

REGISTERED COMPANY NUMBER: 00969051 (England and Wales)

REGISTERED CHARITY NUMBER: 260666

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
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 2022**

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022. 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's 'structure for growth' 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*
- *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)

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.

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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:
 - o 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.
 - o 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:
 - o For individuals and organisations, this includes:
 - Networking.
 - Professional Indemnity Insurance referral.
 - Legal helpline.
- Information Exchange:
 - o 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.
 - o For organisations, this includes:
 - Exhibitions.
 - Entry in the Yearbook.
- Leadership:
 - o 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.
 - o For organisations, this includes:
 - Influence the governance of BINDT
 - Influence the work of BINDT.
 - Outlet for 'Thought Leadership' - improve standing in the marketplace.
- Discounts:
 - o For individuals, this includes:
 - Conferences.
 - Books.
 - o 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:

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- 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:
 - o Under-represented cohorts such as 'practitioners', 'end-users', regulators, insurers and other 'policy-makers'.
 - o Women and other people from (what in the UK are considered) ethnic minorities.
 - o 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**.
- Preserve and develop its **resilience** in the face of significant challenges.
- Promote **ethical values** - a subject fundamental to our existence and for our development.

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.

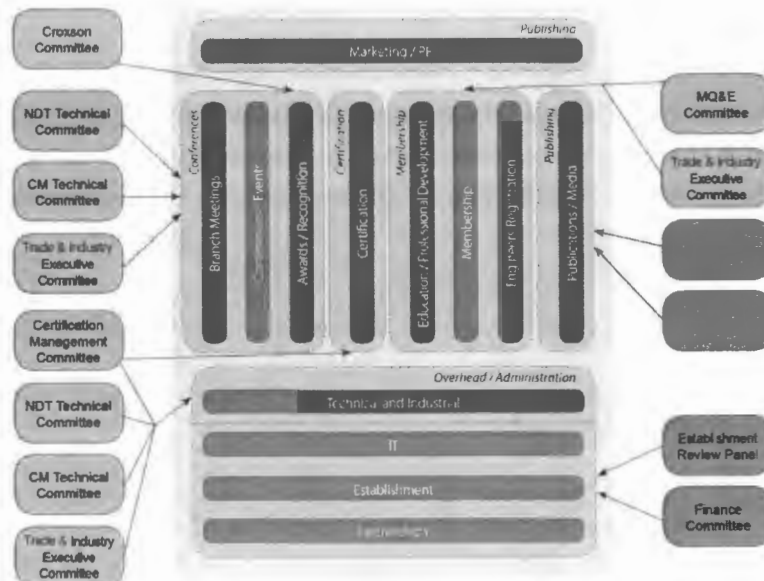


Figure 1. The Institute's eight propositions showing committee oversight

More information can be found on BINDT's website 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 regular performance reviews of the Heads of Departments and senior staff that comprise the Staff Executive:

Head of Events & Awards

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. 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

The 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 (RAEng) Engineering Diversity Concordat, to which BINDT is a signatory.

Based on the findings from the 2021 RAEng Progression Framework assessment and recommended best practice, the group have been focusing on developing a Diversity and Inclusion strategy. This will provide a clear action plan of what BINDT will be working on over the next three years, with an aim of helping to further embed D&I across all areas of the organisation and providing clear communication to the BINDT community (members, employees and volunteers) and NDT community at large of the steps BINDT are taking to progress D&I with our industry.

Summary of 2022 activities:

- Full review and implementation of updates of the Awards nomination process;
- International attendance and presentation at industry specific events to raise the awareness D&I e.g. BINDT Materials Testing conference
- ASNT Fall conference;
- Attendance at relevant events to ensure continued learning of best practice;
- Continued communication with other Professional bodies and networks, including the Royal Academy of Engineering, The Engineering Council, the Women's Engineering Society, STEMNET and InterEngineering;
- Educational articles written for internationally recognised industry journals e.g. quarterly NDT News D&I column article, ASNT Materials Evaluation focus on women in NDT/STEM;
- Development of the Diversity and Inclusion strategy.

Planned activities for 2023:

- D&I panel session at the BINDT NDT 60th anniversary event;
- Working with the marketing team to update to D&I content e.g. banners, leaflet;
- Continue communication and collaboration with other professional bodies to ensure we maintain best practice;
- Finalisation and implementation of the D&I strategy.

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.

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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. Oversight of the marketing strategy and activities undertaken is the responsibility of Council.

The vacancy for a Marketing & PR Assistant was filled during 2022 and a period of induction and training for the new member of staff was undertaken.

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

- Editorial articles relating to NDT/CM/SHM and BINDT were written in-house and circulated. In addition to the series of general announcements about BINDT events, the following articles were circulated and published:

- *'BINDT Aerospace Experience 2022'* was published in NDT News and three external online publications in January 2022.
- *'NDT 2022 Announcement and Call for Papers'* was published in two external publications in February and March 2022.
- *'Is an NDT apprenticeship right for me?'* was published in the 2022/2023 edition of the Apprenticeship Guide in August 2022.

- Promotion of all Institute events continued, with advertising artwork, web content, mailshots, press releases and social media posts created for:

- NDT 2022 Conference and MT 2022 Exhibition*.
- CM 2022 Conference.
- 2022 Aerospace Event.
- 2022 Aerospace Workshop.
- 2022 Analysing Art Workshop.
- Workshop on Structural Integrity, NDT and CM Requirements for Industry 4.0.
- Workshop on NDT/CM/SHM Requirements for Civil Structures.
- Scottish Branch Seminar on NDE 4.0 and Burns' Supper.

Programmes and relevant information were also shared through the BINDT Events App.

**including coordination of external campaign through partner publications.*

- 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.
- Engineering Council registration literature, forms, guidance notes and web pages were updated and advertising of professional engineering registration opportunities through BINDT continued via all available media.
- Application forms for all grades of membership were updated and improved.
- The campaign to encourage PCN certificate holders to consider joining BINDT continued through our social media channels and NDT News publication.
- The Institute's social media presence was maintained and promoted and engagement increased through all channels. At the end of 2022, the Institute had 32,627 followers on LinkedIn (company page and group), 5459 on Facebook and 3135 on Twitter. Over the year, visitor activity on the BINDT website remained steady, with around 435,000 visit sessions from over 232,000 users and 1,310,000 page views.

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- A social media campaign continued to reinforce the quality of the PCN brand worldwide.
- Wider promotion of Institute Awards took place through BINDT's social media channels and the website was restructured and the presentation of information expanded to give the awards greater visibility to website visitors.
- The Institute's social media activity included participation in various national campaigns, including National Apprenticeships Week, National Engineering Day 2022, Tomorrow's Engineers Week and INWED 2022.
- Continued advertising of the four Institute apps resulted in an increase in downloads: the NDT Reference app has now been downloaded by almost 46,500 users, NDT News by over 15,350 users, NDT Events by over 3000 users and PCN Verifier by 8200 users, on both Apple and Android devices.
- A leaflet and web page titled: 'Is NDT the career for me?', outlining what it is like to work in the NDT industry and the personal attributes required, were created at the request of the Certification Services Department / Certification Management Committee.
- An explanatory flyer was produced on behalf of the Terahertz User Group explaining the capabilities and applications of this new technology for NDT, which is freely available to download via the BINDT and ICNDT websites.
- Promotion of the NDT apprenticeship schemes continued, with the production of further advertising material and supporting documentation and internal and external advertising placed in print and online. Promotion of graduate apprenticeships in Scotland also continued.
- Promotion of all BINDT books continued and all titles were advertised regularly through BINDT publications and the Institute's social media channels.
- Development of a plan to further expand and support the Institute's outreach activities in key areas of the business (certification, apprenticeships, membership and STEM) continued.
- The expansion of a 'resource library' for presentations, images and other materials continued.

