

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021
FOR
INSTITUTE OF CAST METALS ENGINEERS**

INSTITUTE OF CAST METALS ENGINEERS

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INSTITUTE OF CAST METALS ENGINEERS
COMPANY INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2021

TRUSTEES:

Principal Officers

Mr L Jenkins	National President
Mr R Bell	Senior Vice President
Mr M J Dudley	Junior Vice President -appointed 15/5/21
Mr T Stevenson	Honorary Treasurer
Mr S Hill	Immediate past President
Mr T Ayre	Past President

Elected Members

Mr S Alexander
Mr A Bennett
Mr K Collins
Mr J Coughtrie
Mr D Douglas
Mr A Evans
Mrs L Postle
Mr A Sartorius
Mr I Shergold – resigned 10/3/21
Mr M Sutton

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 2021

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 2021. 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 2019).

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 now an Affiliate of the Engineering Council to achieve these objectives. It also promotes lectures, webinars and seminars to members.

During 2021 the Institute of Cast Metals Engineers has continued 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.

During 2021 some branches were fortunate to be able to host some technical events, but most branch and national events unfortunately were cancelled. Some regional branches 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/ plus a number of national webinars were held and recordings of these have been made available to members. Gratitude is expressed to all those that have hosted and continue to host and organise events on behalf of the Institute.

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 Metals 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 Purposes committee continues to support and signpost training requirements in the sector. Furthermore, some of 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. 59 new members were recruited to ICME in 2021.

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) 2019.

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 2021

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 membership subscriptions (£65K) for the year to the 31st December 2021. There was also income of £10.6K from investment returns.

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 15% and 85% 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 31st December 2021 would be sufficient reserves held. This policy is reviewed each year by the Trustees.

At the year end the charity held reserves totalling £630,547 made up as follows, restricted reserves £32,926 and unrestricted reserves £597,621. 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. ICME has gained approval as an End Point Assessment Organisation with Ofqual, providing an EPA service for apprentices completing their Level 3 Metal Casting, Foundry and Patternmaking and plans to offer additional leadership and management courses as well as technical programmes.

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 25th November 1921. On the 11th 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 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 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 2021

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.

Pam Murrell, alongside the Cast Metals Federation team, oversees the day to day running of the Institute, via a support contract. Amy Worrallo is the End-point Assessment Quality Manager 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 TRUSTEES' 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;
- 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 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 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.

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.

Going concern

Trustees have a reasonable expectation that the company will continue in operational existence for the foreseeable future (12 months after signing this report) and have therefore, used the going concern basis in preparing the financial statements.

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: 9th May 2022

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 2021 which comprise the Statement of Financial Activities, the Statement of Financial position, 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 company's affairs as at 31st December 2021 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 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information in the Report of the Trustees 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 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 Report of the Trustees (incorporating the Directors Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Director 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 Directors.

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 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' exemption in preparing the Report of the Directors.

Responsibilities of trustees

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

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

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 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.

The extent to which our procedures can detect irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified laws and regulations applicable to the company, including through discussions with the directors
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements, including Companies Act 2006, tax legislation and data protection, anti-bribery, anti-money laundering, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with laws and regulations identified above through making enquiries of management, inspecting correspondence and other company records; and
- identified laws and regulations which were communicated within the audit team regularly and the team remained alert to instance of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

To address the risk of fraud through management bias and override of controls, we:

- tested nominal ledger entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

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

Date: 12th May 2022

INSTITUTE OF CAST METALS ENGINEERS
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations	4	900	-	900	150
Charitable activities					
Core	5	65,646	-	65,646	62,658
Publications	5	179	-	179	-
Training Services	5	-	-	-	462
Grants	5	1,091	-	1,091	2,313
Other income	5	4,336	-	4,336	4,836
Investment income	6	<u>10,496</u>	<u>188</u>	<u>10,684</u>	<u>14,386</u>
Total Income		<u>82,648</u>	<u>188</u>	<u>82,836</u>	<u>84,805</u>
EXPENDITURE ON					
Charitable activities					
Core	7	204,789	452	205,241	223,116
Training Services	7	<u>-</u>	<u>-</u>	<u>-</u>	<u>14</u>
Total expenditure		<u>204,789</u>	<u>452</u>	<u>205,241</u>	<u>223,130</u>
Net gains/(losses) on investments		<u>57,477</u>	<u>(69)</u>	<u>57,408</u>	<u>48,274</u>
NET EXPENDITURE		(64,664)	(333)	(64,997)	(90,051)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>662,285</u>	<u>33,259</u>	<u>695,544</u>	<u>785,595</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>597,621</u></u>	<u><u>32,926</u></u>	<u><u>630,547</u></u>	<u><u>695,544</u></u>

