMechE MIGEM David Denniff CEng MIMechE FIGEM Jordan Rowbottom CEng FIGEM Chi Kin Peter Chak BSc CEng FIGEM Lucy Ritchie MIGEM	
Section Members	Cheung Pak-kin CEng MIGEM James McStravog HCEng MIGEM Andrew Musgrave CEng FIGEM Tim Roff CEng MICE MIGEM Andrew Fuller EngTech MIGEM Glenn Halton MIGEM Stuart McLeod IEng MIGEM Sean Noonan FIGEM Matthew Davies CEng MIMechE MIGEM George Brookfield CEng MIGEM Gary Hesketh EngTech MIGEM	Far East Irish London, Southern & Eastern Midlands North East & Yorkshire North West Scottish South West Welsh Young Persons Section Industrial Affiliate
Co-opted Members*	Hilary Buxton CEng MIMechE FIGEM Chris Bielby CBE CEng FIGEM MCMI MIOd Christopher Gorman CEng MIGEM Antony Green CEng FCIWEM CWEM MIW FIGEM	

*denotes Non-Trustee

Also, Trustees for the period to 18th May 2021:

Gary Tomlin BSc MSc PGDip CEng FIGEM	Andrew Middleton EngTech MIGEM
Albert Leung BSc CEng FIGEM	Philippa Wrenn CEng MIGEM
Barry Dalus IEng MIGEM	Peter Davis IEng MIGEM
Elliot Ross MIGEM	Phil Jenkins MIGEM
Ben Hanley AIGEM	Paul Rhodes MIGEM

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

LEGAL AND ADMINISTRATIVE INFORMATION

Secretariat Senior Staff

Chief Executive Officer	Oliver Lancaster BSc MSc FGS EngTech FIGEM
Head of Technical Services & Policy	Ian McCluskey BEng CEng FIMechE FIGEM
Head of Finance & Business	Wendy Cheung FCCA ACCA MBA BSc(Hons) AIGEM
Head of Membership Services	Claire McHugh BA(Hons) AIGEM
Head of Marketing & Events	Carl Stokes AIGEM

Charity Number 214011

Registered Office Institution of Gas Engineers and Managers
IGEM House
26 & 28 High Street
Kegworth
Derbyshire
DE74 2DA

Auditors UHY Hacker Young
14 Park Row
Nottingham
NG1 6GR

Bankers HSBC Bank Plc
117 Great Portland Street
London
W1W 6QJ

Solicitors Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

Investment Managers Rathbones Investment Management
8 Finsbury Circus
London
EC2M 7AZ

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2021

TRUSTEES' REPORT

The Trustees of the Institution of Gas Engineers and Managers (IGEM) present their report and audited financial statements for the year ended 31 December 2021. The financial statements comply with the Institution's Royal Charter, applicable Companies and Charities Acts and the Charities Statement of Recommended Practice issued in October 2019. The Trustees consider that they have complied with their duties under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Objectives and Activities

The gas industry is changing in response to climate change and net zero legislation, which this will have significant effects on the way that gas is used and the operation of the gas networks. IGEM is part of driving that change and has a Business Plan to deliver our central purpose to advance gas engineering in all its forms for the benefit of society. The Business Plan 'enabling the transition, supporting the profession' provides a four-year framework for the start of our journey towards the transformation of our industry.

The shift to net zero is taking place in an environment that is increasingly integrated between gas and electricity in the whole energy system as we see an increased biomethane supply, the strides towards network repurposing for hydrogen and in meeting today's and tomorrow's demands for industrial processes, heating of buildings, flexible power generation and for the fuelling of transport. Our Business Plan will need to evolve as the energy transition landscape evolves, steering the sector through periods of evidence gathering, policy setting and new price controls. The 2020s are the decade to make a difference and set the pathway for delivering a clean world for our future generations.

The object of the Institution is to be the pre-eminent Institution for gas professionals and to champion the acquisition, exchange and utilisation of engineering expertise in collaboration with the gas industry for the benefit of society.

Our strategic goals are:

- | | |
|-------------------|--|
| Strategic Goal 1: | Foster the highest standards of professional competence |
| Strategic Goal 2: | Promote gas engineering excellence |
| Strategic Goal 3: | Support innovation in collaboration with industry stakeholders |
| Strategic Goal 4: | Provide an influential and respected source of advice for policymakers |

Underpinning the strategic goals are two core objectives that are internally facing and focused on the health and sustainability of the organisation:

- | | |
|-------------------|---|
| Core Objective 1: | Ensure that IGEM's financial position supports sustained growth |
| Core Objective 2: | Ensure that IGEM's governance framework is fit for purpose to allow our charitable objectives to be fulfilled effectively and efficiently |

Key activities undertaken include recruitment and retention of members, as well as provision of training and services to members and the wider industry to support members' Continuing Professional Development, through the Gi journal, supplementary publications, website, communications, conferences, lectures, technical training, policy development activity, external events and significant growth in social media engagement. In addition, technical advancement is achieved through review and development of Industry Standards and recommendations, research, networking and support, particularly with our leadership, support by many volunteers, across the hydrogen space.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2021

TRUSTEES' REPORT

Objectives and Activities (continued)

The Sections within IGEM's membership deliver varied programmes of events encompassing technical visits and paper evenings as well as networking and social activities. Several of these activities are international. It is worth noting that this lifeblood of the Institution invigorates our strategic goals at a local level, reaching out for collaboration, making links with the education sector, driving engagement for shared learning, developing and adopting innovation, and supporting awareness raising of our activities and achievements outside of the gas sector for the benefit of our collective futures.

Public Benefit Statement

We have referred to the guidance contained in the Charity Commission's general guidance of public benefit when considering our aims and objectives and in planning our future activities. In particular, the Trustees routinely consider how planned activities will contribute to the aims and objectives they have set. IGEM delivers benefits for Society by applying expertise and experience to make an influential contribution to solving pressing energy challenges in areas such as safety, security, affordability and sustainability, often by collaborating openly to enable effective action. We also effect positive change by supporting the development of gas engineering professionals as credible participants in a wider community of technical practitioners.

Our main objectives for the year continued to be the promotion of engineering science as applied to the broad gas industry; and to improve and elevate the technical knowledge of those engaged in the profession of gas engineering. The strategies we used to meet these objectives included:

- Ensuring the competence of practising gas engineers through a pathway for recognition, including registration with the Engineering Council;
- Providing members with Continuing Professional Development opportunities, including free access to mentoring and support towards advancement through grades of membership;
- Providing awareness of technical developments, advancements in energy systems thinking and innovations through publications, conferences and events, at both national and local level;
- Utilising technical expertise to advise and support the Government's policies on Net Zero, specifically developing technical standards, responding to consultations influencing statutory regulation, contribution to energy policy activities and reports with the Policy Connect think tank and other Professional Engineering Institutions, and publishing our own white paper;
- Continuing to develop and publish peer reviewed Industry Standards aimed at enhancing the procedures for the safe use of gas in the areas of transmission, distribution, utilisation and metering – including new standards and additions to existing standards for the use of hydrogen;
- Securing approval to be an authoriser of recognised training providers;
- Working with skills partners to approve Apprenticeships that lead to qualified gas technicians;
- Provision of scholarships and grants to individuals and companies undertaking research, development and innovation, where their area of interest furthers the objectives of the charity;
- Ensuring a selection of free and discounted provision of services are offered within Membership services, event placements and access to Technical Standards;
- Auditing and authorisation of approved gas industry training providers;
- Extending our reach by developing support for new sectors, such as our Housing Partnership.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2021

TRUSTEES' REPORT

Public Benefit Statement (continued)

Our public benefit activities focus on the safe passage of gas through the supply chains from conventional natural gas entry points through to safe use by the public and by business consumers, including industry, power generation and transport. We've also played a key role in developing the opportunity for unconventional gas grid entry, safe passage and consumption with biomethane, whilst preparing the way for hydrogen. These activities include competence assessment, provision of opportunities for the continued demonstration of competence through personal professional development for our members, and those in the wider gas industry. In addition, we support, showcase and finance research, such as for carbon monoxide and energy system research.

Structure, Governance and Management

The Institution of Gas Engineers and Managers is a registered charity established in 1863, incorporated by Royal Charter in 1929 and governed by By-Laws, which were last amended in July 2001. IGEM has a Governance Manual, comprehensively updated during 2019 incorporating Charter, By-Laws, requirements of Trustees, organisational structure, key terms of reference of Boards and Committees as well as Membership Policy and Procedures, Finance Policy and Procedures, and IGEM's Quality Policies and Procedures and requirements of Charity Law. In addition, IGEM has a Conflicts of Interest Policy.

The main decision-making body of IGEM is Council, which governs IGEM and owns the strategy that IGEM will adopt and implement. It consists of 27 Trustees together with other, non-voting, members. These are:

- President
- President Elect
- Vice President
- Immediate Past President
- Honorary Secretary*
- 12 Ordinary Members
- 11 Section Chairman [or nominated representative]
- Chief Executive Officer*
- Co-opted advisors to Council*

*denotes Non-Trustee

Council can invite the election or appointment of any member of IGEM onto Council if it feels that they can bring value, knowledge and expertise. Trustees change at IGEM's Annual General Meeting each year. Ordinary Members serve for three years and Section Chairs serve for one year.

Council is supported by an Executive Board of Trustees that acts as a steering committee to Council to assist with Trustee deliberations at Council. The Executive Board consists of:

- President
- President Elect
- Vice President
- Immediate Past President
- Honorary Secretary*
- 3 Ordinary Members
- Chief Executive Officer*

*denotes Non-Trustee

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2021

TRUSTEES' REPORT

Structure, Governance and Management (continued)

IGEM comprises the following entities:

Institution of Gas Engineers and Managers	Charity No. 214011
Scholarships, Medals, Prizes and Lectureship Fund	Charity No. 214011-11
History Fund	Charity No. 287678
Institution of Gas Engineers (Scottish Section) Benevolent and Education	Charity No. SC006601
IGEM House Ltd	Company No. 03093169

IGEM has a subsidiary trading company; IGEM House Ltd trading as Meetpoint Midlands. This company undertakes commercial trading activities and the results are consolidated in these financial statements. This company commenced trading during 2011 and hires out conference and meeting facilities to third parties.

The Institution has a Benevolent Fund, the Incorporated Benevolent Fund of the Institution of Gas Engineers and Managers, which reports separately to its members.

IGEM operates a number of Boards, Committees, Sub-Committees, Panels and working groups, through which it undertakes its educational, technical and administrative functions. IGEM benefits from the input of many volunteers, who govern the Institution, run the Sections, contribute to committees, panels, mentoring and interviewing. Over 2021, there are approximately 568 volunteers actively involved in IGEM who collectively provide volunteer services totalling around 13,434 hours, equivalent to eight full time staff.

All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in Note 7 to the accounts. Trustees are required to disclose all relevant interests and register them with the Chief Executive and withdraw from decisions where a conflict of interest arises. All incoming Trustees are provided with an induction package and training to fully explain their roles and responsibilities. This includes a copy of *"How to be an effective Trustee"* published by the Charity Commission, together with the By-Laws, Governance Manual and Business Plan for the Institution.

The general membership is organised into eight regional Sections throughout the UK and one overseas Section in Hong Kong:

- Far East District Section
- Irish Section
- London, Southern & Eastern Section
- Midlands Section
- North East & Yorkshire Section
- North West Section
- Scottish Section
- South West Section
- Welsh Section

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2021

TRUSTEES' REPORT

Structure, Governance and Management (continued)

Throughout the year, the Sections organise a varied programme of events encompassing informative, technical presentations from high profile speakers from within and outside the gas industry, as well as social and networking opportunities. These events also provide a valuable element to the ongoing development of our members and evidence of attendance can be used within our Continuing Professional Development framework. In addition, IGEM has two further Sections, each established to meet the more specific needs of the individual membership group:

- Industrial Affiliate Section, which represents our business members. These members include gas network operators, gas supply businesses, companies engaged within the supply chain, consultancies, housing associations and educational establishments.
- Young Persons Network, which gives a voice to our younger, often more junior, members and to encourage them to play an active part within the Institution. As well as being assigned to a geographically defined Section, all of our members aged 35 and under are supported by our YPN. The flagship event of the YPN is its short paper competition. The winner of the YPPC 2021 was Dexter Hong, Engineer at the Hong Kong and China Gas Co. Ltd. The title of his paper is "Development of a Smart Control Device for Domestic Cooking Appliances." The project looked at developing a device that can work with conventional cooking appliances to perform smart safety functions, ensuring home safety by supporting busy and forgetful users.

Covid-19

As reported previously, the Covid-19 pandemic resulted in some challenges for the Industry and the Institution. The secretariat moved to home working efficiently, with systems and electronic communications capably employed to maintain business continuity and continue service delivery. This has continued well throughout 2021. Despite preparing to welcome staff back to begin a phase-in towards hybrid working before Christmas, this had to be put on hold as a result of the rapidly advancing Omicron variant. Ad-hoc staff attendance occurred during 2021 as and when this was necessary.

Most income streams and sales continued to be maintained, except for events, conferencing, and facility services, which were all negatively impacted. Our online platforms have enabled us to continue delivery of conferences, events and training, to support the CPD delivery and services to our members. Plans are in place to return to in-person events in 2022, whilst still offering the convenience of some online activities.

