

INSTITUTE OF MATERIALS FINISHING

England & Wales · Charity number 227068

Details

Other names INSTITUTE OF METAL FINISHING INCORPORATING
ELECTRODEPOSITORS TECHNICAL SOCIETY

Status Registered

Legal form Charitable company

Company number [00498619](#)

Registered 1964-01-08

Register [View on the Charity Commission register](#)

Contact

Address Unit 2 The Courtyard
Roman Way
Coleshill
Birmingham
B46 1HQ

Phone 01216227387

Email helen@materialsfinishing.org

Website www.materialsfinishing.org

Activities

Objects: A. TO PROMOTE THE THEORY AND PRACTICE OF METAL FINISHING WHICH, FOR THE PRESENT PURPOSES, INCLUDES 1. THE DEPOSITION OF METALLIC, NON-METALLIC OF MIXED COATINGS ONTO METALLIC SUBSTRATES BY ELECTRICAL OR NON-ELECTRICAL MEANS AND THE PRE-TREATMENTS AND POST-TREATMENTS FORMING PART OF OR ANCILLARY TO SUCH DEPOSITION PROCESSES. SEE GD FOR FULL OBJECTS

Activities: To provide a focus for surface engineering internationally through the development and fulfilment of the technical, educational and professional needs at all levels for both the individual and companies involved in the industry

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Other Defined Groups

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£134,339	£132,641	-	-
2024-06-30	£109,135	£134,954	-	-
2023-06-30	£127,288	£145,851	-	-
2022-06-30	£113,193	£134,874	-	-
2021-06-30	£112,787	£140,707	-	-

Trustees

Name	Role	Appointed
GRAHAM JOHN ARMSTRONG	Chair	
BARRY GAY		
Dr GEOFFREY WILCOX		
Dr PAUL AVERELL WILLIAM LANSDELL		
JOHN GEORGE TORR		
John Oliver		2023-11-29
Karl Ryder		2019-03-01
Paul Holder		2024-11-01
Philip Bodycote		2021-12-07
Wendy Chilton		2024-11-01

INSTITUTE OF MATERIALS FINISHING

England & Wales - Charity number 227068

Accounts

Charity registration number 227068

Company registration number 00498619 (England and Wales)

INSTITUTE OF MATERIALS FINISHING
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

INSTITUTE OF MATERIALS FINISHING

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Mr Graham Armstrong Mr Philip Bodycote Mr John Burgess Mr Daniel Chaplin Ms Wendy Chilton Mr Barry Gay Mr Paul Holder Dr Paul Lansdell Mr David Neal Mr John Oliver Ms Brenda Peters Prof Karl Ryder Mr Michael Smith Mr John Torr Dr Geoffrey Wilcox	(Appointed 1 November 2024) (Appointed 1 November 2024)
Secretary	Mr Graham Armstrong	
Charity number	227068	
Company number	00498619	
Registered office	New Exeter House Unit 2 Roman Way Coleshill Birmingham B46 1HQ	
Accountant	Pays Dividends Ltd 22 Ullswater Road Handforth Wilmslow SK9 3NQ	
Office manager	Helen Wood	
Membership manager	Karen Yates	
Admin Assistant	Michelle Tennyson	

INSTITUTE OF MATERIALS FINISHING

CONTENTS

	Page
Directors' report	1 – 3
Accountant's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the financial statements	7 - 20

INSTITUTE OF MATERIALS FINISHING

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

The directors present their annual report and financial statements for the year ended 30 June 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The Institute of Materials Finishing is a registered charitable company, founded in 1925. Its objective is to provide a focus for Surface Engineering and Finishing activities worldwide through the fulfilment of the technical, educational and professional needs at all levels for both the individuals and companies involved in the coatings industry.

Principal Activity

The Institute is a private company limited by guarantee. Its objectives are to promote the theory and practice of materials finishing and the Institute is exempt from the requirement to use the word 'limited'.

Directors and Management Board

The Directors and Management Board of the Institute are listed on the charity information page contained within the financial statements.

Public Benefit

The directors are aware of the obligations of the charity, which are set out in the Guidance issued by The Charities Commission. They are confident that the work of the charity in pursuit of its objects is delivering Public Benefit.

Achievements and performance

During the year ended 30 June 2025 income from education increased by £24,064. Timings of course enrolments create fluctuations between years. Our strategy over the upcoming year is to continue to provide education services that assist our students and members and ensure our industry develops.

Financial review

Financial position

In the current year, there has been a increase in education and distance learning income; with costs remaining high, the increase to income has resulted in a small operating profit of £3,324. However after investment gains a surplus of £32,576 has been generated which the directors consider acceptable.

INSTITUTE OF MATERIALS FINISHING

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

Investment Portfolio

The Institute's portfolio continues to be administered by an independent fund manager. The portfolio's market value increased to £613,980 as at 30 June 2025.

Risks and Reserves Policy

The members of the Management Board examine major risks that the Institute faces each financial year when preparing and updating the Strategic Plan. The Institute has developed systems to monitor and control these risks to mitigate any impact that they may have on the Institute in the future
Structure, governance and management

Recruitment and appointment of new directors

In selecting individuals for appointment as directors, the directors have regard to skills, knowledge and experience needed for the effective administration of the charity.

With regards the appointment of individuals as Branch officers the Institute's Management Committee has the power to co-opt to the Committee any member possessing experience or qualifications likely to be of value to the Branch. Co-opted Members of the Committee shall have no voting powers unless co-opted to fill a casual vacancy.

Induction and training of new directors

Directors must make available to each new director on their first appointment: a copy of the Deed and any amendments made to it, a copy of the Charity's latest report and statement of accounts. They should emphasise the Responsibilities of the Directors detailed in the Report.

Future Plans

Our future plans ensure the Institute will continue to support its stakeholders through the provision of educational, information and networking events whilst maintaining a continued income stream to sustain our ongoing activities.

INSTITUTE OF MATERIALS FINISHING

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

DIRECTORS RESPONSIBILITIES

The Directors of Institute Of Materials Finishing for the purposes of the Companies Act, are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Companies Act requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practice SORP 2019 (FRS102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the Directors are aware:

There is no relevant information of which the charitable company's accountant is unaware; and the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant accounting information and to establish that the accountant is aware of that information.

Mr Graham Armstrong
Mr Philip Bodycote
Mr John Burgess
Mr Daniel Chaplin
Ms Wendy Chilton
Dr David Eastham
Mr Barry Gay
Mr Paul Holder
Dr Paul Lansdell
Mr David Neal
Mr John Oliver
Ms Brenda Peters
Prof Karl Ryder
Mr Michael Smith
Mr John Torr
Dr Geoffrey Wilcox

(Appointed 1 November 2024)

(Resigned 1 November 2024)

(Appointed 1 November 2024)

The directors' report was approved by the Board of Directors.

Mr Graham Armstrong
Director

Date: 13/11/2025

INSTITUTE OF MATERIALS FINISHING
INDEPENDENT ACCOUNTANTS REPORT
FOR THE YEAR ENDED 30 JUNE 2025

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of INSTITUTE OF MATERIALS FINISHING for the year ended 30 June 2024 as set out on pages 6 - 8 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

Our work has been undertaken in accordance with AAF 7/16 as detailed at icaew.com/compilation.

Pays Dividends Ltd

22 Ullswater Road
Handforth
Wilmslow
SK9 3NQ

INSTITUTE OF MATERIALS FINISHING

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income from:			
Charitable activities			
Education income	3	87,069	67,905
Members subscriptions	3	45,159	41,225
Publications	3	-	5
Other trading activities	4	1,920	11,067
Investments	5	191	526
Total income		134,339	120,728
Expenditure on:			
Raising funds	6	8,636	3,659
Charitable activities			
Education costs	7	92,900	83,626
Members subscriptions costs	7	32,720	49,842
Publication costs	7	(1,615)	1,486
Total charitable expenditure		124,005	134,954
Total expenditure		132,641	138,613
Net gains/(losses) on investments	10	30,882	55,613
Net outgoing resources for the year		32,576	37,728
Gain on disposal of tangible fixed assets	12	-	-
Net movement in funds		32,576	37,728
Fund balances at 1 July 2024		900,549	862,821
Fund balances at 30 June 2025		933,125	900,549

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

INSTITUTE OF MATERIALS FINISHING

BALANCE SHEET

FOR THE YEAR ENDED 30 JUNE 2025

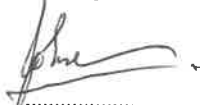
	Notes	£	2025	£	£	2024	£
Fixed assets							
Intangible assets	12						-
Tangible assets	13			258,039			264,265
Investments	14			<u>613,981</u>			<u>583,099</u>
				872,020			847,364
Current assets							
Debtors	15		26,408			22,907	
Cash at bank and in hand			<u>39,280</u>			<u>44,547</u>	
			65,688			67,454	
Creditors: amounts falling due within one year	16		<u>(4,583)</u>			<u>(14,269)</u>	
Net current assets				61,105			53,185
Total assets less current liabilities				<u>933,125</u>			<u>900,549</u>
Income funds							
Unrestricted funds	18			<u>933,125</u>			<u>900,549</u>
				<u>933,125</u>			<u>900,549</u>

For the year ending 30 June 2025 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - Small Entities.