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

**STATEMENT OF FINANCIAL POSITION
31ST DECEMBER 2021**

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Intangible assets	9	-	-	-	-
Tangible assets	10	3,295	-	3,295	978
Investments	11	<u>481,248</u>	<u>26,416</u>	<u>507,664</u>	<u>564,373</u>
		<u>484,543</u>	<u>26,416</u>	<u>510,959</u>	<u>565,351</u>
CURRENT ASSETS					
Stocks	12	27	3,081	3,108	2,446
Debtors	13	128,236	-	128,236	147,548
Cash at bank and in hand	14	<u>16,631</u>	<u>3,429</u>	<u>20,060</u>	<u>12,180</u>
		<u>144,894</u>	<u>6,510</u>	<u>151,404</u>	<u>162,174</u>
CREDITORS					
Amounts falling due within one year	15	<u>(31,816)</u>	<u>-</u>	<u>(31,816)</u>	<u>(31,981)</u>
NET CURRENT ASSETS		<u>113,078</u>	<u>6,510</u>	<u>119,588</u>	<u>130,193</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>597,621</u>	<u>32,926</u>	<u>630,547</u>	<u>695,544</u>
FUNDS	16				
Unrestricted funds				597,621	662,285
Restricted funds				<u>32,926</u>	<u>33,259</u>
				<u>630,547</u>	<u>695,544</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 9th May 2022 and were signed by:

Trustee – Lee Jenkins 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 2021**

	Retained Earnings £	Prize & Medal fund £	John Campbell award £	Total equity £
Balance at 1st January 2020	753,107	26,442	6,046	785,595
Changes in equity				
Total comprehensive income	<u>(90,822)</u>	<u>541</u>	<u>230</u>	<u>(90,051)</u>
Balance at 31st December 2020	<u>662,285</u>	<u>26,983</u>	<u>6,276</u>	<u>695,544</u>
Changes in equity				
Total comprehensive income	<u>(64,664)</u>	<u>(583)</u>	<u>250</u>	<u>(64,997)</u>
Balance at 31st December 2021	<u><u>597,621</u></u>	<u><u>26,400</u></u>	<u><u>6,526</u></u>	<u><u>630,547</u></u>

INSTITUTE OF CAST METALS ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

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 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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.

Loans

Loans made to a third party are interest free and are made to advance charitable purposes. The loan is repayable on demand and is measured at cost, less impairment.

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 2021

1. ACCOUNTING POLICIES - continued

Government grants

Grants received as a result of the COVID 19 pandemic, in respect of furloughed employees are recognised immediately in profit and loss and are included within other income.

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 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.

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 2.8 (2020 – 3.5).

STAFF COSTS

	2021	2020
	£	£
Wages and salaries	74,417	72,963
Social security costs	1,423	1,783
Other pension costs	5,308	6,155
	<u>81,148</u>	<u>80,901</u>

Total redundancy payments amount to £14,919 (2020: nil) and related to two members of staff.

No employees received emoluments more than £60,000.

Employer pension contributions amounted to £5,308 (2020: £6,155), the outstanding balance at the year-end is £nil (2020: £795).

TRUSTEES REMUNERATION

The trustees neither received nor waived any remuneration during the year (2020: nil).

INSTITUTE OF CAST METALS ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2021

3. NET MOVEMENT IN FUNDS

The net movement in funds is stated after charging:

	2021	2020
	£	£
Operating lease costs	2,192	2,192
Auditors' remuneration:		
In their capacity as auditors	5,000	4,800
Other financial services	<u>11,528</u>	<u>9,520</u>

4. DONATIONS

	2021	2020
	£	£
Sponsorship	<u>900</u>	<u>150</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021	2020
		£	£
Membership subscriptions	Core	65,646	62,658
Publications	Core	179	-
Grant income	Core	1,091	2,313
Training services	Training activities	-	462
Miscellaneous income	Core	<u>4,336</u>	<u>4,836</u>
		<u>71,252</u>	<u>70,269</u>

Grant income includes £1,091 (2020: £1,973) 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.

