

REGISTERED COMPANY NUMBER: 00969051 (England and Wales)

REGISTERED CHARITY NUMBER: 260666

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED**

**THE BRITISH INSTITUTE OF NON-DESTRUCTIVE
TESTING LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees 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 (FRS 102) (effective 1 January 2019).

BINDT Mission and Mission Scope

This is encapsulated in BINDT's 'charitable objects', which are listed in the BINDT Articles of Association, the principal one of which is:

To promote the advancement of the science and practice of non-destructive testing, condition monitoring, diagnostic engineering and all other associated materials and quality testing disciplines.

What is immediately clear from the mission is that BINDT is relatively unconstrained: the mission goes beyond the engineering discipline of NDT and does not apply only to the UK.

Regarding engineering disciplines, BINDT has taken a position whereat it sees NDT, CM and Structural Health Monitoring (SHM), or perhaps 'Health Monitoring' per se, as three sides of the same thing.

In other words, whereas BINDT aims to provide a 'platform for leadership' and to provide 'education and professional development' products and services to its stakeholders, those stakeholders primarily (but not exclusively) identify themselves with the engineering disciplines of NDT, CM and SHM. Therefore, the term 'NDT' should generally be taken to mean 'NDT, CM, SHM, diagnostic engineering and all other associated materials and quality testing disciplines'.

Regarding internationality, at the time of writing, over 50% of BINDT's income is derived from products and services provided overseas, or to people or organisations based overseas, either directly or through BINDT's partners such as Authorised Qualification Bodies (AQBs).

Public Benefit

As a UK Registered Charity, BINDT must demonstrably provide a benefit to the public: again, not constrained to UK-based public.

The benefits to the public can be summarised as follows:

Facilitating the education and professional development of people in NDT results in:

- Safer plant and equipment.
- More reliable plant and equipment, and improved environmental impact.
- Growth, in economic terms.

BINDT Propositions and Capabilities

BINDT's 'structure for growth', implemented in 2015, is based around BINDT's 12 propositions and capabilities and is summarised in BINDT's Bye-law No.2. The 12 propositions and capabilities are as follows (noting that the 8 propositions through which products and services are provided to customers are *italicised*):

- Marketing and Public Relations
- *Awards and Recognition*
- *Branch Meetings*
- *Certification*
- *Conferences and Events*
- *Education and Professional Development (including the development of apprenticeship schemes)*
- *Membership (of BINDT)*
- *Publications and Media*

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- *Registration (of engineers and technicians with the Engineering Council)*
- IT
- Establishment (people, facilities and premises)
- Partnerships (with organisations that enhance BINDT's capabilities)

These can be considered to be the 12 things at which BINDT aims to be world class.

Increasingly, BINDT products and services should and will be delivered in bundles. For example, a person undertaking one of the Non-Destructive Testing apprenticeship schemes may engage with all of the following BINDT propositions during the process:

- Certification
- Membership
- Registration
- Education and Professional Development (with respect to end point assessment)
- Awards and Recognition (as we will recognise/award outstanding apprentices)

BINDT's Value Proposition

The reasons, based on a survey of members, that people and organisations choose to engage with BINDT can be summarised as follows:

- Professional Recognition:
 - For individuals, this includes:
 - Membership Certificate (demonstrating commitment).
 - Access to engineer registration through the Engineering Council (demonstrating competence).
 - Use of post-nominal letters.
 - Access to BINDT's Education and Professional Development (EPD) facility – complementing/enhancing BINDT's Certification proposition.
 - Access to BINDT recognition and awards.
 - For organisations, this includes:
 - Membership Certificate (demonstrating commitment).
 - Use of logo on stationery.
 - Identification as part of a well-respected cohort.
 - Access to BINDT recognition and rewards.
- Business Benefits:
 - For individuals and organisations, this includes:
 - Networking.
 - Professional Indemnity Insurance referral.
 - Legal helpline.
- Information Exchange:
 - For individuals, this includes:
 - Insight, NDT News, IJCM and Condition Monitor.
 - Yearbook and Branch Booklet.
 - Conferences, symposia, seminars, workshops.
 - Members' area on website.
 - Branch meetings.
 - For organisations, this includes:
 - Exhibitions.
 - Entry in the Yearbook.
- Leadership:
 - For individuals, this includes:
 - Participation in the governance of BINDT.
 - Participation in the work of BINDT (committees/work groups).
 - Personal professional development arising from participation.

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- For organisations, this includes:
 - Influence the governance of BINDT
 - Influence the work of BINDT.
 - Outlet for 'Thought Leadership' - improve standing in the marketplace.
- Discounts:
 - For individuals, this includes:
 - Conferences.
 - Books.
 - For organisations, this includes exhibitions.

The above list outlines the value of engaging with BINDT through its Membership proposition, which can be considered a proxy for the value of engaging with any one or combination of BINDT's propositions.

It is perhaps worth articulating the high-level value proposition for any individual or organisation engaging with BINDT in any way. That is:

- Individuals engage with BINDT in order to develop professionally (i.e. to create, maintain and demonstrate their proficiency) which may include developing their leadership skills by getting involved in the governance of BINDT.
- Organisations engage with BINDT because BINDT's pursuit of its mission results in more or better business for them, directly or indirectly, especially over the longer-term, and especially if the respective organisation chooses to proactively influence developments by enabling their employees to get involved in the governance of BINDT.

BINDT's Vision

Broadly, BINDT aspires to:

- Significantly increase **engagement**.
- Demonstrably increase **diversity** across the board resulting in 'flatter' engagement profiles, and proportionately increase engagement with:
 - Under-represented cohorts such as 'practitioners', 'end-users', regulators, insurers and other 'policy-makers'.
 - Women and other people from (what in the UK are considered) ethnic minorities.
 - People in the Condition Monitoring and 'Health Monitoring' communities.
- Continuously improve service, quality and technical **standards**.
- Control risk (financial, reputational, health & safety and environmental) and thereby maintain BINDT's **sustainability**.

The means to these ends include:

- Demonstrable and universally recognised impartiality (minimal unconscious bias).
- Understanding our stakeholders' perceptions of us and our 8 propositions.
- Having a reliable means for determining our engagement profiles.
- Compelling propositions that clearly add value and are easy to engage with.
- Able to identify all of our stakeholders and how they engage with us.
- Able to communicate with our stakeholders in specific targeted cohorts.
- Suitably qualified and experienced personnel (SQEP): secretariat and governance.
- High degree of employee engagement.
- Sufficient 'operational' staff and facilities to deliver goods and services.
- Make a reasonable 'operating surplus' each year.
- Sustainably re-invest 'excess' surplus funds in 'projects' (as per the strategic plan).
- Sufficient 'projects' staff, other resources and facilities to make reasonable progress on 'projects'.
- Premises at Midsummer House, Northampton.
- An effective and comprehensive Business Management System.
- Leadership and significant influence in the European Federation of Non-Destructive Testing (EFNDT) and the International Committee for Non-Destructive Testing (ICNDT).
- Partnerships with similar organisations in the UK and overseas.

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BINDT Structure, Governance and Management

BINDT is structured around its 12 propositions and capabilities, thereby putting the beneficiaries (the public, BINDT Members and other stakeholders) at the heart of the structure.

The secretariat is organised around four operating departments (Publishing, Media & Marketing; Conferences and Events; Certification; Membership and Registration) supported by a number of 'overhead' functions such as accounts, facilities management, quality control, etc. (See Figure 1). It is led by a Chief Executive Officer and a group of senior staff, known collectively as the Staff Executive, who have responsibility for the day-to-day running of the Institute.

Operations and execution of the strategic plan are overseen by committees of volunteers/members. The Staff Executive and the oversight committees report to a Council of volunteer/member Trustees/Directors. Council has overall responsibility for the governance, leadership and management of the Institute.

BINDT's Council also has a number of additional specific committees that report to it such as the Governance Advisory Committee.

New members of Council (i.e. new trustees) undergo an induction process to brief them on their legal responsibilities, etc.

The Institute is controlled by its governing document, its Articles of Association, and a series of bye-laws. BINDT is a limited company, as well as a UK-registered charity, limited by guarantee as defined by the Companies Act 2006.

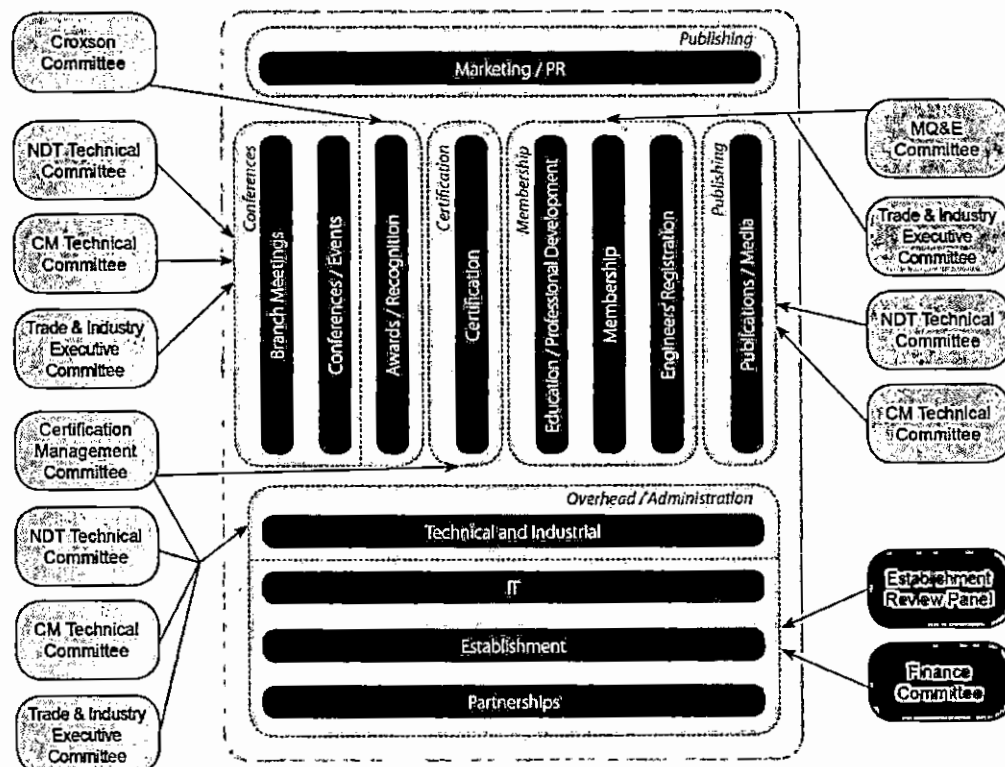


Figure 1. The Institute's eight propositions showing committee oversight (2020)

More information can be found on BINDT's web site at:
<http://www.bindt.org/about-us/Institute-Organisation>

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Appointment of trustees/directors

Extract from Articles of Association (Rev 10 September 2020):