The financial statements were approved by the Board of Directors and authorised for issue on 20 November 2024 and were signed on its behalf by



Mr John Oliver
Director

Company registration number 00498619

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

1 Accounting policies

Charity information

Institute of Materials Finishing is a private company limited by guarantee incorporated in England and Wales. The registered office is New Exeter House Unit 2 Roman Way, Coleshill, Birmingham, B46 1HQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

**1 Accounting policies
(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Intangible fixed assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents & licences 10% SL

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings Over 50 years (2% SL)
Fixtures and fittings 20% SL

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

1 Accounting policies (Continued)

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

**1 Accounting policies
(Continued)**

2 Critical accounting estimates and judgements

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

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

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

3 Charitable activities	Education	Members	Publications	Total	Education	Members	Publications	Total
	income	subscriptions	2025	2025	income	subscriptions	2024	2024
	£	£	£	£	£	£	£	£
Distance/tutored learning	87,067	-	-	87,067	67,905	-	-	67,905
Members subscriptions	-	16,542	-	16,542	-	16,108	-	16,108
Sustaining members	-	28,617	-	28,617	-	25,117	-	25,117
Outsourcing publications income	-	-	-	-	-	-	-	-
Other publication income	-	-	-	-	-	-	-	-
Diaries	-	-	-	-	-	-	5	5
	<u>87,067</u>	<u>45,159</u>	<u>-</u>	<u>132,226</u>	<u>67,905</u>	<u>41,225</u>	<u>5</u>	<u>109,135</u>

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

4 Other trading activities	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising trading activities-Golf day	1,778	-
Refund	(1,630)	6,250
Sales	621	878
Royalties	1,151	3,939
Other trading activities	<u>1,920</u>	<u>11,067</u>
5 Investments	Unrestricted Funds 2025 £	Unrestricted Funds 2024 £
Income from listed investments	-	-
Interest receivable	191	526
	<u>191</u>	<u>526</u>
6 Raising funds	Unrestricted Funds 2025 £	Unrestricted Funds 2024 £
Golf day costs	1,974	-
Exhibition Costs	6,662	3,659
	<u>8,636</u>	<u>3,659</u>

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

7 Charitable activities	Education costs		Members subscriptions costs		Publication costs		Total 2025		Education costs		Members subscriptions costs		Publication costs		Total 2024	
	2025	£	2025	£	2025	£	£	£	2024	£	2024	£	2024	£	2024	£
Education Expenses	3,652		-		-		3,652		2,812		-		2,812			
AGM Expenses	2,001		-		-		2,001		2,297		-		2,297			
Database Costs	-		2,408		-		2,408		-		2,083		-			
Transactions Costs	-		-		(1,696)		(1,696)		-		-		-			
Publications Costs	-		-		81		81		-		-		1,417			
Practical Training Expenses	1,184		-		-		1,184		-		-		69			
	<u>6,837</u>		<u>2,408</u>		<u>(1,615)</u>		<u>7,630</u>		<u>5,109</u>		<u>2,083</u>		<u>1,486</u>			<u>8,678</u>
Share of support costs (see note 8)	86,065		30,312		-		116,377		72,507		47,709		-			120,266
Share of governance costs (see note 8)	-		-		-		-		6,010		-		-			6,010
	<u>92,902</u>		<u>32,720</u>		<u>(1,615)</u>		<u>124,007</u>		<u>83,626</u>		<u>49,842</u>		<u>1,486</u>			<u>134,954</u>

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

8 Support costs	Support costs	Governance costs	2025	Support costs	Governance costs	2024
	£	£	£	£	£	£
Staff costs	78,605	-	78,605	82,779	-	82,779
Depreciation	6,651	-	6,651	6,651	-	6,651
Accountancy	-	-	-	-	6,010	6,010
Legal and Professional Fees	2,744	-	2,744	5,825	-	5,825
Subscriptions	427	-	427	608	-	608
Postage, Carriage & Stationery	4,379	-	4,379	5,968	-	5,968
Bank Charges	790	-	790	2,570	-	2,570
Maintenance – Office Equipment & Property	9,364	-	9,364	7,776	-	7,776
Travel & Subsistence	4,587	-	4,587	4,925	-	4,925
Telephone	390	-	390	337	-	337
Sundry Expenses	5,933	-	5,933	184	-	184
Irrecoverable Input VAT	2,507	-	2,507	2,915	-	2,915
	<u>116,377</u>	<u>-</u>	<u>116,377</u>	<u>120,266</u>	<u>6,010</u>	<u>126,276</u>
Analysed between Charitable activities	<u>116,377</u>	<u>-</u>	<u>116,377</u>	<u>120,266</u>	<u>6,010</u>	<u>126,276</u>

9 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Employment costs	<u>2</u>	<u>2</u>
	2024 £	2023 £
Wages and salaries	<u>78,605</u>	<u>82,779</u>

There were no employees whose annual remuneration was more than £60,000.

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

10 Net gains/(losses) on investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Revaluation of investment properties	-	-
Gain/(loss) on sale of investment properties	-	-
	<hr/>	<hr/>
	<hr/>	<hr/>

11 Taxation

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.

12 Intangible fixed assets

	Patents & licences £
Cost	
At 1 July 2023 and 30 June 2025	8,000
Amortisation and impairment	
At 1 July 2023 and 30 June 2025	<hr/> 8,000
Carrying amount	
At 30 June 2024	<hr/> -
At 30 June 2025	<hr/> <hr/> -

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

13 Tangible fixed assets			
	Freehold land and buildings	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 July 2024	272,459	16,499	288,958
Additions	203	221	424
	<hr/>	<hr/>	<hr/>
At 30 June 2025	272,662	16,720	289,382
	<hr/>	<hr/>	<hr/>
Depreciation and impairment			
At 1 July 2024	14,076	10,617	24,693
Depreciation charged in the year	5,448	1,202	6,650
	<hr/>	<hr/>	<hr/>
At 30 June 2025	19,524	11,819	31,343
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 30 June 2025	253,138	4,901	259,039
	<hr/>	<hr/>	<hr/>
At 30 June 2024	258,383	5,882	264,265
	<hr/>	<hr/>	<hr/>
 14 Fixed asset investments			Listed investments
			£
Market Value			
At 1 July 2024			583,099
Additions			-
Disposals			-
Investment cash - movement			583,099
			<hr/>
Net investment realised gains			-
Net investment unrealised gains			30,882
At 30 June 2025			613,981
			<hr/>

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

15	Debtors	2025	2024
	Amounts falling due within one year:	£	£
	Trade debtors	1,713	990
	Other debtors	23,195	14,474
	Prepayments and accrued income	1,500	7,443
		<u>26,408</u>	<u>22,907</u>

16	Creditors: amounts falling due within one year	2025	2024
		£	£
	Other taxation and social security	1,552	1,275
	Trade creditors	13	820
	Accruals and deferred income	-	12,174
	Other Creditors	3,018	-
		<u>4,583</u>	<u>14,269</u>

17 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

18 Analysis of net assets between funds

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Fund balances at 30 June 2025 are represented by:		
Tangible assets	258,039	264,265
Investments	613,981	583,099
Current assets/(liabilities)	61,105	53,185
	<u>933,125</u>	<u>900,549</u>

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2025	2024
	£	£
Aggregate compensation	78,605	82,779

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

20 Related party transactions

(Continued)

Transactions with related parties

During the year the charity entered into the following transactions with related parties

	Out of pocket expenses reimbursed to directors		Purchases	
	2025 £	2024 £	2025 £	2024 £
Professional service: 2025 - 1 (2024 - 1)	-	-	-	-
Director' travel: 2025 - 9 (2024 - 9)	271	1,000	-	-
	<u>271</u>	<u>1,000</u>	<u>-</u>	<u>-</u>

INSTITUTE OF MATERIALS FINISHING

England & Wales - Charity number 227068

Accounts

INSTITUTE OF MATERIALS FINISHING

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

The directors present their annual report and financial statements for the year ended 30 June 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The Institute of Materials Finishing is a registered charitable company, founded in 1925. Its objective is to provide a focus for Surface Engineering and Finishing activities worldwide through the fulfilment of the technical, educational and professional needs at all levels for both the individuals and companies involved in the coatings industry.

Principal Activity

The Institute is a private company limited by guarantee. Its objectives are to promote the theory and practice of materials finishing and the Institute is exempt from the requirement to use the word 'limited'.

Directors and Management Board

The Directors and Management Board of the Institute are listed on the charity information page contained within the financial statements.

Public Benefit

The directors are aware of the obligations of the charity, which are set out in the Guidance issued by The Charities Commission. They are confident that the work of the charity in pursuit of its objects is delivering Public Benefit.

Achievements and performance

During the year ended 30 June 2024 income from education decreased by £7,921. Timings of course enrolments create fluctuations between years. Our strategy over the upcoming year is to continue to provide education services that assist our students and members and ensure our industry develops.

Financial review

Financial position

In the current year, there has been a decrease in education and distance learning income; however, with costs remaining high, the increase to income is not significant enough to result in a trading profit for the year. However after investment gains a surplus of £37,728 has been generated which the directors consider acceptable.

INSTITUTE OF MATERIALS FINISHING

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Investment Portfolio

The Institute's portfolio continues to be administered by an independent fund manager. The portfolio's market value increased to £583,099 as at 30 June 2024.

Risks and Reserves Policy

The members of the Management Board examine major risks that the Institute faces each financial year when preparing and updating the Strategic Plan. The Institute has developed systems to monitor and control these risks to mitigate any impact that they may have on the Institute in the future Structure, governance and management

Recruitment and appointment of new directors

In selecting individuals for appointment as directors, the directors have regard to skills, knowledge and experience needed for the effective administration of the charity.

With regards the appointment of individuals as Branch officers the Institute's Management Committee has the power to co-opt to the Committee any member possessing experience or qualifications likely to be of value to the Branch. Co-opted Members of the Committee shall have no voting powers unless co-opted to fill a casual vacancy.

Induction and training of new directors

Directors must make available to each new director on their first appointment: a copy of the Deed and any amendments made to it, a copy of the Charity's latest report and statement of accounts. They should emphasise the Responsibilities of the Directors detailed in the Report.

Future Plans

Our future plans ensure the Institute will continue to support its stakeholders through the provision of educational, information and networking events whilst maintaining a continued income stream to sustain our ongoing activities.

INSTITUTE OF MATERIALS FINISHING
INDEPENDENT ACCOUNTANTS REPORT
FOR THE YEAR ENDED 30 JUNE 2024

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of INSTITUTE OF MATERIALS FINISHING for the year ended 30 June 2024 as set out on pages 6 - 8 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [icaew.com/membershandbook](https://www.icaew.com/membershandbook).

Our work has been undertaken in accordance with AAF 7/16 as detailed at [icaew.com/compilation](https://www.icaew.com/compilation).