The Trustees anticipate that the pandemic may continue to impact parts of the Institution and have taken a prudent approach moving forward and expect to retain close to an operational breakeven. With cash backed reserve holdings, there is sufficient cover if required but the positive contribution resulting from 2021 outturn will be able to support the financial structure and allows for mitigation of the risk moving forward. Therefore, the Institution can continue to function effectively, invest in service delivery and run comfortably as a going concern.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2021

TRUSTEES' REPORT

Achievement and Performance

IGEM maintains ISO 9001:2015 quality accreditation.

IGEM is licenced by the Engineering Council to assess candidates for inclusion on the national register of professional engineers and technicians, to recognise academic programmes and professional development schemes and to monitor the Continuing Professional Development of registrants.

Membership services recruited and supported members during the year (below), including delivery of mentoring and Continuing Professional Development.

Highlights for 2021 include the effective implementation and transition to the Engineering Council's new edition of its internationally-recognised standards of professional competence and commitment (UK-SPEC). We have also introduced an Experiential Learning pilot which enables those with the required qualifications or evidence of knowledge and understanding for Incorporated Engineer to demonstrate they meet the learning requirements for Chartered Engineer through this additional pathway. We are working on embedding this new process which we hope will be available to all by the end of 2022.

Our annual CPD sampling exercise continued and individual feedback was provided to those who submitted a CPD record to support them with their CPD journey. Two members had to be removed from the register due to non-compliance.

Individual Members	Opening*	New	Lapsed or resigned	Grade Movement		Closing
				In	Out	
Honorary	6	0	1	0	0	5
Companion	23	0	1	0	0	22
Fellow	233	0	20	16	0	227
Chartered Member	1,130	20	57	18	10	1,096
Incorporated Member	395	5	23	9	7	377
Engineering Technician Member	654	95	61	14	10	693
Member Manager	125	9	14	1	2	120
Associate Member	7	0	0	0	1	6
Graduate	109	23	27	1	9	97
Associate	470	93	89	1	17	463
HKC Associate	0	11	0	0	0	11
Gas Technician	93	29	14	0	1	106
Licensed Gas Technician	22	3	0	0	0	25
Students	156	6	52	0	3	110
Total	3,423	294	359	60	60	3,358

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2021

TRUSTEES' REPORT

Achievement and Performance (continued)

Industrial Affiliate Members	Opening	New	Lapsed or resigned	Grade Movement	Closing
Small (1-5 employees)	94	14	10	-1	97
Small - Medium (6-15 employees)	60	12	2	-1	69
Medium (16-99 employees)	92	9	4	-1	96
Medium - Large (100-499 employees)	66	2	1	0	67
Large (500+ employees)	23	3	1	0	25
Housing Partner	0	5	0	3	8
Total	335	45	18	0	362

A program of awarding grants and scholarships progressed, with a high quality of applications resulting in four undergraduate and two postgraduate scholarships and an EngTech Development grant awarded to support relevant sector studies.

IGEM develops and produces Technical Standards with related activities including research, record management, training and liaising with industry and external stakeholders. Selected standards are made available for a reduced rate through the Gas Safe Register. This supports operatives working in the downstream sector to enable more industry representatives to have affordable access to Standards.

Standards published during the year are:

- IGEM/G/11 Edition 2 *Gas industry unsafe situations procedure*
- IGEM/IG/1 Edition 2 *Standards of training in gas work*
- IGEM/GL/1 Edition 3 *Planning of distribution systems of MOP not exceeding 16bar*
- IGEM/TD/1 Edition 6 *Steel pipelines for high pressure gas transmission*
- IGEM/TD/1 Supplement 2 *High pressure hydrogen pipelines*
- IGEM/TD/13 Supplement 1 *Pressure regulating installations for hydrogen at pressures >7bar*
- IGEM/TD/12 Edition 3 *Pipework stress analysis for gas industry plant*

2021 saw continued commitment to the UK's transition to net-zero, reflected in the government's UK hydrogen strategy. This strategy set out the approach to developing a thriving low carbon hydrogen sector in the UK to meet an ambition for 5GW of low carbon hydrogen production capacity by 2030. IGEM continued to work directly with gas network companies, safety experts, academics and policy advisors to assess the evidence base and develop informed recommendations on the future of the gas grid and, particularly, the use of hydrogen for heat. Changes to the regulatory legislation are required to permit more low carbon gases into the network, reduce natural gas processing emissions, and allow use of hydrogen.

IGEM continued to focus on the strategic importance of hydrogen in pursuit of the government's Net Zero emissions target throughout the year. IGEM published our first policy paper on Engineering a Sustainable Gas Future. This document outlines the current UK gas policy landscape, our stance and what contribution we are making as an organisation. This was published in the Policy Hub, which promotes IGEM as a trusted source of policy news, consultations, policy statements and research reports.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2021

TRUSTEES' REPORT

Achievement and Performance (continued)

The HyTechnical project, which is NIA-funded collaboration between IGEM and the UK gas networks, led to the publication of the first ever standards for hydrogen pipelines. IGEM published IGEM/TD/1 Supplement 2 High pressure hydrogen pipelines and IGEM/TD/13 Supplement 1 Pressure regulating installations for hydrogen at pressures >7bar.

With the funding awarded from the Department for Business, Energy & Industrial Strategy (BEIS), IGEM launched the Hydrogen Knowledge Centre. Working with stakeholders and contributors from gas network companies, leading academic institutions, research centres and industry experts, the repository houses an extensive range of resources from across the spectrum of hydrogen technologies and industrial applications. The repository includes over 2,800 resources, from 320 credible sources, across 70 countries. By the end of 2021 the platform had been accessed more than 14,000 times. At this scale and breadth of knowledge sharing, the Hydrogen Knowledge Centre is actively advancing the collective understanding of this vital energy vector and helping to bring us one step closer to net zero.

The events and conferences program continued with the backdrop of COVID, with digital delivery still providing favourable attendance and engagement. The Annual Conference 'ROAD TO 2050: Leading the Energy Transition' took place online with a two day extensive programme exploring Ensuring People's Safety, Maintaining Security of Supply, Policy into Practice, and concluding with a closed YPN Session on Day 1. Day 2's agenda started with Focusing on People's Needs, then Delivering Jobs and Investment, and concluding with Gas Network Collaboration and Panel.

The Hydrogen Knowledge Centre launch saw record event attendance in March, with the Sir Denis Rooke Memorial Lecture following later in the month delivered by Lord John Browne of Madingley. The Gas Industry Awards took a revised format due to COVID and delivered a feature-rich event celebrating winners and runners up that was streamed globally, with webinar events running pre and post the awards. June saw the IGEM deliver our first Safety Conference. September gave a rare in-person opportunity for the IGEM team with a stand at The Installer Show, engaging with downstream engineers, partners with networking over the 3 days. December saw the YPPC Final take place online rather than the planned in-person event, due to government restrictions, which had a global audience hearing from the heavily-contested shortlist.

In addition, we successfully trialed the delivery of IGEM Hosted Events where our digital platforms and resources supported our members, networks and industry working together to launch and update on projects and initiatives.

During the year, webinar events increased to meet demand, with our Henry Cavendish Series and a number of others aimed specifically at the Housing Partner Membership that we launched in 2021.

Investments

IGEM's Portfolio of Investments are managed by Rathbones Investment Management and are held within their Core Investment Fund for Charities. Performance is measured against a pre-agreed composite benchmark of market indices. The investment objectives for both the Unrestricted Funds and the Restricted Funds are to be balanced and managed for total return.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2021

TRUSTEES' REPORT

Investments (continued)

The portfolios (General Fund, Scholarship & Medals Fund, Gas Innovation Fund, and M&G Income bond fund) have produced a level of income at 2.2%, being £82,508, and produced an annual total return (including dividend and realised gain) of 15.7% compared to an annual average benchmark portfolio return of 6.8%. Total market value movement of £472,235 contributed positively to the holdings.

2021 Financial Review

Funds Summary

	2021	2020
General Reserve	900,000	900,000
Development Fund	1,775,650	1,508,519
Property Maintenance Reserve	150,000	150,000
S&M	719,690	657,437
Gas Innovation Fund	632,090	567,723
Hydrogen Standards Innovation Fund	258,612	387,435
GIUSP	14,500	22,000
Sections	171,847	159,833
History	7,237	7,355
Property & Assets	1,244,347	1,240,758
	5,873,975	5,601,060

Reserves

The Institution's reserves are held to meet liabilities, working capital, operations, research, education and future developments to benefit members, customers and support the gas industry in a viable and sustainable manner.

The Development Reserve is for future investment into the development of the Institution and to facilitate the investment into the energy transformation that is facing the industry. In 2021, after a strategic review, Council approved the funding for the Digital Evolution and Engagement Project (Project DEEP) up to £250,000 with 10% contingency from the Development Reserve to upgrade IGEM's CRM system and website. Council also agreed to fund £50,000 from the Development Reserve to explore the creation of a new hydrogen professionals' network, led by a working group supported by YPN representatives. Both projects were started in 2021 with continuation in the coming year.

The General Reserve is our free reserves, held at a value of up to approximately 6 months expenditure, currently set at £900,000, which provides adequate resilience to maintain liquidity and mitigate risks.

The Restricted Funds were repurposed to enable increased application of the funds in order to make proper use of them in line with their objectives.

Total funds held by the charity at the end of the reporting period are £5,873,975. This is constituted of general, designated and restricted funds as detailed below.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2021

TRUSTEES' REPORT

Reserves (continued)

Restricted	1,652,399
Designated	2,077,226
Fixed Assets	1,244,349
General Reserve	<u>900,000</u>
	<u>5,873,975</u>

The expected timeframe of expenditure of the designated and restricted funds will be in line with the external environment of the transition of the energy system over the decade to 2030 and starting in 2020 with investment in innovation, resourcing development of membership and provision of services.

The amount of reserves freely available to the charity, after allowing for restricted funds, committed expenditure, assets and designations are therefore £900,000 and is in line with the reserve policy. Further details of the funds held are included in Notes 16 and 17 to these financial statements.

Risk Management

The Audit & Risk Committee is responsible for providing a robust risk management framework with effective controls that are integrated to the operational management of the Institution. The committee oversees quality management and governance processes including health, safety and environment, our quality assurance management system that complies with BS EN ISO 9001:2015 standard and also a comprehensive risk register to identify, monitor and improve controls embedded within the organisation.

Strategies for managing these risks include the maintenance of identified processes that specifically mitigate the risk and a regularly reviewed action plan that is considered to provide further mitigation.

The secretariat are responsible for the identification of risks and the effectiveness of management action to mitigate adverse performance against the Business Plan.

The detailed planning and execution of objectives and actions, resulting from risk reviews, are managed at an operational level within the secretariat and are overseen by the Executive Board. There is an integrated management system that links risks, strategies, objectives and actions, managed by the Chief Executive Officer.

In 2022, work will continue in monitoring the governance of IGEM through financial viability, continued development of financial policy and procedures and the assessment of financial risk. This will be monitored, measured and reported through forecast reviews, audits, development of key performance indicators and regular reporting to the Management Team, Audit and Risk Committee, Executive Board and Council.

Provision of Information to the Auditor

So far as each of the Trustees are aware at the time the report is approved:

- There is no relevant audit information of which the charity's auditors are unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
YEAR ENDED 31 DECEMBER 2021**

TRUSTEES' REPORT

This report was approved by the Council and signed on its behalf.

Benjamin Clarke
President

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF THE INSTITUTION OF GAS ENGINEERS AND MANAGERS**

Opinion

We have audited the financial statements of The Institution of Gas Engineers and Managers (the "Parent Charity") and its subsidiaries (the "Group") for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the 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 FRS 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 group and charity's affairs as at 31 December 2021 and of its incoming resources and application of resources 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 Charities Act 2011.

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 charity 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statement 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 charity'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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the financial statements. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees 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 charity'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 charity 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the charitable company, which were contrary to applicable laws and regulations including fraud, and we

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF THE INSTITUTION OF GAS ENGINEERS AND MANAGERS**

considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charitable company's net income for the year.