31. The Institute may by ordinary resolution:
- (1) appoint a person who is willing to be a director; and
 - (2) determine the rotation in which any additional directors are to retire.
32. Not less than three calendar months prior to the Annual General Meeting in each year the Institute's Council shall send to each member entitled to vote a list of Directors who are due to retire at the end of the year and who are eligible or ineligible (as the case may be) for re-election together with a list of other members eligible to be appointed a director, if any, nominated by them for election to the Institute's Council (Board of Directors).
33. After the issue of the Council's list referred to in paragraph 32 and not later than three weeks after such notification, any three members who are entitled to vote at all Ordinary Meetings, Annual General Meetings and Extraordinary General Meetings of the Institute may nominate any other duly qualified person to fill any such vacancy other than that of President, President-Elect, Vice-President, Hon Treasurer or Hon Secretary who shall be nominated by the Council only, by delivering such nomination in writing to the Council together with the written consent of the nominee to accept office if elected.
- 34.
- (1) The directors may appoint a person who is willing to be a director to fill any vacancy arising.
 - (2) A director appointed by a resolution of the other directors must retire at the next annual general meeting and must not be taken into account in determining the directors who are to retire by rotation.
35. When a person is elected by a branch of the Institute at the branch AGM to represent that branch on the Council, the elected representative shall, if they are not already a director, automatically be appointed a director of the Institute for the duration of their period of office representing the branch. A director appointed in this way becomes a full voting member of Council. Such representatives are to be elected in accordance with the Institute's Bye-Laws in force from time to time. It is, however, not compulsory for a branch AGM to include the election of a representative to Council.
36. When a person is elected chair of any one of the 5 committees identified below at 36(i)-(v), the committee chair shall, if they are not already a director, automatically be appointed a director of the Institute for the duration of their chairmanship of the committee. A director appointed in this way becomes a full voting member of Council. Such chairpersons are to be elected by their committee in accordance with the secret ballot method as outlined in the Institute's Bye-Laws in force from time to time. The selected committees for the purpose of this article 36 are as follows:
- i. the Membership, Qualification & Education Committee;
 - ii. the NDT Technical Committee;
 - iii. the CM Technical Committee;
 - iv. the Certification Management Committee; and
 - v. the Industry Group Executive Committee.
37. The appointment of a director, whether by the Institute in general meeting or by the other directors, must not cause the number of directors to exceed any number fixed as the maximum number of directors.

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Arrangements for setting pay and remuneration of key management personnel

Extract from Bye-Law No. 2 (Rev 16 September 2019):

1. Finance Committee and Establishment Review Panel (ERP)

1.1 The composition of the Finance Committee shall be:

President
President-Elect
Immediate Past-President
Honorary Secretary
Honorary Treasurer
Institute CEO

Head of Finance & Planning (non-voting)
PA to the CEO (minute secretary – non-voting)
Representative from Institute's Accountants (non-voting)

The members of the Finance Committee, excluding the representative from the Institute's Accountant, also form the **Establishment Review Panel (ERP)** which has responsibility for reviewing and agreeing any and all material changes in:

- 1.5.1 Staff headcount and/or number of full time equivalents (FTEs)
- 1.5.2 Staff salaries, bonus payments, pension and other employment benefits
- 1.5.3 Staff organisation chart
- 1.5.4 Institute's premises and/or facilities
- 1.5.5 Insurance cover
- 1.5.6 Operational matters
- 1.5.7 Review of partnerships
- 1.5.8 Other matters as required

Note: In the event where discussions are about the CEO or are in some way materially connected to the CEO, the CEO will leave the meeting until such time as the discussions have been concluded.

The CEO conducts twice-yearly performance reviews of the Heads of Departments and senior staff that comprise the Staff Executive:

Head of Conferences & Events
Head of Finance & Planning
Head of Membership & Registration
Head of Publishing, Media & Marketing
Certification Manager
Technical Manager (Senior Technical Engineer)

The reviews are based on an established Performance and Talent Management protocol that itself is based upon achievement of objectives (KPIs). The CEO makes salary recommendations to ERP based on the results of these reviews.

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Business 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. The trustees have a risk management strategy, which comprises:

- Regular reviews of the risks that the Institute may face.
- Establishing systems and procedures to mitigate risks and minimise the potential impact on the Institute should those risks materialise.
- Documenting those risks, systems, procedures, etc. in a suite of documents that includes a health and safety risk profile, a Risk Assessment and 'Disaster' Recovery Plan and a document covering threats to impartiality.
- Continuously improving the Institute's insurance cover.
- Oversight and/or audit by external bodies to certify compliance with relevant regulations and standards.

Diversity and Inclusion

A Diversity and Inclusion Advisory Group provides guidance to BINDT Council and other committees on how to fulfil BINDT's commitment under the Royal Academy of Engineering's Engineering Diversity Concordat to which BINDT is a signatory.

BINDT has strengthened its links with various bodies, networks and initiatives including the Royal Academy of Engineering, The Engineering Council, the WISE Campaign, the Women's Engineering Society, STEMNET and InterEngineering. Although BINDT is a relatively small Professional Engineering Institute (PEI), it is participating in relevant initiatives alongside the largest PEIs.

Unconscious Bias (UB) training has been provided to trustees will be rolled-out through the Institute's governance and management structure going forward.

Through various media, BINDT continues to influence its stakeholders to adopt BINDT's position that NDT, Condition Monitoring (CM) and Structural Health Monitoring (SHM) – or Health Monitoring per se – are three sides of the same thing, which is an element of BINDT's diversity and inclusion practice.

In recent years, the BINDT membership proposition has been adapted so as to become more inclusive to help ensure that a diversity and inclusion mind-set will prevail in all that we do, including NDT Apprenticeships, Engineering Council Registration, the work of the Practitioner Committee and awards and recognition, to name just a few examples.

Marketing and public relations

The marketing team continues to work to promote the Institute, and NDT, CM and SHM in general, in a number of ways. In particular, the team provides appropriate support, and aims to apply consistency of format and message, to all areas of the Institute's business and endeavours to solicit and implement ideas and requirements from the various committees.

A member of the marketing team continues to attend the meetings of all main committees, and those of a number of sub-committees, working groups and advisory groups, to provide marketing support directly, allowing for effective planning and resourcing and therefore a better outcome for the Institute. Oversight of the marketing strategy and activities undertaken is the responsibility of Council.

As a direct result of the Covid-19 pandemic, some planned marketing activities were temporarily interrupted, for example due to the cancellation of physical events. However, the team continued to successfully deliver its digital activities and worldwide engagement through its various channels was seen to increase.

A member of the marketing team resigned her position as Marketing & PR Assistant, leaving the Institute in May 2020. Recruitment of a replacement will get underway in 2021.

Some of the highlights of the year's marketing and PR activities include:

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- A series of essential communications were distributed via the website, email and social media platforms to inform members and PCN certificate holders of the Institute's response to the Covid-19 pandemic, notably in relation to the effect on PCN certification.
- Promotion of Institute events continued, particularly the NDT 2020 Conference (replaced with the NDT 2020 Webinar Week), CM 2020 Conference*, Aerospace Event and Workshop 2020*, Workshop on Multicopters for Inspection*, Workshop on NDT for Heritage Railway Boilers, Workshop on NDT/SHM/CM and Structural Integrity Requirements for Industry 4.0, Workshop on Marine Composites Inspection and the Scottish Branch's Reliability of NDT Webinar and Burns' Supper, with materials and communications reworked and adapted as required as the pandemic situation developed.
**Postponed to 2021*
- Branding and promotion of the newly created NDT 2020 Webinar Week event was successfully completed and rolled out in a short timeframe.
- Branch meetings continued to be widely promoted via the BINDT website, Branch Meetings booklet, *NDT News*, regular direct emails to Institute members and through the Institute's social media channels.
- Promotion of the NDT apprenticeship schemes continued, with the production of further supporting documentation and internal and external advertising placed in print and online.
- Three editorial articles relating to NDT/CM and BINDT were written in-house and circulated. A report following the success of the NDT 2020 Webinar Week was published in *NDT News*, an article titled: 'Industry 4.0 and the future landscape of the NDT, CM and SHM communities' was published in IP&E's *Maintenance Management Guide 2020-21* and an article titled: 'How NDT is driving the engineering profession towards a diverse and inclusive future' was published in the 2021 edition of *The Apprenticeship Guide*.
- The Institute's internet and social media presence was maintained and promoted and engagement increased through all channels. We now have almost 24,000 followers on LinkedIn, over 5300 on Facebook and 2800 on Twitter. Over the year, although visitors to the BINDT website had declined on the previous year, we had over 375,000 visit sessions on the BINDT website, from almost 235,000 users viewing our website pages 1,191,000 times.
- The Institute's social media activity included participation in various national campaigns, including World Engineering Day for Sustainable Development, This is Engineering, Tomorrow's Engineers, INWED and National Apprenticeships Week.
- Continued advertising of the four Institute apps resulted in an increase in downloads: the NDT Reference app has now been downloaded by over 43,000 users, NDT News by over 14,000 users, NDT Events by 2700 and PCN Verifier by almost 7000, on both Apple and Android devices.
- An update to the style and range of membership promotional literature and application forms continued and advertising of professional engineering registration through BINDT increased, resulting in an increase in applications.
- The campaign to encourage PCN certificate holders to consider joining BINDT through a membership leaflet being mailed out with PCN certificates was temporarily halted due to remote working and the pressures on staff to get certificates mailed out in a limited timeframe. However, appropriate messages continue to be shared via our social media channels and the campaign will restart when a full physical office presence is reestablished.
- A social media campaign continued to reinforce the quality of the PCN brand worldwide and inform on the latest situation with regard to the Covid-19 pandemic and Brexit.
- Promotion of BINDT books continued and advertising materials and press releases were created for the new title: '*An Introduction to Condition Monitoring and Diagnostic Technologies*', in preparation for its launch in January 2021.
- A plan to further develop and support the Institute's outreach activities in key areas of the business (certification, apprenticeships, membership and STEM) continued.
- The UKTA was supported with the creation of new web pages and online content and the design of new promotional materials and a UKTA-branded exhibition stand was completed.
- The expansion of a 'resource library' for presentations, images and other materials continued.

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For 2021, the marketing team's priorities will be to:

- Strengthen the marketing team with the recruitment of a new member of staff into the vacant role.
- Further develop the plan to increase BINDT's outreach activities in support of the main areas of certification, membership, STEM and apprenticeships and plan the future recruitment of an additional member of staff to co-ordinate this activity.
- Promote the new book: *An Introduction to Condition Monitoring and Diagnostic Technologies*, published in January 2021, and other BINDT titles.
- Support and promote all Institute events and Branch meetings.
- Support and promote the apprenticeship schemes.
- Continue to promote BINDT membership and professional registration to new cohorts.
- Consider the additional marketing requirements for other areas of the Institute's business, including the PCN Scheme.
- Continue to expand activities to promote diversity, inclusion and equality within the Institute membership and engineering in general.
- Continue to provide marketing support and guidance to BINDT's main committees to assist them in achieving their strategic aims and ambitions.

Education, Professional Development, Membership and Engineers/Technicians Registration

The Institute's activities in these important areas are overseen by the Membership, Qualification and Education Committee (MQ&E) and its subsidiaries: the Engineering Council Working Group (ECWG) and the Education and Professional Development Committee (E&PD) and these are responsible for all membership and Engineering Council registration matters as well as education, CPD, liaison with Engineering Council and accreditation of training.