Pays Dividends Ltd

22 Ullswater Road
Handforth
Wilmslow
SK9 3NQ

INSTITUTE OF MATERIALS FINISHING

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 30 JUNE 2024

		Unrestricted funds 2024 £	Unrestricted funds 2023 £
	Notes		
Income from:			
Charitable activities			
Education income	3	67,905	66,876
Members subscriptions	3	41,225	41,049
Publications	3	5	5,532
Other trading activities			
Investments	4	11,067	2,008
	5	526	11,823
Total income		120,728	127,288
Expenditure on:			
Raising funds	6	3,659	2,423
Charitable activities			
Education costs	7	83,626	79,022
Members subscriptions costs	7	49,842	46,563
Publication costs	7	1,486	17,843
Total charitable expenditure		134,954	143,428
Total expenditure		138,613	145,851
Net gains/(losses) on investments	10	55,613	4,015
Net outgoing resources for the year		37,728	(14,548)
Gain on disposal of tangible fixed assets	12	-	-
Net movement in funds		37,728	(14,548)
Fund balances at 1 July 2023		862,945	877,493
Fund balances at 30 June 2024		900,673	862,945

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

Charity information

Institute of Materials Finishing is a private company limited by guarantee incorporated in England and Wales. The registered office is New Exeter House Unit 2 Roman Way, Coleshill, Birmingham, B46 1HQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Intangible fixed assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents & licences 10% SL

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Over 50 years (2% SL)
Fixtures and fittings	20% SL

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies (Continued)

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

2 Critical accounting estimates and judgements

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

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

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

3 Charitable activities	Education	Members	Publications	Total	Education	Members	Publications	Total
	income 2024 £	subscriptions 2024 £	2024 £	2024 £	income 2023 £	subscriptions 2023 £	2023 £	2023 £
Distance/tutored learning	67,905	-	-	67,905	66,876	-	-	66,876
Members subscriptions	-	16,108	-	16,108	-	16,075	-	16,075
Sustaining members	-	25,117	-	25,117	-	24,974	-	24,974
Outsourcing publications	-	-	-	-	-	-	4,648	4,648
income	-	-	-	-	-	-	-	-
Other publication income	-	-	-	-	-	-	334	334
Diaries	-	-	5	5	-	-	550	550
	67,905	41,225	5	109,135	66,876	41,049	5,532	113,457

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

4 Other trading activities	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising trading activities-Golf day	-	2,008
Refund	6,250	-
Sales	878	-
Royalties	3,939	-
Other trading activities	<u>11,067</u>	<u>2,008</u>
5 Investments	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from listed investments	-	10,048
Interest receivable	526	1,775
	<u>526</u>	<u>11,823</u>
6 Raising funds	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Golf day costs	-	2,423
Exhibition Costs	3,659	-
	<u>3,659</u>	<u>2,423</u>

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

7 Charitable activities	Education costs		Members subscriptions costs		Publication costs		Total		Education costs		Members subscriptions costs		Publication costs		Total	
	2024	£	2024	£	2024	£	2024	£	2023	£	2023	£	2023	£	2023	£
Education Expenses	2,812	-	-	-	-	-	2,812	-	5,141	-	-	-	-	-	5,141	-
AGM Expenses	2,297	-	-	-	-	-	2,297	-	1,371	-	-	-	-	-	1,371	-
Database Costs	-	-	2,083	-	-	-	2,083	-	-	-	3,060	-	-	-	3,060	-
Transactions Costs	-	-	-	-	1,417	-	1,417	-	-	-	-	-	5,659	-	5,659	-
Publications Costs	-	-	-	-	69	-	69	-	-	-	-	-	7,350	-	7,350	-
	5,109	-	2,083	-	1,486	-	8,678	-	6,512	-	3,060	-	13,009	-	22,581	-
Share of support costs (see note 8)	72,507	-	47,759	-	-	-	120,266	-	66,045	-	43,503	-	4,834	-	114,382	-
Share of governance costs (see note 8)	6,010	-	-	-	-	-	6,010	-	6,465	-	-	-	-	-	6,465	-
	83,626	-	49,842	-	1,486	-	134,954	-	79,022	-	46,563	-	17,843	-	143,428	-

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

8 Support costs	Support costs	Governance costs	2024	Support costs	Governance costs	2023
	£	£	£	£	£	£
Staff costs	82,779	-	82,779	76,615	-	76,615
Depreciation	6,651	-	6,651	6,165	-	6,165
Accountancy	-	6,010	6,010	-	5,500	5,500
Legal and Professional Fees	5,825	-	5,825	7,166	965	8,131
Subscriptions	608	-	608	340	-	340
Postage, Carriage & Stationery	5,968	-	5,968	3,324	-	3,324
Bank Charges	2,570	-	2,570	603	-	603
Maintenance – Office Equipment & Property	7,776	-	7,776	9,677	-	9,677
Travel & Subsistence	4,925	-	4,925	2,529	-	2,529
Telephone	337	-	337	95	-	95
Sundry Expenses	184	-	184	2,775	-	2,775
Irrecoverable Input VAT	2,915	-	2,915	5,093	-	5,093
	<u>120,266</u>	<u>6,010</u>	<u>126,276</u>	<u>114,382</u>	<u>6,465</u>	<u>120,847</u>
Analysed between Charitable activities	<u>120,266</u>	<u>6,010</u>	<u>126,276</u>	<u>114,382</u>	<u>6,465</u>	<u>120,847</u>

Governance costs includes payments to the auditors of £x,xxx (2023- £5,500) for audit fees.

9 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Employment costs	<u>2</u>	<u>2</u>
	2024 £	2023 £
Wages and salaries	<u>82,779</u>	<u>76,615</u>

There were no employees whose annual remuneration was more than £60,000.

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

10 Net gains/(losses) on investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Revaluation of investment properties	-	2,642
Gain/(loss) on sale of investment properties	-	1,373
	<hr/>	<hr/>
	-	4,015
	<hr/> <hr/>	<hr/> <hr/>

11 Taxation

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.

12 Intangible fixed assets

	Patents & licences £
Cost	
At 1 July 2023 and 30 June 2024	8,000
Amortisation and impairment	
At 1 July 2023 and 30 June 2024	<hr/> 8,000
Carrying amount	
At 30 June 2023	<hr/> -
At 30 June 2024	<hr/> <hr/> -

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

13 Tangible fixed assets			
	Freehold land and buildings	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 July 2023	272,459	14,071	286,530
Additions	-	2,428	2,428
At 30 June 2024	<u>272,459</u>	<u>16,499</u>	<u>288,958</u>
Depreciation and impairment			
At 1 July 2023	8,627	9,415	18,042
Depreciation charged in the year	5,448	1,202	
At 30 June 2024	<u>14,076</u>	<u>10,617</u>	<u>24,692</u>
Carrying amount			
At 30 June 2024	<u>258,383</u>	<u>5,882</u>	<u>264,265</u>
At 30 June 2023	<u>263,832</u>	<u>4,656</u>	<u>268,488</u>
14 Fixed asset investments			Listed investments
			£
Market Value			
At 1 July 2023			527,468
Additions			-
Disposals			-
Investment cash - movement			<u>527,468</u>
Net investment realised gains			-
Net investment unrealised gains			<u>55,613</u>
At 30 June 2024			<u>583,099</u>
15 Investments at fair value comprise:			
Securities			27,610
Cash within investment portfolio			<u>555,489</u>
			<u>583,099</u>

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

16	Debtors	2024	2023
	Amounts falling due within one year:	£	£
	Trade debtors	990	1,996
	Other debtors	13,985	4,818
	Prepayments and accrued income	7,443	5,148
		<u>22,418</u>	<u>11,962</u>

17	Creditors: amounts falling due within one year	2024	2023
		£	£
	Other taxation and social security	1,275	-
	Trade creditors	405	4,626
	Accruals and deferred income	11,979	22,422
		<u>13,656</u>	<u>27,048</u>

18 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

19	Analysis of net assets between funds	Unrestricted funds	Unrestricted funds
		2024	2023
		£	£
	Fund balances at 30 June 2024 are represented by:		
	Tangible assets	258,383	268,488
	Investments	583,099	527,485
	Current assets/(liabilities)	53,181	66,972
		<u>894,663</u>	<u>862,945</u>

20 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2024	2023
	£	£
Aggregate compensation	<u>82,779</u>	<u>76,615</u>

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

21 Related party transactions

(Continued)

Transactions with related parties

During the year the charity entered into the following transactions with related parties

	Out of pocket expenses reimbursed to directors		Purchases	
	2024	2023	2024	2023
	£	£	£	£
Professional service: 2024 - 1 (2023 - 1)	-	-	-	1,645
Director' travel: 2024 - 9 (2023 - 9)	1,000	4,065	-	-
	<u>1,000</u>	<u>4,065</u>	<u>-</u>	<u>1,645</u>

INSTITUTE OF MATERIALS FINISHING

BALANCE SHEET

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	£	2024	£	£	2023	£
Fixed assets							
Intangible assets	12						-
Tangible assets	13			264,265			268,488
Investments	14			583,099			527,485
				<u>847,364</u>			<u>795,973</u>
Current assets							
Debtors	16		22,418			11,962	
Cash at bank and in hand			44,547			82,058	
			<u>66,965</u>			<u>94,020</u>	
Creditors: amounts falling due within one year	17		(13,656)			(27,048)	
Net current assets				53,309			66,972
Total assets less current liabilities				<u>900,673</u>			<u>862,945</u>
Income funds							
Unrestricted funds	19			900,673			862,945
				<u>900,673</u>			<u>862,945</u>

The financial statements were approved by the Directors on



 Mr John Oliver
 Director

Company registration number 00498619

INSTITUTE OF MATERIALS FINISHING

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

DIRECTORS RESPONSIBILITIES

The Directors of Institute Of Materials Finishing for the purposes of the Companies Act, are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Companies Act requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practice SORP 2019 (FRS102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the Directors are aware:

There is no relevant information of which the charitable company's accountant is unaware; and the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant accounting information and to establish that the accountant is aware of that information.

Mr Graham Armstrong	
Mr Philip Bodycote	(Appointed 1 February 2024)
Mr John Burgess	
Mr Daniel Chaplin	
Dr Trevor Crichton	(Resigned 29 November 2023)
Dr David Eastham	
Mr Barry Gay	
Dr Paul Lansdell	
Mr David Neal	
Mr John Oliver	
Ms Brenda Peters	(Appointed 1 February 2024)
Prof Karl Ryder	
Mr Michael Smith	
Mr John Torr	
Dr Geoffrey Wilcox	

The directors' report was approved by the Board of Directors.