Audit procedures performed included:

- review of the financial statement disclosures to underlying supporting documentation;
- review of correspondence with and reports to the regulators, including correspondence with the Charity Commission;
- review of correspondence with legal advisors;
- enquiries of management and review of internal audit reports in so far as they related to the financial statements; and
- testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Roger Merchant
(Senior Statutory Auditor)

[DATE]

For and on behalf of UHY Hacker Young
Chartered Accountants and Statutory Auditor

14 Park Row
Nottingham
NG1 6GR

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
Incoming Resources						
Grant Income	6	(52,382)	-	-	(52,382)	52,382
Charitable Activities	2	1,784,040	38,201	183,953	2,006,194	2,030,724
Rent receivable		27,968	-	-	27,968	24,458
Investment Income	3	53,839	2,206	28,725	84,770	75,239
Total Incoming Resources		1,813,465	40,407	212,678	2,066,550	2,182,803
Resources Expended						
Raising Funds						
Investment Mgr Fees		5,191	-	2,775	7,966	5,004
Trading Expenditure		3,022	-	-	3,022	12,226
		8,213	-	2,775	10,988	17,230
Charitable Activities	4,5	1,735,781	135,319	383,782	2,254,882	1,912,768
Total Resources Expended		1,743,994	135,319	386,557	2,265,870	1,929,998
Net gains on Investments	8	306,679	1,494	164,062	472,235	183,360
Net Income/(Expenditure)		376,150	(93,418)	(9,817)	272,915	436,165
Transfer between Funds	22	(372,561)	372,561	-	-	-
Net Movement in Funds		3,589	279,143	(9,817)	272,915	436,165
Total Funds Brought Forward		2,140,758	1,798,084	1,662,218	5,601,060	5,164,895
Total Funds Carried Forward	17	2,144,347	2,077,227	1,652,401	5,873,975	5,601,060

The statement of financial activities includes gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

		2021	2020
		£	£
Fixed Assets			
Tangible	9	1,244,347	1,240,758
Investments	10	<u>4,269,320</u>	<u>3,791,530</u>
		5,513,667	5,032,288
Current Assets			
Debtors	11	268,286	628,952
Short Term Investments	13	756,642	621,728
Cash at bank and in Hand	12	<u>213,494</u>	<u>146,489</u>
		1,238,422	1,397,169
Creditors	14	<u>(878,114)</u>	<u>(828,397)</u>
Net Current Assets		360,308	568,772
Total Assets less Current Liabilities		<u><u>5,873,975</u></u>	<u><u>5,601,060</u></u>
FUNDS			
Unrestricted	17	2,144,347	2,140,758
Restricted	17	1,652,401	1,662,218
Designated	17	<u>2,077,227</u>	<u>1,798,084</u>
		<u><u>5,873,975</u></u>	<u><u>5,601,060</u></u>

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on

Benjamin Clarke
President

The notes on pages 24 to 40 form part of these accounts

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2021

		2021	2020
		£	£
Fixed Assets			
Tangible	9	1,244,347	1,240,758
Investments	10	<u>4,269,523</u>	<u>3,792,530</u>
		5,513,870	5,033,288
Current Assets			
Debtors	11	270,839	630,888
Short Term Investments	13	756,642	621,728
Cash at bank and in Hand	12	<u>168,112</u>	<u>102,075</u>
		1,195,593	1,354,691
Creditors	14	<u>(875,847)</u>	<u>(827,395)</u>
Net Current Assets		319,746	527,296
Total Assets less Current Liabilities		<u>5,833,616</u>	<u>5,560,584</u>
FUNDS			
Unrestricted	17	2,144,347	2,140,758
Restricted	17	1,624,894	1,634,594
Designated	17	<u>2,064,375</u>	<u>1,785,232</u>
		<u>5,833,616</u>	<u>5,560,584</u>

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on

Benjamin Clarke
President

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Net cash from operating activities	20	<u>155,491</u>	<u>64,255</u>
Cash flows from Investing Activities:			
Dividends received & Interest		84,770	75,239
Purchase of property, plant and equipment		(32,787)	(3,221)
Purchase of Investment		(12,343)	(10,706)
Proceeds from sale of investments		6,788	4,432
Net cash used in investing activities		<u>46,428</u>	<u>65,744</u>
 Increase in cash and cash equivalents in the reporting period		 201,919	 129,999
 Cash and cash equivalent at the beginning of the reporting period		 <u>768,217</u>	 <u>638,218</u>
Cash and cash equivalent at the end of the reporting period		<u>970,136</u>	<u>768,217</u>
 Relating to:			
Cash at Bank and in hand		213,494	146,489
Short Term Investments		<u>756,642</u>	<u>621,728</u>
		<u>970,136</u>	<u>768,217</u>

The notes on pages 24 to 40 form part of these accounts

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Institution constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Institution's ability to continue as a going concern.

There are no significant areas of adjustment or key assumptions that affect items in the accounts.

(b) Group financial statements

These financial statements consolidate the results of the charity, its wholly-owned subsidiary, IGEM House Ltd; and the Scholarships, Medals, Prizes and Lectureship Fund, the History Fund and the Institution of Gas Engineers (Scottish Section) Benevolent and Education Funds, which are separate charities, on a line by line basis. A separate Statement of Financial Activities (SOFA) for the Institution alone is not presented because the charity has taken advantage of the provisions to not disclose.

(c) Funds accounting

Funds held by the charity are:

Unrestricted general funds - these funds can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds - these are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

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

(d) Incoming resources

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

Voluntary income is accounted for when received. Incoming resources represents the amount receivable during the year in respect of subscriptions, fees and other income.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Where income is received in advance of performance, its recognition is deferred and included in creditors until the contract is performed. Membership subscriptions received in advance are deferred and included in creditors.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES (continued)

(e) Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- costs of raising funds include those costs incurred in the management of the charity's investment portfolio.
- charitable activities include expenditure associated with the objects of the charity and include direct costs and support costs associated to these activities.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(f) Depreciation

Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided to write off the cost of fixed assets to their residual value evenly over their estimated useful lives, which are as follows:-

Freehold property	50 years
Fixtures & Fittings	7 years
Computer equipment	3 years

(g) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of financial activities.

(h) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(i) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES (continued)

(i) Realised gains and losses

are calculated as the difference between the fair value at the year-end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(j) Heritage assets

The Institution possesses a collection of regalia and memorabilia, and a collection of library books. These items are held for the furtherance of the Institution's objects and are considered heritage assets.

Where heritage assets are donated, the Trustees consider that in the absence of reliable cost information, the expense of determining a reliable valuation of these artefacts is onerous compared with the additional benefit derived by users of the accounts in assessing the Trustees' stewardship of the assets. Heritage assets are gifted and are therefore excluded from the balance sheet in accordance with paragraph 18.14 of the SORP. Where heritage assets are purchased, the purchase costs are capitalised in the balance sheet.

(k) Cash and cash equivalents

Cash and cash equivalents include cash at bank and cash in hand as well as short-term highly liquid investments with a short maturity (recognised within short-term investments).

(l) Pensions

The Institution makes payments to defined contribution pension schemes on behalf of qualifying employees. Such contributions are charged in the Statement of Financial Activities when made. The contributions are invested separately from the Institution's assets.

(m) Operating leases

Operating lease rentals are charged on a straight-line basis over the lease term.

(n) Corporation tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

(o) Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

(p) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Trustees consider that there are no material judgements or estimates.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

2 CHARITABLE ACTIVITIES

Activities in the furtherance of the charity's objectives.

	Unrestricted	Designated	Restricted	Total 2021	Total 2020
	£	£	£	£	£
Membership	768,539	-	-	768,539	743,570
Technical	770,918	-	181,777	952,695	1,137,179
Conferences & Events	161,656	-	50	161,706	65,543
Journal	82,927	-	-	82,927	70,047
Section Income, Excl Scottish Section	-	35,517	-	35,517	7,477
Scottish Section Income	-	2,684	-	2,684	4,864
History Fund	-	-	2,126	2,126	2,044
	1,784,040	38,201	183,953	2,006,194	2,030,724

In 2020, of total income from charitable activities, £1,584,519 was to unrestricted funds, £12,341 was to designated funds and £433,864 was to restricted funds.

3 INVESTMENTS

Investment Income	Unrestricted	Designated	Restricted	Total 2021	Total 2020
	£	£	£	£	£
Bank Interest	54	-	2	56	1,054
Dividends Received	53,785	2,206	28,723	84,714	74,185
	53,839	2,206	28,725	84,770	75,239

In 2020, of total income from investments, £48,933 was to unrestricted funds, £791 was to designated funds and £25,515 was to restricted funds.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

4 CHARITABLE EXPENDITURE

Cost of activities in the furtherance of the objectives of the charity

	Staff Costs £	Other Costs £	Support Costs* £	Total 2021 £	Total 2020 £
General Funds:					
Membership	187,530	46,328	137,914	371,772	358,609
Technical	266,444	99,477	170,960	536,881	597,271
Conferences, Events, Marketing & Media	229,989	154,511	29,018	413,518	265,154
Journal	41,544	157,987	14,881	214,412	199,710
Facilities	-	697	6,413	7,110	17,648
Establishment	89,130	102,958	-	192,088	190,654
	814,637	561,958	359,186	1,735,781	1,629,045
Designated Funds:					
Section Expenditure	-	29,892	-	29,892	8,335
Development	-	105,427	-	105,427	35,177
	-	135,319	-	135,319	43,512
Restricted Funds:					
Scholarships & Medals	-	38,771	-	38,771	52,684
Gas Innovation	-	24,667	-	24,667	32,988
Hydrogen Standards Innovation Fund	-	310,600	-	310,600	144,285
GIUSP	-	7,500	-	7,500	7,500
History Fund	-	2,244	-	2,244	2,754
	-	383,782	-	383,782	240,211
	814,637	1,081,059	359,186	2,254,882	1,912,768

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

5 SUPPORT AND GOVERNANCE COSTS

	Staff Costs £	Other Costs £	Total 2021 £	Total 2020 £
<u>General & Support Costs:</u>				
Central Support	166,958	-	166,958	186,386
Legal and Professional Fees	-	5,707	5,707	1,035
Council Meetings & Staff Expenses	-	13,417	13,417	20,306
Bank & Credit Charges	-	15,033	15,033	17,469
Recruitment	-	12,789	12,789	4,804
Sundry	-	462	462	271
Staff Training	-	23,712	23,712	1,873
Postage & Telephone	-	24,221	24,221	25,925
Printing & Stationery	-	4,501	4,501	7,993
Computer Expenses	-	64,746	64,746	70,495
Subscriptions and Other Costs	-	6,342	6,342	4,650
Irrecoverable VAT	-	10,729	10,729	8,724
<u>Governance Costs:</u>				
Audit & Accountancy Fees	-	10,088	10,088	9,567
Council and Trustee Expenses	-	481	481	1,467
	166,958	192,228	359,186	360,965

The Institution initially identifies the costs of its support functions. It then identifies those costs that relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the five key charitable activities undertaken (see note 4) in the year, based on the income generated for these charitable activities.

6 NET OUTGOING RESOURCES

This is stated after charging:

	2021 £	2020 £
Depreciation of Tangible Fixed Assets	29,198	25,879
Operating Lease Rentals	4,677	6,276
Government grants repaid/(received)	52,382	(52,382)
Audit and Accountancy Charges:		
Statutory Audit	10,300	9,800

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

7 STAFF COSTS

The average monthly number of employees during the year was:

	2021	2020
	No.	No.
Office and Management	25	25

	2021	2020
	£	£
Staff Costs:		
Direct Salaries	806,454	798,761
National Insurance Contributions	76,073	77,021
Pension Contributions	99,066	86,885
	981,593	962,667

The number of employees whose emoluments as defined for taxation purposes amounting to over £60,000 in the year was as follows:

	2021	2020
	No.	No.
£60,000 to £70,000	1	-
£70,000 to £80,000	-	2
£90,000 to £100,000	1	1

The pension contributions made to the highest paid employee were £16,879 (2020: £nil).

The Trustee members of the Council received no remuneration during the year but travel expenses of £481 were reimbursed to 3 Council members (2020: £1,467 to 4 members).

The Institution considers its key management personnel to comprise the Chief Executive Officer and the senior management team. The total employment benefits including employer pension contributions of the six (2020: six) key management personnel were £411,069 (2020: £424,160).

8 NET GAINS ON INVESTMENT ASSETS

	Unrestricted Funds	Restricted Funds	Designated Funds	Total 2021	Total 2020
	£	£	£	£	£
Gains on disposals	892	252	-	1,144	77
Net unrealised gains on revaluation to market value	305,787	163,810	1,494	471,091	183,283
	306,679	164,062	1,494	472,235	183,360

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

9 TANGIBLE FIXED ASSETS

Group and Institution

Tangible Fixed Assets	Land & Buildings £	Office Equipment £	Total £
Cost			
At 1 January 2021	1,529,455	235,912	1,765,367
Additions	9,932	22,855	32,787
Transfer	(3,221)	3,221	-
At 31 December 2021	1,536,166	261,988	1,798,154
Depreciation			
At 1 January 2021	289,879	234,730	524,609
Charge for the Year	24,723	4,475	29,198
At 31 December 2021	314,602	239,205	553,807
Net Book Amount			
At 31 December 2021	1,221,564	22,783	1,244,347
At 31 December 2020	1,239,576	1,182	1,240,758

Land and Buildings include land valued at £300,000 and which is not depreciated.

Regalia, memorabilia and library collection of books – Heritage assets

The Institution has in its possession items gifted to it that comprises of regalia, memorabilia and a library collection of books, which have historical qualities and are held principally for their contribution to knowledge and therefore met the criteria for heritage assets.

These assets have not been included on the balance sheet as the information on their cost or valuation is not available, as these items were gifted to the Institution, and the information cannot be obtained at a cost commensurate with the benefit derived from obtaining this information. This is due to these items being unique and therefore a market value cannot be obtained, as their value would differ dependent on the user.

These regalia and memorabilia items are insured at a cumulative value of £259,349 (2020: £251,796). While the collection of library books with an insurance value of £53,045 (2020: £53,045).