The coronavirus pandemic and the associated lockdown and social distancing measures had a direct impact on the way in which committee meetings were held. All meetings, which historically have been held on a face-to-face basis, were now held remotely using online video meeting software. This was implemented with great success – a direct result of the hard work carried out by the BINDT staff to coordinate. As such, all meetings were well attended by committee members and the meetings proved to be very efficient. It was of great importance that these meetings continued, to ensure that member applications and all current topics were discussed and to ensure that all members receive the continued support of the Institute.

Numbers of the non-fee grade of Affiliate Members continued to grow, albeit not as fast as in the year following its introduction, while full-paying voting membership grade numbers have continued to drop in 2020, but overall numbers remained steady throughout the pandemic. Various strategies to convert Affiliate grade to grades with full paying membership and voting status are being discussed.

The E&PD committee has achieved a remarkable amount over the last few years, with the development of NDT Operator, NDT Engineering Technician and NDT Engineer Apprenticeships, all of which are now well established, with over 160 people enrolled, mainly on the Operator and EngTech schemes. It was agreed that Condition Monitoring will be incorporated into the NDT apprenticeships when they are reviewed.

The pandemic and apprentices being furloughed affected the number of end-point assessments conducted in 2020. Two end-point assessments were carried out remotely with both Apprentices being awarded their Certificates at the BINDT Virtual Awards Ceremony in September. It is expected that for next couple of years, on average, there will be one end-point assessment every other week, with each one leading to membership and registration.

BINDT assisted with the end-point assessments of apprentices on the ICorr scheme. The second group of Industrial Coating Inspector Apprenticeships are progressing and the EPAs are expected mid-2021.

BINDT is still involved with the NWIT apprenticeships and will be involved in the EPAs for the 2021 cohort. BINDT is also advising the University of Northampton (UoN) team on the EPA requirements for the Level 6 apprenticeships they are now running fully under the rule change. The MSc course is progressing with a new course leader at the UoN in Professor Chris Holt.

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The ECWG continued its excellent work in managing the professional engineering registration processes for BINDT members. The number of trained Professional Review Interview (PRI) assessors is sufficient to allow BINDT to facilitate interviews at various locations with timely availability over the next two years, and it has been identified that there is a likelihood that more will be needed thereafter. However, given the robust process in place to attract and train assessors and interviewers, this is not predicted to be an issue, which is a great credit to the efforts put in by ECWG, which in itself is growing and becoming more diverse. Due to the pandemic, PRIs were held remotely, which led to an increase in the number of interviews conducted.

The Institute for Apprentices advised it would be conducting a review of all apprenticeships and will be making some changes. Considerable work will be needed to update courses and it may take up to one year to complete the review, with some of the proposed changes assessed by some quarters as being quite detrimental to the apprenticeship programmes. Ensuring that BINDT achieves the best possible outcome will take substantial negotiations in the coming year.

The CPD activities recording facility developed by MQ&E and adopted in 2018 is now embedded into the BINDT website as 'My Continuing Professional Development', allowing BINDT members to upload details of CPD activities along with supporting documents. A number of Members have volunteered to join the CPD Monitoring Scheme and submissions are periodically reviewed by members of the MQ&E committee. With CPD now mandatory to meet Engineering Council requirements, the system provides an excellent facility for personnel to record their CPD to maintain registration.

Certification (NDT and CM)

The Certification Management Committee (CMC) comprises individual volunteers from representative industry sectors and Institute staff members. Its role is to assist the Institute's Certification Services Department (CSD) to ensure the impartiality of its certification activities and to counteract any tendency to allow commercial or other considerations to prevent the consistent provision of certification activities. The CMC conducts its affairs in an open and transparent culture considering certificate holders' perspectives and aims to ensure available certification meets the specific requirements relevant to end-user requirements.

With clearly identified aims and objectives identified for 2020, Q1 started on the front foot with CSD experiencing an increase in PCN certification applications and renewals along with Technical staff continuing working on the development and updating of the certification product portfolio. However, an initial awareness of a Far East respiratory virus soon became a reality as the world became engulfed in the Covid-19 pandemic. By March 2020, the full effects were directly and significantly impacting on both BINDT and CSD.

As a result of national and international lockdowns causing the global closure of ATO/AQBs, CSD formed a Certification Task Group (CTG) with members drawn from CSD, ATO/AQBs, CMC and other interested parties to manage the situation. Meeting remotely initially on a weekly basis, the CTG worked relentlessly to provide practical solutions to the ongoing needs of the PCN certificate holders. A six-month extension of certification expiring during the lockdown period assisted holders to manage the validity of their certification, allowing them to continue working when otherwise certificates would have expired. In addition, consideration was given to PCN holders who were experiencing personal difficulties with regards to certification and exemptions were given on an individualistic basis.

The following summary gives an overview of the achievements made during 2020 set against the COVID19 backdrop:

A slight decrease in PCN NDT certificate holders was recorded during 2020, down to 20,983 (21,979 in 2019) holding a slightly lower number of qualifications 46,726 (48,319 in 2019). Accompanying NDT certification, the Condition Monitoring sector has also slightly decreased with 1,877 PCN certificate holders (2,076 in 2019) possessing 2,164 CM qualifications (2,428 in 2019).

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Complementing personal certification, 43 NDT ATOs (46 in 2019) and 21 CM ATOs (23 in 2019) organisations held Approved Training Organisation approval along with 22 AQB organisations (22 in 2019) holding Authorised Qualifying Body approval. In addition, 7 organisations (8 in 2019) held a BINDT certified Quality Management System (QMS), 15 BINDT approved Inside Agencies or Outside Agencies (18 in 2019) and 6 BINDT approved companies under RIS2701 (5 in 2019).

With reference to PCN Aerospace, the UK regulator the CAA (Civil Aviation Authority) have accepted the recently reviewed PCN Aero scheme within CAP747, GR23 for use on all G registered aircraft maintained within the UK. However, there remains doubt about PCN Aero within EU after 1 January 2021. BINDT is awaiting confirmation from EASA through the EU forum that PCN Aero will continue to be accepted. BINDT plan to outline the case for PCN Aero being accepted as an Alternative acceptable Means of Compliance (AMC) to EN4179 certification for the provision of NDT within the aerospace sector at the European Aerospace NDT Forum currently scheduled for May 2021.

With reference to the modularisation of the PCN Examinations, good progress has been made throughout 2020. CSD now believe after development work carried out for the modularisation of radiography training and examinations, that the framework structure is robust and is transferable to other NDT methods. Modules currently being developed include:

- The core knowledge module for Radiography is now complete, in draft format and out for peer review with the RT ISWG.
- Appendices documents for film and non-film radiography encompassing training and examination requirements for X, gamma, DRT, CRT, CT and radioscopy are now in draft format and out for peer review.
- The RT Z1 syllabus document is currently in work and being reviewed against the NDT Syllabus document TR25107.
- Product Technology – Use of The Materials and Processes for NDT Technology (ASNT) has been used as the source document from which all ATOs and AQBs should develop training and examination materials. Where this is not possible, question references will be provided for existing product technology questions.
- Refreshed radiation safety training modules for X and gamma, PMI, source recovery and the transportation of dangerous goods have now been completed and are now with BINDT publications for review and branding. It is hoped to have these available for Q1-2021.
- The Electromagnetic Testing working group is in possession of all draft appendices' documents for eddy current and ACFM inspection.
- The UT Working group has been provided with the following appendices documents for review: UT - General Theory Core knowledge document, UTPA appendix and syllabus documents, TOFD appendix and syllabus documents.
- The ISWG for the testing of marine composites has commenced work. The draft marine product technology document has been produced in preparation for peer review.
- Progress made with the Spanish Society for NDT on the development of underwater certification has been slow throughout 2020 due to the pandemic.

It should be noted that, although work has continued with the development of PCN Appendices documents for the above ISWGs, due to furlough and circumstance of ISWG members and the importance of ensuring their own organisation's survival, a great proportion of feedback on documentation produced remains outstanding.

PCN on-line examinations continue to be implemented in an ongoing phased approach. The next phase is to roll this out to at least 1 additional UK AQB for NDT and some CM methods. Work is continuing around the functionality of the database to improve the current system and to allow AECs (overseas) to use the online exams, with the improvement in the security of examinations overseas that this will bring. In association with the PCN on-line examinations, development progressing in rationalising the PCN administration processes through better IT systems are being implemented including migrating NDT certificates to an electronic format.

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With the deadline of exiting the EU set for 31/12/2020, CSD have been working with appropriate bodies to ensure the Pressure Equipment Directive (PED) requirements in relation to NDT certification can remain in place despite the UK no longer part of the EU. The PCN certification scheme itself, being based upon ISO9712, continues to remain valid irrespective of the UK's relationship with Europe.

Sadly, fraudulent activities continue to blight the NDT industry. A serious instance resulted in BINDT working with HSE as the matter had wider repercussions than just the individual PCN certificate holders. Although occurrences such as this are relatively rare, BINDT/CMC have a part to play in ensuring that the vast majority of inspection personnel who work with integrity and professionalism are protected from a small unethical minority who take no responsibility for their actions and bring disrepute to the NDT industry as a whole.

After chairing the CMC for four years, Mr Richard Day stood aside in December with Mr Gary Elliott taking up the post, supported by Mr Jason Taylor as Vice Chair.

Along with managing certification issues, the day-to-day activities of developing new certification documentation, internal and external auditing and administration tasks has continued against the background of working from home in isolation in order to ensure that NDT certification remains in place and valid. The above summary, all of which set against the backdrop Covid-19 and Brexit during 2020, is a remarkable achievement and true testament to the dedication and professionalism of the CSD team which, again, is gratefully acknowledged by the CMC members.

Following the tumultuous events of 2020, CSD objectives for 2021 are to work towards regaining a level of normality back in the provision of certification services to all CSD stakeholders through improved training and qualification processes whilst at the same time continue in futureproofing certification into the 2020s. The CMC membership will support the CSD in achieving these goals for the benefit of all.

Technical & Industrial

The Technical and Industrial Department offers technical support and industrial experience to the Certification Services Department of the Institute in particular and also to the Institute as a whole. It also takes responsibility for the development of online examinations and several other projects related to the development of new training and certification schemes.

Some examples of these projects, with work in progress during 2020, are as follows: Plant Engineer, Radiography, Radiation Safety, Eddy Current, Ultrasonics, Guided waves, Composites, Aerospace – a new PCN Aerospace document is scheduled to be launched early in 2021.

John Moody, Senior Technical Engineer, continues to coordinate the development of BINDT's apprenticeship schemes in conjunction with the Education & Professional Development Committee and the development of the MSc programme in conjunction with the University of Northampton.

NDT Events

2020 was a very challenging year for the Conferences and Events team due to the Covid 19 pandemic. All but one of the planned events were either postponed or moved to an on-line virtual webinar platform.

In January we supported a one-day workshop on 'NDT for the Nuclear Industry' and in the evening of the same day a Burns supper in conjunction with the Scottish Branch. Both events were held in Paisley, with numbers exceeding expectations for the Burns' supper and exhibition, this event was pre-pandemic and was held in a physical format.