Mr Graham Armstrong
Director

Date: 23/1/2025



INSTITUTE OF MATERIALS FINISHING

England & Wales - Charity number 227068

Accounts

Draft Financial Statements at 26 October 2023 at 10:08:26

Charity registration number 227068

Company registration number 00498619 (England and Wales)

INSTITUTE OF MATERIALS FINISHING
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

INSTITUTE OF MATERIALS FINISHING

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Mr Graham Armstrong Mr John Burgess Mr Daniel Chaplin Dr Trevor Crichton Dr David Eastham Mr Barry Gay Dr Paul Lansdell Mr David Neal Mr John Oliver (Appointed 7 July 2022) Ms Brenda Peters Prof Karl Ryder Mr John Torr Dr Geoffrey Wilcox
Secretary	Mr Graham Armstrong
Charity number	227068
Company number	00498619
Registered office	New Exeter House Unit 2 Roman Way Coleshill Birmingham B46 1HQ
Auditor	BK Plus Audit Limited 2 Highlands Court Cranmore Avenue Solihull West Midlands B90 4LE
Office manager	Helen Wood
Membership manager	Karen Yates

CONTENTS

	Page
Directors' report	1 - 4
Independent auditor's report	5 - 7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 20

INSTITUTE OF MATERIALS FINISHING

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 JUNE 2023

The directors present their annual report and financial statements for the year ended 30 June 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The Institute of Materials Finishing is a registered charitable company, founded in 1925. Its objective is to provide a focus for Surface Engineering and Finishing activities worldwide through the fulfilment of the technical, educational and professional needs at all levels for both the individuals and companies involved in the coatings industry.

Principal Activity

The Institute is a private company limited by guarantee. Its objectives are to promote the theory and practice of materials finishing and the Institute is exempt from the requirement to use the word 'limited'.

Directors and Management Board

The Directors and Management Board of the Institute are listed on the charity information page contained within the financial statements.

Public Benefit

The directors are aware of the obligations of the charity, which are set out in the Guidance issued by The Charities Commission. They are confident that the work of the charity in pursuit of its objects is delivering Public Benefit.

Achievements and performance

During the year ended 30 June 2023 income from education increased by £14,395. The increase is primarily as a result of improved course enrolments and the development of our tutor led, in person courses. Our strategy over the upcoming year is to continue to provide education services that assist our students and members and ensure our industry develops.

Financial review

Financial position

In the current year, there has been an increase in education and distance learning income; however, with costs remaining high, the increase to income is not significant enough to result in a profit for the year. A deficit of £14,548 has been generated which the directors consider acceptable.

Investment Portfolio

The Institute's portfolio continues to be administered by an independent fund manager. The portfolio provided dividend income of £10,048 and generated realised gains of £1,373. Also, the portfolio's market value increased to £527,485 as at 30 June 2023 resulting in an unrealised gain of £2,642. Further details of the movements in the portfolio are contained in note sixteen.

Risks and Reserves Policy

The members of the Management Board examine major risks that the Institute faces each financial year when preparing and updating the Strategic Plan. The Institute has developed systems to monitor and control these risks to mitigate any impact that they may have on the Institute in the future.

INSTITUTE OF MATERIALS FINISHING

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

Structure, governance and management

Recruitment and appointment of new directors

In selecting individuals for appointment as directors, the directors have regard to skills, knowledge and experience needed for the effective administration of the charity.

With regards the appointment of individuals as Branch officers the Institute's Management Committee has the power to co-opt to the Committee any member possessing experience or qualifications likely to be of value to the Branch. Co-opted Members of the Committee shall have no voting powers unless co-opted to fill a casual vacancy.

Induction and training of new directors

Directors must make available to each new director on their first appointment: a copy of the Deed and any amendments made to it, a copy of the Charity's latest report and statement of accounts. They should emphasise the Responsibilities of the Directors detailed in the Report.

Future Plans

Our future plans ensure the Institute will continue to support its stakeholders through the provision of educational, information and networking events whilst maintaining a continued income stream to sustain our ongoing activities.

In October 2023, representatives of the Institute will attend Surface Live World Exhibition with the intention of raising awareness of the charity's objects and existence.

INSTITUTE OF MATERIALS FINISHING

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

DIRECTORS RESPONSIBILITIES

The Directors of Institute Of Materials Finishing for the purposes of the Companies Act, are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Companies Act requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Mr Phillip Alexander	(Resigned 1 March 2023)
Mr Graham Armstrong	
Mr John Burgess	
Mr Daniel Chaplin	
Mr Edward Cotton	(Resigned 1 March 2023)
Dr Trevor Crichton	
Dr David Eastham	
Mr Barry Gay	
Dr Paul Lansdell	
Mr David Neal	
Mr John Oliver	(Appointed 7 July 2022)
Ms Brenda Peters	
Prof Karl Ryder	
Mr John Torr	
Dr Geoffrey Wilcox	

Auditor

The auditors, BK Plus Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

INSTITUTE OF MATERIALS FINISHING

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

Disclosure of information to auditor

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The directors' report was approved by the Board of Directors.

.....
Mr Graham Armstrong
Director

Date:

INSTITUTE OF MATERIALS FINISHING

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INSTITUTE OF MATERIALS FINISHING

Opinion

We have audited the financial statements of Institute of Materials Finishing (the 'charity') for the year ended 30 June 2023 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 directors 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 directors are responsible for the other information contained within the annual report. 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

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

INSTITUTE OF MATERIALS FINISHING

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF INSTITUTE OF MATERIALS FINISHING

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 directors' report included within the directors' report.

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

- adequate accounting records have not been kept, or 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors 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 directors 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 directors 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 directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of understatement of income including analytical review and substantive testing.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

INSTITUTE OF MATERIALS FINISHING

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF INSTITUTE OF MATERIALS FINISHING

Paul Mannion FCCA, FCA (Senior Statutory Auditor)
for and on behalf of BK Plus Audit Limited

.....

Chartered Certified Accountants
Statutory Auditor

2 Highlands Court
Cranmore Avenue
Solihull
West Midlands
B90 4LE

INSTITUTE OF MATERIALS FINISHING**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 30 JUNE 2023**

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<u>Income from:</u>			
<u>Charitable activities</u>			
Education income	3	66,876	52,481
Members subscriptions	3	41,049	43,965
Publications	3	5,532	6,066
Other trading activities	4	2,008	4,000
Investments	5	11,823	6,681
Total income		<u>127,288</u>	<u>113,193</u>
<u>Expenditure on:</u>			
Raising funds	6	2,423	-
<u>Charitable activities</u>			
Education costs	7	79,022	67,775
Members subscriptions costs	7	46,563	47,611
Publication costs	7	17,843	19,488
Total charitable expenditure		<u>143,428</u>	<u>134,874</u>
Total expenditure		<u>145,851</u>	<u>134,874</u>
Net gains/(losses) on investments	11	4,015	(13,278)
Net outgoing resources for the year		(14,548)	(34,959)
Gain on disposal of tangible fixed assets	13	-	263,099
Net movement in funds		<u>(14,548)</u>	<u>228,140</u>
Fund balances at 1 July 2022		877,493	649,353
Fund balances at 30 June 2023		<u><u>862,945</u></u>	<u><u>877,493</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

INSTITUTE OF MATERIALS FINISHING**BALANCE SHEET****AS AT 30 JUNE 2023**

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Intangible assets	14		-		-
Tangible assets	15		268,488		271,503
Investments	16		527,485		516,588
			<u>795,973</u>		<u>788,091</u>
Current assets					
Debtors	17	11,962		9,868	
Cash at bank and in hand		82,058		111,228	
		<u>94,020</u>		<u>121,096</u>	
Creditors: amounts falling due within one year	18	<u>(27,048)</u>		<u>(31,694)</u>	
Net current assets			<u>66,972</u>		<u>89,402</u>
Total assets less current liabilities			<u>862,945</u>		<u>877,493</u>
Income funds					
Unrestricted funds	20		<u>862,945</u>		<u>877,493</u>
			<u>862,945</u>		<u>877,493</u>

The financial statements were approved by the Directors on

.....
 Mr John Oliver
 Director

Company registration number 00498619

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

Charity information

Institute of Materials Finishing is a private company limited by guarantee incorporated in England and Wales. The registered office is New Exeter House Unit 2 Roman Way, Coleshill, Birmingham, B46 1HQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Intangible fixed assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents & licences	10% SL
--------------------	--------

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Over 50 years (2% SL)
Fixtures and fittings	20% SL

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

INSTITUTE OF MATERIALS FINISHING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

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

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

INSTITUTE OF MATERIALS FINISHING**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2023****3 Charitable activities**

	Education income	Members subscriptions	Publications	Total 2023	Education income	Members subscriptions	Publications	Total 2022
	2023	2023	2023		2022	2022	2022	
	£	£	£	£	£	£	£	£
Distance/tutored learning	66,876	-	-	66,876	52,481	-	-	52,481
Members subscriptions	-	16,075	-	16,075	-	16,574	-	16,574
Sustaining members	-	24,974	-	24,974	-	27,391	-	27,391
Outsourcing publications income	-	-	4,648	4,648	-	-	3,806	3,806
Other publication income	-	-	334	334	-	-	1,750	1,750
Diaries	-	-	550	550	-	-	510	510
	<u>66,876</u>	<u>41,049</u>	<u>5,532</u>	<u>113,457</u>	<u>52,481</u>	<u>43,965</u>	<u>6,066</u>	<u>102,512</u>

INSTITUTE OF MATERIALS FINISHING**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2023****4 Other trading activities**

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Fundraising trading activities - Car park hire	-	4,000
Fundraising trading activities-Golf day	2,008	-
	<u>2,008</u>	<u>-</u>
Other trading activities	2,008	4,000
	<u>2,008</u>	<u>4,000</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Income from listed investments	10,048	6,409
Interest receivable	1,775	272
	<u>11,823</u>	<u>6,681</u>

6 Raising funds

	Unrestricted funds	Total
	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Golf day costs	2,423	-
	<u>2,423</u>	<u>-</u>

INSTITUTE OF MATERIALS FINISHING**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2023****7 Charitable activities**