For 2023, the marketing team's priorities will be to:

- Develop a plan to undertake a major upgrade of the Institute's website: analyse current usage data and take on board user feedback, committee suggestions and requirements to expand the functionality, improve the user interface and enhance the overall user experience.
- Increase BINDT's outreach activities in support of the main areas of certification, membership, STEM and apprenticeships.
- Strengthen the marketing team with the recruitment of a new member of staff into the role of Marketing Coordinator to assist with the co-ordination and support of BINDT's outreach activities.
- Begin the process of rebranding the PCN Scheme and plan the roll-out of a new logo, with improved messaging and wide promotion through all channels.
- Develop and circulate a 'Social Media Participation Pack' to enable speakers and exhibitors at the co-located conferences to easily announce their participation, with BINDT benefiting from additional social media coverage among new networks.
- Promote the special events taking place at the 60th Anniversary conference.

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- Consider the additional marketing requirements for other areas of the Institute's business, including the PCN Scheme.
- Continue to promote BINDT membership and professional registration to new cohorts.
- Continue to support and promote all Institute events and Branch meetings.
- Continue to support and promote the apprenticeship schemes.
- Continue the promotion of all BINDT book titles and publications.
- 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.

MQ&E committee meetings have continued to be successful this year with good attendance numbers. Meetings have continued to be held online as the meeting format suits this format with documents and membership applications being able to be reviewed online by committee members before the meeting commences. It was agreed by the committee that these meetings would continue online, with the possible exception of the AGM, which would provide the committee with the opportunity to meet in person. The hard work of the BINDT staff has ensured that these meetings have been a success, without their input and diligence the meetings would not have been as effective. The effectiveness of these meetings has ensured that membership applications have been processed quickly and feedback to applicants has been communicated where necessary.

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 maintained in 2022, with an expectation that number will increase again in the forthcoming years. 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 200 people enrolled across all levels. It was agreed that Condition Monitoring will be incorporated into the NDT apprenticeships when they are reviewed. The Level 6 NDT Engineer does currently incorporate CM modules in the degree programmes, so no change is required with this apprenticeship scheme. The scheme is to be retitled Non-Destructive Technologies to better recognise CM and NDT.

BINDT conducted 53 end-point assessments in 2022: 36 NDT Engineering Technician apprentices, 8 NDT Engineer apprentices and 9 NDT Operator apprentice. All end-point assessments were carried out remotely.

BINDT continued to facilitate the end-point assessments of apprentices on the Industrial Coating Inspector Apprenticeships; the numbers are in single figures.

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BINDT is still involved with the Nuclear Welding Inspection Technician (NWIT) apprenticeships and was involved in the EPAs for the 2022 cohort. BINDT is also advising the University of Northampton (UoN) team on the EPA requirements for the Level 6 apprenticeship schemes that they are now running fully under the rule change. The MSc course has been suspended due to limited uptake.

The ECWG continued its excellent work in managing the professional engineering registration processes for BINDT members. Although Professional Review Interviews (PRIs) continue to be held remotely, the number of trained assessors is sufficient to allow BINDT to facilitate interviews at various locations with timely availability over the next two years. There is a likelihood that more will be needed thereafter but, 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.

The Institute for Apprentices & Technical Education advised that it would be conducting a review of all apprenticeships and will be making some changes, though progress on this has stalled. The requirement to gain Ofqual approval is ongoing, with all submissions to date failing to reach Ofqual's requirements, and a solution remains to be found. There are ongoing meetings relating to the Ofqual approval, as well as the potential need to introduce a practical element into the EPAs. When these issues are resolved the review of the NDT standards will be carried out.

The Continuing Professional Development (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. By the end of 2022 users had uploaded nearly 5000 entries. The CPD website tool is now used extensively by members and, 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. The following summary gives an overview of the achievements made during 2022 set against the work involved:

A slight decrease in PCN NDT certificate holders was recorded at the start of 2022: 20,711 (21,051 in 2021) holding 46,767 qualifications: (46,867 in 2021). Accompanying NDT certification, the Condition Monitoring sector has remained stable: 1695 PCN certificate holders (1880 in 2021) possessing 1930 CM qualifications (2176 in 2021). Certification figures are on a gradual increase overall.

Complementing personal certification, there were 57 organisations holding Approved Training Organisation approval covering both NDT and CM schemes, along with 21 AQB organisations holding Authorised Qualifying Body approval.

In addition, eight organisations were holding BINDT-certified Quality Management System (QMS) compliance, and there were 14 BINDT-approved Inside Agencies or Outside Agencies and four BINDT-approved companies under RIS-2701 for the rail industry.

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With reference to PCN Aerospace, the UK regulator, the CAA (Civil Aviation Authority) continues to accept the BINDT PCN Aerospace scheme in its current form and as such the scheme continues to be recognised within CAA document CAP747 (Mandatory Requirements for Airworthiness) and Generic Requirement number 23 - Personnel Certification for Non-Destructive Testing of Aircraft, Engines, Components and Materials, for use on all G registered aircraft maintained within the UK. The UK NANDTB recognises the PCN/AERO scheme as satisfying the qualification requirements of EN4179 for personnel subject to EC regulation 2042/2003.

EASA has not yet indicated that it is willing to accept PCN Aerospace as an alternative, acceptable means of compliance and confirms that NDT carried out within the aerospace sector meets the requirements of EN 4179. This requirement has further been confirmed within the first release of EASA User Guide (UG.CAO.0161-001 Foreign Part-145 approvals – NDT qualification). EASA have been approached to provide further guidance on the user guide's intent, and further for recognition of the PCN Aerospace Certification scheme within the document. As yet, no response has been received from BINDT's request for a meeting.

Several issues have now materialised since the supposed completion of Brexit. EASA and the EU Forum have confirmed that the UK NANDTB continue to be a member of the EU forum, however, the German CAA at one stage took the decision not to recognise approvals issued by organisations under UK NANDTB oversight. Discussions remain ongoing with the chair of the UK Board, European forum and EASA who confirm that although UK approvals are recognised, Germany exercised their sovereign right to reject UK approvals, a decision over which EASA has no control.

The Certification Services Department (CSD) and Technical & Industrial Department (TID) is prioritising the revision of the PCN scheme since the release of ISO 9712:2022. CSD/TID continues to develop the modularisation of method schemes, training and examinations in line with ISO 9712:2022, industry requirement and further the development to the framework structure which includes the Product Technology project; BINDT will be implementing a pre-requisite online course for initial PCN candidates and those who require recertification to ensure they have a sound knowledge and awareness of product technology. This course will complement the main method course and allow ATOs to keep the classroom training hours/days manageable for industry.

PCN on-line examinations continue to be implemented in an ongoing phased approach. The next phase is to roll this out to at least one additional UK AQB for NDT and one CM ATO. Functionality of the database has been improved to allow CM exams and NDT examination centres (UK & overseas) to use the online system. CSD is progressing in streamlining the PCN administration processes with continually developing new IT systems and a full revision of the PCN scheme (in line with ISO 9712:2022), a major project that includes industry representation and input.