The annual three-day aerospace event, which was due to take place in April at the BAWA Centre, Bristol, was postponed to 2021.

In June, the CM conference on Condition Monitoring, which was due to take place at Park Inn by Radisson London Heathrow Hotel, was postponed to 2021.

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The major event of the year was the annual NDT conference. This was held as the first inaugural webinar event and was a huge success, with all presenters giving live presentations, and a showcase of papers from RCNDE proved to be extremely popular, including a plenary. The conference had a full five-day programme of papers and over 135 delegates attended each day. The NDT exhibitors had their own sessions comprising 10-minute live demonstrations or presentations, with over 15 companies taking part.

The Advanced Engineering exhibition, which was due to take place in October, and the World Skills UK exhibition in November, were both postponed.

Delivering the 2020 conference and events programme was a huge challenge. The NDT live webinar represented a great achievement for the team; the feedback was excellent and encouraged more events to be given on-line in such difficult times.

Due to the ongoing restrictions and impact of Covid-19, BINDT has moved most events planned for 2021 on-line with only three events planned at the latter part of the year taking place in a physical format.

A full listing of the proposed virtual and physical events is in the table below.

Event	Date	Venue
Reliability of NDT webinar and virtual burns supper evening	24th January, 2021	Virtual Webinar
Aerospace Workshop	20 th April, 2021	Virtual Webinar
Aerospace Event	21 st – 22 nd April, 2021	Virtual Webinar
Aerospace Event Exhibition	21 st April, 2021	Virtual Webinar
CM Conference	14 th - 18 th June 2021	Virtual Webinar
CM Exhibition	14 th - 16 th June 2021	Virtual Webinar
NDT Conference	6 th - 10 th September 2021	Virtual Webinar
NDT 2021 Exhibition	6 th - 8 th September 2021	Virtual Webinar
Marine Composites Inspection Workshop: 'Sea' what you are missing...	13 th -14 th October 2021	Royal National Lifeboat Institution (RNLI), Poole
Workshop on structural integrity, NDT and CM requirements for Industry 4.0	19 th -20 th October 2021	MTC, Coventry
BINDT/RCNDE/CIRIA Workshop on NDT Requirements for Road and Rail Civil Structures	November 2021 Exact date TBC	Venue TBC

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NDT Publications

The Institute's NDT publications continued to be received well in 2020, both those delivered electronically and in hard-copy format.

Insight continues to be well supported by researchers and academics. Although overall there were slightly fewer technical papers being submitted to Insight in 2020, likely as a result of the Covid-19 pandemic and lockdown situations in many countries around the world interrupting research efforts for a time, 2020 saw an increased number of submissions from the UK, with papers from China continuing to be the largest source of material submitted. The standard of reviewing also remained rigorous, with accepted papers continuing to undergo a thorough assessment and fewer papers being rejected.

The number of online downloads increased, while member and pay-per-view access to articles and citations all remained steady. However, subscription income showed a small decline in 2020.

Advertising income for Insight also fell short of its budget, due to the market fluctuations and uncertainties referred to elsewhere.

NDT News saw a decline in advertising support in 2020, but maintained its high editorial standards and the publication continues to be the main vehicle for communication with the practitioners of NDT and related disciplines and the excellent contributions from its regular columnists is appreciated, including the reports from BINDT's Branches.

The *BINDT Yearbook* was further developed with expanded sections and additional content. This continues to be extremely well received and also had good support from both existing and new advertisers.

The NDT 2020 Webinar Week, which replaced the Annual Conference in 2020, made full use of the BINDT Events app very successfully.

Despite the challenges brought about by the pandemic and the need for remote working, each publication continued to be produced on time and to the highest production standards.

The Publishing, Media and Marketing Department continued to produce numerous other documents, leaflets, brochures and publications in support of all of BINDT's propositions and, notably, in support of the promotion of membership, professional engineering registration and NDT apprenticeships.

CM Events and Publications

The 2020 CM conference was postponed to 2021 due to Covid-19 and, whilst regrettable, this turned out to be the right decision and has prompted a review of how to manage conferences going forward. Following the success of the 2020 NDT online conference and since the Covid-19 situation is still likely to be with us for some time, a decision has been taken to make the CM2021 conference virtual. This event will include a one-day drone inspection day and CM technology workshops.

CMTC Chair, Steve Greenfield, represented BINDT at the MFPT conference (Machinery Failure Prevention Technology) in Philadelphia 2019, has maintained links and cooperation to build upon the renewed relationship and encourage deeper US participation in future BINDT CM conferences. A lesson learned from attending the MFPT conference was to mix industrial and academic papers to give balance in the sessions, rather than separate them and divide the audience; this has been implemented for 2021.

The CMTC committee recognises the dedication and effort put into the conference by the Institute staff, and efficiently managing the expectations of the hotel venue without loss to BINDT. The committee also acknowledge that going virtual in 2021 will add burden rather than reduce the preparation workload but it is anticipated it will attract more overseas registrants.

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The vibration monitoring, lubrication analysis, acoustic emission, ultrasonic and thermography working groups have been working on the question bank to ensure ISO alignment of the BINDT PCN courses and with the move to on-line examinations, supplemented by the electrical working group and a new PCN examination CM General, aimed at CM supervisors and managers, set at a PCN Level 2. This is anticipated to attract more registrations for the marine industry, for example.

Opportunities for merged groups with CMTC and NDTTC had been established with NDE4.0 and SHM (Structural Health Monitoring) as key overlapping topics. The annual joint meeting has been replaced by four meetings a year, starting in 2021 to maintain momentum.

With respect to CM Publications, it was decided at a high level to discontinue the, online-only, International Journal of Condition Monitoring (IJCM). The technical papers were difficult to source and have peer reviewed in a timely manner, missing the publication dates and failing the established metrics. We all appreciate the support of the ISCM (International Society of Condition Monitoring) in helping create this Journal but the impact of Covid-19, amongst other matters, forced the decision.

The *Condition Monitor* international newsletter has been on-line only from 2019 and still maintains high-quality papers and articles. It is a credit to BINDT and is available and of interest to all members of both CM and NDT, especially in the light of Industry 4.0, where NDT is merging into CM and promoting the newly energised NDE industry and IOT (Internet Of Things). New and past conference papers are also published in *Condition Monitor*, raising it from the newsletter style inherited many years ago to a serious publication. The CMTC committee thank and acknowledge the support from CMTC and working group membership, in providing and refereeing these papers.

The new textbook: '*An introduction to Condition Monitoring and Diagnostic Technology*' has been finalised, all copyright issues resolved and has now been published at a very reasonable cost of £60 for members. This valuable addition to the CM series of publications should become a textbook for all CM students as they start their careers and look to take their PCN level 1.

The *INSIGHT* journal continues to run CM technical papers and saw a great improvement throughout 2020 as papers from the past CM conferences are used in alternate months.

The sad loss of Roger Lyon caused a hiatus in progress with CM apprenticeships until another very active member of CMTC took up the mantle. As the current NDT apprenticeship scheme is currently under review, a decision was taken to include CM with NDT in the revised programme. This will bring the CM scheme to industry rather quicker than trying to develop something unique. At present, the wording for the Operator and Technician standards have been modified to include both CM and NDT. The Engineer standard has not been changed as this was originally written to include the NDT degree programme at Northampton University, which already includes a substantial amount of CM. Further development of the revised scheme is on-going.

Awards and Recognition

It is very important to BINDT to recognise the contribution of those working in NDT, condition monitoring and its associated science and technologies. Under the guidance of the Croxson committee, a comprehensive reward and recognition structure has been put in place over the years, resulting the awards listed in the table below. The updates for 2020 are as follows.

Due to Covid-19 restrictions it was not possible to recognise our award winners as usual at the CM and NDT conferences, so BINDT held its inaugural on-line awards ceremony as part of the webinar week in September 2020. Whilst not the same, it was very important to recognise the achievement of the award winners, those who have been a member for over 50 years, Honorary Fellows and Members and out-turned NDT Apprentices. The ceremony was well attended and received.

An award in memory and recognition of the late Gail Long, one of first women to be working in NDT, has been agreed and will be launched in 2021. It will recognise the contribution of women at an early stage of their career in NDT/CM and aims to raise the profile of women in NDT/CM and in engineering.

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A change to the award nomination process has been implemented in 2020 as follows 'The proposer of an award should be a voting member of the Institute. If they are not, they will need to ensure the application is endorsed by an Institute voting member.'

The current Institute awards are as below:

Award	Purpose
Lifetime Achievement Award	To recognise the valuable and extensive contribution to the British Institute of NDT and the wider NDT/CM community by an individual who has spent most of his/her career in NDT/CM and who has been an active member of the Institute for an extensive period of time.
Personal Contribution Award	To recognise a valuable and extensive personal contribution to the British Institute of NDT and the wider NDT/CM community by an individual who has been an active member of the Institute for an extensive period of time, in which they have contributed and influenced the wellbeing of the Institute.
The Roy Sharpe Prize	For a significant contribution through research and development in any branch of NDT to the benefit of industry or society.
The Anne Birt Award	For a significant contribution to technology innovation, technology transfer or technology strategy in the field of NDT.
The Nemet Award	For an outstanding contribution to the practice of NDT (by an individual).
The Hugh MacColl Award	For a distinguished contribution by an individual to the teaching or training of NDT or CM. Nomination required. This should show the contribution to the teaching or training of NDT or CM.
Aerospace Award	To recognise significant contributions to the NDT/CM community within the aerospace sector.
The John Grimwade Medal	For the best paper published in BINDT's NDT Journal 'Insight' in the preceding year.
The Ron Halmshaw Award	For the best paper on radiography published in Insight in the preceding year.
The BINDT Annual NDT Conference Paper Award	An informal award presented at the end of the NDT Annual Conference for the best paper published in the conference Proceedings.
The William Gardner Award	For the best paper in the Proceedings of the NDT Annual Conference by a student or person in the early stages (first five years) of their career.
Practitioner Award	To recognise outstanding achievement in the learning, sharing or execution of NDT or CM practice by a BINDT member.
The Tony Lager Award	For meritorious service to an Institute Branch by an individual.
Branch Service Award	For an outstanding contribution to Branches.
The T H Cole Award	For the Institute Branch with the best percentage increase in membership during the preceding year.

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The Jim Cottier Travel Scholarship	To aid the professional development of a young BINDT member by attending an overseas conference.
Annual NDT Conference Travel and Attendance Award / Annual CM Conference Travel and Attendance Award (One per conference)	To encourage attendance at the BINDT Annual Conferences by contributors from foreign nations.
The COMADIT Prize	For a significant contribution through research and development in any branch of condition monitoring to the benefit of industry or society.
CM Innovation Award	For a significant contribution to technology innovation, technology transfer or technology strategy in the field of CM.
The Len Gelman Award	For the best paper in the Proceedings of the CM Annual Conference by a student or person in the early stages (first five years) of their career.
The Roger Lyon Apprentice of the Year Award	In recognition of the outstanding achievement of a NDT Apprentice who has successfully completed their end-point assessment through BINDT.
The Gail Long Early Career Women Engineer of the Year	To recognise the contribution to NDT/CM or the wider engineering community of women in their early career.

