

Approved 09/11/22

Registered number

1240103

Charity number

275206

Institute of Corrosion
(A company limited by guarantee)

Report and Financial Statements

30 June 2022

Institute of Corrosion
Report and accounts
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Institute of Corrosion**Company Information**

The Trustees, who also act as Directors for the purpose of the Companies Act 2006, present their Report and Unaudited Accounts for the year ended 30 June 2022, prepared in accordance with the Statement of Recommended Practice SORP 2019 Accounting for Charities (FRS 102).

Trustees/Directors

President	B Hedges
Vice President	S Tate
Honorary Treasurer	A J Collins
Honorary Secretary	J Lomas
Immediate Past President	G Hinds

Members of Council (Ex-Officio)

Chair PDTC	D Horrocks
Chair PAC	P Lambert
Chair TAC	L Fullalove
Chair CED	N Smart
Chair CSD	J Wharton
Chair Young ICorr	D Burkle

Technical Editor CM	B Goldie
Chair Aberdeen Branch	M Ejaz
Chair London Branch	P Zabelina
Chair Midlands Branch	A Ingram
Chair North West Branch	G Brown
Chair North East Branch	L Wilson
Chair Yorkshire Branch	R Green

Ordinary Members of Council (Elected and co-opted)

J Fletcher
D Harvey
K Harold
B Peters
R Edwards
B Wyatt
D Harrop
G Winning
S Vasey

Accountants

Hickeson Boyce
68a High Street
Stony Stratford
Milton Keynes
MK11 1AQ

Bankers

National Westminster Bank
27 High Street
Leighton Buzzard
Bedfordshire
LU7 1DX

Registered office

Corrosion House
5 St Peters Gardens
Marefair
Northampton
NN1 1SX

Company registration number

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Charity registration number

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Institute of Corrosion

Registered number: 1240103

Trustees' report for the year 1st July 2021 to 30th June 2022

Structure, Governance and Management

Governing Documents

The Institute of Corrosion ("the Institute") is a charitable company, limited by guarantee, incorporated on 12 January 1976 as the Institution of Corrosion Science and Technology and registered as a charity on 15 March 1978. The company was established under a Memorandum of Association, most recently amended at the AGM on 19th November 2020, which delineates the objects and powers of the charitable company, and is governed under its Articles of Association, most recently amended at the AGM on 19th November 2020.

In the event of the company being wound up, each Member undertakes to contribute to the assets of the company an amount not exceeding £5 to meet the debts and liabilities of the company.

Organisational Structure

The President, who acts as the Chief Executive of the Institute, reports to the Trustees, who form the Management Committee. In turn, the Trustees report to Council, who are the ultimate governing body of the Institute and who meet at intervals not exceeding 7 months. Membership of Council comprises the Trustees and nominated representatives from the standing committees, branches and divisions of the Institute and up to 12 elected individual members of the Institute.

Recruitment and Appointment of Trustees

The Directors of the Institute are also Trustees for the purposes of charity law and, under the Articles of Association, act as the Executive Management Committee. The President is elected for a 2-year term at the Annual General Meeting (AGM); normally the Vice-President shall be a candidate for election as President while the retiring President is the candidate for Immediate Past-President, unless other arrangements are necessary. Other Trustees are elected annually at the AGM and existing (non-Presidential) Trustees may stand for re-election.

Trustees, as members of the Management Committee, are required to have a broad skills base and suitable persons are drawn from industry, private consultancy and academia. Trustee vacancies are generally filled by approaching individuals who are thought to offer particular skills and/or who are able to maintain the balance of skills available to the Management Committee. Vacancies for all positions are also sought generally from the membership through a notice in the Institute's publication "Corrosion Management" and on the website of the Institute at the same time that the notice for the AGM is promulgated.