With regard to compliance to UK PESR (Pressure Equipment (Safety) Regulations). Initially, EU individuals had until 31 December 2021, to gain compliance with the UK PESR after which their EU RTPO PED compliant certification would not be accepted for the UK market. On 24 August 2021, the UK Government announced that it would be extending this deadline until 01 January 2023, meaning that EU RTPO PED-compliant certification would be accepted in the UK until this point.

Following the release of new "unified approach" at the end of 2022, the EU PED approval of NDT technicians is valid until the certification expiry or until the end of 2027, whichever is sooner. This means that if a technician is recertified, that certification needs to be with a UK PESR Notified body.

Due to a last-minute change, the date for blanket acceptance has been extended until the end of 2024. BINDT continues to work with EU certification bodies for a conformity project to offer a solution.

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Along with managing all aspects of accredited certification, the day-to-day activities of developing new certification schemes, internal and external auditing and administration tasks continue along with large projects currently under development, to ensure that NDT & CM certification remain in place and valid. The continuing success of the scheme is a remarkable achievement and true testament to the dedication and professionalism of the CSD/TID teams which, again, is gratefully acknowledged by the CMC members.

CSD objectives for 2023 are to finalise and implement significant improvements and compliance of the PCN scheme against ISO 9712:2022, improve training and qualification processes, whilst at the same time continue to future-proof certification as per industry requirements and input. The CMC membership will support the CSD/TID 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 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 and review of new and existing training and certification schemes.

Some examples of these projects, with work progressed during 2022 and in some cases continuing through 2023, are as follows:

- New Plant Engineer programme, which is now available;
- Updated Radiation Safety training programmes, recognising the three- and five-year requirements;
- Welding Inspection review and, more significantly,
- Updating the PCN scheme to meet the new requirements of ISO 9712 which involves both the internal and public-facing documents.
- In addition, there is a project to deliver an on-line product technology course which will be required by all new PCN candidates and recommended for existing certificate holders.
- The situation with regard to Apprenticeships is dealt with above under 'Education and Professional Development'.
- The degree programmes at the University of Northampton and Strathclyde University are ongoing, however the MSc at UofN has been suspended until sufficient numbers apply.

The technical team continue to support *NDT News* with relevant articles and attend conferences as required, often presenting at these events.

NDT Events

In January, the Institute's Conferences and Events team supported the Scottish Branch in hosting a one-day webinar, titled: 'Seminar on NDE 4.0', and a virtual Burns supper; the event was a great success and a whisky tasting kit was sent to all attendees.

For the rest of 2022, BINDT saw the return of in-person events after the COVID pandemic. The annual two-day Aerospace Event was held in April at the BAWA Centre in Bristol, UK. The event was very popular, with all exhibitor slots taken and 130 exhibitors and delegates attending. The venue received good feedback.

The one-day Aerospace Workshop event on 'Aerospace Technique Validation and Standards' was postponed to later in the year and was successfully held on 4 October 2022, with presentations, a panel session and ending with a tour of the GKN building. The event had an attendance of 30 delegates, with 18 attending the tour.

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At the end of April, the Analysing Art: New Technologies – New Applications Conference was held over three days in Florence, Italy, which was very well attended and feedback from this event was excellent. Going forward, BINDT has been asked to take the lead in organising the whole event at other European city locations.

In June, BINDT hosted the Seventeenth International Conference on Condition Monitoring and Asset Management (CM 2022) at the Radisson Hotel & Conference Centre, London, UK. This three-day event went well, with 70 attendees and five exhibitors present.

At the end of June, BINDT hosted the first Workshop on NDT, CM and SHM Requirements for Civil Structures, which was held at the Institution of Civil Engineers, London, UK. The event had over 50 attendees, the venue was excellent and both days were well attended.

The 59th Annual British Conference on NDT (NDT 2022) was held in person at the International Centre, Telford, UK, alongside the Materials Testing (MT 2022) exhibition. A showcase of papers from RCNDE proved to be extremely popular, filling almost all of two parallel sessions. The conference had the normal 2.5 days of presentations with excellent attendance each day of over 150 delegates.

The MT 2022 exhibitors had their own sessions of live demonstrations and presentations, with over 80 companies taking part for 2022; the event was a huge success, both professionally and financially.

Delivering the 2022 conference and events programme represents a great achievement for the team, particularly when viewed against a background of increasing pressure to deliver value for money, whilst competing with other subsidised events run in attractive overseas locations.

A full and exciting programme of events is being planned for 2023, featuring workshops, conferences and exhibitions, starting with a Workshop on NDT Solutions for Renewable Energy in January and ending with the co-located CM 2023 and NDT 2023 conferences, where we will celebrate 60 years of NDT conferences.

NDT Publications

The Institute's NDT publications continued to be received well in 2022, both those delivered electronically and in hard-copy format.

Insight continues to be well supported by researchers and academics. There was a slight increase in the number of technical papers being submitted to Insight in 2022 compared to 2021, though overall submissions were still below pre-pandemic levels. China continued to be the largest source of material submitted in 2022 and there was an increase in the number of papers from India. The number of submissions from the UK held steady. The standard of reviewing also remained rigorous, with accepted papers continuing to undergo a thorough assessment and fewer papers being rejected. The valuable contribution of Insight's Honorary Technical Editors and reviewers is acknowledged.

The number of online downloads fell slightly, while member and pay-per-view access to articles and citations all remained steady. However, subscription income showed a small decline in 2022.

Advertising income for Insight fell slightly in 2022, though overall still showed a favourable variance against budget.

NDT News saw an increase in advertising support in 2022. The publication maintained its high editorial standards and continues to be the main vehicle for communication with the practitioners of NDT and related disciplines. The excellent contributions from its regular columnists are appreciated, including the reports from BINDT's Branches.

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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 in 2022.

Each publication continued to be produced on time and to the highest production standards.

The CM 2022 Conference, NDT 2022 Conference and all other BINDT events made full use of the BINDT Events app very successfully.

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.

Condition Monitoring (CM) Events and Publications

The 2022 CM conference was held Live at the Radisson Hotel and conference centre, London Heathrow on 7- 9 June 2022. It achieved its aim of providing an excellent conference to deliver excellent presentations and a means for delegates to network. Attendee feedback was good. However, financially it was under break-even owing to competition with another event taking place in Birmingham. No-shows by a few speakers were covered by other speakers giving more than one presentation.

Next year's CM2023 is to be co-located with NDT2023 in Northampton, 12-14 September.

The 2023 exhibition space is being taken up and it is encouraging that the exhibitors are supportive. A face-to-face conference in 2023 is expected to be welcomed by all.

The CMTC committee recognises the dedication and effort put into the conference by the conference organising and marketing teams, particularly in managing the arrangements for an excellent venue in 2022.

Throughout the pandemic and afterwards during 2022, CMTC successfully maintained a full schedule of working group and special interest group meetings. The use of Zoom allowed members to participate online or indeed meet live where possible. It has encouraged more frequent and shorter meetings and has been particularly effective in generating the syllabus for the CM General PCN programme. BINDT/BSI has requested ISO initiate a project for a new part of ISO 18436. This project remains under review.