IT developments

BINDT's IT strategy is based on the fundamental premise of alignment of IT capability with business requirements, thus ensuring that the investment in IT creates maximum value.

The concept revolves around a series of 'service centres', each having its own administrators inputting and updating data. Data is transferred to a central 'Hub' where it is used to provide information on members, customers and stakeholders. The Hub exchanges information with the service centres as appropriate. Some of the service centres are already established - the PCN and membership databases feature user-friendly interfaces for administrators to manage the appropriate data in a robust and upgradeable architecture that can interface with the Hub.

The IT plan continues to be developed and enhanced as the development progresses. The overall objective is to enhance productivity and provide tools that will allow staff to work more efficiently while also providing the required data for Customer Relationship Management (CRM) and useful Management Information (MI). During 2020, a limited amount of progress was made in developing the plan to develop the processes involving the transactions that take place between the certification services and accounts departments, with the aim of streamlining these processes, reducing paper and increasing efficiencies. This work will continue in 2021.

Website

In order to maintain its position as a high-performing organisation, BINDT recognises the need to continually improve its website and digital platforms.

Due to budgetary constraints, however, development of the BINDT website in 2020 was restricted to essential maintenance and enhancements. However, some further development of the My Career and CPD sections of the site were implemented in the light of the growing importance of Continuing Professional Development (CPD) in the careers of our members and stakeholders.

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CPD became a mandatory requirement for Engineering Council registration from 1 January 2020 and one of the main functions of a professional body is promoting and supporting the professional development of its members.

Therefore, BINDT introduced an enhancement to the members' area of its website where members can record their CPD activities and keep a tally of the amount of CPD undertaken by means of points accumulated on an annual basis. It includes:

- a template to create a record of CPD which the user can show employers and administrators. Activities can be added and edited and points automatically accumulated.
- The ability to upload relevant documents, such as certificates and attendance records.
- the ability to file documents by date and record on an annual basis.

By the end of 2020, users had uploaded nearly 3000 entries to the system and the growing popularity of the tool demonstrates its appeal to members.

The Institute continues to devise plans to provide online professional development tools for managing a user's Initial Professional Development (IPD), Continuing Professional Development (CPD) and professional registration application; and to provide guidance and support to enable members to undertake planned and structured IPD and CPD. For example, the ability for PCN certificate holders to record CPD points for certification renewal, linked to PCN's CP16 or 17, is an on-going strategic aim.

Establishment

The 'establishment' is the term used to describe three important aspects of the Institute: the premises from which it operates, the facilities it uses in order to carry out its business and, perhaps most importantly, the people it employs.

All matters pertaining to the establishment, including material changes to the staff costs (headcount, pay increases, bonus payments, etc.) are governed by a committee called the Establishment Review Panel, which comprises the Institute's Senior Officers (President, President-Elect, Immediate Past President, Honorary Secretary and Honorary Treasurer). No major changes to premises or facilities were made in 2020.

Financial

For another year, the continuing background of uncertainty caused by Brexit meant that the budget for 2020 was again set to be conservative.

As 2020 started, and the Covid-19 crisis engulfed the world, the Institute expected its income to be negatively affected. As such, the executive and directors took the decision that spending would be restricted while so much uncertainty existed. Extensive financial modelling took place, with different scenarios being tabled to explore with the directors the possible outcomes at year end. This scenario planning was at all times shared with Council. As the year progressed, financial outturns and forecasts were compared with these scenarios. Against the uncertain background and, more than any year previously, monthly financial figures were scrutinised in depth.

During the year, recruitment for replacement staff was put on hold with tasks being shared out to existing staff where they could be. It is worth pointing out that this was helped by the willingness and flexibility of the staff. Consequently, the reduced income was more than offset by the careful cost control and the year-end reserves were higher than budgeted and in excess of the upper limit for liquid reserves.

A budget has been set for 2021 which is again pessimistic in terms of revenue, given the uncertain industry context. Included in the budget is continued investment in IT infrastructure as this is an important element of 2021 business activity and will ensure an efficient operation of the executive for the future.

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The Business Model Advisory group – BMAG, continued to review quarterly outcomes and map these onto a developed business model/forecasting tool. This enabled the group to review best, worst and likely case scenarios, which are shared with council at strategy related meetings. This financial background is then reflected on the actions we are able to take as a mission-focused social enterprise and not a commercial undertaking.

A robust contingency plan has been agreed to deal with any future sharp decline in business volume (i.e., revenue) or any unexpected but significant and necessary expenditure.

Overall, despite the significant challenges in recent years, BINDT formally continues very much to be deemed to be a going concern and the long-term financial and the strategic health of the Institute is very good.

Reserves Policy

The reserves policy, and the reserves themselves, exist to support BINDT's mission as defined at the beginning of this report. Therefore, it is the policy of BINDT not to accumulate large amounts of reserves that are not supporting that mission.

At the time of writing, the BINDT reserves policy is defined by 'Action Trigger Levels' and 'Action Awareness Bands' which relate specifically to the level of liquid reserves, which is tracked and forecast by BINDT's Finance Committee on a quarterly basis.

The bands/trigger levels are as follows:

- If/when liquid reserves exceed £1m, Trustees should trigger actions to increase expenditure.
- If/when liquid reserves are between £850k and £1m, Trustees should be aware of the potential need to take actions to increase expenditure.
- If/when liquid reserves are between £850K and £700k, Trustees should be aware of the potential need to take actions to decrease expenditure.
- If/when liquid reserves are below £700k, Trustees should trigger actions to decrease expenditure.

The rationale for the upper and lower trigger levels is as follows:

The lower trigger level is set at £700k since, at the time of writing, that sum corresponds approximately to the fixed/residual cost of running the Institute for 6 months (including paying staff salaries) if there was no income whatsoever.

The upper trigger level is set at £1m since, at the time of writing, the historical fluctuation in the current account balance demonstrates that the absolute worst case is £300k. Therefore, having an Action Trigger Level bandwidth of £300k should avoid the situation where liquid reserves peak above the upper and dip below the lower trigger levels due to normal fluctuations.

The Action Awareness Bands simply split this bandwidth in half, which is logical.

It should be borne in mind that BINDT has significant fixed assets in addition to its liquid reserves.

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Investment policy, objectives and performance

Objectives

The wealth planning objectives for BINDT are:

- To invest surplus capital in order to potentially achieve long-term growth, to enhance value and achieve financial security for the future.
- To retain a minimum investment time horizon of 5 years, although in reality the investment term is likely to be at least 10 years.
- No specific rate of return is required but the primary objective is to maintain and enhance the purchasing power of surplus capital over the medium to long term.

Risk Profile

BINDT's risk profiling assessment identifies BINDT's natural tolerance to risk as Balanced. The assessment is not intended to lead to a definitive outcome, but rather to provide a useful starting point on which further discussions can be based.

When recommending a suitable risk category, in addition to natural preference for risk, we have also considered the following:

- Capacity for loss – ability to cope with investment loss.
- Tolerance for loss – the amount of risk BINDT is willing to take.
- Need to take risk to meet financial planning objectives.
- Knowledge and experience of investing.

Capacity for Loss

The largest likely decline identified in the expected returns table is within acceptable parameters in terms of capacity for loss for the following reasons:

- BINDT is comfortable with its current level of income and is not reliant on the performance of invested funds.
- BINDT has committed to a minimum investment term of 5-10 years, which should allow the opportunity to recover from short-term losses.
- BINDT has no foreseeable need to access invested funds.

Tolerance for Loss

Having assessed the expected returns and losses, it has been agreed that, as a Balanced investor, BINDT has a tolerance for loss of up to 12.00% over an annual period.

Risk

It has been identified that, whilst returns can never be guaranteed, the expected returns of the recommended Balanced strategy should meet the set objectives. As such, a Balanced risk profile continues to remain suitable and in best interests of the Charity in order to help meet objectives.

Knowledge and Experience

BINDT has a strong knowledge and understanding of the principles of investing. It also has strong experience of investments and the associated fluctuations in value.

This can be evidenced with reference to BINDT's 25-year-plus investment history, investing in managed funds and other collective investments.



SUCCESSION
ADVISORY SERVICES

Client Waterfall Report

30 November 2020

Valuation report for British Institute of Non-Destructive Testing BINDT
Valuation period 30 November 2019 to 29 November 2020

Client Number 100173599

	(£)
Opening value of Client Portfolio	521,415.85
Cash paid in	0.00
Cash paid out	0.00
Transfers in and/or out (re-registration)	0.00
Change in value of assets	25,108.32
Interest	11.01
Dividends and Income Distribution	0.00
Charges	
Platform Charges	-1,765.55
Product Provider charges	0.00
Financial Adviser Charges	-5,045.67
Other charges	0.00
Closing value of Client Portfolio	539,723.96
Net rate of return (annualised figures)	3.51% (3.50%)
Gross rate of return (annualised figures)	4.85% (4.84%)

Performance indicates Balanced strategy meets the set objectives.

NDT Leadership Forum

At the Institute's Strategy Retreat in 2018 and 2019, the need was identified for BINDT to become more involved strategically in the industry, including the redrafting of the 'Landscape Report' to the KTN and InnovateUK, capturing requirements from various industry sectors.

The Board of the Research Centre for NDE (RCNDE) also ran a workshop where this need for better strategic leadership of NDT became clear, covering more sectors than RCNDE can cover and working on transitioning NDT technologies and influencing design engineers about design for inspection and the benefits that improved NDT can bring.

Professor Robert Smith, Director of the UK Research Centre for NDE (RCNDE) and Past President of BINDT, initiated the development and establishment of an effective and long-term leadership forum, outside of specific institutions, that can:

- brief government and influence other engineering professions about the benefits of NDT/SHM/CM
- ensure adequate well-trained NDT engineers and
- capture the NDT/SHM/CM requirements from each sector to inform R&D strategy, and initiate protocols, best practice guides and standards to underpin technology transitioning, including technology and technique qualification, and training.

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BINDT has set up an Advisory Group on Strategic NDT Leadership to support the establishment of the Forum, including identifying a Founding Chair and supporting the Chair during the initial work to establish the Forum. In the initial phase, the NDT Leadership Forum will be accountable to BINDT's Advisory Group on Strategic NDT Leadership but this will be reviewed after an appropriate period. In January 2021 it was announced that the BINDT Advisory Group on Strategic NDT Leadership had appointed Mark Dowell as founding Chair of the NDT Leadership Forum.

Summary of the year just ended (2020)

It will come as no great surprise to anyone that last year did not work out as expected.

At the beginning of the year our main concern was the impact of Brexit. This was now a 'done deal', the UK government having successfully purged all opposition within its ranks. We had until the end of the year to make arrangements for any possible adverse implications of whatever deal was worked out with the EU.

The year started out very well; the finances were healthy, all the indications were that this would be a successful year for the Institute, and we held two highly successful events:

- The Scottish Branch Annual Burns supper was held in January in conjunction with a seminar on "NDT for the Nuclear Industry"
- The Second meeting on NDT of Heritage Railway Boilers was held at the Mid Hants Railway in February.

