

**REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2020  
FOR  
INSTITUTE OF CAST METALS ENGINEERS**

**INSTITUTE OF CAST METALS ENGINEERS**

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FOR THE YEAR ENDED 31ST DECEMBER 2020**

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**INSTITUTE OF CAST METALS ENGINEERS**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31ST DECEMBER 2020**

**TRUSTEES:**

**Principal Officers**

Mr S Hill	National President
Mr R Bell	Senior Vice President
Mr L Jenkins	Junior Vice President
Mr T Stevenson	Honorary Treasurer
Mr T Ayre	Immediate past President

**Elected Members**

Mrs L Postle  
Mr I Shergold – resigned 10/3/21  
Mr S Alexander  
Mr A Sartorious  
Mr M Sutton  
Mr A Evans  
Mr K Collins  
Mr A Bennett  
Mr J Townsend – resigned 3/12/20  
Mr D Pritchard – resigned 3/12/20  
Mr D Douglas – appointed 3/12/20  
Mr J Coughtrie – appointed 3/12/20

**REGISTERED OFFICE:**

National Foundry Training Centre  
ECMS  
Tipton Road  
Tipton  
West Midlands  
DY4 7UW

**REGISTERED COMPANY  
NUMBER:**

RC000244

**REGISTERED  
NUMBER:**

00250380

**AUDITORS:**

Fields  
2nd Floor  
Landchard House  
Victoria Street  
West Bromwich  
West Midlands  
B70 8ER

**BANKERS:**

Lloyds TSB  
134 New Street  
Birmingham  
West Midlands  
B2 4QZ

**INVESTMENT MANAGERS:**

Baillie Gifford & Co  
Carlton Square  
1 Greenside Row  
Edinburgh  
EH1 3AN

# **INSTITUTE OF CAST METALS ENGINEERS**

## **REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31ST DECEMBER 2020**

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report in accordance with the small company regime, Section 419(2) of the Companies Act 2006, with the financial statements of the charity for the year ended 31st December 2020. The trustees have adopted the provisions of Accounting and reporting by Charities: Statement of Recommended Practice (SORP) 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 2015).

### **OBJECTIVES AND ACTIVITIES**

The objectives of the charity are to:-

- Stimulate science and technology in the cast metals and allied industries.
- Promote learning and education in the cast metals and allied industries.
- Confer professional qualifications up to the level of Chartered Engineer through its Membership Committee.

The charity is registered with the Engineering Council to achieve these objectives. It also promotes lectures and seminars and assists with the technical content for technical journals.

During 2020 the Institute of Cast Metal Engineers has achieved its goal of becoming a recognised End Point Assessment Organisation (EPAO) for the level 3 apprenticeship standard ST0566. This will enable the ICME quality team to end point assess apprentices who have been trained in the standard for Casting, Foundry and Patternmaking.

At the beginning of 2020 some branches were fortunate to be able to host their annual dinners and host some technical and social events. As the worldwide pandemic forced the UK into lockdown, all branch and national events unfortunately were cancelled. Some regional branches have continued to offer a wide range of technical webinars, enabling members, and those from the wider industry, to meet (albeit virtually) and network with like-minded people. Gratitude is expressed to all those that have hosted and continue to host and organise social and technical events on behalf of the Institute after what has been a very difficult year for our country.

The Foundry Trade Journal is a publication that is provided to members as part of their subscription.

### **Public benefit**

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commissions guidance on public benefit, in particular, the trustees consider how specific projects will contribute to their objectives.

### **ACHIEVEMENT AND PERFORMANCE**

#### **Charitable activities**

The Institute of Cast Metal Engineers has continued to focus on preparing to be one of the lead providers of End Point Assessments for the foundry, casting and patternmaking industries apprenticeship programme.

The Investment/Finance & General Purpose committee continues to support and signpost training requirements in the sector. Furthermore, the regional branches have held various technical webinars throughout the year enabling the Institute to continue to bring its members together during these challenging times.

#### **Membership Promotion and Apprentices**

As part of its commitment to support young apprentices, Technicians and their companies, ICME continues to offer free membership to apprentices. 21 new members were recruited to ICME in 2020.

### **FINANCIAL REVIEW**

#### **Accounts and financial position**

The attached financial statements comply with current statutory requirements, the charity's governing document, and the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (THE SORP).