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. The move to online examinations is welcomed by the working groups and is seen as a very positive move; most would also like on-line training as an option, to enable PCN to compete with the other popular training and qualification schemes, particularly in IRT.

CM working groups status in brief are as follows:

EL – Best Practice Guides for Electrical CM have been developed; three are awaiting publication.

LA – Has not met for 4 to 5 months. BINDT/BSI to initiate a review of ISO 18436-4 to expand syllabus details. LAWG PCN draft completed.

VA – Updating Cat 3 question bank, incorporating feedback from examinations.

IRT – Last meeting on 5th October was not quorate. Tasks include updating question bank and ensuring ISO compliance. The original electronic copies of the textbooks have been found, for review and update by group members.

AE – Proposal completed for BSI/ISO review of ISO 18436-4 to expand syllabus details.

UT – Building question bank. BINDT/BSI to initiate review of ISO 18436-8 to expand syllabus details, UTWG PCN draft completed.

GEN – BINDT PCN CM Gen Scheme draft complete. Building question bank. BINDT/BSI has requested ISO initiate a project for a new part of ISO 18436. May need to review our proposal and add back in the Category 1 and Category 3.

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2022 continued with the four planned meetings - both general and special interest groups coming under the joint committee of NDTTC and CMTC. Having a defined focus in 2021 has resulted in some positive outcomes. The Terahertz group has been particularly welcomed within the CM community. Whilst others like SHM have struggled to get traction, there is a new initiative for review in the latest five-year plan.

However, in 2022, CMTC & NDTTC groups agreed to form a new Technical Axis Committee to be trialed in the first 6 months of 2023. It is expected this arrangement will become permanent following the trial period. CMTC & NDTTC will become sub-committees reporting to this new axis committee.

In reference to education & professional development - our contact at the Institute for Apprenticeships and Technical Education (IFATE) is changing so the revision to apprenticeship is still in the pipeline, not completed. BINDT is still trying to get formal approval to carry out the End Point Assessments (EPAs). There have been a number of extensions.

Nottingham University has suspended the MSc in Advanced Manufacturing owing to lack of applicants.

With respect to CM Publications, the *Condition Monitor* international newsletter has been on-line 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. 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 ease of access and overlapping interest of the joint committee special interest groups should increase the uptake.

The *INSIGHT* journal continues to run CM technical papers and saw a great improvement throughout 2022 as papers from the past CM conferences are used in alternate months. The CMTC committee thank and acknowledge the support from BINDT publications, the CMTC and working group membership, in providing and refereeing these papers.

The new textbook: 'An introduction to Condition Monitoring and Diagnostic Technology' has been published and is available at a very reasonable £60 for members. This valuable addition to the CM series of publications should become an essential textbook. An effort was started in 2021 to reach out to the relevant universities to recommend this as students start their careers and look to take their PCN level 1. We saw an increase in sales in 2022.

Owing to government changes in 2021, the CM apprenticeship schemes will follow on from the existing CM schemes, rather than start new schemes; this is a faster track than CM attempting to create their own. 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 in the awards listed in the table below. The updates for 2022 are as follows.

- BINDT held its awards ceremony at the annual NDT conference. The ceremony was well attended and received.
- Gary Elliott was awarded the Lifetime Achievement Award for his continued contribution to BINDT.

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- The Croxson Committee completed a review of the criteria of all awards to ensure they are as diverse and inclusive as possible to encourage nominations from across NDT, CM and SHM and the wider community. The revised awards will be launched in 2023 and are now on the events pages to achieve a higher targeted audience.

A summary of the 2022 Institute awards is as follows:

- All awards for 2022 were made this year except the Jim Cottier award.
- All prizes were awarded at the Awards ceremony prior to the NDT Conference dinner.
- Winners' details have gone into BINDT publications.
- Deadline for 2023 award nominations will be March 2023.
- The prize money has been increased in line with inflation.

The committee is working on an Awards Matrix to see if there are any areas for future awards and some suggestions have been made to other committees resulting from this exercise.

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 The Hugh MacColl Award	For an outstanding contribution to the practice of NDT (by an individual). 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 ' <i>Insight</i> ' in the preceding year.
The Ron Halmshaw Award	For the best paper on radiography published in <i>Insight</i> in the preceding year.

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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.
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.

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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 2022, progress was steady 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. The system was being trialled as the year ended.

2022 also saw a number of required enhancements to both the PCN and membership databases.

Website

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

Development of the BINDT website in 2022 was restricted to essential maintenance and enhancements.

By the end of 2022, users had uploaded more than 5000 entries to the online CPD resource, 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).

During 2022 BMW completed the work on constructing a vehicle ramp to the rear of the warehouse, a project agreed as part of the original purchase agreement of MSH, and BMW also commenced work on a major refurbishment of its premises, which would involve the temporary relocation of its showroom in the 'warehouse' building at the rear of Midsummer House.

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Financial

For another year, the continuing background of uncertainty caused by Brexit, and the Fall-out from the Covid-19 pandemic meant that the expectations for 2022 were difficult to assess. The only sensible thing to do was again to be prudent in our budgeting.

Consequently, a budget was set for 2022 which was again cautious in terms of revenue and cost control, given the uncertain industry context. Included in the budget was continued investment in IT infrastructure upgrading as this is an important element of 2022 business activity and will ensure an efficient operation of the executive for the future. Spending objectives were correctly set with the Institute's strategic objectives as a priority.

During the year, many of the more long-term investments demonstrated their value by reducing manual workloads on staff. This allowed the backlog in certification, for instance, to be reduced without the need for as many extra staff and also for a reduction in the staff costs on a permanent basis.

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 were shared with Council at strategy related meetings. This financial background was then reflected on the actions agreed as a mission-focused social enterprise and not a commercial undertaking.

The outturn for 2022 exceeded expectations due to increased revenue (from exhibition and certification) and effective cost control by the executive. This extra cash will now be classed as "Designated Funds" for two key future strategic objectives identified by Council. These are firstly to ensure funding is available for the completion of the project to upgrade the website; and secondly to allow for any change in reserves policy when that is reviewed later in 2023 for the 2024 budget year.

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 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.

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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.

Investment 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.

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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.



Client Waterfall Report	
18 November 2022	
Valuation report for British Institute of Non-Destructive Testing BINDT	
Valuation period 16 November 2021 to 16 November 2022	
Client Number 100173599	
	(£)
Opening value of Client Portfolio	806,540.94
Cash paid in	0.00
Cash paid out	0.00
Transfers in and/or out (re-registration)	0.00
Change in value of assets	-20,591.02
Interest	0.33
Dividends and Income Distribution	0.00
Charges	
Platform Charges	-1,866.57
Product Provider charges	0.00
Financial Adviser Charges	-5,333.04
Other charges	0.00
Closing value of Client Portfolio	671,750.64
Net rate of return (annualised figures)	-5.56% (-5.57%)
Gross rate of return (annualised figures)	-4.42% (-4.41%)

Performance indicates Balanced strategy meets the set objectives.

NDT Leadership Forum

Following the 2021 appointment of Mark Dowell as the founding Chair of the NDT Leadership Forum but delayed slightly due to the Covid-19 pandemic, the creation of the executive group was started. When a selection of key players from the various industry types was in place, the initial meetings took place in 2022.

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Key decisions were taken on the need for sufficiently briefed deputies and also the key working groups. The objectives of the executive were confirmed as:

- 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.

The overall task was broken down to "Themes" which go towards the objectives.