Then, at the beginning of March it became apparent that the coronavirus outbreak which had started in China was likely to have a significant impact in Europe.

A national lockdown was eventually scheduled to start on 23 March but well before that date it was apparent that things would change dramatically. A number of arrangements were introduced:

- The ERP/Finance group began regular virtual meetings (initially every two weeks, later monthly) to keep the situation under constant review.
- The scheduled Aerospace Workshop in April was postponed until the following year, followed shortly after by the June Conditioning Monitoring conference.
- Midsummer House was closed, apart from a few essential visits by senior members of staff.
- All staff were requested to work from home to the maximum extent possible.
- Several members of staff were placed on the government-supported furlough scheme.
- Routine meetings were transferred to the 'Zoom' electronic platform.
- After much discussion, it was decided to hold the NDT2020 conference as a webinar.

There was obviously some concern about the finances, training and certification activities being at this point virtually impossible. Automatic six-month extensions were offered for all PCN certificates due for renewal in the next few months. Fortunately, our reserves were very healthy, being near the 'upper action limit', nevertheless it was considered prudent to conduct a detailed scenario analysis. We considered four possible options, from assuming full recovery by the summer, to a virtual halving of income from certification for the rest of the year. All were considered survivable provided appropriate measures were taken.

The Institute immediately implemented a freeze on all recruitment (except for filling the vacancy left following the retirement of the Committee Secretary).

All optional expenditure and projects were postponed.

Obviously, there were some costs involved (laptops etc.) in supporting staff remote working, but this was relatively small.

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As the year progressed it became apparent that:

- Working from home was relatively successful for most staff. The offices were re-opened when the lockdown eased and then closed again when the lockdown was reinstated, but the majority of staff continued to work from home most of the time.
- Virtual meetings worked extremely well, and while the face-to-face contact was missed, the travel was not.
- Much of certification did recover, and even much auditing work was possible remotely.

We took the opportunity to carry out a few developments that were deemed essential for 'the new normal' for example the issuing of certificates electronically.

For the 2020-21 year, all Branch meetings moved to an internet platform. While the social aspect was missed, this did prove to have many advantages in allowing both speakers and attendees from much further afield. For example, in the case of the London Branch we scheduled two speakers from North America and have had attendees from all over the country. The writer has been able to attend meetings of both ASNT and AINDT from the comfort of home, although there isn't much can be done about the time difference!

Financially, the Institute ended the year in a fairly healthy state. The reserves were actually higher than originally budgeted for the year, although that budget assumed significant expenditure which was postponed. In non-Covid news the 'Young members Group' to support those in the early stages of their career, was established and appears very worthwhile.

As for Brexit, as the year ended a deal was finally announced just before Christmas, however unfortunately it made no provision for relevant mutual recognition agreement, so placed the position of PCN certificate holders carrying out work under the EU Pressure Equipment Directive (PED) in some significant uncertainty, since the Institute would no longer be regarded as a 'Recognised Third-Party Organisation'. However, the Institute had looked at several options, and an arrangement was worked out with WQ-iC Ltd, an RTPO and Notified Body (NoBo No 2893) based in Dublin, Ireland. WQ-iC Ltd is a member of the Lloyd's Register Group of companies. Under this arrangement affected certificate holders can apply for accreditation with WQ-IC (free of charge for a limited period) and continue as before.

Implications of both Covid-19 and Brexit for the economy as a whole remain uncertain, although historically NDT has been fairly resilient.

Outlook for the year just started

At this point there is still considerable uncertainty as to when activity will return to 'normal'. The financial situation of the Institute now looks relatively secure and it is to be hoped that some of the planned projects can be reactivated.

The Glasgow event was held virtually and was as successful as could reasonably be hoped. The Aerospace Event will also be carried out as a virtual event and plans for the rest of the year are still uncertain. Most international events have been postponed until 2022 or later. It is to be hoped that travel will be possible by the time of the November ASNT conference, but anything before that looks unlikely.

As we enter 2021, BINDT has a sound and solid base and an excellent financial reserves policy that mean it is in a good position to face the challenges that Covid-19 has presented. Further details of the specific impact of Covid-19 are included in the Appendix. However, at the time of writing the pandemic is not yet over and the situation continues to be monitored closely.

APPENDIX TO TRUSTEES' REPORT
2020

Covid-19 and BINDT

Summary

Due to the impact of Covid-19, including closure of training & examination centres, severe effect on aerospace and oil & gas industries and general downturn, during 2020 BINDT was faced with a loss in revenue that did not come back instantly. However, BINDT has a sound and solid base and an excellent financial reserves policy that mean it is in a good position to face the challenges that Covid-19 has presented.

The Covid-19 pandemic has had a significant impact on the world economy and the Institute's finances, and some of the planned future events have already been cancelled or postponed.

During 2020, BINDT was faced with a loss in revenue that will not come back instantly. Many businesses shut down altogether, the oil price took a nosedive and training and examination centres were forced to close. All of these factors had an effect on BINDT income and have created a 'revenue gap'.

- BINDT offices were closed 23 March 2020 – most staff were to set up to work from home very successfully and BINDT did everything possible to minimise disruption.
- Membership and Registration operations were largely unaffected. BINDT offered a three-month 'period of grace' for payment of membership fees.
- Publishing, marketing and media operations unaffected – all publications continue to be published on time.
- BINDT HQ re-opened on 6 July 2020 but only for approx. 25% of staff complement (rota basis). Full safety measures, social distancing etc in place.
- Seven staff, whose role means that their work could not be carried at home, were put on furlough during the first lockdown. All were taken off furlough when the office re-opened in July 2020.
- No redundancies have been made or are planned as a result of the pandemic.
- There is no increase in volunteer numbers during this period.
- Cost-saving measures have been introduced including a moratorium on recruitment.

Several events scheduled to be organised by BINDT were cancelled or postponed:

- NDT 2020 Conference (originally scheduled for September 2020) replaced by virtual event - Webinar Week 14-18 Sept 2020 (including virtual AGM). Very successful event.
- Aerospace Event – virtual event re-scheduled to 20-22 April 2021
- Condition Monitoring Conference – virtual event re-scheduled to 15-17 June 2021
- NDT Conference and MT Exhibition, Telford – postponed until Sept 2022
Replaced by NDT2021 Webinar Week
- NDT for Marine Composites, Dorset – now Oct 2021
- Industry 4.0 Workshop, Coventry – now Oct 2021
- NDT in Art Workshop, Florence – 2-4 Nov 2021

The most severe impact of the pandemic on BINDT's revenue was felt by the PCN certification scheme, due the temporary closure of training and examination centres.

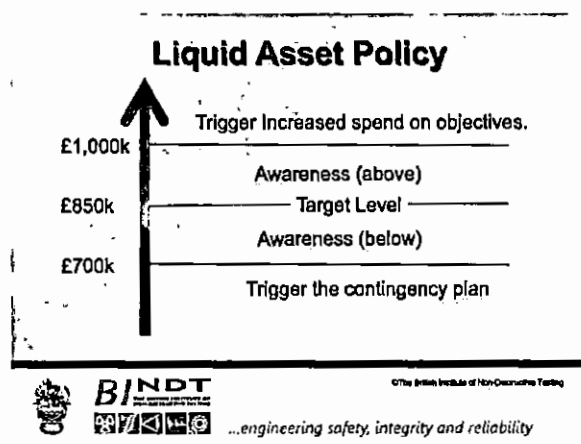
PCN earns a levy (administration charge) on each certificate issued.

To help certificate holders, a temporary six-month extension was granted to the expiry dates of certificates affected (subject to certain conditions being fulfilled). In September 2020 this was extended further, on application. This arrangement is still in place at the beginning of 2021.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

Four scenarios were modelled to indicate the impact this would have on the Institute's finances. BINDT has a sound and solid base and an excellent financial reserves policy that put us in a good position to face the challenges that beset us.

The reserves policy is the measure we use to control the spending power of the Institute (see Figure).



We look to maintain our liquid reserves between £700k and £1000k, as this gives a comfortable reserve lower limit in line with Charity Commission guidance and gives clear targets to the executive. It is also clear in the definitions of what we need to do should the reserves go above or below the limits. This policy is reviewed and approved by our external auditors who have considerable charity experience.

We have ended 2020 with a liquid asset balance of £1124k. Furthermore, we have forecasted for the next five years with balances shown in the Table below and illustrated graphically in Figure 1.

Year	Liquid Assets Projection (£)
2021	836,418
2022	875,725
2023	900,104
2024	851,721
2025	850,645

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

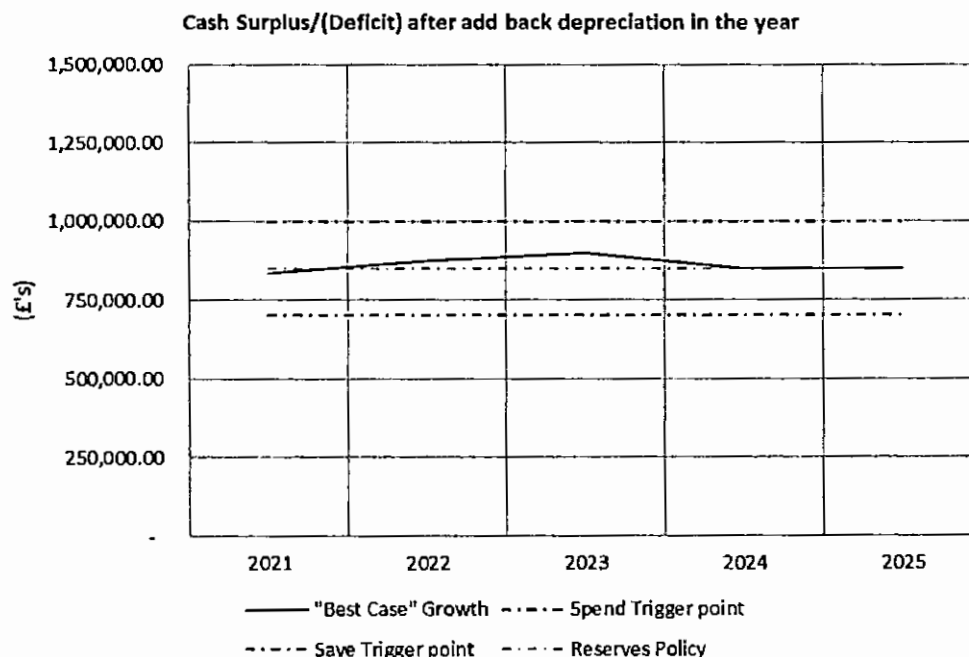


Figure 1. Liquid Asset Projection Update

- Most UK PCN training schools are now open, albeit with smaller classroom sizes to allow for social distancing and in some cases using blended learning tools;
- Strict and clear rules are being observed in line with government rules and recommendations;
- BINDT and Trainers published a video to present safety measures to students;
- BINDT developing:
 - electronic certificates – available 2021.
 - Virtual Classroom Training
 - Online exams – already launched in some areas.