The Statement of Financial Activities summarises the income sources and main areas of expenditure. Opportunities to control costs and raise income are actively sought by Investment/Finance and General Purposes committee. The council continues to investigate opportunities to work with other like-minded organisations to ensure that the Institute continues to meet its aims and objectives for the benefit of the castings industry.

# **INSTITUTE OF CAST METALS ENGINEERS**

## **REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31ST DECEMBER 2020**

### **Principal funding sources**

The investment powers are unrestricted but are managed under the advice of an Investment Advisory Committee reporting to the Council. Baillie Gifford & Co. is employed as the investment adviser. Capital withdrawals are made to either acquire or to give additional support in times of financial uncertainty.

The Institute's principal source of funding is now membership subscriptions (£63K) for the year to the 31st December 2020. There was also income of £14K from investment returns, but training is now delivered by an independent training company and this direct income has ceased.

### **Investment policy and objectives**

The investment policy has been to continue to invest in any stocks and bonds considered by the investment managers to form a sound basis for stable long term growth and reasonable income. The overall purpose of the investment is to facilitate additional income resources for the Charity. The target for the split of the current holding remains at 10% invested in bonds and 90% invested in equities and at the year end this was 14% and 86% respectively.

### **Reserves policy**

The Charity holds reserves to support the long term learning and educational needs of the sector and will continue to hold these reserves to allow it to generate income to meet these objectives. The Trustees estimate 6 months expenditure, being £110K at 31<sup>st</sup> December 2020 would be sufficient reserves held. This policy is reviewed each year by the Trustees.

At the year end the charity held unrestricted reserves totalling £662,285 (2019:£753,107). The trustees consider the level of reserves currently held to be of a sufficient level to support the charity moving forward.

### **FUTURE PLANS**

The aim of the Institute is to continue to support and develop educational opportunities for those in the industry. The industry continues to have a particular need for training and education provision for new apprentices and graduates entering this sector. Work also continues on providing an End Point Assessment platform for apprentices completing their courses and a submission will be made early in 2021 for this.

It is recognised that the Institute's finances are underpinned by the Investment portfolio and, with limited direct sources of income available, a project is underway to see how the Institute can be re-shaped to ensure future financial viability.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing document**

The Charity is an Institute incorporated by Royal Charter, without share capital. It operates under the name of Institute of Cast Metals Engineers and constitutes a limited company which is limited by Guarantee, as defined by the Companies Act 2006.

The Institute of Cast Metals Engineers is a UK professional engineering Institution founded in 1904 as the 'British Foundrymen's Association'. It was granted Royal Charter on the 25<sup>th</sup> November 1921. On the 11<sup>th</sup> October 2000 it changed its name to the Institute of Cast Metals Engineers. The Institute is registered as a charity under the Charities Act 1960, number 250380.

#### **Recruitment and appointment of new trustees**

The Trustees are elected by Council, on one, two, or three year terms: these are the Branch Representatives and the Elected Members. Other trustees are the office bearers of the Institute, namely the President, the Senior Vice President, the Junior Vice President and the Honorary Treasurer. The trustees are elected to Council in accordance with the Institute Charter and By-Laws. It is the Council who is the Governing Body of the Institute.

#### **Organisational structure**

The Charity has two full-time and one part-time staff and over thirty volunteers who occupy positions at both regional and national level. A combination of regional officers and national officers constitutes the council who ratify all decisions at meetings held three times a year. The full time members of staff have day-to-day responsibility within strict operating rules and the Finance and general Purposes Committee, (F&GP), consisting of the national officers plus two elected members, meet on a regular basis to give support.

# **INSTITUTE OF CAST METALS ENGINEERS**

## **REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31ST DECEMBER 2020**

### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Risks, both operational and financial, are regularly reviewed by the Council, the F&GP and the Investment Advisory Committee. The major risks to which the charity are exposed, as identified by the trustees, have been reviewed and systems established to manage those risks.

Julia Cartwright oversees the day to day running of the Institute, with invaluable support from the Cast Metals Federation via a support contract, Nicci Taylor is the Membership Administrator for the Institute and Kate Brown provides administrative support for the day to day bookkeeping.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

Reference and administrative details are given on page 1

### **STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The Trustees, who are also directors of The Institute of Cast Metals Engineers for the purposes of company law, are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable 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.

### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each trustee has taken all the steps that ought to have taken as trustees in order to make aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **AUDITORS**

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

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

### **ON BEHALF OF THE BOARD:**

Trustee: Trevor Stevenson

Date: 26<sup>th</sup> April 2021

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF INSTITUTE OF CAST METALS ENGINEERS**

### **Opinion**

We have audited the financial statements of Institute of Cast Metals Engineers (the 'charitable company') for the year ended 31st December 2020 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of 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 31st December 2020 and of its loss 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 Auditors' 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinion 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF INSTITUTE OF CAST METALS ENGINEERS**

### **Matters on which we are required to report by exception**

In the light of the 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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 director's 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' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities set out on pages two to four, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditors' 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 a Report of the Independent Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in a Report of the Independent Auditors 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, for our audit work, for this report, or for the opinions we have formed.

Mrs Stella Louise Broomhall FCCA (Senior Statutory Auditor)  
for and on behalf of Fields  
2nd Floor  
Landchard House  
Victoria Street  
West Bromwich  
West Midlands  
B70 8ER

Date: 27<sup>th</sup> April 2021



**INSTITUTE OF CAST METALS ENGINEERS**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31ST DECEMBER 2020**

	Notes	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations	4	150	-	150	900
<b>Charitable activities</b>					
Core	6	62,658	-	62,658	79,006
Training Services	6	462	-	462	54,009
Grants	6	2,313	-	2,313	31,008
Other income	6	4,836	-	4,836	10,970
<b>Investment income</b>	5	<u>14,066</u>	<u>320</u>	<u>14,386</u>	<u>17,255</u>
<b>Total Income</b>		<u>84,485</u>	<u>320</u>	<u>84,805</u>	<u>193,148</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Core	7	222,702	414	223,116	235,962
Training Services	7	<u>14</u>	<u>-</u>	<u>14</u>	<u>46,915</u>
<b>Total expenditure</b>		<u>222,716</u>	<u>414</u>	<u>223,130</u>	<u>282,877</u>
<b>Net gains/(losses) on investments</b>		<u>47,409</u>	<u>865</u>	<u>48,274</u>	<u>114,845</u>
<b>NET INCOME/(EXPENDITURE)</b>		(90,822)	771	(90,051)	25,116
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>753,107</u>	<u>32,488</u>	<u>785,595</u>	<u>760,479</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>662,285</u>	<u>33,259</u>	<u>695,544</u>	<u>785,595</u>

The notes form part of these financial statements

**INSTITUTE OF CAST METALS ENGINEERS  
(REGISTERED NUMBER: 00250380)**

**STATEMENT OF FINANCIAL POSITION  
31ST DECEMBER 2020**

	Notes	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	9	-	-	-	-
Tangible assets	10	978	-	978	2,832
Investments	11	<u>538,075</u>	<u>26,298</u>	<u>564,373</u>	<u>646,513</u>
		<u>539,053</u>	<u>26,298</u>	<u>565,351</u>	<u>649,345</u>
<b>CURRENT ASSETS</b>					
Stocks	12	1,686	760	2,446	2,813
Debtors	13	147,548	-	147,548	160,525
Cash at bank and in hand	14	<u>5,979</u>	<u>6,201</u>	<u>12,180</u>	<u>11,041</u>
		<u>155,213</u>	<u>6,961</u>	<u>162,174</u>	<u>174,379</u>
<b>CREDITORS</b>					
Amounts falling due within one year	15	<u>(31,981)</u>	<u>-</u>	<u>(31,981)</u>	<u>(38,129)</u>
<b>NET CURRENT ASSETS</b>		<u>123,232</u>	<u>6,961</u>	<u>130,193</u>	<u>136,250</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>662,285</u>	<u>33,259</u>	<u>695,544</u>	<u>785,595</u>
<b>FUNDS</b>	16				
Unrestricted funds				662,285	753,107
Restricted funds				<u>33,259</u>	<u>32,488</u>
				<u>695,544</u>	<u>785,595</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Charities SORP (FRS 102).