	Education costs	Members subscriptions costs	Publication costs	Total 2023	Education costs	Members subscriptions costs	Publication costs	Total 2022
	2023	2023	2023		2022	2022	2022	
	£	£	£	£	£	£	£	£
Education Expenses	5,141	-	-	5,141	3,583	-	-	3,583
Project Costs	-	-	-	-	(740)	-	-	(740)
AGM Expenses	1,371	-	-	1,371	2,585	-	-	2,585
Database Costs	-	3,060	-	3,060	-	-	-	-
Transactions Costs	-	-	5,659	5,659	-	-	6,661	6,661
Publications Costs	-	-	7,350	7,350	-	-	9,426	9,426
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	6,512	3,060	13,009	22,581	5,428	-	16,087	21,515
Share of support costs (see note 8)	66,045	43,503	4,834	114,382	56,547	47,611	3,401	107,559
Share of governance costs (see note 8)	6,465	-	-	6,465	5,800	-	-	5,800
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	79,022	46,563	17,843	143,428	67,775	47,611	19,488	134,874

INSTITUTE OF MATERIALS FINISHING**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2023****8 Support costs**

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	76,615	-	76,615	77,922	-	77,922
Depreciation	6,165	-	6,165	3,522	-	3,522
Accountancy	-	5,500	5,500	-	4,950	4,950
Legal and Professional Fees	7,166	965	8,131	7,525	850	8,375
Subscriptions	340	-	340	-	-	-
Postage, Carriage & Stationery	3,324	-	3,324	3,220	-	3,220
Bank Charges	603	-	603	689	-	689
Maintenance - Office Equipment & Property	9,677	-	9,677	9,453	-	9,453
Travel & Subsistence	2,529	-	2,529	914	-	914
Telephone	95	-	95	522	-	522
Sundry Expenses	2,775	-	2,775	3,792	-	3,792
Irrecoverable Input VAT	5,093	-	5,093	-	-	-
	<u>114,382</u>	<u>6,465</u>	<u>120,847</u>	<u>107,559</u>	<u>5,800</u>	<u>113,359</u>
Analysed between Charitable activities	<u>114,382</u>	<u>6,465</u>	<u>120,847</u>	<u>107,559</u>	<u>5,800</u>	<u>113,359</u>

Governance costs includes payments to the auditors of £5,500 (2022- £4,950) for audit fees.

9 Directors

Amounts totalling £1,645 (2022 - £nil) were paid to a director for remuneration during the year.

10 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
	<u>2</u>	<u>2</u>
Employment costs	2023	2022
	£	£
Wages and salaries	<u>76,615</u>	<u>77,922</u>

There were no employees whose annual remuneration was more than £60,000.

INSTITUTE OF MATERIALS FINISHING**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2023****11 Net gains/(losses) on investments**

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Revaluation of investment properties	2,642	(33,845)
Gain/(loss) on sale of investment properties	1,373	20,567
	<u>4,015</u>	<u>(13,278)</u>

12 Taxation

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.

13 Other gains or losses

	Unrestricted funds
	2022
	£
Gain on disposal of tangible assets	(263,099)
	<u>(263,099)</u>

14 Intangible fixed assets

	Patents & licences £
Cost	
At 1 July 2022 and 30 June 2023	8,000
	<u>8,000</u>
Amortisation and impairment	
At 1 July 2022 and 30 June 2023	8,000
	<u>8,000</u>
Carrying amount	
At 30 June 2023	-
	<u>-</u>
At 30 June 2022	-
	<u>-</u>

INSTITUTE OF MATERIALS FINISHING**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2023****15 Tangible fixed assets**

	Freehold land and buildings	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 July 2022	272,459	10,921	283,380
Additions	-	3,150	3,150
	<u>272,459</u>	<u>14,071</u>	<u>286,530</u>
At 30 June 2023	272,459	14,071	286,530
	<u>272,459</u>	<u>14,071</u>	<u>286,530</u>
Depreciation and impairment			
At 1 July 2022	3,178	8,699	11,877
Depreciation charged in the year	5,449	716	6,165
	<u>8,627</u>	<u>9,415</u>	<u>18,042</u>
At 30 June 2023	8,627	9,415	18,042
	<u>8,627</u>	<u>9,415</u>	<u>18,042</u>
Carrying amount			
At 30 June 2023	263,832	4,656	268,488
	<u>263,832</u>	<u>4,656</u>	<u>268,488</u>
At 30 June 2022	269,281	2,222	271,503
	<u>269,281</u>	<u>2,222</u>	<u>271,503</u>

16 Fixed asset investments

	Listed investments £
Market Value	
At 1 July 2022	516,588
Additions	38,175
Disposals	(18,104)
Investment cash - movement	(13,189)
	<u>523,470</u>
Net investment realised gains	2,642
Net investment unrealised gains	1,373
	<u>527,485</u>
At 30 June 2023	527,485
	<u>527,485</u>
Investments at fair value comprise:	
Securities	475,445
Cash within investment portfolio	52,040
	<u>527,485</u>
	<u>527,485</u>

INSTITUTE OF MATERIALS FINISHING**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2023****17 Debtors**

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	1,996	-
Other debtors	4,818	5,566
Prepayments and accrued income	5,148	4,302
	<u>11,962</u>	<u>9,868</u>

18 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	-	1,330
Trade creditors	4,626	700
Accruals and deferred income	22,422	29,664
	<u>27,048</u>	<u>31,694</u>

19 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

20 Analysis of net assets between funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Fund balances at 30 June 2023 are represented by:		
Tangible assets	268,488	271,503
Investments	527,485	516,588
Current assets/(liabilities)	66,972	89,402
	<u>862,945</u>	<u>877,493</u>

21 Related party transactions**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	<u>76,615</u>	<u>77,922</u>

INSTITUTE OF MATERIALS FINISHING**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2023****21 Related party transactions****(Continued)****Transactions with related parties**

During the year the charity entered into the following transactions with related parties:

	Out of pocket expenses reimbursed to directors		Purchases	
	2023	2022	2023	2022
	£	£	£	£
Professional service: 2023 - 1 (2022 - 0)	-	-	1,645	-
Director' travel: 2023 - 9 (2022 - 8)	4,065	7,507	-	-
	<u>4,065</u>	<u>7,507</u>	<u>1,645</u>	<u>-</u>
	<u><u>4,065</u></u>	<u><u>7,507</u></u>	<u><u>1,645</u></u>	<u><u>-</u></u>

INSTITUTE OF MATERIALS FINISHING

England & Wales - Charity number 227068

Accounts



INSTITUTE OF MATERIALS FINISHING
(A COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2022

BK PLUS AUDIT LIMITED
CHARTERED CERTIFIED ACCOUNTANTS AND
STATUTORY AUDITOR

INSTITUTE OF MATERIALS FINISHING

Contents

	Pages
Charity Information	1
Report of the Directors	2 - 4
Independent Auditors' Report	5 - 8
Consolidated Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11 - 19

INSTITUTE OF MATERIALS FINISHING

Charity Information

DIRECTORS & MANAGEMENT BOARD (2021/22): P Alexander
G J Armstrong
R Banks (Resigned 07.12.21)
J Burgess
D Chaplin
E Cotton
T Crichton
D Eastham
B Gay
P Lansdell
D Neal
B Peters
K Ryder
J G Torr
G Wilcox
J Oliver (Appointed 07.07.22)

OFFICE MANAGER: H Wood

MEMBERSHIP MANAGER: K Yates

REGISTERED OFFICE: New Exeter House
Unit 2 Roman Way
Coleshill
Birmingham
B46 1HQ

AUDITORS: BK Plus Audit Limited
2 Highlands Court
Cranmore Avenue
Solihull
B90 4LE

INSTITUTE OF MATERIALS FINISHING

Report of the Directors for the year ended 30 June 2022

The directors present their report and the audited financial statements of the charity for the year ended 30 June 2022. The directors have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Institute of Materials finishing is a registered charitable company, founded in 1925. Its objective is to provide a focus for Surface Engineering and Finishing activities worldwide through the fulfilment of the technical, educational and professional needs at all levels for both the individuals and companies involved in the coatings industry.

Principal Activity

The Institute is a private company limited by guarantee. Its objectives are to promote the theory and practice of materials finishing and the Institute is exempt from the requirement to use the word 'limited'.

Directors and Management Board

The Directors and Management Board of the Institute are listed on the charity information page contained within the financial statements.

Public Benefit

The directors are aware of the obligations of the charity, which are set out in the Guidance issued by The Charities Commission. They are confident that the work of the charity in pursuit of its objects is delivering Public Benefit.

Review of Activities and Future Developments

During the year ended 30 June 2022 income from education increased by £10,020. The increase is primarily as a result of improved course enrolments as the effect of Covid 19 and lockdown with the United Kingdom reduced. Our strategy over the upcoming year is to continue to provide education services that will help our students, members and industry develop.

In November 2021 the Institute purchased 'New Exeter House' and relocated in December 2021. The Board of Trustees took the strategic decision to move the Institute's headquarters to ensure our office provides the facilities we need. New Exeter House contains conference and meeting facilities, our library and an education room for tutoring, training and examinations. The Board of Trustees believe the new location and facilities will benefit the Institute's ongoing operations for many years.

FINANCIAL REVIEW

Financial position

The sale of Exeter House generated a significant profit amounting to £263,099. However, the costs associated to moving location contributed to our net deficit for the year before investment gains and losses of £21,681. After taking into account the fall in market value of our investment portfolio and the profit from the sale of Exeter House a net surplus for the year of £228,140 has been achieved.

Investment Portfolio

The Institute's portfolio continues to be administered by an independent fund manager. The portfolio provided dividend income of £6,409 and generated realised gains of £20,567. However, the portfolio's market value reduced to £516,588 as at 30 June 2022 resulting in an unrealised loss of £33,845. Further details of the movements in the portfolio are contained in note sixteen.

INSTITUTE OF MATERIALS FINISHING

Report of the Directors for the year ended 30 June 2022

Risks and Reserves Policy

The members of the Management Board examine major risks that the Institute faces each financial year when preparing and updating the Strategic Plan. The Institute has developed systems to monitor and control these risks to mitigate any impact that they may have on the Institute in the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new directors

In selecting individuals for appointment as directors, the directors have regard to skills, knowledge and experience needed for the effective administration of the charity.

With regards the appointment of individuals as Branch officers the Institute's Management Committee has the power to co-opt to the Committee any member possessing experience or qualifications likely to be of value to the Branch. Co-opted Members of the Committee shall have no voting powers unless co-opted to fill a casual vacancy.