Conclusions

- This situation has been, and continues to be, an extreme test of all industries, businesses and charities in the UK.
- An excellent Q1 2020 performance put us further ahead than predicted.
- Effective cost control has contributed to the satisfactory position we are now in.
- Revenues are down in line with the less extreme predictions.
- We have ended 2020 with a liquid asset balance of £1124k.
- However, at the time of writing the pandemic is not yet over and the situation continues to be monitored closely.

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00969051 (England and Wales)

Registered Charity number

260666

Registered office

Midsummer House
Riverside Way
Bedford Road
Northampton
Northamptonshire
NN1 5NX

Trustees

The Trustees at the date of approval of the Report of the Trustees were as follows:-

I Baillie (President-Elect), S Baldwin, J Buckley (Honorary Secretary), C Bull (Past President), M Clapham, I Cooper (Vice President), B Cutler, R Day, M Dowell (Honorary Treasurer), G Elliott, J Farley, C Forrester, M Freeman, S Greenfield, J Hansen (President), A Hope (Vice President), K Kirk, J Knowles, S Mills (Vice President), J Needham, R Smith, A Ward, R Watson (Vice President), D Whittle, D Wylie.

The following Trustees resigned during the year:-

M Lugg, K Newton, J Trelawny.

Trustees resigned since the year end:-

J Taylor (Vice President), C Brett, K Pickup, C Simmonds

Trustees elected since the year end:-

B Cutler, M Freeman, R Smith

Auditors

DNG Dove Naish LLP, Statutory Auditor
Eagle House
28 Billing Road
Northampton
Northamptonshire
NN1 5AJ

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank
2 George Row
Northampton
Northamptonshire
NN1 1DJ

Solicitors

Howes Percival
Nene House
4 Rushmills
Northampton
NN4 7YB

Investment Advisers

Succession Advisory Services
Mitchell Court
Castle Mound Way
Rugby
CV23 0UY

Chief Executive Officer

D Gilbert

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The British Institute of Non-Destructive Testing Limited 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 trustees are aware:

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

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

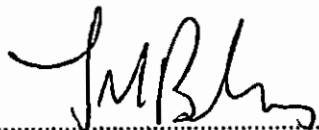
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

AUDITORS

The auditors, DNG Dove Naish LLP, Statutory Auditor, 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.

Approved by order of the board of trustees on 24th June 2021 and signed on its behalf by:



.....
J Buckley - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

Opinion

We have audited the financial statements of The British Institute of Non-Destructive Testing Limited (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 the provisions available for small entities, in the circumstances set out in note 20 to the financial statements, 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 included in the Annual Report, other than the financial statements and our Report of the Independent 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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:

We considered the opportunities and incentives that may exist within the charity for fraud and identified the greatest potential for fraud in the following areas: timing of recognition of income, posting of unusual journals along with complex transactions and manipulating the Charity's key performance indicators to meet targets. We discussed these risks with client management, designed audit procedures to test the timing of income, tested a sample of journals to confirm they were appropriate and reviewed areas of judgement for indicators of management bias to address these risks.

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 Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED**

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DNG Dove Naish LLP

for and on behalf of DNG Dove Naish LLP, Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Eagle House
28 Billing Road
Northampton
Northamptonshire
NN1 5AJ

Date: 25 June 2021

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

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

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	3				
Membership and registration		245,296	-	245,296	244,167
Certification		1,784,467	-	1,784,467	2,131,414
Publishing and marketing		94,244	-	94,244	121,939
Conferences and events		11,907	-	11,907	287,700
Investment income	2	<u>54,490</u>	<u>-</u>	<u>54,490</u>	<u>58,793</u>
Total		2,190,404	-	2,190,404	2,844,013
EXPENDITURE ON					
Raising funds	4	6,824	-	6,824	6,809
Charitable activities	5				
Membership and registration		211,339	900	212,239	211,308
Certification		1,486,280	-	1,486,280	1,641,427
Publishing and marketing		499,920	-	499,920	544,811
Conferences and events		90,956	-	90,956	360,046
European & international affairs		9,619	-	9,619	37,687
Total		2,304,938	900	2,305,838	2,802,088
Net gains on investments		<u>29,422</u>	<u>-</u>	<u>29,422</u>	<u>55,509</u>
NET INCOME/(EXPENDITURE)		(85,112)	(900)	(86,012)	97,434
RECONCILIATION OF FUNDS					
Total funds brought forward		3,151,037	12,793	3,163,830	3,066,396
TOTAL FUNDS CARRIED FORWARD		<u>3,065,925</u>	<u>11,893</u>	<u>3,077,818</u>	<u>3,163,830</u>

The notes form part of these financial statements

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	11	1,769,332	-	1,769,332	1,842,513
Investments	12	<u>546,952</u>	<u>-</u>	<u>546,952</u>	<u>518,486</u>
		2,316,284	-	2,316,284	2,360,999
CURRENT ASSETS					
Stocks	13	49,794	-	49,794	49,844
Debtors	14	391,580	-	391,580	482,543
Cash at bank and in hand		<u>647,282</u>	<u>11,893</u>	<u>659,175</u>	<u>618,313</u>
		1,088,656	11,893	1,100,549	1,150,700
CREDITORS					
Amounts falling due within one year	15	(339,015)	-	(339,015)	(347,869)
NET CURRENT ASSETS		<u>749,641</u>	<u>11,893</u>	<u>761,534</u>	<u>802,831</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,065,925</u>	<u>11,893</u>	<u>3,077,818</u>	<u>3,163,830</u>
NET ASSETS		<u>3,065,925</u>	<u>11,893</u>	<u>3,077,818</u>	<u>3,163,830</u>
FUNDS	17				
Unrestricted funds				3,065,925	3,151,037
Restricted funds				<u>11,893</u>	<u>12,793</u>
TOTAL FUNDS				<u>3,077,818</u>	<u>3,163,830</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

STATEMENT OF FINANCIAL POSITION - continued
31 DECEMBER 2020

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 24th June 2021 and were signed on its behalf by:

Iain Baillie
I Baillie - Trustee

M Dowell
M Dowell - Trustee

The notes form part of these financial statements

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	<u>74,006</u>	<u>162,562</u>
Net cash provided by operating activities		<u>74,006</u>	<u>162,562</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(34,108)	(56,348)
Purchase of fixed asset investments		-	(471,226)
Sale of fixed asset investments		956	471,289
Interest received		8	93
Dividends received		<u>-</u>	<u>2,494</u>
Net cash used in investing activities		<u>(33,144)</u>	<u>(53,698)</u>
Change in cash and cash equivalents in the reporting period		<u>40,862</u>	<u>108,864</u>
Cash and cash equivalents at the beginning of the reporting period		<u>618,313</u>	<u>509,449</u>
Cash and cash equivalents at the end of the reporting period		<u>659,175</u>	<u>618,313</u>

The notes form part of these financial statements

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

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

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(86,012)	97,434
Adjustments for:		
Depreciation charges	107,289	87,232
Gain on investments	(29,422)	(55,509)
Interest received	(8)	(93)
Dividends received	-	(2,494)
Realised (Gains)/Losses on investments	-	(63)
Decrease/(increase) in stocks	50	(12,786)
Decrease in debtors	90,963	115,311
Decrease in creditors	(8,854)	(66,470)
Net cash provided by operations	<u>74,006</u>	<u>162,562</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/20 £	Cash flow £	At 31/12/20 £
Net cash			
Cash at bank and in hand	<u>618,313</u>	<u>40,862</u>	<u>659,175</u>
	<u>618,313</u>	<u>40,862</u>	<u>659,175</u>
Total	<u>618,313</u>	<u>40,862</u>	<u>659,175</u>

The notes form part of these financial statements

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared 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 trustees have considered a period of 12 months from the date of approval of these financial statements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The presentation currency of the financial statements is the Pound Sterling (£).

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within the individual accounting policies below.

Income

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

Expenditure

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 and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration on each activity is apportioned on the basis of the proportion of income generated by each activity.

Tangible fixed assets

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

Freehold property	- 10% on cost and 2% on cost
Presidents chairs of office	- not provided
Equipment	- 33% on cost
Fixtures and fittings	- 20% on cost

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. The selection of these residual values and estimated lives requires the exercise of judgement. The directors are required to assess whether there is an indication of impairment to the carrying value of assets. In making that assessment, judgements are made in estimating value in use. The directors consider that the individual carrying values of assets are supportable by their value in use.

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.

Fund accounting

Funds held by the charity are either :-

Unrestricted funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds - these are funds that 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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs

The charity makes contributions for eligible employees under a Group Personal Pension plan. Contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income under administrative expenses.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

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

1. ACCOUNTING POLICIES - continued

Financial instruments

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Investments

UK quoted investments are included within the accounts at market value. Unquoted investments are included at cost.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Government Grants

Government grant income is recognised as it is receivable, to the extent that the grant has been expended by the end of the financial year. Unspent grants are shown on the Balance Sheet as liabilities.

2. INVESTMENT INCOME

	2020 £	2019 £
Dividends	-	2,494
Rental income	54,482	56,206
Interest receivable	8	93
	<u>54,490</u>	<u>58,793</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020 £	2019 £
Subscriptions	Membership and registration	239,858	237,116
IAQP	Membership and registration	5,438	6,701
Other income	Membership and registration	-	350
Other income	Certification	1,931	2,022
Certification activities	Certification	1,760,718	2,129,392
Government grants	Certification	21,818	-
Journal advertising income	Publishing and marketing	26,464	39,926
Publications advertising income	Publishing and marketing	34,484	36,164
Sale of books and insignia	Publishing and marketing	16,477	27,081
Journal subscriptions	Publishing and marketing	16,809	17,694
Condition monitor	Publishing and marketing	10	1,074
Conference and seminar receipts	Conferences and events	3,705	273,590
Branch income	Conferences and events	<u>8,202</u>	<u>14,110</u>
		<u>2,135,914</u>	<u>2,785,220</u>

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

4. RAISING FUNDS

Investment management costs

	2020	2019
	£	£
Investment management costs	<u>6,824</u>	<u>6,809</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Membership and registration	163,469	48,770	212,239
Certification	1,127,703	358,577	1,486,280
Publishing and marketing	484,365	15,555	499,920
Conferences and events	86,992	3,964	90,956
European & international affairs	<u>9,619</u>	<u>-</u>	<u>9,619</u>
	<u>1,872,148</u>	<u>426,866</u>	<u>2,299,014</u>

Direct costs include admin and project staff costs which have been allocated to activity on the basis of the proportion of income generated by each activity.

6. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Membership and registration	43,659	2,768	2,343	48,770
Certification	323,217	19,147	16,213	358,577
Publishing and marketing	13,850	923	782	15,555
Conferences and events	<u>3,538</u>	<u>231</u>	<u>195</u>	<u>3,964</u>
	<u>384,264</u>	<u>23,069</u>	<u>19,533</u>	<u>426,866</u>

Support costs (including project expenditure) are allocated to activity on the basis of the proportion of income generated by each activity.

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Auditors' remuneration	5,620	5,460
Auditors' remuneration for non audit work	13,913	12,166
Depreciation - owned assets	<u>107,289</u>	<u>87,232</u>

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

8. TRUSTEES' REMUNERATION AND BENEFITS

Members of Council are not remunerated.