Trustee Induction and Training

Most Trustees will already be familiar with the operation of the Institute from prior service in a local or regional branch, division or committee. However, after their appointment new Trustees are given a brief familiarisation session by the President that is intended to cover:

- Obligations on Trustees in Law and as members of the Management Committee
- Memorandum and Articles of Association of the Institute
- The current financial position as set out in the latest published accounts; and
- Future plans and objectives of the Institute

Institute of Corrosion**Registered number: 1240103****Trustees' report for the year 1st July 2021 to 30th June 2022*****Risk Management***

The Trustees have conducted a review of the major risks to which the Institute is exposed. A risk register has been established and is updated at least annually and, where appropriate, systems or procedures have been established to mitigate such risks. External risks to funding have led to the development of a strategic plan which will allow for the diversification of income generation by trading activities through the Institute's subsidiary Correx Ltd. Internal control risks are minimised by the implementation of procedures for authorisation of all major transactions and projects by referral to Council.

Finances

The year saw an increase in income to £354k. This was offset due to rising staff and running costs as well as investment in new training programs which saw expenses increase to £346k resulting in a surplus of £8k. Unfortunately our managed investment portfolio fell by £7k so the net surplus is £1k. These figures include a payment from Correx Ltd to cover its share of operating costs. The Trustees are encouraged by the fact that the impact of the pandemic and the global economic downturn on the finances of the Institute appears to have been limited. The Trustees have monthly virtual meetings to review the situation on an ongoing basis.

Related Parties

The Institute manages coordination of UK activities in corrosion through the UK Corrosion Network, a group comprising members of the Institute of Corrosion and the Institute of Materials, Minerals and Mining (IoM³). The Institute is also a member of the European Federation of Corrosion (EFC) and participates actively within these umbrella organisations. The Institute is an associate member of the Engineering Council and founder member and Licensed Charter Awarding Body of the Science Council. The Institute has strong relationships with many other professional societies throughout the world.

Aims and Objectives

The Institute, as a Learned Society, has been serving the corrosion science, technology and engineering management and economic needs of individuals, academia and industry in various guises since 1959. Corrosion and materials degradation, which costs the UK around 3-4% of GDP per annum, is recognised nationally and internationally as a major economic and environmental cost. The Institute was formed with the objective of serving the needs of stakeholders connected with corrosion engineering, science and technology. The principal aim of the Institute, in support of this objective, is to advance the understanding of the science, technology and engineering practice of corrosion control, and to facilitate the exchange of information and ideas for the public benefit.

Achievements and Performance

The 2021/22 financial year has been full of activity and progress.

As we emerged from covid-19 restrictions we began to see more in-person meetings as well as joint in-person and on-line events. Branch meetings were held both in-person and virtually and were well attended. In April 2022 the annual Corrosion Engineering Division (CED) working day was held as an in-person only meeting with 30 attendees for the full day. The virtual option provides a way for members who are not able to attend in person to connect with us – which is very important. Another benefit of virtual meetings is the reduced impact on the environment as it reduces our carbon footprint as we travel less.

In September we held the Corrosion Science Symposium annual event of the Corrosion Science Division of the Institute which was well attended. It was held jointly with the Royal Society of Chemistry's Electrochem conference at the University of Edinburgh.

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The Institute sponsors a number of prestigious international awards, which are made on an annual basis to recognise excellence in corrosion science and engineering. For our 2021/22 awards we had many deserving candidates for the awards committee to choose from and the final winners were:

UR Evans award: Professor Alison Davenport (University of Birmingham)

Paul McIntyre award: Chris Lynch

Lionel Shreir award: Alyshia Keogh (University of Manchester)

Our social media presence now has over 10,000 followers on our two LinkedIn sites (compared to zero in February 2020). We have partnered with a professional writer for our social media articles (blogs) to ensure we maximise the opportunity to engage and educate our followers effectively.

As a result of feedback from many of our members we have begun a multi-year project to update our website and members database.

During the year we had our annual ISO 9001 accreditation audit which was passed with only four minor findings.

The Registration Agreement with the Society of Operations Engineers (SOE) enables our professional members to apply for registration as CEng, IEng or EngTech. The agreement is working well and we regularly encourage professional members with lesser qualifications to apply for registration as Engineering Technicians and Incorporated Engineers.

In January our biennial Young Engineer Program (2022) was launched and for the first time it is based in Aberdeen. It is being run by the Aberdeen Branch of the Institute. It is planned that this will be the last year a branch runs the program and going forward the Young ICorr committee will organise it.