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

10 INVESTMENTS

Group
Quoted Investments

	Unrestricted & Designated	Restricted	Total 2021	Total 2020
	£	£	£	£
Market Value at 1 January 2021	2,478,951	1,312,579	3,791,530	3,601,896
Additions	-	12,343	12,343	10,706
Disposals	(4,408)	(1,236)	(5,644)	(4,355)
Revaluation to market value	307,281	163,810	471,091	183,283
Market Value at 31 December 2021	<u>2,781,824</u>	<u>1,487,496</u>	<u>4,269,320</u>	<u>3,791,530</u>
Historical Cost at 31 December 2021	<u>2,189,562</u>	<u>1,170,975</u>	<u>3,360,537</u>	<u>3,353,833</u>
The Investments are split as follows				
Rathbones Core Investment Fund for Charities	2,766,244	1,487,496	4,253,740	3,777,444
M&G Investments	15,580	-	15,580	14,086
	<u>2,781,824</u>	<u>1,487,496</u>	<u>4,269,320</u>	<u>3,791,530</u>

Institution

	Unrestricted & Designated	Restricted	Total 2021	Total 2020
	£	£	£	£
Quoted Investments	2,781,824	1,487,496	4,269,320	3,791,530
IGEM House Ltd	1,000	-	1,000	1,000
	<u>2,782,824</u>	<u>1,487,496</u>	<u>4,270,320</u>	<u>3,792,530</u>

Holdings in excess of 5% of the total market value:

Rathbones Core Investment Fund for Charities - 99.9%

IGEM House Ltd, a wholly owned subsidiary of the Institution, was incorporated to carry out the commercial activities of the Institution.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

10 INVESTMENTS (continued)

The main risk to the Institution from financial instruments lies in the combination of uncertain investment markets and volatility in yield.

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so their ability to buy and sell quoted equities and stock is anticipated to continue. The Institution's investments are mainly traded in markets with good liquidity and high trading volumes.

The Institution has no material investment holdings in markets subject to exchange controls or trading restrictions. The Institution does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer-term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

11 DEBTORS

Debtors	Group		Institution	
	2021	2020	2021	2020
	£	£	£	£
Due within one year				
Trade debtors	206,021	564,983	203,666	564,593
Amounts due from Group				
Undertakings	-	-	4,908	2,326
Other Debtors	-	230	-	230
Prepayments & Accrued Income	62,265	63,739	62,265	63,739
	<u>268,286</u>	<u>628,952</u>	<u>270,839</u>	<u>630,889</u>

12 CASH AT BANK AND IN HAND

Cash at Bank and in Hand	Group		Institution	
	2021	2020	2021	2020
	£	£	£	£
Unrestricted	143,386	94,506	138,942	91,081
Designated	42,021	23,845	29,170	10,994
Restricted	28,087	28,138	-	-
	<u>213,494</u>	<u>146,489</u>	<u>168,112</u>	<u>102,075</u>

13 SHORT TERM INVESTMENTS

Short term investments represent uninvested cash funds and are held in interest-bearing bank accounts.

Group and Institution

	Unrestricted	Restricted	Total	Total
	£	£	2021	2020
	£	£	£	£
Income and Capital Account	125	517	642	728
Money Market Account	756,000	-	756,000	621,000
	<u>756,125</u>	<u>517</u>	<u>756,642</u>	<u>621,728</u>

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

14 CREDITORS

Creditors	Group		Institution	
	2021	2020	2021	2020
	£	£	£	£
Due within one year				
Trade Creditors	138,581	177,944	138,484	177,847
Other Tax and Social Security	49,804	78,904	49,012	79,084
Other Creditors	171,464	36,193	171,465	36,193
Accruals and Deferred income	518,265	535,356	516,886	534,271
	878,114	828,397	875,847	827,395

15 DEFERRED INCOME

Group and Institution

Movements in Deferred Income:

Balance at 1 January 2021	410,711
Released during the year	(402,610)
Deferred during the year	399,810
Balance at 31 December 2021	407,911

	2021	2020
	£	£
Deferred Income is made up of:		
Membership Income received in advance	312,694	301,242
Event Income received in advance	7,975	27,902
Technical Income received in advance	57,710	72,897
Hydrogen Knowledge Centre received in advance	12,750	-
History Fund Income received in advance	572	279
Journal Income received in advance	16,210	8,391
	407,911	410,711

Membership income received in advance relates to subscriptions received in relation to the year to December 2022 received in the year. Other income received in advance relates to journal advertising income and History Fund income in relation to the year to December 2022 received in the year.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

16 FUNDS

Restricted

1. Scholarship, Medals, Prized and Lectureship Fund

This restricted fund has various scholarship, medal, lectureship and prize funds that have been previously donated by individuals and organisations, and are consolidated into this fund. The objects of the fund are to further education and knowledge in gas engineering and management (in particular but not exclusively by the award of medals, scholarships, prizes, and lectureships) and in the provision of other learning opportunities and events

2. History Fund

The purpose of this fund is to promote public education and research into the history of the gas industry and publish the useful results of such research. The Panel for the History of the Industry administers the fund and, amongst its other activities, it produces a quarterly newsletter, *Historic Gas Times*.

3. Gas Innovation Fund (previously LNG Fund)

The surplus from the 11th LNG International Conference and Exhibition held in 1995 has been donated to the Institution used for educational purposes and research into technical and commercial applications of gas such as Liquid Natural Gas, Hydrogen and Methane etc.

4. Scottish Section Education Fund

This fund exists to sponsor a travelling scholarship, awarded from time to time by the Scottish section.

5. Gas Industry Unsafe Procedures (GIUSP)

Gainshare funding of £45,000 has been received in 2017 for IGEM to review and manage the Gas Industry Unsafe Situation Procedures over the next seven years.

6. Hydrogen Standards Innovation Fund

This fund was created in 2020 to fund research activities to enable Hydrogen Standards to be written. IGEM has contributed £100,000 from the Development Fund as a commitment to initiate the fund and further funding has been received from industry network partners.

Designated

1. Development Fund

The Institution has set up a fund to promote the commercial development of the Institution in line with its charitable objectives, to facilitate investment into future sustainability and the energy transformation that is facing the industry. The previously designated International Development Fund has now been incorporated into here.

2. Sections

The Institution has affiliated Sections that have a uniform constitution agreed by the Council and the same charity registration number as the Institution. Grants are sometimes allocated to the Sections. Funds held by Sections are designated for the development of the Institution's activities in the regions.

3. Property maintenance reserve

The Institution has set up a fund for refurbishments in order to maintain the value and use of the property.

Unrestricted

This is expendable at the discretion of the Trustees. It ensures that services are not interrupted in the event of a sudden loss of income or unexpected expenditure. It includes the operating activities of the Institution in addition to the operating results of IGEM House Ltd.

Property and assets represent the net book value of fixed asset acquired and funded from the Charity's unrestricted funds.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

17 MOVEMENT OF FUNDS

	Balance at 1st Jan 2021	Income	Expenditure	Investment Movement	Transfers	Balance at 31st Dec 2021
Unrestricted Funds						
Group and Institution						
General Reserve	900,000	1,813,465	(1,747,583)	306,679	(372,561)	900,000
Property and Assets	1,240,758	-	3,589	-	-	1,244,347
	2,140,758	1,813,465	(1,743,994)	306,679	(372,561)	2,144,347
Restricted Funds						
Institution						
Scholarships & Medals Fund	657,437	15,337	(40,246)	87,163	-	719,691
Gas Innovation Fund	567,723	13,436	(25,967)	76,899	-	632,091
Hydrogen Standards Innovation Fund	387,435	181,777	(310,600)	-	-	258,612
GIUSP	22,000	-	(7,500)	-	-	14,500
Group (including above)						
History Fund	7,355	2,126	(2,244)	-	-	7,237
Scottish Section	20,268	2	-	-	-	20,270
	1,662,218	212,678	(386,557)	164,062	-	1,652,401
Designated Funds						
Institution						
Development	1,508,519	-	(105,427)	-	372,561	1,775,653
Property Maintenance Reserve	150,000	-	-	-	-	150,000
Sections:						
Northeast & Yorkshire	10,582	1,113	(1,914)	-	(188)	9,593
Welsh	18,056	712	(474)	1,494	-	19,788
Midlands	25,952	240	(1,161)	-	-	25,031
North West	15,944	8,977	(9,504)	-	188	15,605
Far East	10,995	25,481	(8,144)	-	-	28,332
London, Southern & Eastern	12,514	1,200	(5,237)	-	-	8,477
South West	5,543	-	-	-	-	5,543
Irish	4,170	-	-	-	-	4,170
Industrial Affiliates	7,153	-	-	-	-	7,153
Young Persons Network	15,807	-	(774)	-	-	15,033
Group (including above)						
Scottish	12,849	2,684	(2,684)	-	-	12,849
	1,798,084	40,407	(135,319)	1,494	372,561	2,077,227
	5,601,060	2,066,550	(2,265,870)	472,235	-	5,873,975

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

17 MOVEMENT OF FUNDS (continued)

	Balance at 1 January 2020 £	Income £	Expenditure £	Investment movement £	Transfers £	Balance at 31 December 2020 £
Unrestricted Funds						
Group & Institution						
General	900,000	1,710,292	(1,621,883)	121,245	(209,654)	900,000
Property & assets	1,263,416	-	(22,658)	-	-	1,240,758
	<u>2,163,416</u>	<u>1,710,292</u>	<u>(1,644,541)</u>	<u>121,245</u>	<u>(209,654)</u>	<u>2,140,758</u>
Restricted Funds						
Institution						
Scholarship and Medals Fund	673,846	13,746	(53,614)	34,459	(11,000)	657,437
Gas Innovation Fund	559,366	11,735	(33,792)	30,414	-	567,723
Hydrogen Standards Innovation Fund	-	431,720	(144,285)	-	100,000	387,435
GIUSP	29,500	-	(7,500)	-	-	22,000
Group (including above)						
Scotland Section	20,134	134	-	-	-	20,268
History Fund	8,065	2,044	(2,754)	-	-	7,355
	<u>1,290,911</u>	<u>459,379</u>	<u>(241,945)</u>	<u>64,873</u>	<u>89,000</u>	<u>1,662,218</u>
Designated Funds						
Institution						
Development	1,434,042	-	(35,177)	-	109,654	1,508,519
Property Maintenance Reserve	150,000	-	-	-	-	150,000
Sections:						
Northeast and Yorkshire	10,543	870	(831)	-	-	10,582
Welsh	20,247	791	(224)	(2,758)	-	18,056
Midlands	23,167	3,600	(815)	-	-	25,952
North West	17,977	20	(2,053)	-	-	15,944
Far East	10,995	-	-	-	-	10,995
London, Southern & Eastern	12,319	-	195	-	-	12,514
South West	5,433	500	(390)	-	-	5,543
Irish	4,170	-	-	-	-	4,170
Industrial Affiliates	7,153	-	-	-	-	7,153
Young Persons Network	2,410	2,487	(90)	-	11,000	15,807
Group (including above)						
Scotland	12,112	4,864	(4,127)	-	-	12,849
	<u>1,710,568</u>	<u>13,132</u>	<u>(43,512)</u>	<u>(2,758)</u>	<u>120,654</u>	<u>1,798,084</u>
	<u>5,164,895</u>	<u>2,182,803</u>	<u>(1,929,998)</u>	<u>183,360</u>	<u>-</u>	<u>5,601,060</u>

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted/ Designated Funds £	Restricted Funds £	Total 2021 £
Fund Balances at 31 December 2021 are represented by:			
Tangible Fixed Assets	1,244,347	-	1,244,347
Investments	2,781,824	1,487,496	4,269,320
Cash	941,533	28,604	970,137
Net Current (liabilities)/assets	(746,130)	136,301	(609,829)
	4,221,574	1,652,401	5,873,975

	Unrestricted/ Designated Funds £	Restricted Funds £	Total 2020 £
Fund balances at 31 December 2020 are represented by:			
Tangible fixed assets	1,240,758	-	1,240,758
Investments	2,478,951	1,312,579	3,791,530
Cash	739,367	28,850	768,217
Net current (liabilities)/assets	(520,234)	320,789	(199,445)
Total net assets	3,938,842	1,662,218	5,601,060

19 COMMITMENTS UNDER OPERATING LEASES

As at 31 December 2021 the Group and Institution had commitments under operating leases as follows:

	Other	
Group and Institution	2021 £	2020 £
Within one year	4,143	4,677
Between two and five years	5,518	5,674
	9,661	10,351

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

20 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income for the reporting period	272,915	436,165
Adjustments for:		
Depreciation charges	29,198	25,879
Gain on disposal of Investments	(1,144)	(77)
Gains on investments	(471,091)	(183,283)
Dividends, interest and rents from investments	(84,770)	(75,239)
Decrease/(increase) in debtors	355,766	(211,857)
Increase in creditors	54,617	72,667
Cash Generated from Operations	155,491	64,255

21 ANALYSIS OF NET DEBT

	1 January 2021 £	Cash flows £	31 December 2021 £
Short term investments	621,728	134,914	756,642
Cash	146,489	67,005	213,494
Total net debt	768,217	201,919	970,136

22 TRANSFER BETWEEN FUNDS

A transfer of £374,561 was made from the General Reserve (Unrestricted Fund) to the Development Fund (Designated Fund) in consideration of the Reserves Policy to maintain the General Reserve at up to six months of expenditure.