Trustees' expenses

Five trustees (2019: Ten) received expenses to the value of £4,734 (2019: £19,287).

In addition, one Trustee (2019: Two) received consultancy income of £1,520 (2019: £5,001) in respect of the Certification department operations review.

9. STAFF COSTS

	2020 £	2019 £
Wages and salaries	1,116,779	1,151,768
Social security costs	108,896	111,054
Other pension costs	90,328	84,849
	<u>1,316,003</u>	<u>1,347,671</u>

The average monthly number of employees during the year was as follows:

	2020	2019
Secretarial and management	<u>37</u>	<u>38</u>

During the year one member of staff earned remuneration between £70,000 and £80,000.

There were no other staff paid above £60,000.

KEY MANAGEMENT REMUNERATION

Key management are considered to be the Chief Executive Officer and Staff Executive.

Total key management remuneration during the year was £431,411.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Membership and registration	243,817	350	244,167
Certification	2,131,414	-	2,131,414
Publishing and marketing	121,939	-	121,939
Conferences and events	287,700	-	287,700
Investment income	<u>58,793</u>	<u>-</u>	<u>58,793</u>
Total	2,843,663	350	2,844,013
EXPENDITURE ON			
Raising funds	6,809	-	6,809

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

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

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Charitable activities			
Membership and registration	208,815	2,493	211,308
Certification	1,641,427	-	1,641,427
Publishing and marketing	544,811	-	544,811
Conferences and events	360,046	-	360,046
European & international affairs	37,687	-	37,687
Total	2,799,595	2,493	2,802,088
Net gains on investments	55,509	-	55,509
NET INCOME/(EXPENDITURE)	99,577	(2,143)	97,434
Transfers between funds	(646)	646	-
Net movement in funds	98,931	(1,497)	97,434
RECONCILIATION OF FUNDS			
Total funds brought forward	3,052,106	14,290	3,066,396
TOTAL FUNDS CARRIED FORWARD	3,151,037	12,793	3,163,830

11. TANGIBLE FIXED ASSETS

	Freehold property £	Presidents chains of office £	Equipment £	Fixtures and fittings £	Totals £
COST					
At 1 January 2020	1,955,344	1,547	490,822	94,897	2,542,610
Additions	7,138	-	24,732	2,238	34,108
At 31 December 2020	1,962,482	1,547	515,554	97,135	2,576,718
DEPRECIATION					
At 1 January 2020	204,187	-	411,535	84,375	700,097
Charge for year	54,700	-	47,432	5,157	107,289
At 31 December 2020	258,887	-	458,967	89,532	807,386
NET BOOK VALUE					
At 31 December 2020	1,703,595	1,547	56,587	7,603	1,769,332
At 31 December 2019	1,751,157	1,547	79,287	10,522	1,842,513

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

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

12. FIXED ASSET INVESTMENTS

	Movement in market value of UK quoted investments £
MARKET VALUE	
At 1 January 2020	518,486
Disposals	(956)
Revaluations	<u>29,422</u>
At 31 December 2020	<u>546,952</u>
NET BOOK VALUE	
At 31 December 2020	<u>546,952</u>
At 31 December 2019	<u>518,486</u>

Analysis of investments between funds

	Unrestricted fund
	£
UK equities	546,950
Non-UK equities	-
Shares in group undertakings	<u>2</u>
	<u>546,952</u>

Shares in group undertakings

The Institute is the beneficial owner of all the issued share capital of Personnel Certification in Non-Destructive Testing Limited (PCN Limited) a company registered in England and Wales. The company did not trade during the year and has no assets or liabilities.

13. STOCKS

	2020	2019
	£	£
Finished goods	<u>49,794</u>	<u>49,844</u>

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

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	220,887	282,121
Bad debt provision	(5,000)	(5,000)
Other debtors	(75)	(75)
Prepayments and accrued income	<u>175,768</u>	<u>205,497</u>
	<u>391,580</u>	<u>482,543</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	70,754	65,336
Social security and other taxes	36,947	28,417
VAT	38,271	36,820
Other creditors	18,193	20,535
Accruals	59,695	79,025
Deferred income	<u>115,155</u>	<u>117,736</u>
	<u>339,015</u>	<u>347,869</u>

Deferred income

	Balance at 1 January 2020 £	Released £	Deferred £	Balance at 31 December 2020 £
Subscriptions	<u>117,736</u>	<u>(117,736)</u>	<u>115,155</u>	<u>115,155</u>

The deferred income relates to subscriptions for the year ended 31 December 2021.

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	4,931	8,920
Between one and five years	<u>186</u>	<u>5,118</u>
	<u>5,117</u>	<u>14,038</u>

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

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

17. MOVEMENT IN FUNDS

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	3,151,037	(85,112)	3,065,925
Restricted funds			
Croxson Memorial Fund	2,810	-	2,810
BNC for NDT Fund	31	-	31
Halmshaw Award Fund	4,560	(350)	4,210
The Nemet Award	5,392	(550)	4,842
	<u>12,793</u>	<u>(900)</u>	<u>11,893</u>
TOTAL FUNDS	<u>3,163,830</u>	<u>(86,012)</u>	<u>3,077,818</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	2,190,404	(2,304,938)	29,422	(85,112)
Restricted funds				
Halmshaw Award Fund	-	(350)	-	(350)
The Nemet Award	-	(550)	-	(550)
	-	<u>(900)</u>	-	<u>(900)</u>
TOTAL FUNDS	<u>2,190,404</u>	<u>(2,305,838)</u>	<u>29,422</u>	<u>(86,012)</u>

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

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/19 £	Net movement in funds £	Transfers between funds £	At 31/12/19 £
Unrestricted funds				
General fund	3,052,106	99,577	(646)	3,151,037
Restricted funds				
Croxson Memorial Fund	2,810	-	-	2,810
BNC for NDT Fund	31	-	-	31
Halmshaw Award Fund	4,910	(350)	-	4,560
BINDT Travel Scholarship	482	(948)	466	-
The Nemet Award	6,057	(665)	-	5,392
COMADIT Prize	-	(180)	180	-
	<u>14,290</u>	<u>(2,143)</u>	<u>646</u>	<u>12,793</u>
TOTAL FUNDS	<u>3,066,396</u>	<u>97,434</u>	<u>-</u>	<u>3,163,830</u>

Comparative 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	2,843,663	(2,799,595)	55,509	99,577
Restricted funds				
Halmshaw Award Fund	-	(350)	-	(350)
BINDT Travel Scholarship	-	(948)	-	(948)
The Nemet Award	-	(665)	-	(665)
COMADIT Prize	350	(530)	-	(180)
	<u>350</u>	<u>(2,493)</u>	<u>-</u>	<u>(2,143)</u>
TOTAL FUNDS	<u>2,844,013</u>	<u>(2,802,088)</u>	<u>55,509</u>	<u>97,434</u>

The Croxson Memorial Fund is used for organising presentations from prestigious speakers.

The BNC for NDT Fund is now depleted. Previously it funded an annual cross-institutional meeting.

The Halmshaw Award is an annual award to authors of the best paper published in the Institute's journal on any aspect of industrial radiography or radiology.

The Travel Scholarship fund is used to enable young practitioners of NDT to attend international conferences.

The Nemet Award recognises examples of outstandingly effective use of NDT, especially those that might encourage small firms to apply NDT methods for the first time.

17. MOVEMENT IN FUNDS - continued

The COMADIT Prize fund recognises examples of a significant contribution through research and development in any branch of condition monitoring to the benefit of industry or society.

18. EMPLOYEE BENEFIT OBLIGATIONS

The Institute contributes to a fully insured scheme for employees. The pension cost charge represents contributions payable by the Institute to the scheme and amounted to £90,328 (2019: £84,849).

19. RELATED PARTY DISCLOSURES

Certain Trustees on the Institute are also employees of the following companies:-

Lavender International NDT Consultancy Services Limited
Institution of Mechanical Engineers
TWI

The Institute provided services totalling £424,451 to these companies in the year.

Total services provided to the Institute from these companies in the year was £nil.

At the year end the Institute was owed £53,563 by these companies.

At the year end the Institute owed £nil to these companies.

All transactions are carried out at arms length on normal commercial terms.

20. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities, assist with the preparation of the financial statements and to provide payroll services.

21. ULTIMATE CONTROLLING PARTY

The Institute is a company limited by guarantee and does not have a share capital. Its activities are administered by a Council, no member of which receives any remuneration for his or her services.

The Institute is under the ultimate control of its membership.

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Investment income		
Dividends	-	2,494
Rental income	54,482	56,206
Interest receivable	8	93
	<u>54,490</u>	<u>58,793</u>
Charitable activities		
Subscriptions	239,858	237,116
IAQP	5,438	6,701
Journal advertising income	26,464	39,926
Publications advertising income	34,484	36,164
Sale of books and insignia	16,477	27,081
Journal subscriptions	16,809	17,694
Condition monitor	10	1,074
Conference and seminar receipts	3,705	273,590
Other income	1,931	2,372
Certification activities	1,760,718	2,129,392
Government grants	21,818	-
Branch income	8,202	14,110
	<u>2,135,914</u>	<u>2,785,220</u>
Total incoming resources	2,190,404	2,844,013
EXPENDITURE		
Investment management costs		
Investment management costs	6,824	6,809
Charitable activities		
Wages	1,116,779	1,151,768
Social security	108,896	111,054
Pension costs	90,328	84,849
Other staff benefits	36,415	46,030
Journal production costs	152,579	148,549
Publication costs	109,560	117,377
Website/electronic publishing	29,808	32,722
Cost of books and insignia	3,438	17,782
Conference expenses	8,215	168,635
Branch costs	7,029	16,059
European and international affairs	9,619	37,687
UKAS fees	13,752	17,881
PCN audit fees	54,746	58,907
Awards	4,165	11,645
Carried forward	1,745,329	2,020,945

This page does not form part of the statutory financial statements

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
Charitable activities		
Brought forward	1,745,329	2,020,945
Other certification services	79,958	185,305
Legal costs	9,410	11,888
Staff costs	4,651	27,264
Marketing	9,862	21,894
Meeting expenses	12,017	27,336
Staff training	10,921	19,247
	<u>1,872,148</u>	<u>2,313,879</u>
Support costs		
Management		
Telephone	19,394	19,427
Postage and stationery	48,961	79,686
Sundry expenses	18,810	9,635
Computer costs	100,639	105,236
Bad debts	(1,419)	22,073
Premises, facilities and insurance costs	90,590	108,644
Depreciation	107,289	87,232
	<u>384,264</u>	<u>431,933</u>
Finance		
Bank charges	23,069	31,841
Governance costs		
Auditors' remuneration	5,620	5,460
Auditors' remuneration for non audit work	13,913	12,166
	<u>19,533</u>	<u>17,626</u>
Total resources expended	<u>2,305,838</u>	<u>2,802,088</u>
Net (expenditure)/income before gains and losses	(115,434)	41,925
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>29,422</u>	<u>55,509</u>
Net (expenditure)/income	<u>(86,012)</u>	<u>97,434</u>

This page does not form part of the statutory financial statements