The financial statements were approved by the Board of Trustees on 26<sup>th</sup> April 2021 and were signed by:

Trustee – Stephen Hill FICME – National President

Trustee – Trevor Stevenson FICME – Honorary Treasurer

**INSTITUTE OF CAST METALS ENGINEERS**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	<b>Retained Earnings £</b>	<b>Prize &amp; Medal fund £</b>	<b>John Campbell award £</b>	<b>Total equity £</b>
<b>Balance at 1st January 2019</b>	731,461	24,052	4,966	760,479
<b>Changes in equity</b>				
Total comprehensive income	<u>21,646</u>	<u>2,390</u>	<u>1,080</u>	<u>25,116</u>
<b>Balance at 31st December 2019</b>	<u>753,107</u>	<u>26,442</u>	<u>6,046</u>	<u>785,595</u>
<b>Changes in equity</b>				
Total comprehensive income	<u>(90,822)</u>	<u>541</u>	<u>230</u>	<u>(90,051)</u>
<b>Balance at 31st December 2020</b>	<u><u>662,285</u></u>	<u><u>26,983</u></u>	<u><u>6,276</u></u>	<u><u>695,544</u></u>

# INSTITUTE OF CAST METALS ENGINEERS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

### 1. ACCOUNTING POLICIES

#### **Statutory information**

The Institute of Cast Metals Engineers is a private charity, limited by guarantee, registered in England and Wales. The charity's registered number and registered office can be found on the Company Information page.

#### **Basis of preparing the financial statements**

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets. The financial statements are prepared in pounds sterling which is the functional currency of the charity and rounded to the nearest pound.

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.

#### **Incoming resources**

All income including membership subscriptions is recognised in the Statement of financial Activities once the charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from grants is recognised on an accruals basis and are recognised in income in the period the related costs are incurred by the entity for which the grant is intended to compensate.

#### **Resources expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis.

Costs of charitable activities comprise all costs incurred in pursuit of the charitable objects of the charity.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity such as the cost of board meetings, statutory compliance and costs linked to the strategic management of the charity.

#### **Financial instruments**

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand.

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### **Intangible assets**

Amortisation is charged on Publication Titles to the Statement of Financial Activities on a straight line basis over a period of 10 years which expired in 2013.

#### **Tangible fixed assets**

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

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

Fixtures & fittings	33% on cost	20% on cost	10% on cost
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# INSTITUTE OF CAST METALS ENGINEERS

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2020

### 1. ACCOUNTING POLICIES - continued

#### Fund accounting

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

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

#### Investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

#### Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### Value added tax

The charity is registered for VAT and is partially exempt. All income and expenditure is shown net of VAT where appropriate and disallowed input tax is included within the associated costs.

#### Going concern

The Trustees believe that there are no material uncertainties related to events or conditions including the impact of COVID-19 that may cast significant doubt on the ability of the charity to continue as a going concern. Accordingly the trustees consider that it is appropriate for the Financial Statements to be prepared on the Going Concern basis.

#### Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### Taxation

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

#### Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate. The contributions paid are shown in note 2.

### 2. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 3.5 (2019 - 3).

#### STAFF COSTS

	2020	2019
	£	£
Wages and salaries	72,963	65,411
Social security costs	1,783	2,282
Other pension costs	<u>6,155</u>	<u>5,887</u>
	<u><b>80,901</b></u>	<u><b>73,580</b></u>

No employees received emoluments in excess of £60,000.

Employer pension contributions amounted to £6,155 (2019: £5,887), the outstanding balance at the year-end is £795 (2019: £646).

#### TRUSTEES REMUNERATION

The trustees neither received nor waived any remuneration during the year (2019:nil).

# INSTITUTE OF CAST METALS ENGINEERS

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2020

### 3. NET MOVEMENT IN FUNDS

The net movement in funds is stated after charging:

	2020	2019
	£	£
Operating lease costs	2,192	4,128
Auditors remuneration:		
In their capacity as auditors	4,800	4,000
Other financial services	<u>9,520</u>	<u>12,898</u>

### 4. DONATIONS

	2020	2019
	£	£
Sponsorship	<u>150</u>	<u>900</u>

### 5. INVESTMENT INCOME

	2020	2019
	£	£
Quoted securities	14,386	17,251
Bank interest	<u>-</u>	<u>4</u>
	<u>14,386</u>	<u>17,255</u>

### 6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020	2019
		£	£
Membership subscriptions	Core	62,658	78,299
Publications	Core	-	707
Grant income	Core	2,313	31,008
Training services	Training activities	462	54,009
Miscellaneous income	Core	<u>4,836</u>	<u>10,970</u>
		<u>70,269</u>	<u>174,993</u>

Grant income includes £1,973 (2019: nil) Government support provided in response to the COVID-19 outbreak. This support was received via the Coronavirus Job Retention Scheme (CJRS). This government grant provided support for 80% of employees' payroll costs, who were furloughed during the period the charities operations were required to close.