A transfer of £188 was made between the designated fund of the Northeast & Yorkshire section and the North West section.

23 RELATED PARTY TRANSACTIONS

The group and the institution has taken advantage of the exemption available under section 1AC.35 of FRS 102, from disclosing transactions entered into between two or more wholly owned members of the group.

24 CONSOLIDATED ENTITIES

The entities included in the consolidation are:

The History Fund – charity number 287678 – incorporated in England and Wales
IGEM House Ltd – company number 03093169 – incorporated in England and Wales
Institution of Gas Engineers (Scottish Section) Benevolent and Education Fund - charity number SC006601
– incorporated in Scotland

The charity's financial statements include those of The Scholarships, Medals, Prizes and Lectureships Fund - charity number 214011/11 - registered in England and Wales.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

25 FINANCIAL INSTRUMENTS

The Society's financial instruments may be analysed as follows:

	2021	2020
	£	£
Financial assets		
Financial assets measured at amortised cost	1,181,057	1,333,430
Financial liabilities		
Financial liabilities measured at amortised cost	833,210	749,493

Financial assets measured at amortised cost comprise cash at bank, trade debtors and short-term investments.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

Institution of Gas Engineers and Managers

IGEM House
26 & 28 High Street
Kegworth
Derbyshire
DE74 2DA

Registered Charity - 214011



THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

England & Wales - Charity number 214011

Accounts

ANNUAL REPORT AND ACCOUNTS

2020

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

Trustees' Report and Financial Statements

Year Ended 31 December 2020

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

CONTENTS

	Page
Legal and Administrative Information	3 - 4
Trustees' Report	5 – 13
Statement of Trustees' Responsibilities	14
Independent Auditor's Report	15 – 17
Consolidated Statement of Financial Activities	18
Consolidated Balance Sheet	19
Charity Balance Sheet	20
Consolidated Statement of Cash Flows	21
Notes to the Financial Statements	22 - 39

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2020

LEGAL AND ADMINISTRATIVE INFORMATION

Officers and Council Members as at 31st December 2020:

President	Duncan Wong CEng FIGEM FHKIE	
Past President	Antony Green CEng CWEM FCIWEM MIW FIGEM	
President Elect	Ben Clarke CEng MIGEM IET	
Vice President	David Parkin CEng FIGEM	
Honorary Secretary*	Gordon Davies CEng FIGEM	
Chief Executive*	Neil Atkinson CEng FICHEM HonFSE	
Ordinary Members	Gary Tomlin BSc MSc PGDip CEng FIGEM Andrew Middleton EngTech MIGEM Barry Dalus IEng MIGEM Albert Leung BSc CEng FIGEM Trevor Smallpiece EngTech FIGEM Ben Kuchta CEng FIGEM David Tomkin EngTech FIGEM Philippa Wrenn CEng MIGEM David McLeod CEng MIGEM Bridget Hartley CEng MIGEM Steve Critchlow EngTech MIGEM Michael Blake CEng MIMechE MIGEM	
Section Members	Cheung Pak-kin CEng MIGEM James McStravog HCEng MIGEM Andrew Musgrave CEng FIGEM Lucy Ritchie MIGEM Ben Hanley AIGEM Paul Rhodes MIGEM Stuart McLeod IEng MIGEM Peter Davis IEng MIGEM Elliot Ross MIGEM Gordon McMillan AIGEM Phil Jenkins MIGEM	Far East Irish London, Southern & Eastern Midlands North East & Yorkshire North West Scottish South West Welsh Young Persons Section Industrial Affiliate
Co-opted Members*	Hilary Buxton CEng MIMechE FIGEM Chris Bielby CBE CEng FIGEM MCMI MIOd Christopher Gorman CEng MIGEM	

*denotes Non-Trustee

Also, Trustees for the period to 18th June 2020:

Karl Miller BEng CEng FIGEM	Cheung Pak-kin CEng MIGEM
Morgan James AIGEM	Jordan Rowbottom IEng MIGEM
Ben Smith CEng MIMechE MIGEM	Zenon Przybyszewski MIGEM
Grant Rogers AIGEM	Kathryn Brown CEng MIGEM
Paul Lawrence MBA BSc (Hons) CEng FICHEM FIGEM FCMI	Tom Vella GradIGEM

**THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
YEAR ENDED 31 DECEMBER 2020**

LEGAL AND ADMINISTRATIVE INFORMATION

Secretariat Senior Staff

Chief Executive Officer	Neil Atkinson CEng FICChemE HonFSE
Head of Technical Services & Policy	Ian McCluskey BEng CEng FIMechE FIGEM
Head of Finance & Business	Kristina Parkin JP BSc(Hons) ACMA CGMA MCIPP MIGEM
Head of Membership Services	Claire McHugh BA(Hons) AIGEM
Head of Development and Knowledge Delivery	Simon Trollope MBA BSc(Hons) MCIM AIGEM
Head of Marketing & Events	Gemma Bailey BA(Hons) AIGEM up to 25 th Sept 2020

Charity Number 214011

Registered Office Institution of Gas Engineers and Managers
IGEM House
26 & 28 High Street
Kegworth
Derbyshire
DE74 2DA

Auditors UHY Hacker Young
14 Park Row
Nottingham
NG1 6GR

Bankers HSBC Bank Plc
117 Great Portland Street
London
W1W 6QJ

Solicitors Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

Investment Managers Rathbones Investment Management
8 Finsbury Circus
London
EC2M 7AZ

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2020

TRUSTEES' REPORT

The Trustees of the Institution of Gas Engineers and Managers (IGEM) present their report and audited financial statements for the year ended 31 December 2020. The financial statements comply with the Institution's Royal Charter, applicable Companies and Charities Acts and the Charities Statement of Recommended Practice issued in October 2019. The Trustees consider that they have complied with their duties under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Objectives and Activities

The gas industry is changing in response to climate change imperatives and this will have significant effects on the way that gas is used and the operation of the gas networks. IGEM is part of driving that change and has a business plan to deliver our central purpose to advance gas engineering in all its forms for the benefit of society. The Business Plan 'enabling the transition supporting, the profession' provides a four-year framework for the future, a starting point for the decade of transformation that faces the gas industry.

The object of the Institution is to be the pre-eminent Institution for gas professionals and to champion the acquisition, exchange and utilisation of engineering expertise in collaboration with the gas industry for the benefit of society.

Our strategic goals are:

Strategic Goal 1:	Foster the highest standards of professional competence
Strategic Goal 2:	Promote gas engineering excellence
Strategic Goal 3:	Support innovation in collaboration with industry stakeholders
Strategic Goal 4:	Provide an influential and respected source of advice for policymakers

Underpinning the strategic goals are two core objectives. These core objectives are internally facing and focused on the health and sustainability of the organisation:

Core Objective 1:	Ensure that IGEM's financial position supports sustained growth
Core Objective 2:	Ensure that IGEM's governance framework is fit for purpose to allow our charitable objectives to be fulfilled effectively and efficiently

Key activities undertaken include recruitment and retention of members, as well as provision of training and services to members and the wider industry to support members' continuing professional development, through the Gi journal, website, communications, conferences, lectures and technical training. In addition, technical advancement is achieved through review and development of Industry Standards and recommendations, research, networking and support.

The Sections within IGEM's membership deliver varied programmes of events encompassing technical visits and paper evenings as well as networking and social activities. Several of these activities are international.

Public Benefit Statement

We have referred to the guidance contained in the Charity Commission's general guidance of public benefit when considering our aims and objectives and in planning our future activities. In particular, the Trustees routinely consider how planned activities will contribute to the aims and objectives they have set.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2020

TRUSTEES' REPORT

Public Benefit Statement (continued)

IGEM delivers benefits for Society by applying expertise and experience to make an influential contribution to solving pressing energy challenges in areas such as safety, security, affordability and sustainability, often by collaborating openly to enable effective action. We also effect positive change by supporting the development of gas engineering professionals as credible participants in a wider community of technical practitioners.

Our main objectives for the year continued to be the promotion of engineering science as applied to the broad gas industry; and to improve and elevate the technical knowledge of those engaged in the profession of gas engineering. The strategies we used to meet these objectives included:

- Ensuring the competence of practising gas engineers through a pathway for recognition, including registration with the Engineering Council;
- Providing members with continuing professional development opportunities including free access to mentoring and support towards advancement through grades of membership;
- Providing awareness of technical developments and innovations through publications, conferences and events, at both national and local level;
- Utilising technical expertise to advise and support the Government's policies on Net Zero, specifically developing technical standards and responding to consultations influencing statutory regulation;
- Continuing to develop and publish peer reviewed Industry Standards aimed at enhancing the procedures for the safe use of gas in the areas of transmission, distribution, utilisation and metering;
- Securing approval to be an authoriser of recognised training providers;
- Working with skills partners to approve Apprenticeships that lead to qualified gas technicians;
- Provision of scholarships and grants to individuals and companies undertaking research, development and innovation, where their area of interest furthers the objectives of the charity; and
- Ensuring a selection of free and discounted provision of services are offered within Membership services, event placements and access to Technical Standards;
- Auditing and authorisation of approved gas industry training providers;
- Extending our reach by developing support for new sectors.

Our public benefit activities focus on the safe passage of gas through the supply chains through to safe use by the public and by industrial customers. These activities include competence assessment, provision of opportunities for the continued demonstration of competence through personal professional development for our members, and those in the wider gas industry. In addition, we support, showcase and finance research, such as Carbon Monoxide research.

Structure, Governance and Management

The Institution of Gas Engineers and Managers is a registered charity established in 1863, incorporated by Royal Charter in 1929 and governed by By-Laws, which were last amended in July 2001. IGEM has a Governance Manual, comprehensively updated during 2019 incorporating Charter, By-Laws, requirements of Trustees, organisational structure, key terms of reference of Boards and Committees as well as Membership Policy and Procedures, Finance Policy and Procedures, and IGEM's Quality Policies and Procedures and requirements of Charity Law. In addition, IGEM has a Conflicts of Interest Policy.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2020

TRUSTEES' REPORT

Structure, Governance and Management (continued)

The main decision making body of IGEM is Council, which governs IGEM and owns the strategy that IGEM will adopt and implement. It consists of 27 Trustees together with other, non-voting, members. These are:

- President*
- President Elect*
- Vice President*
- Immediate Past President*
- Honorary Secretary
- 12 Ordinary Members*
- 11 Section Chairman [or nominated representative]*
- Chief Executive Officer
- Co-opted advisors to Council

* Indicates a Trustee member of Council

Council can invite the election or appointment of any member of IGEM onto Council if it feels that they can bring value, knowledge and expertise. Trustees change at IGEM's Annual General Meeting each year. Ordinary Members serve for three years and Section Chairs serve for one year.

Council is supported by an Executive Board of Trustees that acts as a steering committee to Council to assist with Trustee deliberations at Council. The Executive Board consists of:

- President*
- President Elect*
- Vice President*
- Immediate Past President*
- Honorary Secretary
- 3 Ordinary Members*
- Chief Executive Officer

* Indicates a Trustee member of Council

IGEM comprises the following entities:

Institution of Gas Engineers and Managers	Charity No. 214011
Scholarships, Medals, Prizes and Lectureship Fund	Charity No. 214011-11
History Fund	Charity No. 287678
Institution of Gas Engineers (Scottish Section) Benevolent and Education	Charity No. SC006601
IGEM House Ltd	Company No. 03093169

IGEM has a subsidiary trading company, IGEM House Ltd trading as Meetpoint Midlands. This company undertakes commercial trading activities and the results are consolidated in these financial statements. This company commenced trading during 2011 and rents conference and meeting facilities to third parties.

The Institution has a Benevolent Fund, the Incorporated Benevolent Fund of the Institution of Gas Engineers and Managers, which reports separately to its members.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2020

TRUSTEES' REPORT

Structure, Governance and Management (continued)

IGEM operates a number of Boards, Committees, Sub-Committees and Panels through which it undertakes its educational, technical and administrative functions. IGEM benefits from the input of many volunteers, who govern the Institution, run the Sections, contribute to committees, panels, mentoring and interviewing. Over 2020, there are approximately 482 volunteers actively involved in IGEM who collectively provide volunteer services totalling around 11,637 hours, equivalent to seven full time staff.

All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 7 to the accounts. Trustees are required to disclose all relevant interests and register them with the Chief Executive and withdraw from decisions where a conflict of interest arises. All incoming Trustees are provided with training to fully explain their roles and responsibilities and an induction package. This includes a copy of *"How to be an effective Trustee"* published by the Charity Commission, together with the By-Laws, Governance Manual and Business Plan for the Institution.