Induction and training of new directors

Directors must make available to each new director on their first appointment: a copy of the Deed and any amendments made to it, a copy of the Charity's latest report and statement of accounts. They should emphasise the Responsibilities of the Directors detailed in the Report.

Future Plans

Our future plans ensure the Institute will continue to support its stakeholders through the provision of educational, information and networking events whilst maintaining a continued income stream to sustain our ongoing activities.

DIRECTORS RESPONSIBILITIES

The Directors of Institute Of Materials Finishing for the purposes of the Companies Act, are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Companies Act requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

INSTITUTE OF MATERIALS FINISHING

Report of the Directors for the year ended 30 June 2022

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The auditors, BK Plus Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

This report was approved by the Management Board on 9 November 2022 and signed on its behalf by:



G J ARMSTRONG
Secretary General

INSTITUTE OF MATERIALS FINISHING

Independent Auditors' Report for the year ended 30 June 2022

Opinion

We have audited the financial statements of The Institute Of Materials Finishing (the “charitable company”) for the year ended 30 June 2022 which comprise of the Statement of Financial Activity and Institute Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company’s affairs as at 30 June 2022, and of the incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate

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

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

INSTITUTE OF MATERIALS FINISHING

Independent Auditors' Report for the year ended 30 June 2022

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate and sufficient accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Directors' report.

INSTITUTE OF MATERIALS FINISHING

Independent Auditors' Report for the year ended 30 June 2022

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page three the directors 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 directors 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 directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of understatement of turnover including analytical review and substantive testing.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

INSTITUTE OF MATERIALS FINISHING

**Independent Auditors' Report
for the year ended 30 June 2022**

Use of our report

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

BK Plus Audit Limited

**Paul Mannion FCA FCCA (Senior Statutory Auditor)
for and on behalf of BK Plus Audit Limited
Chartered Certified Accountants
and Statutory Auditor
2 Highlands Court
Cranmore Avenue
Solihull
B90 4LE**

9 November 2022

INSTITUTE OF MATERIALS FINISHING

**Statement of Financial Activities
for the year ended 30 June 2022**

	Note	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
Income:			
Charitable activities			
Education	2	52,481	42,461
Members Subscriptions	3	43,965	47,416
Publications	4	6,066	6,472
Other trading activities	5	4,000	10,000
Investments	6	6,681	6,438
Total Income		113,193	112,787
Expenditure:			
Charitable activities			
Education	7	67,775	77,245
Members Subscriptions	8	47,611	41,688
Publications	9	19,488	21,774
Total Expenditure		134,874	140,707
Net Surplus/ (deficit)		(21,681)	(27,920)
Realised gain on investment assets	16	20,567	-
Unrealised (loss) /gain on investment assets	16	(33,845)	46,031
Total net investment gain /(loss)		(13,278)	46,031
Other gains/ (losses)	17	263,099	-
Net movement in funds		228,140	18,111
Reconciliation of funds:			
Total funds brought forward		649,353	631,424
Total funds carried forward	20	877,493	649,353

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

INSTITUTE OF MATERIALS FINISHING

Company Registered No: 00498619

**Balance Sheet
for the year ended 30 June 2022**

	Note	2022 £	2021 £
Fixed Assets			
Tangible assets	14	271,503	105,840
Intangible assets	15	-	-
Investments	16	<u>516,588</u>	<u>524,985</u>
		788,091	630,825
Current Assets			
Debtors	18	9,868	12,923
Cash at bank and in hand		<u>111,228</u>	<u>32,749</u>
		121,096	45,672
Liabilities			
Creditors falling due within one year	19	(31,694)	(27,144)
		<u>89,402</u>	<u>18,528</u>
Net Current Assets		89,402	18,528
		<u>877,493</u>	<u>649,353</u>
Net Assets		877,493	649,353
Funds			
Unrestricted funds	20	<u>877,493</u>	<u>649,353</u>
Total funds		877,493	649,353

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006.

The financial statements were approved by the Management Board on 9 November 2022 and signed on its behalf by:



K RYDER
President



G ARMSTRONG
Secretary

INSTITUTE OF MATERIALS FINISHING

Notes to the Financial Statements for the year ended 30 June 2022

1. Accounting policies

1.1 General information and basis of preparation

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of any guarantee is limited to £5 per member of the Institute.

The Management Board are the trustees of the charity and are named on the charity information page.

The Institute constitutes a public benefit charity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £000.

The financial statements incorporate the results of the Institute and its branches, for the year ended 30 June 2022. The figures for the branches have been arrived at on an accruals basis.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. Income represents amounts invoiced by the Institute in respect of goods and services provided, excluding value added tax.

Income from trading activities includes income earned from letting and licensing arrangements for property held primarily for functional use by the charity but temporarily surplus to operational requirements.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend is recognised as the charity's right to receive payment is established.

1.3 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

INSTITUTE OF MATERIALS FINISHING

Notes to the Financial Statements for the year ended 30 June 2022

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include offices costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold property	-	Straight Line over fifty years on original cost
Equipment, fixtures & fittings	-	10% and 20% Straight line

1.5 Intangible fixed assets and amortisation

Amortisation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Copyright	-	10% Straight line
-----------	---	-------------------

1.6 Operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

1.7 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in net gains / losses on investments' in the SOFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

1.8 Fund Accounting

Unrestricted funds are available for use at the discretion of the Directors in furtherance of the general objectives of the Institute and have not been designated for other purposes.

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the SOFA.

INSTITUTE OF MATERIALS FINISHING

Notes to the Financial Statements for the year ended 30 June 2022

1.10 Significant judgements and estimates

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period to which it relates.

1.12 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.13 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and expected level of income and expenditure for twelve months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Institute to be able to continue as a going concern.

2. Education Income	2022	2021
	£	£
Distance/tutored learning	52,481	42,461
	<u>52,481</u>	<u>42,461</u>
3. Membership Subscriptions Income	2022	2021
	£	£
Members	16,574	18,706
Sustaining members	27,391	28,710
	<u>43,965</u>	<u>47,416</u>
4. Publications Income	2022	2021
	£	£
Outsourced publications income	3,806	5,023
Other publications income	1,750	875
Diaries	510	574
	<u>6,066</u>	<u>6,472</u>

INSTITUTE OF MATERIALS FINISHING

**Notes to the Financial Statements
for the year ended 30 June 2022**

5. Other trading activities	2022 £	2021 £
Car park hire	4,000	10,000
	<hr/>	<hr/>
6. Investment Income	2022 £	2021 £
Income from investments	6,409	6,214
Interest receivable	272	224
	<hr/>	<hr/>
	6,681	6,438
	<hr/>	<hr/>
7. Education Expenditure	2022 £	2021 £
Direct costs:		
Examiners fees	3,583	4,145
Research project	(740)	1,505
Other	-	131
AGM / Fundraising	2,585	-
Support costs:		
Salaries	42,857	47,431
Premises	3,841	12,004
General office	2,061	3,176
Repairs	1,150	501
Travel and hotel	502	140
Sundry	4,228	2,302
Auditor fees	2,723	2,791
Bookkeeping	-	176
Professional fees	4,606	2,654
Bank charges	379	289
	<hr/>	<hr/>
	67,775	77,245
	<hr/>	<hr/>
8. Members Subscriptions Costs	2022 £	2021 £
Support costs:		
Salaries	32,727	27,668
Premises	2,933	7,002
General office	1,574	1,853
Repairs	878	292
Travel and hotel	384	82
Sundry	3,229	1,343
Audit fees	2,079	1,627
Bookkeeping	-	103
Professional fees	3,518	1,548
Bank charges	289	170
	<hr/>	<hr/>
	47,611	41,688
	<hr/>	<hr/>

INSTITUTE OF MATERIALS FINISHING

**Notes to the Financial Statements
for the year ended 30 June 2022**

9. Publication Costs	2022	2021
	£	£
Direct costs:		
Transactions	6,661	10,697
IMF Bulletin	874	498
Other publication and exhibition	8,552	4,624
Support costs:		
Salaries	2,337	3,953
Premises	210	1,000
General office	112	265
Repairs	63	42
Travel and hotel	27	11
Sundry	231	192
Audit fees	149	232
Bookkeeping	-	15
Professional fees	251	221
Bank charges	21	24
	<u>19,488</u>	<u>21,774</u>
10. Analysis of total Charitable expenditure	2022	2021
	£	£
Direct costs:		
Examiners fees	3,583	4,145
Research project	(740)	1,505
Other	-	131
AGM / Fundraising	2,585	-
Transactions	6,661	10,697
IMF Bulletin	874	498
Other publication and exhibition	8,552	4,624
	<u>21,515</u>	<u>21,600</u>
Support costs:		
Salaries	77,921	79,052
Premises	6,984	20,006
General office	3,748	5,294
Repairs	2,091	835
Travel and hotel	914	233
Sundry	7,688	3,837
Bookkeeping	-	294
Professional fees	7,524	3,803
Bank charges	689	483
	<u>107,559</u>	<u>113,837</u>
Governance costs:		
Audit fees	4,950	4,650
Professional fees	850	620
	<u>5,800</u>	<u>5,270</u>
	<u>134,874</u>	<u>140,707</u>

INSTITUTE OF MATERIALS FINISHING

Notes to the Financial Statements for the year ended 30 June 2022

11. Staff Costs and Numbers	2022 £	2021 £
Staff costs were as follows:		
Salaries	74,403	74,701
Social security costs	3,518	4,351
	77,921	79,052

No employee received emoluments of more than £60,000

The charity's key management personnel comprise the management board, the office manager and membership manager. The total remuneration paid to key management personnel in respect of the year ended 30 June 2022 total £77,921 (2021 - £79,052).

The average number of employees during the period was two. Due to the nature of each employee's diverse role, it is impractical to analyse them between the functions of the Institute.

12. Directors Remuneration

None of the Institute's directors received any remuneration during the year ended 30 June 2022 (2021 – nil).