### 7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs see note 8	Totals
	£	£	£
Core	213,527	9,589	223,116
Training activities	<u>14</u>	<u>-</u>	<u>14</u>
	<u>213,541</u>	<u>9,589</u>	<u>223,130</u>

**INSTITUTE OF CAST METALS ENGINEERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**8. SUPPORT COSTS**

Support costs, included in the above, are as follows:

	<b>2020</b>	2019
	<b>Core £</b>	Core £
Bank Charges	<b>2,148</b>	2,074
Governance costs	<b><u>7,441</u></b>	<u>7,901</u>
	<b><u><u>9,589</u></u></b>	<u><u>9,975</u></u>

Included within governance costs is audit fees amounting to £4,800 (2019: £4,000).

**9. INTANGIBLE FIXED ASSETS**

	<b>Other intangible assets £</b>
<b>COST</b>	
At 1st January 2020 and 31st December 2020	<b><u>73,808</u></b>
<b>AMORTISATION</b>	
At 1st January 2020 and 31st December 2020	<b><u>73,808</u></b>
<b>NET BOOK VALUE</b>	
At 31st December 2020	<u><u>-</u></u>
At 31st December 2019	<u><u>-</u></u>

**INSTITUTE OF CAST METALS ENGINEERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**10. TANGIBLE FIXED ASSETS**

**Fixtures  
and  
fittings  
£**

**COST**

At 1st January 2020  
and 31<sup>st</sup> December 2020

**60,941**

**DEPRECIATION**

At 1st January 2020  
Charge for year

**58,109**  
**1,854**

At 31st December 2020

**59,963**

**NET BOOK VALUE**

At 31st December 2020

**978**

At 31st December 2019

**2,832**

Included within tangible fixed assets are restricted assets with a carrying value of nil (2019: £47)

**11. FIXED ASSET INVESTMENTS**

Investments were as follows:

	<b>2020</b>	2019
	<b>£</b>	£
Prize & medal fund investment	<b>26,298</b>	25,112
BG fund B investments	<u><b>538,075</b></u>	<u>621,401</u>
	<u><b>564,373</b></u>	<u>646,513</u>



**INSTITUTE OF CAST METALS ENGINEERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**11. FIXED ASSET INVESTMENTS - continued**

Additional information as follows:

	<b>Listed investments £</b>
<b>MARKET VALUE</b>	
At 1st January 2019	<b>621,401</b>
Additions	<b>14,065</b>
Disposals	<b>(144,800)</b>
Revaluation	<b>47,409</b>
	<b><u>538,075</u></b>
 <b>NET BOOK VALUE</b>	
At 31st December 2020	<b><u>538,075</u></b>
 At 31st December 2019	<b><u>621,401</u></b>

There were no investment assets outside the UK.

Investments (neither listed or unlisted) were as follows:

	<b>2020 £</b>	<b>2019 £</b>
Managed unit trust fund	<b><u>26,298</u></b>	<b><u>25,112</u></b>

**12. STOCKS**

	<b>2020 £</b>	<b>2019 £</b>
Stocks	<b><u>2,446</u></b>	<b><u>2,813</u></b>

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020 £</b>	<b>2019 £</b>
Trade debtors	<b>8,427</b>	13,316
Other debtors	<b>133,805</b>	133,412
Prepayments and accrued income	<b><u>5,316</u></b>	<b><u>13,797</u></b>
	<b><u>147,548</u></b>	<b><u>160,525</u></b>

**INSTITUTE OF CAST METALS ENGINEERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**14. CASH AT BANK AND IN HAND**

	<b>2020</b>	2019
	<b>£</b>	£
Bank current account	<b>10,759</b>	9,453
Bank membership account	<b>685</b>	263
Coat of Arms	<b>165</b>	165
Currency floats	<b>161</b>	161
Paypal	<b>345</b>	934
Young foundrymen account	<b>57</b>	57
Petty cash	<b>8</b>	8
	<b><u>12,180</u></b>	<b><u>11,041</u></b>