The general membership is organised into eight regional Sections throughout the UK and one overseas Section in Hong Kong:

- Far East District Section
- Irish Section
- London, Southern & Eastern Section
- Midlands Section
- North East & Yorkshire Section
- North West Section
- Scottish Section
- South West Section
- Welsh Section

Throughout the year, the Sections organise a varied programme of events encompassing informative, technical presentations from high profile speakers from within and outside the gas industry as well as social networking opportunities. These events also provide a valuable element to the ongoing development of our members and evidence of attendance can be used within our Continuing Professional Development framework. In addition, IGEM has two further Sections, each established to meet the more specific needs of the individual membership group:

- Industrial Affiliates Section, which represents our company members. These members include network asset owner operators, gas supply businesses, companies engaged within the supply chain, consultancies and educational establishments.
- Young Persons Network. A key role of the Section is to give a voice to our younger, often more junior, members and to encourage them to play an active part within the Institution. As well as being assigned to a geographically defined Section, all of our members under the age of 35 are included within the auspices of the YPN. The flagship event of the YPN is its short paper competition. The winner this year was Sikander Mahmood, Project Manager at Future Networks, Cadent, for his presentation discussing work on the HyDeploy project.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2020

TRUSTEES' REPORT

Covid-19

The Covid-19 pandemic has resulted in some challenges for the Industry and the Institution. The secretariat moved to home working efficiently, with systems and electronic communications capably employed to maintain business continuity and continue service delivery. Most income streams and sales continued to be maintained, except for events, conferencing, training and facility services, which were all negatively impacted. Cost management, some application of furlough to retain jobs, and redeployment of some staff enabled efficient application of resources and recovery of some activities temporarily impacted. Investment has been made in online platforms to resume delivery of events and training, to support the CPD delivery and services to our members.

The Trustees anticipate that the pandemic may continue to impact parts of the Institution and have taken a prudent approach moving forward and expect to retain close to an operational breakeven. With cash backed reserve holdings, there is sufficient cover if required but the positive contribution resulting from 2020 outturn will be able to support the financial structure and allows for mitigation of the risk moving forward. Therefore, the Institution can continue to function effectively, invest in service delivery and run comfortably as a going concern.

Achievement and Performance

IGEM maintains ISO 9001:2015 quality accreditation.

IGEM is licenced by the Engineering Council to assess candidates for inclusion on the national register of professional engineers and technicians, to accredit academic programmes and professional development schemes and to monitor the continuing professional development of registrants.

Membership services recruited and supported members during the year, including delivery of mentoring and continuous professional development.

Individual Members	Opening*	New	Lapsed or resigned	Progression		Closing
				In	Out	
Honorary	6	0	0	0	0	6
Companion	26	0	3	0	0	23
Fellow	239	0	15	9	0	233
Chartered Member	1,176	16	66	9	5	1,130
Incorporated Member	419	4	38	12	2	395
Engineering Technician Member	649	103	112	21	7	654
Member Manager	126	14	16	2	1	125
Non-Corporate grades	766	121	157	0	29	701
Students	168	15	25	0	2	156
Total	3,575	273	432	53	46	3,423

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2020

TRUSTEES' REPORT

Achievement and Performance (continued)

Industrial Affiliate Members	Opening	New	Lapsed or resigned	Movement	Closing
Small (1-5 employees)	90	18	13	(1)	94
Small - Medium (6-15 employees)	57	6	3	0	60
Medium (16-99 employees)	92	7	7	0	92
Medium - Large (100-499 employees)	66	2	3	1	66
Large (500+ employees)	26	0	3	0	23
Total	331	33	29	0	335

A program of awarding grants and scholarships progressed, with a high quality of applications resulting in two undergraduate scholarships, one first year undergraduate scholarship, on postgrad scholarship and an Eng Tech Development grant awarded to support relevant sector studies.

IGEM develops and produces Technical Standards with related activities including research, record management, training and liaising with industry and external stakeholders. Selected standards are made available for a reduced rate through the Gas Safe Register. This supports operatives working in the downstream sector to enable more industry representatives to have affordable access to Standards.

Standards published during the year are:

- IGEM/UP/6 Application of Compressors to Natural Gas Fuel Systems
- IGEM/UP/16 Design for Natural Gas Installations on Industrial & Commercial Premises
- IGEM/H/1 Hydrogen Reference Standard
- IGEM/H/PRS/1 Hydrogen Excess Flow Valves Technical Specification

2020 saw renewed commitment to the UK's transition to net-zero, as was reflected in the government's Energy White Paper and its 10-point plan for a green industrial revolution. IGEM continued to work directly with gas network companies, safety experts, academics and policy advisors to assess the evidence base and develop informed recommendations on the future of the gas grid and, particularly, the use of hydrogen for heat. Changes to the regulatory legislation are required to permit more low carbon gases into the network, reduce natural gas processing emissions, and allow use of hydrogen.

IGEM continued to focus on the strategic importance of hydrogen in pursuit of the government's Net Zero emissions target throughout the year. IGEM also launched a Policy Hub, targeted at promoting IGEM as a trusted source of policy news, consultations, policy statements and research reports.

A HyTechnical project was initiated in 2020. This is a new NIA-funded collaboration between IGEM and the UK gas networks that IGEM initiated with seed funding to manage development standards supporting the gas networks in the delivery of hydrogen. The project is developing research and a scientific evidence base for the assessment of operational issues for pressure reducing installations (PRIs) and other installations for hydrogen and hydrogen/natural gas transportation.

IGEM was awarded a contract from the Department for Business, Energy & Industrial Strategy (BEIS) to create a digital repository dedicated to sharing hydrogen resources for leading the advancement of hydrogen knowledge nationally and internationally.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2020

TRUSTEES' REPORT

Achievement and Performance (continued)

IGEM subsequently designed a searchable and intuitive database of hydrogen research, journal articles, policy reports, data sets, presentations and videos to create a unique Hydrogen Knowledge Centre. Working with stakeholders and contributors from gas network companies, leading academic institutions, research centres and industry experts, the repository houses an extensive range of resources from across the spectrum of hydrogen technologies and industrial applications. At year-end pre-launch stage the Centre held over 1,300 hydrogen-related publications from over 70 leading sources and contributions from more than 2,200 individual authors.

The events and conferences program was more limited than planned but some key events were still delivered with favourable attendance and engagement. The Annual Conference moved online and had an extensive programme exploring two themes: Enabling the Transition and Transition in Action. Rt Hon Kwasi Kwarteng, then Minister of Energy, delivered the keynote address while other speakers included Ofgem Chief Executive Jonathan Brearley, Green Gas Champion and former CEO of Cadent Chris Train, as well as several international inputs.

In addition, the Gas Utilisation Conference explored Forces for Change and focused on the changing environment, the changing workforce, and the changing role of gas in the utilisation sector.

The Sir Denis Rooke Memorial Lecture was delivered by Chris Stark, CEO of the Committee on Climate Change, who discussed the energy transition via Molecules and Electrons – the net zero conundrum.

Investments

IGEM's Portfolio of Investments are managed by Rathbones Investment Management held within their Core Investment Fund for Charities. Performance is measured against a pre-agreed composite benchmark of market indices. The investment objectives for both the Unrestricted Funds and the Restricted Funds are to be balanced and managed for total return.

The portfolios have produced a level of income at 1.9%, being £73,394, and produced an annual total return of 8.3% compared to a benchmark portfolio return of 3.7%. Total market value movement of £186,117 contributed positively to the holdings.

2020 Financial Review

Funds Summary

	2020	2019
General Reserve	900,000	900,000
Development Fund	1,508,519	1,434,039
Property Maintenance Reserve	150,000	150,000
S&M	657,437	673,846
Gas Innovation Fund	567,723	559,366
Hydrogen Standards Innovation Fund	387,435	-
GIUSP	22,000	29,500
Sections	159,833	146,661
History	7,355	8,065
Property & Assets	1,240,758	1,263,417
	<u>5,601,060</u>	<u>5,164,895</u>

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2020

TRUSTEES' REPORT

Reserves

The Institution's reserves are held to meet liabilities, working capital, operations, research, education and future developments to benefit members, customers and support the gas industry in a viable and sustainable manner. A comprehensive review of funds and reserve holdings was undertaken which resulted in some funds movements and refreshed policies and applications of use. The International Development Fund designation was removed as international activity is now self-sustaining. The fund was transferred into the Development Reserve for future investment in to the development of the Institution and to facilitate the investment into the energy transformation that is facing the industry. The General Reserve are the free reserves, held at a value of up to approximately 6 months expenditure, currently set at £900,000 which provides adequate resilience to maintain liquidity and mitigate risks. The Restricted Funds were repurposed to enable increased application of the funds in order to make proper use of them in line with their objectives.

Total funds held by the charity at the end of the reporting period are £5,601,060. This is constituted of general, designated and restricted funds as detailed below.

Restricted	1,662,218
Designated	1,798,084
Fixed Assets	1,240,758
Free Reserves	900,000
	<u>5,601,060</u>

The expected time frame of expenditure of the designated and restricted funds will be in line with the external environment of transition of energy over the decade to 2030, and starting in 2020 with investment in resourcing development of membership and provision of services.

The amount of reserves freely available to the charity, after allowing for restricted funds, committed expenditure, assets and designations are therefore £900,000 and is in line with the reserve policy. Further details of the funds held are included in Notes 16 and 17 to these financial statements.

Risk Management

The Audit & Risk Committee is responsible for providing a robust risk management framework with effective controls that are integrated to the operational management of the Institution. The committee oversees quality management and governance processes including health, safety and environment, quality assurance management system that complies with BS EN ISO 9001:2015 standard and also a comprehensive risk register to identify, monitor and improve controls embedded within the organisation.

Strategies for managing these risks include the maintenance of identified processes that specifically mitigate the risk and a regularly reviewed action plan that is considered to provide further mitigation.

The Secretariat are responsible for the identification of risks and the effectiveness of management action to mitigate adverse performance against the Business Plan.

**THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
YEAR ENDED 31 DECEMBER 2020**

TRUSTEES' REPORT

Risk Management (continued)

The detailed planning and execution of objectives and actions, resulting from risk reviews, are managed at an operational level within the secretariat and are overseen by the Executive Board. There is an integrated management system that links risks, strategies, objectives and actions, managed by the Chief Executive Officer.

In 2021, work will continue in monitoring the governance of IGEM through financial viability, continued development of financial policy and procedures and the assessment of financial risk. This will be monitored, measured and reported through forecast reviews, audits, development of key performance indicators and regular reporting to the Management Team, Audit and Risk Committee, Executive Board and Council.

Provision of Information to the Auditor.

So far as each of the Trustees are aware at the time the report is approved:

- There is no relevant audit information of which the charity's auditors are unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the Council 25th March 2021 and signed on its behalf.



Duncan Wong
President

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS

YEAR ENDED 31 DECEMBER 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
YEAR ENDED 31 DECEMBER 2020**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF THE INSTITUTION OF GAS ENGINEERS AND MANAGERS**

Opinion

We have audited the financial statements of The Institution of Gas Engineers and Managers (the "Parent Charity") and its subsidiaries (the "Group") for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the 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 FRS 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 group and charity's affairs as at 31 December 2020 and of its incoming resources and application of resources 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 Charities Act 2011.

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 charity 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statement 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 charity'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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the financial statements. 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 course of 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 there is a

**THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
YEAR ENDED 31 DECEMBER 2020**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF THE INSTITUTION OF GAS ENGINEERS AND MANAGERS**

material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees 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 charity'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 charity 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities

**THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
YEAR ENDED 31 DECEMBER 2020**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF THE INSTITUTION OF GAS ENGINEERS AND MANAGERS**

Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

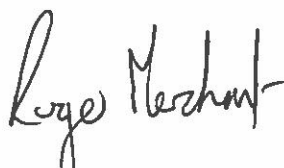
Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with legal advisors, enquiries of management and review of internal audit reports in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Roger Merchant
(Senior Statutory Auditor)**

30/4/21

**For and on behalf of UHY Hacker Young
Chartered Accountants and Statutory Auditor**

14 Park Row
Nottingham
NG1 6GR

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Incoming Resources						
Income from Donations Sections	6	52,382	-	-	52,382	135
		-	-	-	-	2,000
		52,382	-	-	52,382	2,135
Charitable Activities	2	1,584,519	12,341	433,864	2,030,724	1,960,603
Rent Receivable		24,458	-	-	24,458	84,563
Investment Income	3	48,933	791	25,515	75,239	94,440
Total Incoming Resources		1,710,292	13,132	459,379	2,182,803	2,141,741
Resources Expended						
Raising Funds						
Investment Mgr Fees		3,270	-	1,734	5,004	17,421
Trading Expenditure		12,226	-	-	12,226	23,899
		15,496	-	1,734	17,230	41,320
Charitable Activities	4	1,629,045	43,512	240,211	1,912,768	2,213,118
Total Resources Expended		1,644,541	43,512	241,945	1,929,998	2,254,438
Net gains/(losses) on Investments	8	121,245	(2,758)	64,873	183,360	423,492
Net Income/(Expenditure)		186,996	(33,138)	282,307	436,165	310,795
Transfer between Funds	21	(209,654)	120,654	89,000	-	-
Net Movement in Funds		(22,658)	87,516	371,307	436,165	310,795
Total Funds Brought Forward		2,163,416	1,710,568	1,290,911	5,164,895	4,854,100
Total Funds Carried Forward	17	2,140,758	1,798,084	1,662,218	5,601,060	5,164,895

The statement of financial activities includes gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 22 to 39 form part of these accounts

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible	9	1,240,758	1,263,416
Investments	10	<u>3,791,530</u>	<u>3,601,896</u>
		5,032,288	4,865,312
CURRENT ASSETS			
Debtors	11	628,952	417,095
Short term investments	13	621,728	485,272
Cash at Bank and in hand	12	146,489	152,946
		<u>1,397,169</u>	<u>1,055,313</u>
CREDITORS: amounts	14		
falling due within one year		<u>(828,397)</u>	<u>(755,730)</u>
NET CURRENT ASSETS		568,772	299,583
NET ASSETS		<u>5,601,060</u>	<u>5,164,895</u>
FUNDS			
Unrestricted	17	2,140,758	2,163,416
Restricted	17	1,662,218	1,290,911
Designated	17	1,798,084	1,710,568
		<u>5,601,060</u>	<u>5,164,895</u>

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on 25th March 2021.