Out of pocket expenses reimbursed to directors during the year were as follows:

	Number	2022 £	2021 £
Travel	2022 - 8 (2021 -4)	7,507	2,175

13. Net income for the year

This is stated after charging:

	2022 £	2021 £
Depreciation	3,521	2,556
Profit in disposal of assets	262,719	-
Auditors' remuneration	4,950	4,650
Foreign exchange	(18)	326
	271,192	77,482

INSTITUTE OF MATERIALS FINISHING

**Notes to the Financial Statements
for the year ended 30 June 2022**

14. Tangible Fixed Assets

	Freehold Property	Office Equipment, Fixtures and Fittings	Total
	£	£	£
Cost/Valuation			
At 1 July 2021	130,000	32,946	162,946
Additions	272,459	2,065	274,524
Disposals	(130,000)	(24,090)	(154,090)
At 30 June 2022	272,459	10,921	283,380
Depreciation			
At 1 July 2021	25,039	32,067	57,106
Disposals	(25,039)	(23,711)	(48,750)
Charge for the year	3,178	343	3,521
At 30 June 2022	3,178	8,699	11,877
Net Book Values			
At 30 June 2022	269,281	2,222	271,503
At 30 June 2021	104,961	879	105,840

15. Intangible Fixed Assets

	Copyright Total £
Cost/Valuation	
At 1 July 2021	8,000
At 30 June 2022	8,000
Depreciation	
At 1 July 2021	8,000
Charge for the year	-
At 30 June 2022	8,000
Net Book Values	
At 30 June 2022	-
At 30 June 2021	-

INSTITUTE OF MATERIALS FINISHING

**Notes to the Financial Statements
for the year ended 30 June 2022**

16. Fixed Asset Listed Investments

	Listed Investments £
Market value at 1 July 2021	524,985
Additions	219,809
Disposals	(206,288)
Investment cash - movement	(8,640)
Net investment gains/(losses)	
Realised gains	20,567
Unrealised gains	(33,845)
Market value at 30 June 2022	<u>516,588</u>

Historical cost at 30 June 2022	492,174
---------------------------------	---------

Investments at fair value compromise:

	2022 £	2021 £
Securities	451,352	451,100
Cash within investment portfolio	65,236	73,875
	<u>516,588</u>	<u>524,985</u>

The fair value of listed investment is determined by reference to the portfolio report provided by Rathbones. Prices for quoted securities are mid-market closing prices provided by the London Stock Exchange.

17. Other gains/ (losses) for the year

	2022 £	2021 £
Profit on disposal of freehold property	263,099	-
	<u>263,099</u>	<u>-</u>

18. Debtors

	2022 £	2021 £
Trade debtors	-	1,730
Other debtors	5,566	3,495
Prepayments and accrued income	4,302	7,698
	<u>9,868</u>	<u>12,923</u>

INSTITUTE OF MATERIALS FINISHING

**Notes to the Financial Statements
for the year ended 30 June 2022**

	2022 £	2021 £
19. Creditors : Amounts falling due within one year		
Trade creditors	700	13
Other taxes and social security costs	1,330	1,177
Accruals and deferred income	29,604	25,954
	31,694	27,144

20. Analysis of Net Assets between funds

	Tangible and intangible fixed assets £	Investments £	Net current assets £	Total £
Unrestricted funds	271,503	516,588	89,402	877,493

21. Operating Lease Commitments

The future minimum payments to which the Charity is committed at 30 June 2021 under operating leases are payable as follows:

	30 June 2022 £	30 June 2021 £
Within one year	689	689
Within two to five years	689	689
	1,378	1,378

INSTITUTE OF MATERIALS FINISHING

England & Wales - Charity number 227068

Accounts

Registered Charity No: **227068**
Company Registered No: **00498619**



INSTITUTE OF MATERIALS FINISHING
(A COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2021

EDEN CURRIE LIMITED
CHARTERED ACCOUNTANTS AND
STATUTORY AUDITOR

INSTITUTE OF MATERIALS FINISHING

Contents

	Pages
Charity Information	1
Report of the Directors	2 - 4
Independent Auditors' Report	5 - 8
Consolidated Statement of Financial Activities	9
Balance Sheets	10
Notes to the Financial Statements	11 - 18

INSTITUTE OF MATERIALS FINISHING

Charity Information

DIRECTORS & MANAGEMENT BOARD (2020/21):	P Alexander (Appointed 01.07.20) G J Armstrong C Arnold (Resigned 30.06.20) R Banks J Burgess D Chaplin E Cotton T Crichton D Eastham B Gay N Johnson (Resigned 06.05.21) P Lansdell D Neal (Appointed 01.07.20) B Peters K Ryder (President) J G Torr G Wilcox
OFFICE MANAGER:	H Wood
MEMBERSHIP MANAGER:	K Yates
REGISTERED OFFICE:	Exeter House 48 Holloway Head Birmingham B1 1NQ
AUDITORS:	Eden Currie Limited 2 Highlands Court Cranmore Avenue Solihull B90 4LE

INSTITUTE OF MATERIALS FINISHING

Report of the Directors for the year ended 30 June 2021

The directors present their report and the audited financial statements of the charity for the year ended 30 June 2021. The directors have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Institute of Materials finishing is a registered charitable company, founded in 1925. Its objective is to provide a focus for Surface Engineering and Finishing activities worldwide through the fulfilment of the technical, educational and professional needs at all levels for both the individuals and companies involved in the coatings industry.

Principal Activity

The Institute is a private company limited by guarantee. Its objectives are to promote the theory and practice of materials finishing and the Institute is exempt from the requirement to use the word 'limited'.

Directors and Management Board

The Directors and Management Board of the Institute are listed on the charity information page contained within the financial statements.

Public Benefit

The directors are aware of the obligations of the charity, which are set out in the Guidance issued by The Charities Commission. They are confident that the work of the charity in pursuit of its objects is delivering Public Benefit.

Review of Activities and Future Developments

During the year ended 30 June 2021 the supply of education services was greatly affected due to Covid 19 resulting in reduced course enrolment. Our strategy over the upcoming year is to provide more education services that help our customers develop. The directors have considered the impact Covid 19 has had on the Institute's income and educational activities and additional measures remain in place to proactively support all stakeholders.

The Statement of Financial Activities for the year is on page nine of the financial statements. A summary of the financial results and work undertaken by the Institute during the year is set out below.

FINANCIAL REVIEW

Financial position

The Institute's incoming resources for the year ended 30 June 2021 decreased by £25,907 to £112,787. The decrease is mainly as a result of reduced income associated to distance learning fees as Covid 19 has resulted in reduced course enrolment.

Investment Portfolio

The Institute's portfolio of shares provided dividend income of £6,214 and generated unrealised gains of £46,031. The portfolio's market value has increased to £524,985 as at 30 June 2021. Further details of the movements in the portfolio are contained in note sixteen.

The portfolio continues to be administered by an independent fund manager.

INSTITUTE OF MATERIALS FINISHING

Report of the Directors for the year ended 30 June 2021

Risks and Reserves Policy

The members of the Management Board examine major risks that the Institute faces each financial year when preparing and updating the Strategic Plan. The Institute has developed systems to monitor and control these risks to mitigate any impact that they may have on the Institute in the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new directors

In selecting individuals for appointment as directors, the directors have regard to skills, knowledge and experience needed for the effective administration of the charity.

With regards the appointment of individuals as Branch officers the Institute's Management Committee has the power to co-opt to the Committee any member possessing experience or qualifications likely to be of value to the Branch. Co-opted Members of the Committee shall have no voting powers unless co-opted to fill a casual vacancy.

Induction and training of new directors

Directors must make available to each new director on their first appointment: a copy of the Deed and any amendments made to it, a copy of the Charity's latest report and statement of accounts. They should emphasise the Responsibilities of the Directors detailed in the Report.

Future Plans

Our future plans ensure the Institute will continue to support its stakeholders whilst the effect of Covid 19 and the ongoing Pandemic continues. Within the confines of the Pandemic the Institute will continue to provide educational, information and networking needs to our community to maintain a continued income stream to sustain our ongoing activities.

EVENTS SINCE THE YEAR END

Information relating to events since the year end is given in the notes to the financial statements.

DIRECTORS RESPONSIBILITIES

The Directors of Institute Of Materials Finishing for the purposes of the Companies Act, are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Companies Act requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

INSTITUTE OF MATERIALS FINISHING

Report of the Directors for the year ended 30 June 2021

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

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The auditors, Eden Currie Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

This report was approved by the Management Board on 14 October 2021 and signed on its behalf by:



G J ARMSTRONG
Secretary General

INSTITUTE OF MATERIALS FINISHING

Independent Auditors' Report for the year ended 30 June 2021

Opinion

We have audited the financial statements of The Institute Of Materials Finishing (the “charitable company”) for the year ended 30 June 2021 which comprise of the Statement of Financial Activity and Institute Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company’s affairs as at 30 June 2021, and of the incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate

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

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

INSTITUTE OF MATERIALS FINISHING

Independent Auditors' Report for the year ended 30 June 2021

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate and sufficient accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Directors' report.

INSTITUTE OF MATERIALS FINISHING

Independent Auditors' Report for the year ended 30 June 2021

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page three the directors 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 directors 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 directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of understatement of turnover including analytical review and substantive testing.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

INSTITUTE OF MATERIALS FINISHING

**Independent Auditors' Report
for the year ended 30 June 2021**

Use of our report

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

Eden Currie Limited

**Paul Mannion ACA ACCA (Senior Statutory Auditor)
for and on behalf of Eden Currie Limited
Chartered Accountants
and Statutory Auditor
2 Highlands Court
Cranmore Avenue
Solihull
B90 4LE**

14 October 2021

INSTITUTE OF MATERIALS FINISHING

**Statement of Financial Activities
for the year ended 30 June 2021**

	Note	Unrestricted Funds 2021 £	Unrestricted Funds 2020 £
Income:			
Charitable activities			
Education	2	42,461	73,724
Members Subscriptions	3	47,416	47,113
Publications	4	6,472	11,670
Other trading activities	5	10,000	-
Investments	6	6,438	6,187
Total Income		112,787	138,694
Expenditure:			
Charitable activities			
Education	7	77,245	75,429
Members Subscriptions	8	41,688	36,460
Publications	9	21,774	18,278
Total Expenditure		140,707	130,167
Net Surplus/Deficit		(27,920)	8,527
Realised gain on investment assets	16	-	6,946
Unrealised (loss) /gain on investment assets	16	46,031	(12,852)
Total net investment gain /(loss)		46,031	(5,906)
Net movement in funds		18,111	2,621
Reconciliation of funds:			
Total funds brought forward		631,242	628,621
Total funds carried forward	19	649,353	631,242

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

INSTITUTE OF MATERIALS FINISHING

Company Registered No: 00498619

**Balance Sheet
for the year ended 30 June 2021**

	Note	2021 £	2020 £
Fixed Assets			
Tangible assets	14	105,840	108,396
Intangible assets	15	-	-
Investments	16	524,985	496,891
		<u>630,825</u>	<u>605,287</u>
Current Assets			
Debtors	17	12,923	19,693
Cash at bank and in hand		32,749	29,403
		<u>45,672</u>	<u>49,096</u>
Liabilities			
Creditors falling due within one year	18	(27,144)	(23,141)
Net Current Assets		<u>18,528</u>	<u>25,955</u>
Net Assets		<u>649,353</u>	<u>631,242</u>
Funds			
Unrestricted funds	19	649,353	631,242
Total funds		<u>649,353</u>	<u>631,242</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006.