NDT Leadership Forum Theme Working Groups and associated Mission.

Theme	Mission
Landscaping	To summarise and communicate wider NDT landscape to government & communities beyond NDT.
Engineering	To meet both present and future needs of end users of NDT.
People	To ensure and promote competency and appropriateness of NDT personnel for future industry.
Requirements	To capture and publish specific requirements for sectors or materials.
Research	To identify and tackle gaps and barriers in the research funnel.
Technology transfer	To identify and tackle barriers to technology transfer.

For each of these Theme areas, some specific and clearly defined tasks and outputs were highlighted and completed to ensure that all stakeholders fully understand the route by which those objectives will be achieved. These are:

Scope
<i>Example activities (to help define scope)</i>
Strategic goals (top-down)
Outputs
Lead organisation(s) (route for communication)
Chair
Vice Chair
Members

Good progress was made and we are particularly happy with the wide variety of industry groupings attracted to contribute. These include user industry sectors as well as R&D, PEIs and the NDT industry.

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Summary of the year just ended (2022)

As we entered 2022, although it had been hoped that the pandemic would soon be a thing of the past, in fact BINDT found that it was still being affected by COVID-19 and the situation still had to be monitored closely. Only on 4 April did the offices at Midsummer House open again fully, five days a week. At that point, a hybrid working pattern was introduced, based on departmental requirements and done in consultation between staff and line managers, with the overall condition that the needs of the business had to come first.

Our tasks were not made easier, though, by other events. Having barely started seeing our economy in post-COVID recovery, progress was halted by Russia's invasion of Ukraine. The associated supply-chain shocks sent the price of food, energy and other commodities skyrocketing, causing hardship for so many worldwide.

Despite the challenges, however, generally speaking, at BINDT all operations were running smoothly. All departments were very busy and productivity was high. These factors, along with the cost saving measures and excellent cost control by department heads and staff, resulted in the Institute achieving a better financial position than anticipated at the end of 2022, although some of the desired activities and development projects had, once again, to be postponed.

A well-attended Strategy Retreat was held over two days at the end of May 2022, at which Council Members and senior staff discussed and assessed where we were, where we want to be and how we were going to get there. The first day focused on certification strategy and the second on all other BINDT propositions.

Starting from a high-level Strategic Plan, which was largely derived from ongoing work, meetings and Strategy Retreats, a template was created for each main committee to add detail, including the 'How', the 'When' and the 'Who' associated with each goal. Priorities are set and status monitored using the template, which is reviewed and updated by the Committees at each meeting. The Strategy Template details the initiatives, projects or programmes and resources that allow the high-level Strategic Plan to be executed.

The whole approach means that all our development actions are tied back to the strategy, objectives, mission and vision of the Institute.

2022 saw considerable progress in areas identified as key objectives for the year, including the following:

New BS EN ISO9712 Standard

The revised edition of the BS EN version of ISO 9712 was released and this meant significant changes that affect the Certifying Bodies, Employers and Training/Exam centres. A major project was embarked upon to implement the changes to the scheme and its documentation.

Product Technology training

Arising largely due to implications of the new ISO9712 Standard, development commenced of a new Product Technology modular training and certification scheme.

The UKCA mark and Pressure Equipment Safety Regulations

As a result of Brexit, the UK Pressure Equipment (Safety) Regulations stipulate that for pressure equipment in certain categories, NDT of permanent joints must be carried out by suitably qualified personnel who must be approved by a UK recognised third-party organisation. Following a couple of government postponements, it was finally announced that from end-2024 (changed from 2022), the Approving Body for new certificates needs to be based in the UK under PESR. BINDT therefore decided to develop a risk-based system to provide supporting approval for certification bodies in Europe.

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Plant Inspection Engineer programme

BINDT was approached by the offshore sector requesting a system for the qualification and PCN certification of personnel who perform engineering inspection in a variety of technologies and industrial applications, in compliance with ISO 17024 and also with reference to UKAS Guidance documents RG0 & RG2. BINDT's Plant Inspection Engineer programme has been developed and is being well-received by industry.

In other operational areas of certification activities, a successful UKAS audit was completed in December 2022 and the CSD team continue to work to improve customer service. The feedback from an ongoing survey is generally positive overall, with any constructive negative comments being reviewed and improvements put in place.

Apprenticeships

The requirement to gain Ofqual approval is ongoing, with all submissions to date failing to reach Ofqual's requirements, and a solution remains to be found.

Events

In January 2022, the Institute's Conferences and Events team supported the Scottish Branch in hosting a one-day webinar, titled: 'Seminar on NDE 4.0', and a virtual Burns supper; the event was a great success. For the rest of 2022, BINDT saw the return of in-person events after the pandemic.

The annual two-day Aerospace Event was held in April at the BAWA Centre in Bristol, UK. The event was very popular, with all exhibitor slots taken and 130 exhibitors and delegates attending. The venue received good feedback.

The one-day Aerospace Workshop event on 'Aerospace Technique Validation and Standards' was postponed to later in the year and was successfully held on 4 October 2022, with presentations, a panel session and ending with a tour of the GKN building. The event had an attendance of 30 delegates, with 18 attending the tour.

At the end of April, the Analysing Art: New Technologies - New Applications Conference was held over three days in Florence, Italy, which was very well attended and feedback from this event was excellent. Going forward, BINDT has been asked to take the lead in organising the whole event at other European city locations.

In June, BINDT hosted the Seventeenth International Conference on Condition Monitoring and Asset Management (CM 2022) at the Radisson Hotel & Conference Centre, London, UK. This three-day event went well, with 70 attendees and five exhibitors present.

At the end of June, BINDT hosted the first Workshop on NDT, CM and SHM Requirements for Civil Structures, which was held at the Institution of Civil Engineers, London, UK. The event had over 50 attendees, the venue was excellent and both days were well attended.

The 59th Annual British Conference on NDT (NDT 2022) was held in person at the International Centre, Telford, UK, alongside the Materials Testing (MT 2022) exhibition. A showcase of papers from RCNDE proved to be extremely popular, filling almost all of two parallel sessions. The conference had the normal 2.5 days of presentations with excellent attendance each day of over 150 delegates.

Marketing

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

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

- Editorial articles relating to NDT/CM/SHM and BINDT were written in-house and circulated.
- Promotion of all Institute events continued, with advertising artwork, web content, mailshots, press releases and social media posts. Programmes and relevant information were also shared through the BINDT Events App.
- 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.
- Engineering Council registration literature, forms, guidance notes and web pages were updated and advertising of professional engineering registration opportunities through BINDT continued via all available media.
- Application forms for all grades of membership were updated and improved.
- The campaign to encourage PCN certificate holders to consider joining BINDT continued through our social media channels and NDT News publication.
- The Institute's social media presence was maintained and promoted and engagement increased through all channels. At the end of 2022, the Institute had 32,627 followers on LinkedIn (company page and group), 5459 on Facebook and 3135 on Twitter. Over the year, visitor activity on the BINDT website remained steady, with around 435,000 visit sessions from over 232,000 users and 1,310,000 page views.
- A social media campaign continued to reinforce the quality of the PCN brand worldwide.
- Wider promotion of Institute Awards took place through BINDT's social media channels and the website was restructured and the presentation of information expanded to give the awards greater visibility to website visitors.
- The Institute's social media activity included participation in various national campaigns, including National Apprenticeships Week, National Engineering Day 2022, Tomorrow's Engineers Week and INWED 2022.
- Continued advertising of the four Institute apps resulted in an increase in downloads: the NDT Reference app has now been downloaded by almost 46,500 users, NDT News by over 15,350 users, NDT Events by over 3000 users and PCN Verifier by 8200 users, on both Apple and Android devices.
- A leaflet and web page titled: 'Is NDT the career for me?', outlining what it is like to work in the NDT industry and the personal attributes required, were created at the request of the Certification Services Department / Certification Management Committee.