Duncan Wong
President

The notes on pages 22 to 39 form part of these accounts

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible	9	1,240,758	1,263,416
Investments	10	<u>3,792,530</u>	<u>3,602,896</u>
		5,033,288	4,866,312
CURRENT ASSETS			
Debtors	11	630,888	425,442
Short term investments	13	621,728	485,272
Cash at Bank and in hand	12	102,075	99,843
		<u>1,354,691</u>	<u>1,010,557</u>
CREDITORS: amounts falling due within one year	14	<u>(827,395)</u>	<u>(752,290)</u>
NET CURRENT ASSETS		527,296	258,267
NET ASSETS		<u>5,560,584</u>	<u>5,124,579</u>
FUNDS			
Unrestricted		2,140,758	2,163,416
Restricted		1,634,594	1,262,712
Designated		1,785,232	1,698,451
		<u>5,560,584</u>	<u>5,124,579</u>

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on 25th March 2021.



Duncan Wong
President

The notes on pages 22 to 39 form part of these accounts

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2020

	2020	2019
	£	£
CASH FLOW FROM OPERATING ACTIVITIES:		
Net cash provided by operating activities (note 20)	<u>64,255</u>	<u>(60,164)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends, interest and rents from investments	75,239	94,440
Purchase of property, plant and equipment	(3,221)	(9,302)
Purchase of investments	(10,706)	(15,564)
Proceeds from sale of investments	4,432	120,027
Net cash provided by investing activities	<u>65,744</u>	<u>189,601</u>
Increase in cash and cash equivalents in the year	129,999	129,437
Cash and cash equivalents at 1 January	<u>638,218</u>	<u>508,781</u>
Cash and cash equivalents at 31 December	<u>768,217</u>	<u>638,218</u>
Relating to:		
Cash at Bank and in hand	146,489	152,946
Short term investments	<u>621,728</u>	<u>485,272</u>

The notes on pages 22 to 39 form part of these accounts

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Institution constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Institution's ability to continue as a going concern.

There are no significant areas of adjustment or key assumptions that affect items in the accounts.

(b) Group financial statements

These financial statements consolidate the results of the charity, its wholly-owned subsidiary, IGEM House Ltd; and the Scholarships, Medals, Prizes and Lectureship Fund, the History Fund and the Institution of Gas Engineers (Scottish Section) Benevolent and Education Funds, which are separate charities, on a line by line basis. A separate Statement of Financial Activities (SOFA) for the Institution alone is not presented because the charity has taken advantage of the provisions to not disclose.

(c) Funds accounting

Funds held by the charity are:

Unrestricted general funds - these funds can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds - these are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

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

(d) Incoming resources

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

Voluntary income is accounted for when received. Incoming resources represents the amount receivable during the year in respect of subscriptions, fees and other income.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Where income is received in advance of performance, its recognition is deferred and included in creditors until the contract is performed. Membership subscriptions received in advance are deferred and included in creditors.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES (continued)

(e) Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- costs of raising funds include those costs incurred in the management of the charity's investment portfolio.
- charitable activities include expenditure associated with the objects of the charity and include direct costs and support costs associated to these activities.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(f) Depreciation

Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided to write off the cost of fixed assets to their residual value evenly over their estimated useful lives, which are as follows:-

Freehold property	50 years
Fixtures & Fittings	7 years
Computer equipment	3 years

(g) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of financial activities.

(h) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(i) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES (continued)

(i) Realised gains and losses

are calculated as the difference between the fair value at the year-end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(j) Heritage assets

The Institution possesses a collection of regalia and memorabilia, and a collection of library books. These items are held for the furtherance of the Institution's objects and are considered heritage assets.

Where heritage assets are donated, the Trustees consider that in the absence of reliable cost information, the expense of determining a reliable valuation of these artefacts is onerous compared with the additional benefit derived by users of the accounts in assessing the Trustees' stewardship of the assets. Heritage assets are gifted and are therefore excluded from the balance sheet in accordance with paragraph 18.14 of the SORP. Where heritage assets are purchased, the purchase costs are capitalised in the balance sheet.

(k) Cash and cash equivalents

Cash and cash equivalents include cash at bank and cash in hand as well as short-term highly liquid investments with a short maturity (recognised within short-term investments).

(l) Pensions

The Institution makes payments to defined contribution pension schemes on behalf of qualifying employees. Such contributions are charged in the Statement of Financial Activities when made. The contributions are invested separately from the Institution's assets.

(m) Operating leases

Operating lease rentals are charged on a straight line basis over the lease term.

(n) Corporation tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

(o) Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

(p) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Trustees consider that there are no material judgements or estimates.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

2 CHARITABLE ACTIVITIES

Activities in the furtherance of the charity's objectives.

	Unrestricted	Designated	Restricted	Total 2020	Total 2019
	£	£	£	£	£
General Funds:					
Membership services and subscriptions	743,570	-	-	743,570	747,202
Technical services	705,459	-	431,720	1,137,179	788,466
Conferences and marketing	65,443	-	100	65,543	292,444
Journal	70,047	-	-	70,047	60,202
History Fund	-	-	2,044	2,044	1,884
Section income	-	7,477	-	7,477	69,321
Scottish section income	-	4,864	-	4,864	1,084
	1,584,519	12,341	433,864	2,030,724	1,960,603

In 2019, of total income from charitable activities, £1,887,914 was to unrestricted funds, £70,405 was to designated funds and £2,284 was to restricted funds.

3 INVESTMENTS

	Unrestricted	Designated	Restricted	Total 2019	Total 2018
	£	£	£	£	£
Bank interest received	920	-	134	1,054	1,494
Dividends received	48,013	791	25,381	74,185	92,946
	48,933	791	25,515	75,239	94,440

In 2019, of total income from investments, £60,320 was to unrestricted funds, £835 was to designated funds and £33,285 was to restricted funds.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

4 CHARITABLE EXPENDITURE

Cost of activities in the furtherance of the objectives of the charity

	Direct Staff costs £	Other costs £	Support and governance costs £	Total 2020 £	Total 2019 £
General Funds:					
Membership services	172,239	53,748	132,622	358,609	379,520
Technical services	241,185	153,260	202,825	597,270	721,120
Conferences, events and marketing	201,929	51,535	11,690	265,154	453,944
Journal	40,467	146,749	12,494	199,710	201,690
Establishment	105,234	85,420	-	190,654	212,548
Facilities & conference provision	15,227	1,087	1,334	17,648	53,108
	776,281	491,799	360,965	1,629,045	2,021,930
Designated Funds:					
Section expenditure	-	8,335	-	8,335	72,612
Development	-	35,177	-	35,177	(4,000)
	-	43,512	-	43,512	68,612
Restricted Funds:					
GIUSP	-	7,500	-	7,500	4,000
History Fund Awards	-	2,754	-	2,754	4,615
Scholarship & medals	-	52,684	-	52,684	113,961
Gas Innovation Fund	-	32,988	-	32,988	-
Hydrogen Standards Innovation Fund	-	144,285	-	144,285	-
	-	240,211	-	240,211	
	776,281	775,522	360,965	1,912,768	2,213,118

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

5 SUPPORT AND GOVERNANCE COSTS

	Staff costs £	Other costs £	Total 2020 £	Total 2019 £
General Support Costs:				
Central support	186,386	-	186,386	186,525
Legal and professional fees	-	1,035	1,035	1,035
Council meeting and staff expenses	-	20,306	20,306	42,996
Bank and credit card charges	-	17,469	17,469	17,139
Recruitment expenses	-	4,804	4,804	1,955
Sundry expenses	-	271	271	270
Staff training	-	1,873	1,873	10,270
Postage and telephone	-	25,925	25,925	23,778
Printing and stationery	-	7,993	7,993	8,962
Computer expenses	-	70,495	70,495	65,093
Subscriptions and other costs	-	4,650	4,650	5,174
Irrecoverable VAT	-	8,724	8,724	10,282
Governance Costs:				
Audit and accountancy	-	9,567	9,567	9,330
Council and Trustees expenses	-	1,467	1,467	13,774
	186,386	174,579	360,965	396,583

The Institution initially identifies the costs of its support functions. It then identifies those costs that relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the five key charitable activities undertaken (see note 4) in the year, based on the income generated for these charitable activities.

6 NET OUTGOING RESOURCES

This is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets:		
- Owned by the group	25,879	31,925
Operating lease rentals	4,677	6,276
Government grants	(52,382)	-
Audit and accountancy charges:		
- Statutory audit	9,067	8,830
- Accountancy and other services	500	500

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

7 STAFF COSTS

The average monthly number of employees during the year was:

	2020 No.	2019 No.
Office and management	25	25

	2020 £	2019 £
Staff costs:		
Salaries	798,761	797,790
National insurance contributions	77,021	78,208
Pension contributions	86,885	85,046
	962,667	961,044

The number of employees whose emoluments as defined for taxation purposes amounting to over £60,000 in the year was as follows:

	2020 No.	2019 No.
£60,000 to £70,000	-	1
£70,000 to £80,000	2	1
£80,000 to £90,000	-	-
£90,000 to £100,000	1	1

The pension contributions made to the highest paid employee were £nil (2019: £nil).

The Trustee members of the Council received no remuneration during the year but travel expenses of £1,467 were reimbursed to 4 Council members (2019: £13,774 to 12 members).

The Institution considers its key management personnel comprise the Trustees, the Chief Executive Officer and the senior management team. The total employment benefits including employer pension contributions of the six (2019: six) key management personnel were £366,931 (2019: £362,356).

8 NET GAINS/(LOSSES) ON INVESTMENT ASSETS

	Unrestricted funds £	Restricted funds £	Designated funds £	Total 2020 £	Total 2019 £
Gains on disposals	63	14	-	77	5,311
Net unrealised gains/(losses) on revaluation to market value	121,182	64,859	(2,758)	183,283	418,181
	121,245	64,873	(2,758)	183,360	423,492

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

9 TANGIBLE FIXED ASSETS

Group and Institution

	Land and Buildings	Fixtures & Fittings and Computer Equipment	Total
	£	£	£
Cost			
At 1 January 2020	1,526,234	235,912	1,762,146
Additions	3,221	-	3,221
At 31 December 2020	1,529,455	235,912	1,765,367
Depreciation			
At 1 January 2020	265,355	233,375	498,730
Charge for the year	24,524	1,355	25,879
At 31 December 2020	289,879	234,730	524,609
Net book amount			
As at 31 December 2020	1,239,576	1,182	1,240,758
As at 31 December 2019	1,260,879	2,537	1,263,416

Land and Buildings include land valued at £300,000 and which is not depreciated.

Regalia, memorabilia and library collection of books – Heritage assets

The Institution has in its possession items gifted to it that comprises of regalia, memorabilia and a library collection of books, which have historical qualities and are held principally for their contribution to knowledge and therefore met the criteria for heritage assets.

These assets have not been included on the balance sheet as the information on their cost or valuation is not available, as these items were gifted to the Institution, and the information cannot be obtained at a cost commensurate with the benefit derived from obtaining this information. This is due to these items being unique and therefore a market value cannot be obtained, as their value would differ dependent on the user.

These regalia and memorabilia items are insured at a cumulative value of £251,796 (2019: £244,462). While the collection of library books with an insurance value of £53,045 (2019: £53,045).

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

10 INVESTMENTS

Group
Quoted Investments

	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
Market value at 1 January 2020	2,363,645	1,238,251	3,601,896	3,300,288
Additions	-	10,706	10,706	15,564
Disposals	(3,118)	(1,237)	(4,355)	(114,716)
Management fees paid	-	-	-	(17,421)
Revaluation to market value	118,424	64,859	183,283	418,181
Market value at 31 December 2020	2,478,951	1,312,579	3,791,530	3,601,896
Historical cost at 31 December 2020	2,193,970	1,159,868	3,353,838	3,347,487
The investments are all held in the:				
Rathbones Core Investment Fund for Charities	2,464,865	1,312,579	3,777,444	3,585,052
M&G Investments	14,086	-	14,086	16,844
	2,478,951	1,312,579	3,791,530	3,601,896

Institution

	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
Quoted investments (as above)	2,478,951	1,312,579	3,791,530	3,601,896
IGEM House Ltd	1,000	-	1,000	1,000
Market value at 31 December 2020	2,479,951	1,312,579	3,792,530	3,602,896

Holdings in excess of 5% of the total market value:

Rathbones Core Investment Fund for Charities - 99.9%

IGEM House Ltd, a wholly owned subsidiary of the Institution, was incorporated to carry out the commercial activities of the Institution.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

10 INVESTMENTS (continued)

The main risk to the Institution from financial instruments lies in the combination of uncertain investment markets and volatility in yield.