			<b>2020</b>	2019
	General fund	The John	<b>Total funds</b>	Total funds
	£	Campbell fund	£	£
Cash in hand	8	-	<b>8</b>	8
Current account	<u>5,971</u>	<u>6,201</u>	<b><u>12,172</u></b>	<u>11,033</u>
	<b><u>5,979</u></b>	<b><u>6,201</u></b>	<b><u>12,180</u></b>	<b><u>11,041</u></b>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020</b>	2019
	<b>£</b>	£
Trade creditors	-	12,262
Social security and other taxes	<b>355</b>	-
VAT	<b>7,840</b>	8,736
Other creditors	<b>3,859</b>	3,603
Accruals and deferred income	<b><u>19,927</u></b>	<u>13,528</u>
	<b><u>31,981</u></b>	<b><u>38,129</u></b>

Included in accruals and deferred income is an amount of nil (2019:£128) in respect of membership subscriptions received in advance.

**INSTITUTE OF CAST METALS ENGINEERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**16. RESERVES**

**MOVEMENT IN FUNDS**

	At 1.1.2020	Net movement in funds	At 31.12.2020
<b>Unrestricted funds</b>			
General fund	753,107	(90,822)	662,285
<b>Restricted funds</b>			
The John Campbell Fund	6,046	230	6,276
Prize & Medal Fund	<u>26,442</u>	<u>541</u>	<u>26,983</u>
	32,488	771	33,259
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>785,595</u>	<u>(90,051)</u>	<u>695,544</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	84,485	(222,716)	47,409	(90,822)
<b>Restricted funds</b>				
The John Campbell fund	84	(47)	193	230
Prize & Medal fund	<u>236</u>	<u>(367)</u>	<u>672</u>	<u>541</u>
	320	(414)	865	771
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>84,805</u>	<u>(223,130)</u>	<u>48,274</u>	<u>(90,051)</u>

Comparatives for movement in funds

	At 1.1.2019	Net movement in funds	At 31.12.2019
<b>Unrestricted funds</b>			
General fund	731,461	21,646	753,107
<b>Restricted funds</b>			
The John Campbell Fund	4,966	1,080	6,046
Prize & Medal Fund	<u>24,052</u>	<u>2,390</u>	<u>26,442</u>
	29,018	3,470	32,488
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>760,479</u>	<u>25,116</u>	<u>785,595</u>

# INSTITUTE OF CAST METALS ENGINEERS

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2020

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	161,765	(248,754)	108,635	21,646
<b>Restricted funds</b>				
The John Campbell fund	86	(489)	1,483	1,080
Prize & Medal fund	289	(2,626)	4,727	2,390
The CLLEFE Project	<u>31,008</u>	<u>(31,008)</u>	<u>-</u>	<u>-</u>
	31,383	(34,123)	6,210	3,470
	<u>193,148</u>	<u>(282,877)</u>	<u>114,845</u>	<u>25,116</u>

### Prize & medal Fund

This fund was set up to facilitate the awarding of prizes and medals to members on an annual basis. The fund provides the financing element of this project and ensures that sufficient resources are available to meet the annual demands of the award process.

### The John Campbell Fund

This fund originates from a fellow of the institute who had significant links to the Aluminium sector. It is a specific fund set up to facilitate and finance the awarding of recognition within the Aluminium field.

### CLLEFE – Concept for Life Long Education for Foundry Employees

The object of this project, which ceased at the end of last year, was to provide The European Foundry Industry access to well-educated personnel in order to maintain and develop its global competitiveness.

## 17. RELATED PARTY DISCLOSURES

During the year membership subscription fees totalling £2,479 (2019: £2,346) which include free subscriptions to the value of £166 (2019:£166) were received from the Trustees of the Charity. This was in accordance with the normal specific membership rates for each individual.

The charity also received nil (2019:£541) which includes free places to the value of nil (2019:£199) from the Trustees of the Charity from ticket sales relating to the awards and fellows lunch events held in the year.

Travel expenses totalling nil (2019:£454) were repaid to three trustees.

### TCAST LTD

A company in which T Ayre, a Trustee of the charity, is a director and shareholder.