The financial statements were approved by the Management Board on 14 October 2021 and signed on its behalf by:



K RYDER
President



G ARMSTRONG
Secretary

INSTITUTE OF MATERIALS FINISHING

Notes to the Financial Statements for the year ended 30 June 2021

1. Accounting policies

1.1 General information and basis of preparation

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of any guarantee is limited to £5 per member of the Institute.

The Management Board are the trustees of the charity and are named on the charity information page.

The Institute constitutes a public benefit charity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £000.

The financial statements incorporate the results of the Institute and its branches, for the year ended 30 June 2021. The figures for the branches have been arrived at on an accruals basis.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. Income represents amounts invoiced by the Institute in respect of goods and services provided, excluding value added tax.

Income from trading activities includes income earned from letting and licensing arrangements for property held primarily for functional use by the charity but temporarily surplus to operational requirements.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend is recognised as the charity's right to receive payment is established.

1.3 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

INSTITUTE OF MATERIALS FINISHING

Notes to the Financial Statements for the year ended 30 June 2021

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include offices costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold property	-	Straight Line over fifty years on original cost
Equipment, fixtures & fittings	-	10% and 20% Straight line

1.5 Intangible fixed assets and amortisation

Amortisation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Copyright	-	10% Straight line
-----------	---	-------------------

1.6 Operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

1.7 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in net gains / losses on investments' in the SOFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

1.8 Fund Accounting

Unrestricted funds are available for use at the discretion of the Directors in furtherance of the general objectives of the Institute and have not been designated for other purposes.

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the SOFA.

INSTITUTE OF MATERIALS FINISHING

Notes to the Financial Statements for the year ended 30 June 2021

1.10 Significant judgements and estimates

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period to which it relates.

1.12 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.13 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and expected level of income and expenditure for twelve months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Institute to be able to continue as a going concern. The trustees have considered the impact due to COVID -19 Pandemic when considering the going concern of the Institute.

2. Education Income	2021	2020
	£	£
Distance/tutored learning	42,461	67,437
Conference and seminars	-	440
Corporate	-	5,757
Administration fees	-	90
	<u>42,461</u>	<u>73,724</u>
3. Membership Subscriptions Income	2021	2020
	£	£
Members	18,706	19,222
Sustaining members	28,710	27,891
	<u>47,416</u>	<u>47,113</u>
4. Publications Income	2021	2020
	£	£
Outsourced publications income	5,023	8,983
Other publications income	875	1,829
Diaries	574	858
	<u>6,472</u>	<u>11,670</u>

INSTITUTE OF MATERIALS FINISHING

Notes to the Financial Statements for the year ended 30 June 2021

5.	Other trading activities	2021	2020
		£	£
	Car park hire	10,000	-
		10,000	-
6.	Investment Income	2021	2020
		£	£
	Income from investments	6,214	5,671
	Interest receivable	224	516
		6,438	6,187
7.	Education Expenditure	2021	2020
		£	£
	Direct costs:		
	Branch	-	1,459
	Examiners fees	4,145	4,090
	Research project	1,505	-
	Other	131	2,158
	AGM / Fundraising	-	5,219
	Support costs:		
	Salaries	47,431	41,936
	Premises	12,004	3,960
	General office	3,176	4,148
	Repairs	501	487
	Travel and hotel	140	3,172
	Sundry	2,302	2,954
	Auditor fees	2,791	2,964
	Bookkeeping	176	80
	Professional fees	2,654	2,027
	Bank charges	289	775
		77,245	75,429
8.	Members Subscriptions Costs	2021	2020
		£	£
	Support costs:		
	Salaries	27,668	24,462
	Premises	7,002	2,310
	General office	1,853	2,420
	Repairs	292	284
	Travel and hotel	82	1,850
	Sundry	1,343	1,724
	Audit fees	1,627	1,729
	Bookkeeping	103	47
	Professional fees	1,548	1,182
	Bank charges	170	452
		41,688	36,460

INSTITUTE OF MATERIALS FINISHING

Notes to the Financial Statements for the year ended 30 June 2021

9. Publication Costs	2021 £	2020 £
Direct costs:		
Transactions	10,697	7,414
IMF Bulletin	498	3,210
Other publications	4,624	2,445
Support costs:		
Salaries	3,953	3,495
Premises	1,000	330
General office	265	346
Repairs	42	41
Travel and hotel	11	264
Sundry	192	245
Audit fees	232	247
Bookkeeping	15	7
Professional fees	221	169
Bank charges	24	65
	21,774	18,278
10. Analysis of total Charitable expenditure	2021 £	2020 £
Direct costs:		
Branch	-	1,459
Examiners fees	4,145	4,090
Research project	1,505	-
Other	131	2,158
AGM / Fundraising	-	5,219
Transactions	10,697	7,414
IMF Bulletin	498	3,210
Other publications	4,624	2,445
	21,600	25,995
Support costs:		
Salaries	79,052	69,893
Premises	20,006	6,600
General office	5,294	6,914
Repairs	835	812
Travel and hotel	233	5,286
Sundry	3,837	4,923
Bookkeeping	294	134
Professional fees	3,803	2,783
Bank charges	483	1,292
	113,837	124,632
Governance costs:		
Audit fees	4,650	4,940
Professional fees	620	595
	5,270	5,535
	140,707	130,167

INSTITUTE OF MATERIALS FINISHING

Notes to the Financial Statements for the year ended 30 June 2021

11. Staff Costs and Numbers	2021 £	2020 £
Staff costs were as follows:		
Salaries	74,701	65,990
Social security costs	4,351	3,903
	79,052	69,893

No employee received emoluments of more than £60,000

The charity's key management personnel comprise the management board, the office manager and membership manager. The total remuneration paid to key management personnel in respect of the year ended 30 June 2021 total £79,052 (2020 - £69,893).

The average number of employees during the period was two. Due to the nature of each employee's diverse role, it is impractical to analyse them between the functions of the Institute.

12. Directors Remuneration

None of the Institute's directors received any remuneration during the year ended 30 June 2021 (2020 – nil).

Out of pocket expenses reimbursed to directors during the year were as follows:

	Number	2021 £	2020 £
Travel	2021 - 4 (2020 -10)	2,175	6,797

13. Net income for the year

This is stated after charging:

	2021 £	2020 £
Depreciation	2,556	2,557
Amortisation	-	200
Auditors' remuneration	4,650	4,940
Foreign exchange	326	(78)
	326	(78)

14. Tangible Fixed Assets –

	Freehold Property £	Office Equipment, Fixtures and Fittings £	Total £
Cost/Valuation			
At 1 July 2020	130,000	32,946	162,946
At 30 June 2021	130,000	32,946	162,946
Depreciation			
At 1 July 2020	23,113	31,437	54,550
Charge for the year	1,926	630	2,556
At 30 June 2021	25,039	32,067	57,106
Net Book Values			
At 30 June 2021	104,961	879	105,840
At 30 June 2020	106,887	1,509	108,396

INSTITUTE OF MATERIALS FINISHING

Notes to the Financial Statements for the year ended 30 June 2021

During the year ended 30 June 2008 the freehold property was valued on an open market basis at £130,000 by the members of Council.

The historical cost of the freehold property is £96,314 (2020 - £96,314).

15. Intangible Fixed Assets –

	Copyright Total £
Cost/Valuation	
At 1 July 2020	8,000
At 30 June 2021	8,000
Depreciation	
At 1 July 2020	8,000
Charge for the year	-
At 30 June 2021	8,000
Net Book Values	
At 30 June 2021	-
At 30 June 2020	-

16. Fixed Asset Listed Investments

	Listed Investments £	
Market value at 1 July 2020	496,891	
Additions	11,900	
Investment Cash - withdrawal	(20,000)	
Investment Cash – other movements	(9,837)	
Net investment gains/(losses) Unrealised	46,031	
Market value at 30 June 2021	524,985	
Historical cost at 30 June 2021	492,174	
Investments at fair value compromise:	2021	2020
	£	£
Securities	451,100	393,179
Cash within investment portfolio	73,875	103,712
	524,985	496,891

The fair value of listed investment is determined by reference to the portfolio report provided by Rathbones. Prices for quoted securities are mid-market closing prices provided by the London Stock Exchange.

INSTITUTE OF MATERIALS FINISHING

**Notes to the Financial Statements
for the year ended 30 June 2021**

	2021	2020
	£	£
17. Debtors		
Trade debtors	1,730	4,735
Other debtors	3,495	3,882
Prepayments and accrued income	7,698	11,076
	12,923	19,693
	2021	2020
	£	£
18. Creditors : Amounts falling due within one year		
Trade creditors	13	2,082
Other taxes and social security costs	1,177	1,110
Accruals and deferred income	25,954	19,949
	27,144	23,141
19. Analysis of Net Assets between funds		

	Tangible and intangible fixed assets	Investments	Net current assets	Total
	£	£	£	£
Unrestricted funds	105,840	524,985	18,528	649,353

20. Operating Lease Commitments

The future minimum payments to which the Charity is committed at 30 June 2021 under operating leases are payable as follows:

	30 June 2021	30 June 2020
	£	£
Within one year	689	689
Within two to five years	689	1,378
	1,378	2,067

21. Events after the end of the period

The trustees confirm that they have taken into account the effect of the ongoing Pandemic and assessed the uncertainties as known at the sign off date. In addition, the trustees have considered the financial implications and impact of COVID 19 and the Pandemic when considering the Going Concern of the Charity.