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so there ability to buy and sell quoted equities and stock is anticipated to continue. The Institution's investments are mainly traded in markets with good liquidity and high trading volumes.

The Institution has no material investment holdings in markets subject to exchange controls or trading restrictions. The Institution does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

11 DEBTORS

	Group		Institution	
	2020	2019	2020	2019
	£	£	£	£
Due within one year:				
Trade debtors	565,213	289,989	564,823	276,860
Amounts due from group undertakings	-	-	2,326	22,166
Prepayments and accrued income	63,739	127,106	63,739	126,416
	628,952	417,095	630,888	425,442

12 CASH AT BANK AND IN HAND

	Group		Institution	
	2020	2019	2020	2019
	£	£	£	£
Unrestricted	94,506	96,302	91,081	83,855
Designated (Sections)	23,845	28,102	10,994	15,988
Restricted	28,138	28,542	-	-
	146,489	152,946	102,075	99,843

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

13 SHORT TERM INVESTMENTS

Short term investments represent uninvested cash funds and are held in interest-bearing bank accounts.

	Unrestricted	Institution and Group Restricted	Total 2020	Total 2019
	£	£	£	£
Income and Capital Account	16	712	728	272
Money market account	621,000	-	621,000	485,000
	621,016	712	621,728	485,272

14 CREDITORS

	Group		Institution	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year:				
Trade creditors	177,944	71,602	177,847	71,390
Other tax and social security	78,904	71,390	79,084	69,312
Other creditors	36,193	12,141	36,193	12,141
Accruals and deferred income	535,356	600,597	534,271	599,447
	828,397	755,730	827,395	752,290

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

15 DEFERRED INCOME

Group and Institution

Movements in deferred income

	£
Balance as at 1 January 2020	318,123
Released during the year	(309,820)
Deferred during the year	402,408
Balance as at 31 December 2020	410,711

Deferred income is made up of:

	2020	2019
	£	£
Membership income received in advance	301,242	288,569
Event income received in advance	27,902	8,190
Technical Income Received in Advance	72,897	17,381
History Fund Income received in advance	279	343
Journal Income received in advance	8,391	3,640
	410,711	318,123

Membership income received in advance relates to subscriptions received in relation to the year to December 2021 received in the year. Other income received in advance relates to journal advertising income and History Fund income in relation to the year to December 2021 received in the year.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

16 FUNDS

Restricted

1. Scholarship, Medals, Prized and Lectureship Fund

This restricted fund has various scholarship, medal, lectureship and prize funds that have been previously donated by individuals and organisations, and are consolidated into this fund. The objects of the fund are to further education and knowledge in gas engineering and management (in particular but not exclusively by the award of medals, scholarships, prizes, and lectureships) and in the provision of other learning opportunities and events

2. History Fund

The purpose of this fund is to promote public education and research into the history of the gas industry and publish the useful results of such research. The Panel for the History of the Industry administers the fund and, amongst its other activities, it produces a quarterly newsletter, *Historic Gas Times*.

3. Gas Innovation Fund (previously LNG Fund)

The surplus from the 11th LNG International Conference and Exhibition held in 1995 has been donated to the Institution used for educational purposes and research into technical and commercial applications of gas such as Liquid Natural Gas, Hydrogen and Methane etc.

4. Scottish Section Education Fund

This fund exists to sponsor a travelling scholarship, awarded from time to time by the Scottish section.

5. Gas Industry Unsafe Procedures (GIUSP)

Gainshare funding of £45,000 has been received in 2017 for IGEM to review and manage the Gas Industry Unsafe Situation Procedures over the next seven years.

6. Hydrogen Standards Innovation Fund

This fund was created in 2020 to fund research activities to enable Hydrogen Standards to be written. IGEM has contributed £100,000 from the Development Fund as a commitment to initiate the fund and further funding has been received from industry network partners.

Designated

1. Development Fund

The Institution has set up a fund to promote the commercial development of the Institution in line with its charitable objectives, to facilitate investment into future sustainability and the energy transformation that is facing the industry. The previously designated International Development Fund has now been incorporated into here.

2. Sections

The Institution has affiliated Sections that have a uniform constitution agreed by the Council and the same charity registration number as the Institution. Grants are sometimes allocated to the Sections. Funds held by Sections are designated for the development of the Institution's activities in the regions.

3. Property maintenance reserve

The Institution has set up a fund for refurbishments in order to maintain the value and use of the property.

Unrestricted

This is expendable at the discretion of the Trustees. It ensures that services are not interrupted in the event of a sudden loss of income or unexpected expenditure. It includes the operating activities of the Institution in addition to the operating results of IGEM House Ltd.

Property and assets represents the net book value of fixed asset acquired and funded from the Charity's unrestricted funds.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

17 MOVEMENT OF FUNDS

	Balance at 1 January 2020 £	Income £	Expenditure £	Investment movement £	Transfers £	Balance at 31 December 2020 £
Unrestricted Funds						
Group & Institution						
General	900,000	1,710,292	(1,621,883)	121,245	(209,654)	900,000
Property & assets	1,263,416	-	(22,658)	-	-	1,240,758
	2,163,416	1,710,292	(1,644,541)	121,245	(209,654)	2,140,758
Restricted Funds						
Institution						
Scholarship and Medals Fund	673,846	13,746	(53,614)	34,459	(11,000)	657,437
Gas Innovation Fund	559,366	11,735	(33,792)	30,414	-	567,723
Hydrogen Standards Innovation Fund	-	431,720	(144,285)	-	100,000	387,435
GIUSP	29,500	-	(7,500)	-	-	22,000
Group (including above)						
Scotland Section	20,134	134	-	-	-	20,268
History Fund	8,065	2,044	(2,754)	-	-	7,355
	1,290,911	459,379	(241,945)	64,873	89,000	1,662,218
Designated Funds						
Institution						
Development	1,434,042	-	(35,177)	-	109,654	1,508,519
Property Maintenance Reserve	150,000	-	-	-	-	150,000
Sections:						
Northeast and Yorkshire	10,543	870	(831)	-	-	10,582
Welsh	20,247	791	(224)	(2,758)	-	18,056
Midlands	23,167	3,600	(815)	-	-	25,952
North West	17,977	20	(2,053)	-	-	15,944
Far East	10,995	-	-	-	-	10,995
London, Southern & Eastern	12,319	-	195	-	-	12,514
South West	5,433	500	(390)	-	-	5,543
Irish	4,170	-	-	-	-	4,170
Industrial Affiliates	7,153	-	-	-	-	7,153
Young Persons Network	2,410	2,487	(90)	-	11,000	15,807
Group (including above)						
Scotland	12,112	4,864	(4,127)	-	-	12,849
	1,710,568	13,132	(43,512)	(2,758)	120,654	1,798,084
	5,164,895	2,182,803	(1,929,998)	183,360	-	5,601,060

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

17 MOVEMENT OF FUNDS (continued)

	Balance at 1 January 2019 £	Income £	Expenditure £	Investment movement £	Transfers £	Balance at 31 December 2019 £
Unrestricted Funds						
Group & Institution						
General	900,000	2,032,797	(2,034,374)	269,723	(268,146)	900,000
Property & assets	1,286,039	-	(22,623)	-	-	1,263,416
	<u>2,186,039</u>	<u>2,032,797</u>	<u>(2,056,997)</u>	<u>269,723</u>	<u>(268,146)</u>	<u>2,163,416</u>
Restricted Funds						
Institution						
Scholarship and Medals Fund	684,813	19,458	(117,536)	87,110	-	673,845
Gas Innovation Fund	483,282	14,089	(2,678)	64,674	-	559,366
GIUSP	33,500	-	(4,000)	-	-	29,500
Group (including above)						
Scotland Section	19,996	138	-	-	-	20,134
History Fund	8,661	4,019	(4,615)	-	-	8,065
	<u>1,230,252</u>	<u>37,704</u>	<u>(128,829)</u>	<u>151,784</u>	<u>-</u>	<u>1,290,911</u>
Designated Funds						
Institution						
Development	1,086,219	-	4,000	-	343,823	1,434,042
International development	75,287	-	-	-	(75,287)	-
Property Maintenance Reserve	150,000	-	-	-	-	150,000
Sections:						
Northeast and Yorkshire	9,672	12,981	(11,710)	-	(400)	10,543
Welsh	19,963	10,371	(12,070)	1,985	-	20,247
Midlands	24,872	-	(1,706)	-	-	23,167
North West	17,601	7,719	(6,953)	-	(390)	17,977
Far East	4,725	19,144	(12,877)	-	-	10,995
London, Southern & Eastern	12,362	3,272	(3,315)	-	-	12,319
South West	1,427	12,469	(8,464)	-	-	5,433
Irish	4,270	-	(100)	-	-	4,170
Industrial Affiliates	12,233	200	(5,280)	-	-	7,153
Young Persons Network	6,135	4,000	(7,725)	-	-	2,410
Group (including above)						
Scotland	13,043	1,084	(2,412)	-	400	12,112
	<u>1,437,809</u>	<u>71,240</u>	<u>(68,612)</u>	<u>1,985</u>	<u>268,146</u>	<u>1,710,568</u>
	<u>4,854,100</u>	<u>2,143,876</u>	<u>(2,254,438)</u>	<u>423,492</u>	<u>-</u>	<u>5,164,895</u>

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted/ designated funds £	Restricted funds £	Total 2020 £
Fund balances at 31 December 2020 are represented by:			
Tangible fixed assets	1,240,758	-	1,240,758
Investments	2,478,951	1,312,579	3,791,530
Cash	739,367	28,850	768,217
Net current (liabilities)/assets	(520,234)	320,789	(199,445)
Total net assets	3,938,842	1,662,218	5,601,060
	Unrestricted/ designated funds £	Restricted funds £	Total 2019 £
Fund balances at 31 December 2019 are represented by:			
Tangible fixed assets	1,263,416	-	1,263,416
Investments	2,363,646	1,238,250	3,601,896
Cash	609,510	28,708	638,218
Net current (liabilities)/assets	(362,588)	23,953	(338,635)
Total net assets	3,873,984	1,290,911	5,164,895

19 COMMITMENTS UNDER OPERATING LEASES

As at 31 December 2020 the Group and Institution had commitments under operating leases as follows:

	2020 £	Other 2019 £
Group and Institution		
Within one year	4,677	6,276
Between two and five years	5,674	10,177
	10,351	16,453

20 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income/(expenditure) for the reporting period	436,165	310,795
Adjustments for:		
Depreciation charges	25,879	31,925
Gain on disposal of investments	(77)	(5,311)
Fair value gains on investments	(183,283)	(418,181)
Management fees paid on investments	-	17,421
Dividends, interest and rents from investments	(75,239)	(94,440)
Increase in debtors	(211,857)	(54,920)
Increase in creditors	72,667	152,547
Net cash provided/(used) by operating activities	64,255	(60,164)

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

21 ANALYSIS OF NET DEBT

	1 January 2020 £	Cash flows £	31 December 2020 £
Short term investments	485,272	136,456	621,728
Cash	152,946	(6,457)	146,489
Total net assets	3,873,984	129,999	5,164,895

22 TRANSFER BETWEEN FUNDS

A transfer of £209,654 was made from the General Reserve (Unrestricted Fund) to the Development Fund (Designated Fund) in consideration of the Reserves Policy to maintain the General Reserve at up to six months of expenditure.

A transfer of £100,000 was made from the Development Fund (Designated Fund) to the Hydrogen Standards Innovation Fund (Restricted Fund) to support the project work and initiate the funding.

A transfer of £11,000 was made from the Scholarships & Medals (Restricted Fund) to the Young Persons Network Section Funds (Designated Fund) to provide funding to them to manage the annual competition event and prize normally funded directly from HQ. This will be spent next year and beyond.

23 RELATED PARTY TRANSACTIONS

The group and the institution has taken advantage of the exemption available under section 1AC.35 of FRS 102, from disclosing transactions entered into between two or more wholly owned members of the group.

24 CONSOLIDATED ENTITIES

The entities included in the consolidation are:

The History Fund – charity number 287678 – incorporated in England and Wales
 IGEM House Ltd – company number 03093169 – incorporated in England and Wales
 Institution of Gas Engineers (Scottish Section) Benevolent and Education Fund - charity number SC006601
 – incorporated in Scotland

The charity's financial statements include those of The Scholarships, Medals, Prizes and Lectureships Fund - charity number 214011/11 - registered in England and Wales.

THE INSTITUTION OF GAS ENGINEERS AND MANAGERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

25 FINANCIAL INSTRUMENTS

The Society's financial instruments may be analysed as follows:

	2020	2019
	£	£
Financial assets		
Financial assets measured at amortised cost	1,333,430	928,207
Financial liabilities		
Financial liabilities measured at amortised cost	749,493	684,340

Financial assets measured at amortised cost comprise cash at bank, trade debtors and short-term investments.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

Institution of Gas Engineers and Managers
IGEM House
26 & 28 High Street
Kegworth
Derbyshire
DE74 2DA

Registered Charity - 214011