During the year an amount of £1,637 (2019:£11,516) was paid to the related party for a development project and related travel expenses.

### Foundry Equipment and Supplies Association Ltd.

A company in which S Hill and Mrs L Postle, trustees of the charity, and A Turner spouse of Mrs L Postle, are directors.

During the year the charity paid membership fees of £250 (2019:£700) to the related party.

# INSTITUTE OF CAST METALS ENGINEERS

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2020

### 17. RELATED PARTY DISCLOSURES-continued

#### Foundry Trade Journal Ltd

A company in which Mrs L Postle, trustee of the charity, and her spouse A Turner, are directors and shareholders.

During the year the charity paid £56,925 (2019:£54,964) to Foundry Trade Journal Ltd. These monies were paid in relation to the production and distribution of the Foundry Trade Journal and advertising in the year book. This transaction was conducted on an arm's length basis and ratified by all trustees.

	2020 £	2019 £
Amount due to related party	<u>-</u>	<u>5,692</u>

#### WORLD FOUNDRY ORGANISATION LTD

A company in which A Turner is General Secretary and Mrs L Postle, a trustee of the charity, is Assistant Secretary.

During the year the charity paid £1,725 (2019:£1,725) for membership fees.

	2020 £	2019 £
Amount due from related party	<u>-</u>	<u>237</u>

#### Foundry Training Services Ltd

A company in which J W Townsend, a trustee of the charity, is a director.

During the year the Charity recharged overhead costs totalling £7,826 (2019: £8,553) and paid nil (2019: £4,298) towards training costs to the related party. The Charity further advanced the related party £3,504 (2019:£90,202).

	2020 £	2019 £
Amount due from related party	<u>120,785</u>	<u>114,449</u>

The above loan is interest free and repayable in ad hoc instalments of principal on a quarterly basis commencing the end of March 2022 and continuing until December 2034.

### 18. OPERATING LEASE COMMITMENTS

At 31<sup>st</sup> December 2020, the Charity was committed to total future minimum lease payments under non-cancellable operating leases follows:-

	2020 £	2019 £
Within one year	6,578	6,578
Between two and five years	13,156	19,735

# INSTITUTE OF CAST METALS ENGINEERS

## TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2020

	2020 £	2019 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Sponsorship	<u>150</u>	<u>900</u>
<b>Investment income</b>		
Quoted securities	14,386	17,251
Bank interest	<u>-</u>	<u>4</u>
	14,386	17,255
<b>Charitable activities</b>		
Membership subscriptions	62,658	78,299
Publications	-	707
Grant	2,313	31,008
Training Services	462	54,009
Other income	<u>4,836</u>	<u>10,970</u>
	70,269	174,993
<b>Total incoming resources</b>	<u>84,805</u>	<u>193,148</u>
<b>EXPENDITURE</b>		
Wages	72,963	65,411
Social security	1,783	2,282
Pensions	6,155	5,887
Telephone	556	373
Postage and stationery	3,777	5,387
Professional and consultancy	10,155	12,933
Engineering council fees	3,224	6,207
Contributions to branches	1,521	9,426
Training Services	14	46,915
Establishment expenses	12,902	16,745
Other office expenses	14,840	15,457
Cleefe project	6,525	11,386
EPA development costs	12,947	-
Institute awards	562	6,553
Exhibition and travel	275	4,567
Distribution of trade journal	56,925	54,464
Secretarial support costs	6,563	11,729
Depreciation	1,854	4,680
Profit on sale of intangibles	<u>-</u>	<u>(7,500)</u>
	213,541	272,902
<b>SUPPORT COSTS</b>		
<b>Finance</b>		
Bank charges	<u>2,148</u>	<u>2,074</u>
<b>Governance cost</b>		
Auditors' remuneration	4,800	4,000
Council, committee and staff expenses	1,990	5,116
Bad debts	<u>651</u>	<u>(1,215)</u>
	7,441	7,901
<b>Total resources expended</b>	<u>223,130</u>	<u>282,877</u>
<b>Net expenditure before gains and losses</b>	(138,325)	(89,729)
<b>Realised recognised gains and losses</b>		
Realised gains on fixed asset investments	<u>48,274</u>	<u>114,845</u>
<b>Net (expenditure)/income</b>	<u>(90,051)</u>	<u>25,116</u>