Outlook for the year just started

Following a successful financial outcome of 2022, BINDT finds itself with a sound and solid base and an excellent financial reserves policy that mean it is in a good position to invest in some sorely needed activities and development projects. The outcomes of the Strategy Retreat and Strategic Action Plans developed by committees and staff have identified the following key objectives for 2023:

- Plan and develop a major upgrade of the Institute's website;
- Continue with IT development of business management systems;
- Continue with certification development initiatives and requirements;
- Carry out sustainable development to establishment and facilities;
- Put in place the resources that are required to achieve these and future objectives.

A full and exciting programme of events is being planned for 2023, featuring workshops, conferences and exhibitions, starting with a Workshop on NDT Solutions for Renewable Energy in January and ending with the co-located CM 2023 and NDT 2023 conferences, where BINDT will celebrate 60 years of NDT conferences.

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

For 2023, the marketing team's priorities will be to:

- Develop a plan to undertake a major upgrade of the Institute's website: analyse current usage data and take on board user feedback, committee suggestions and requirements to expand the functionality, improve the user interface and enhance the overall user experience.
- Increase BINDT's outreach activities in support of the main areas of certification, membership, STEM and apprenticeships.
- Strengthen the marketing team with the recruitment of a new member of staff into the role of Marketing Coordinator to assist with the co-ordination and support of BINDT's outreach activities.
- Begin the process of rebranding the PCN Scheme and plan the roll-out of a new logo, with improved messaging and wide promotion through all channels.
- Develop and circulate a 'Social Media Participation Pack' to enable speakers and exhibitors at the co-located conferences to easily announce their participation, with BINDT benefiting from additional social media coverage among new networks.
- Promote the special events taking place at the 60th Anniversary conference.
- Consider the additional marketing requirements for other areas of the Institute's business, including the PCN Scheme.
- Continue to promote BINDT membership and professional registration to new cohorts.
- Continue to support and promote all Institute events and Branch meetings.
- Continue to support and promote the apprenticeship schemes.
- Continue the promotion of all BINDT book titles and publications.
- 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.

BINDT continues to expand activities to promote diversity, inclusion and equality within the Institute staff, membership and engineering in general. The Diversity and Inclusion Advisory Group's planned activities for 2023 include:

- D&I panel session at the BINDT NDT 60th anniversary event;
- Working with the marketing team to update D&I content;
- Continue communication and collaboration with other professional bodies to ensure we maintain best practice;
- Finalisation and implementation of the D&I strategy.

Lastly, the resilience and productivity of all BINDT employees during the year under review are acknowledged with thanks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
00969051 (England and Wales)

Registered Charity number
260666

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

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 (Past President), S Baldwin, M Beecroft, C Bull, M Clapham (Vice President),
I Cooper (President), R Day, M Dowell (Honorary Treasurer), G Elliott (Vice President),
J Farley, C Forrester, J Hansen (Honorary Secretary), F Hardie, A Hope, K Kirk (Vice President),
S Mills, J Needham, T O'Hare, K Pickup, B Ravenshear, A Schofield, M A Sim, M C Smith,
J Taylor (President-Elect), A Ward, R Watson, D Whittle, D Wylie (Vice President)

The following Trustees were elected after the year end:-

M A Sim, M C Smith, F Hardie, K Pickup, J Taylor, B Ravenshear, T O'Hare

The following Trustees resigned during the year:-

J Buckley, S Cunningham, B Cutler, S Greenfield, J Knowles, M Lugg, R Smith

Auditors

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

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

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

REFERENCE AND ADMINISTRATIVE DETAILS

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:

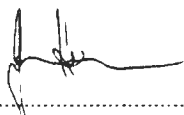
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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 23 June 2023 and signed on its behalf by:



J Hansen - 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 2022 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 2022 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.

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

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.

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

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.

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and relevant Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and the understatement of revenue. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing meeting minutes, regulatory correspondence and professional fees, detailed substantive testing on the completeness of income, and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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: 23rd June 2023

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	3				
Membership and registration		333,086	-	333,086	290,611
Certification		2,650,792	-	2,650,792	2,073,375
Publishing and marketing		107,893	-	107,893	108,817
Conferences and events		336,975	-	336,975	25,555
Investment income	2	57,630	-	57,630	56,475
Total		<u>3,486,376</u>	<u>-</u>	<u>3,486,376</u>	<u>2,554,833</u>
EXPENDITURE ON					
Raising funds	4	7,791	-	7,791	7,805
Charitable activities	5				
Membership and registration		214,692	3,324	218,016	207,505
Certification		1,823,123	-	1,823,123	1,735,015
Publishing and marketing		540,790	-	540,790	500,582
Conferences and events		382,984	-	382,984	98,432
European & international affairs		15,942	-	15,942	898
Total		<u>2,985,322</u>	<u>3,324</u>	<u>2,988,646</u>	<u>2,550,237</u>
Net gains/(losses) on investments		<u>(34,613)</u>	<u>-</u>	<u>(34,613)</u>	<u>65,712</u>
NET INCOME/(EXPENDITURE)		<u>466,441</u>	<u>(3,324)</u>	<u>463,117</u>	<u>70,308</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		3,137,133	10,993	3,148,126	3,077,818
TOTAL FUNDS CARRIED FORWARD		<u>3,603,574</u>	<u>7,669</u>	<u>3,611,243</u>	<u>3,148,126</u>

The notes form part of these financial statements

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	11	1,641,643	-	1,641,643	1,690,866
Investments	12	<u>562,603</u>	<u>-</u>	<u>562,603</u>	<u>604,861</u>
		2,204,246	-	2,204,246	2,295,727
CURRENT ASSETS					
Stocks	13	48,664	-	48,664	55,309
Debtors	14	669,217	-	669,217	523,013
Cash at bank and in hand		<u>1,142,562</u>	<u>7,669</u>	<u>1,150,231</u>	<u>722,219</u>
		1,860,443	7,669	1,868,112	1,300,541
CREDITORS					
Amounts falling due within one year	15	<u>(461,115)</u>	<u>-</u>	<u>(461,115)</u>	<u>(448,142)</u>
NET CURRENT ASSETS		<u>1,399,328</u>	<u>7,669</u>	<u>1,406,997</u>	<u>852,399</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,603,574</u>	<u>7,669</u>	<u>3,611,243</u>	<u>3,148,126</u>
NET ASSETS		<u>3,603,574</u>	<u>7,669</u>	<u>3,611,243</u>	<u>3,148,126</u>
FUNDS	17				
Unrestricted funds				3,603,574	3,137,133
Restricted funds				<u>7,669</u>	<u>10,993</u>
TOTAL FUNDS				<u>3,611,243</u>	<u>3,148,126</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

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.