6. INVESTMENT INCOME

	2021	2020
	£	£
Quoted securities	<u>10,684</u>	<u>14,386</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs see note 8	Totals
	£	£	£
Core	<u>196,691</u>	<u>8,550</u>	<u>205,241</u>

INSTITUTE OF CAST METALS ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31ST DECEMBER 2021**

8. SUPPORT COSTS

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

	2021	2020
	Core	Core
	£	£
Bank Charges	2,547	2,148
Governance costs	<u>6,003</u>	<u>7,441</u>
	<u><u>8,550</u></u>	<u><u>9,589</u></u>

Included within governance costs is audit fees amounting to £5,000 (2020: £4,800).

9. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1st January 2021 and 31st December 2021	<u>73,808</u>
AMORTISATION	
At 1st January 2021 and 31st December 2021	<u>73,808</u>
NET BOOK VALUE	
At 31st December 2021	<u><u>-</u></u>
At 31st December 2020	<u><u>-</u></u>

INSTITUTE OF CAST METALS ENGINEERS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021**

10. TANGIBLE FIXED ASSETS

**Fixtures
and
fittings
£**

COST

At 1st January 2021

60,941

Additions

2,758

At 31st December 2021

63,699

DEPRECIATION

At 1st January 2021

59,963

Charge for year

441

At 31st December 2021

60,404

NET BOOK VALUE

At 31st December 2021

3,295

At 31st December 2020

978

Included within tangible fixed assets are restricted assets with a carrying value of nil (2020: £nil)

11. FIXED ASSET INVESTMENTS

Investments were as follows:

	2021	2020
	£	£
Prize & medal fund investment	26,416	26,298
BG fund B investments	<u>481,248</u>	<u>538,075</u>
	<u>507,664</u>	<u>564,373</u>

INSTITUTE OF CAST METALS ENGINEERS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021**

11. FIXED ASSET INVESTMENTS - continued

Additional information as follows:

	Listed investments £
MARKET VALUE	
At 1st January 2020	538,075
Additions	9,609
Disposals	(124,800)
Revaluation	<u>58,364</u>
At 31 st December 2021	<u><u>481,248</u></u>
NET BOOK VALUE	
At 31st December 2021	<u><u>481,248</u></u>
At 31st December 2020	<u><u>538,075</u></u>

There were no investment assets outside the UK.

Investments (neither listed or unlisted) were as follows:

	2021 £	2020 £
Managed unit trust fund	<u><u>26,416</u></u>	<u><u>22,298</u></u>

12. STOCKS

	2021 £	2020 £
Stocks	<u><u>3,108</u></u>	<u><u>2,446</u></u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	9,416	8,427
Other debtors	113,016	133,805
Prepayments and accrued income	<u><u>5,804</u></u>	<u><u>5,316</u></u>
	<u><u>128,236</u></u>	<u><u>147,548</u></u>

INSTITUTE OF CAST METALS ENGINEERS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021**

14. CASH AT BANK AND IN HAND

	2021	2020
	£	£
Bank current account	19,096	10,759
Bank membership account	430	685
Coat of Arms	165	165
Currency floats	161	161
Paypal	143	345
Young foundrymen account	57	57
Petty cash	8	8
	<u>20,060</u>	<u>12,180</u>

	2021	2020
	£	£
	General fund	Restricted fund
	£	£
Cash in hand	8	-
Current account	<u>16,623</u>	<u>3,429</u>
	<u>16,631</u>	<u>3,429</u>
	<u>20,052</u>	<u>12,172</u>
	<u>20,060</u>	<u>12,180</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	7,290	-
Social security and other taxes	-	355
VAT	7,443	7,840
Other creditors	3,477	3,859
Accruals and deferred income	<u>13,606</u>	<u>19,927</u>
	<u>31,816</u>	<u>31,981</u>

INSTITUTE OF CAST METALS ENGINEERS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021**