The notes form part of these financial statements

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

STATEMENT OF FINANCIAL POSITION - continued
31 DECEMBER 2022

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 23 June 2023 and were signed on its behalf by:



.....
I Cooper - Trustee



.....
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 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>458,859</u>	<u>72,906</u>
Net cash provided by operating activities		<u>458,859</u>	<u>72,906</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(38,493)	(17,665)
Sale of fixed asset investments		7,645	7,803
Interest received		<u>1</u>	<u>-</u>
Net cash used in investing activities		<u>(30,847)</u>	<u>(9,862)</u>
Change in cash and cash equivalents in the reporting period		428,012	63,044
Cash and cash equivalents at the beginning of the reporting period		<u>722,219</u>	<u>659,175</u>
Cash and cash equivalents at the end of the reporting period		<u>1,150,231</u>	<u>722,219</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 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	463,117	70,308
Adjustments for:		
Depreciation charges	87,716	96,131
Losses/(gain) on investments	34,613	(65,712)
Interest received	(1)	-
Decrease/(increase) in stocks	6,645	(5,515)
Increase in debtors	(146,204)	(131,433)
Increase in creditors	<u>12,973</u>	<u>109,127</u>
Net cash provided by operations	<u>458,859</u>	<u>72,906</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/22 £	Cash flow £	At 31/12/22 £
Net cash			
Cash at bank and in hand	<u>722,219</u>	<u>428,012</u>	<u>1,150,231</u>
	<u>722,219</u>	<u>428,012</u>	<u>1,150,231</u>
Total	<u>722,219</u>	<u>428,012</u>	<u>1,150,231</u>

The notes form part of these financial statements

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

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.

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.

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

Financial instruments

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.

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

	2022	2021
	£	£
Rental income	57,629	56,475
Interest receivable	<u>1</u>	<u>-</u>
	<u>57,630</u>	<u>56,475</u>

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

3. INCOME FROM CHARITABLE ACTIVITIES

		2022	2021
	Activity	£	£
Subscriptions	Membership and registration	218,333	218,832
IAQP	Membership and registration	554	3,795
End-Point Assessment	Membership and registration	114,199	63,900
Other income	Membership and registration	-	4,084
Other income	Certification	2,167	1,986
Certification activities	Certification	2,648,625	2,071,389
Journal advertising income	Publishing and marketing	36,846	39,437
Publications advertising income	Publishing and marketing	37,143	30,748
Sale of books and insignia	Publishing and marketing	23,150	27,060
Journal subscriptions	Publishing and marketing	10,133	11,280
Condition monitor	Publishing and marketing	621	292
Conference and seminar receipts	Conferences and events	328,594	23,415
Branch income	Conferences and events	8,381	2,140
		<u>3,428,746</u>	<u>2,498,358</u>

4. RAISING FUNDS

Investment management costs

	2022	2021
	£	£
Investment management costs	<u>7,791</u>	<u>7,805</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 6)	Totals
	£	£	£
Membership and registration	177,735	40,281	218,016
Certification	1,478,201	344,922	1,823,123
Publishing and marketing	528,706	12,084	540,790
Conferences and events	342,785	40,199	382,984
European & international affairs	15,942	-	15,942
	<u>2,543,369</u>	<u>437,486</u>	<u>2,980,855</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.

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

6. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Membership and registration	35,248	3,223	1,810	40,281
Certification	306,168	24,818	13,936	344,922
Publishing and marketing	10,574	967	543	12,084
Conferences and events	<u>35,166</u>	<u>3,223</u>	<u>1,810</u>	<u>40,199</u>
	<u>387,156</u>	<u>32,231</u>	<u>18,099</u>	<u>437,486</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):

	2022 £	2021 £
Auditors' remuneration	6,370	5,790
Auditors' remuneration for non audit work	11,729	11,948
Depreciation - owned assets	<u>87,716</u>	<u>96,131</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

Members of Council are not remunerated.

Trustees' expenses

Six trustees (2021: Four) received expenses to the value of £11,177 (2021: £7,306).

Two trustees (2021: One) received consultancy income of £21,383 (2021: £2,280) in respect of the Certification department operations review.

In addition, Three trustees (2021: none) received end point assessment income of £13,555 (2021: nil) in respect of performing end point assessments.

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

9. STAFF COSTS

	2022 £	2021 £
Wages and salaries	1,158,041	1,091,618
Social security costs	117,716	105,249
Other pension costs	94,864	92,246
	<u>1,370,621</u>	<u>1,289,113</u>

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

	2022 <u>36</u>	2021 <u>35</u>
Secretarial and management		

During the year one member of staff earned remuneration between £60,000 and £70,000, and one other member of staff earned remuneration between £80,000 and £90,000.

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 £480,868.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Membership and registration	290,611	-	290,611
Certification	2,073,375	-	2,073,375
Publishing and marketing	108,817	-	108,817
Conferences and events	25,555	-	25,555
Investment income	<u>56,475</u>	<u>-</u>	<u>56,475</u>
Total	<u>2,554,833</u>	<u>-</u>	<u>2,554,833</u>
EXPENDITURE ON			
Raising funds	7,805	-	7,805
Charitable activities			
Membership and registration	206,605	900	207,505
Certification	1,735,015	-	1,735,015
Publishing and marketing	500,582	-	500,582
Conferences and events	98,432	-	98,432
European & international affairs	898	-	898

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Total	<u>2,549,337</u>	<u>900</u>	<u>2,550,237</u>
Net gains on investments	<u>65,712</u>	<u>-</u>	<u>65,712</u>
NET INCOME/(EXPENDITURE)	71,208	(900)	70,308
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>3,065,925</u>	<u>11,893</u>	<u>3,077,818</u>
TOTAL FUNDS CARRIED FORWARD	<u>3,137,133</u>	<u>10,993</u>	<u>3,148,126</u>

11. TANGIBLE FIXED ASSETS

	Freehold property £	Presidents chains of office £	Equipment £	Fixtures and fittings £	Totals £
COST					
At 1 January 2022	1,962,482	1,547	533,219	97,135	2,594,383
Additions	<u>-</u>	<u>-</u>	<u>38,493</u>	<u>-</u>	<u>38,493</u>
At 31 December 2022	<u>1,962,482</u>	<u>1,547</u>	<u>571,712</u>	<u>97,135</u>	<u>2,632,876</u>
DEPRECIATION					
At 1 January 2022	313,587	-	497,009	92,921	903,517
Charge for year	<u>54,700</u>	<u>-</u>	<u>31,395</u>	<u>1,621</u>	<u>87,716</u>
At 31 December 2022	<u>368,287</u>	<u>-</u>	<u>528,404</u>	<u>94,542</u>	<u>991,233</u>
NET BOOK VALUE					
At 31 December 2022	<u>1,594,195</u>	<u>1,547</u>	<u>43,308</u>	<u>2,593</u>	<u>1,641,643</u>
At 31 December 2021	<u>1,648,895</u>	<u>1,547</u>	<u>36,210</u>	<u>4,214</u>	<u>1,690,866</u>

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

12. FIXED ASSET INVESTMENTS

	Movement in market value of UK quoted investments £
MARKET VALUE	
At 1 January 2022	604,861
Disposals	(7,791)
Revaluations	<u>(34,467)</u>
At 31 December 2022	<u>562,603</u>
NET BOOK VALUE	
At 31 December 2022	<u>562,603</u>
At 31 December 2021	<u>604,861</u>

Analysis of investments between funds

	Unrestricted fund
	£
UK equities	562,601
Non-UK equities	-
Shares in group undertakings	<u>2</u>
	<u>562,603</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.