16. RESERVES

MOVEMENT IN FUNDS

	At 1.1.2021	Net movement in funds	At 31.12.2021
Unrestricted funds			
General fund	662,285	(64,664)	597,621
Restricted funds			
The John Campbell Fund	6,276	250	6,526
Prize & Medal Fund	<u>26,983</u>	<u>(583)</u>	<u>26,400</u>
	33,259	(333)	32,926
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>695,544</u>	<u>(64,997)</u>	<u>630,547</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	82,648	(204,789)	57,477	(64,664)
Restricted funds				
The John Campbell fund	48	-	202	250
Prize & Medal fund	<u>140</u>	<u>(452)</u>	<u>(271)</u>	<u>(583)</u>
	188	(452)	(69)	(333)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>82,836</u>	<u>(205,241)</u>	<u>57,408</u>	<u>(64,997)</u>

Comparatives for movement in funds

	At 1.1.2020	Net movement in funds	At 31.12.2020
Unrestricted funds			
General fund	753,107	(90,822)	662,285
Restricted funds			
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
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>785,595</u>	<u>(90,051)</u>	<u>695,544</u>

INSTITUTE OF CAST METALS ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2021

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	84,485	(222,716)	47,409	(90,822)
Restricted funds				
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
	<u>84,805</u>	<u>(223,130)</u>	<u>48,274</u>	<u>(90,051)</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.

17. RELATED PARTY DISCLOSURES

During the year membership subscription fees totalling £2,381 (2020: £2,479), which include free subscriptions to the value of £332 (2020: £166), were received from the Trustees of the Charity. This was in accordance with the normal specific membership rates for each individual.

Travel expenses totalling £445 (2020: nil) were paid to a trustee and the balance outstanding at 31st December 2021 was £445 (2020: nil).

TCAST LTD

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

During the year an amount of nil (2020: £1,637) 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 (2020: £250) to the related party.

INSTITUTE OF CAST METALS ENGINEERS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021**

17. RELATED PARTY DISCLOSURES-continued

Foundry Trade Journal Ltd

A company in which Ms L Postle, trustee of the charity, is a director and shareholder.

During the year the charity paid £45,000 (2020: £56,925) 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 yearbook. This transaction was conducted on an arm's length basis and ratified by all trustees.

World Foundry Organisation Ltd

A company in which Ms L Postle, a trustee of the charity, is Assistant Secretary.

During the year the charity paid £1,725 (2020: £1,725) for membership fees.

18. OPERATING LEASE COMMITMENTS

At 31st December 2021, the Charity was committed to total future minimum lease payments under non-cancellable operating leases follows: -

	2021	2020
	£	£
Within one year	6,578	6,578
Between two and five years	6,578	13,156

INSTITUTE OF CAST METALS ENGINEERS
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2021

	2021		2020	
	£	£	£	£
INCOME AND ENDOWMENTS				
Donations and legacies				
Sponsorship	900		150	
Investment income				
Quoted securities	10,684		14,386	
Charitable Activities				
Membership subscriptions	65,646		62,658	
Publications	179		-	
Grant	1,091		2,313	
Training Services	-		462	
Miscellaneous income	4,336		4,836	
	<u>71,252</u>	82,836	<u>70,269</u>	84,805
EXPENDITURE				
Wages	74,417		72,963	
Social Security costs	1423		1,783	
Pensions	5,308		6,155	
Telephone	679		556	
Postage and stationery	5,225		3,777	
Professional and consultancy	11,563		10,155	
Engineering council fees	4,481		3,224	
Contribution to branches	(67)		1,521	
Training Services	-		14	
Establishment expenses	13,451		12,902	
Other office expenses	19,306		14,840	
Cost of publications	1,470		-	
Cleefe project costs	-		6,525	
EPA development costs	6,781		12,947	
Institute awards	843		562	
Exhibition and travel	745		275	
Cost of FTJ journal	45,000		56,925	
Secretarial support costs	5,625		6,563	
Depreciation	441		1,854	
		<u>196,691</u>		<u>213,541</u>
Finance				
Bank charges	2,547		2,148	
		<u>2,547</u>		<u>2,148</u>
Governance cost				
Auditors' remuneration	5,000		4,800	
Council, committee and staff expenses	1,003		1,990	
Bad debts	-		651	
		<u>6,003</u>		<u>7,441</u>
Total resources expended		(205,241)		(223,130)
Net Expenditure before gains and losses		(122,405)		(138,325)
Realised gains on fixed asset investments		<u>57,408</u>		<u>48,274</u>
Net Expenditure		(64,997)		(90,051)