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

13. STOCKS

	2022 £	2021 £
Finished goods	<u>48,664</u>	<u>55,309</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	353,572	232,935
Bad debt provision	(5,000)	(5,000)
Other debtors	(554)	(50)
Prepayments and accrued income	<u>321,199</u>	<u>295,128</u>
	<u>669,217</u>	<u>523,013</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	129,790	109,988
Social security and other taxes	41,552	36,167
VAT	49,402	34,864
Other creditors	18,818	16,207
Accruals	98,361	83,407
Deferred income	<u>123,192</u>	<u>167,509</u>
	<u>461,115</u>	<u>448,142</u>

Deferred income

	Balance at 1 January 2022 £	Released £	Deferred £	Balance at 31 December 2022 £
Subscriptions	96,165	(96,165)	93,998	93,998
Conferences and Events	71,344	(71,344)	6,964	6,964
Audits	-	-	22,230	22,230
Total	<u>167,509</u>	<u>(167,509)</u>	<u>123,192</u>	<u>123,192</u>

The deferred income represents subscriptions, conferences and events, and audits relating to the year ended 31 December 2023.

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

16. LEASING AGREEMENTS

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

	2022 £	2021 £
Within one year	<u>10,000</u>	<u>10,186</u>

OPERATING LEASES - LESSOR

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

	2022 £	2021 £
Within one year	47,000	47,000
Between one and five years	39,167	86,167
	<u>86,167</u>	<u>133,167</u>

17. MOVEMENT IN FUNDS

	At 1/1/22 £	Net movement in funds £	Transfers between funds £	At 31/12/22 £
Unrestricted funds				
General fund	3,137,133	466,441	(3,217,643)	385,931
Contingency fund	-	-	850,000	850,000
Future projects fund	-	-	726,000	726,000
Property and other fixed assets fund	-	-	<u>1,641,643</u>	<u>1,641,643</u>
	<u>3,137,133</u>	<u>466,441</u>	-	<u>3,603,574</u>
Restricted funds				
Croxson Memorial Fund	2,810	-	-	2,810
BNC for NDT Fund	31	-	-	31
Halmshaw Award Fund	3,860	(1,151)	-	2,709
The Nemet Award	<u>4,292</u>	<u>(2,173)</u>	-	<u>2,119</u>
	<u>10,993</u>	<u>(3,324)</u>	-	<u>7,669</u>
TOTAL FUNDS	<u>3,148,126</u>	<u>463,117</u>	-	<u>3,611,243</u>

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

17. MOVEMENT IN FUNDS - continued

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	3,486,376	(2,985,322)	(34,613)	466,441
Restricted funds				
Halmshaw Award Fund	-	(1,151)	-	(1,151)
The Nemet Award	-	(2,173)	-	(2,173)
	-	(3,324)	-	(3,324)
TOTAL FUNDS	<u>3,486,376</u>	<u>(2,988,646)</u>	<u>(34,613)</u>	<u>463,117</u>

Comparatives for movement in funds

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	3,065,925	71,208	3,137,133
Restricted funds			
Croxson Memorial Fund	2,810	-	2,810
BNC for NDT Fund	31	-	31
Halmshaw Award Fund	4,210	(350)	3,860
The Nemet Award	<u>4,842</u>	<u>(550)</u>	<u>4,292</u>
	<u>11,893</u>	<u>(900)</u>	<u>10,993</u>
TOTAL FUNDS	<u>3,077,818</u>	<u>70,308</u>	<u>3,148,126</u>

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

17. MOVEMENT IN FUNDS - continued

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	2,554,833	(2,549,337)	65,712	71,208
Restricted funds				
Halmshaw Award Fund	-	(350)	-	(350)
The Nemet Award	-	(550)	-	(550)
	-	(900)	-	(900)
TOTAL FUNDS	<u>2,554,833</u>	<u>(2,550,237)</u>	<u>65,712</u>	<u>70,308</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 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.

The Contingency fund represents the reserves policy.

The Future projects fund represents projects in future years to which the organisation is committed.

The Property and other fixed assets fund represents the amount of reserves tied up in fixed assets.

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 £94,864 (2021: £92,246).

THE BRITISH INSTITUTE OF NON-DESTRUCTIVE TESTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

19. RELATED PARTY DISCLOSURES

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

Institution of Mechanical Engineers
TWM
Skills Training UK

The Institute provided services totalling £388,974 to these companies in the year.

Total services provided to the Institute from these companies in the year was £1,536.

At the year end the Institute was owed £71,054 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 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Investment income		
Rental income	57,629	56,475
Interest receivable	<u>1</u>	<u>-</u>
	57,630	56,475
Charitable activities		
Subscriptions	218,333	218,832
IAQP	554	3,795
Journal advertising income	36,846	39,437
Publications advertising income	37,143	30,748
Sale of books and insignia	23,150	27,060
Journal subscriptions	10,133	11,280
Condition monitor	621	292
Conference and seminar receipts	328,594	23,415
End-Point Assessment	114,199	63,900
Other income	2,167	6,070
Certification activities	2,648,625	2,071,389
Branch income	<u>8,381</u>	<u>2,140</u>
	<u>3,428,746</u>	<u>2,498,358</u>
Total incoming resources	3,486,376	2,554,833
EXPENDITURE		
Investment management costs		
Investment management costs	7,791	7,805
Charitable activities		
Wages	1,158,041	1,091,618
Social security	117,716	105,249
Pension costs	94,864	92,246
Other staff benefits	34,190	35,658
Journal production costs	150,582	153,620
Publication costs	112,561	110,596
Website/electronic publishing	43,883	29,589
Cost of books and insignia	15,250	15,035
Conference expenses	211,792	14,266
Branch costs	9,252	2,860
European and international affairs	15,942	898
Carried forward	<u>1,964,073</u>	<u>1,651,635</u>

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 2022

	2022 £	2021 £
Charitable activities		
Brought forward	1,964,073	1,651,635
UKAS fees	8,525	15,092
PCN audit fees	133,782	127,378
PED Solution project costs	20,210	84,384
Awards	16,970	4,765
Other certification services	316,787	219,291
Legal costs	12,750	4,258
Staff costs	27,548	5,414
Marketing	5,576	3,400
Meeting expenses	10,355	3,666
Staff training	8,599	6,791
End-Point Assessment costs	18,194	15,186
	<u>2,543,369</u>	<u>2,141,260</u>
Support costs		
Management		
Telephone	14,725	16,882
Postage and stationery	40,264	38,756
Sundry expenses	18,640	17,797
Computer costs	129,545	110,736
Bad debts	(4,425)	(1,575)
Premises, facilities and insurance costs	100,691	76,944
Depreciation	87,716	96,131
	<u>387,156</u>	<u>355,671</u>
Finance		
Bank charges	32,231	27,763
Governance costs		
Auditors' remuneration	6,370	5,790
Auditors' remuneration for non audit work	11,729	11,948
	<u>18,099</u>	<u>17,738</u>
Total resources expended	<u>2,988,646</u>	<u>2,550,237</u>
Net income before gains and losses	497,730	4,596
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>(34,613)</u>	<u>65,712</u>
Net income	<u>463,117</u>	<u>70,308</u>

This page does not form part of the statutory financial statements