Membership and Membership Services

Professional Membership applications are handled by the Professional Assessment Committee (PAC) of the Institute. We encourage existing individual members to consider upgrading from Individual Membership to the Professional grades of Technician, Member and Fellow and from the Professional grades to Chartered Engineer and Chartered Scientist. Total membership as of June 2022 was 1,567 members, an increase of 95 (6.4%) from the previous year's total of 1,472. This number includes our student membership of 216, an increase of 92 (74%) from the previous year's number of 124.

Included in the above numbers are 264 members from sustaining companies, an increase of 1 (0.4%) from the previous year's total of 263.

The corporate membership category was launched in early 2021 and we now have three companies as corporate members contributing 16 members to the above total. A fourth company has agreed to sign up in 2022.

Training Courses

Our training courses have been a highlight of the year. The Institute's two main training providers, IMechE AR and Corrodere/MPI, offer the Institute's courses around the world. Income from training continues to grow, particularly from distance learning courses. Improvements and additions to the Institute's portfolio of training courses are ongoing, with continued investment that is expected to generate returns over the coming years. There has been a move away from the use of volunteers in this area, with a more professional approach to the development, review and implementation of new courses. This process is overseen by the Professional Development & Training Committee (PDTC).

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All of our cathodic protection (CP) courses are compliant with ISO-15257 and have been very popular. They are delivered directly by the Institute at the CP training centre at the offices of Freyssinet in Telford. Unfortunately this facility may not be available in the future so we are now looking for a new facility.

In the world of surface treatment our updated Passive Fire Protection (PFP epoxy Levels 2 & 3) courses are proving popular. New PFP cementitious courses remain in writing as is a new Insulation Inspector Level 2 course.

The Microbially Influenced Corrosion (MIC) course has been approved and will be offered in November 2022. New courses for Corrosion under Insulation (CUI), Refinery Corrosion Control and Boiler Corrosion are under discussion.

The Institute's training courses continue to remain popular outside of the UK. On the 1st of April 2022 our first fully foreign language, in Portuguese, course went live with ABRACO, the Brazilian corrosion society. It is a conversion course to our Coating Inspector Level 2 certificate and initial uptake is very promising. We are now working with ABRACO to translate our Industrial Coating Applicator Training Scheme (ICATS) courses into Portuguese.

Correx Ltd

Correx Ltd is an independent company that is wholly owned by the Institute. The primary activity of Correx Ltd is to manage and operate the Industrial Coating Applicator Training Scheme (ICATS). Correx Ltd has had another successful year although some training activities and supporting companies have reduced due to the impact of Covid-19. Correx Ltd shares the administration costs of the Institute's office. It should also be noted that this year no Gift Aided donation was made by Correx Ltd to the Institute.

Future Strategy

The Institute has a strategic vision to enter into partnerships with fellow Institutes and other stakeholders in the corrosion control industry in order to maximise the impact of our objectives and activities while minimising our costs in achieving them. We are continuing to place great emphasis on training and certification and see the ongoing review and upgrade of the existing course offering as a high priority for the Institute going forward. Another key focus is on the recruitment and retention of a younger and more diverse membership, which is overseen by the Membership Development Committee, with University Liaison via Young ICorr.

Principal Funding Sources

The primary source of funds for the Institute is subscription income from individual and Sustaining Company Members. Additional income arises due to surpluses from branch membership activities, which generally take the form of seminars, conferences and meeting programmes for local members and industry. Other significant streams include licence fees from Training and Certification Courses operated by the Institute's course providers, such as IMechE AR and Corrodere/MPI. Correx Ltd, which runs the commercial arm of the Institute, has been able to contribute funds for staffing, IT provision and other running costs.

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Investment Policy

The Institute considers that until the unrestricted funds have grown, for the time being, the majority of funds available for investment should be maintained in short term funding vehicles. The cash reserves were split into separate accounts not exceeding £85,000 in order to secure full protection via the UK government Financial Services Compensation Scheme. However, the Santander savings bond now stands at £86,137 due to interest.

At the Council meeting of 3rd February 2021, a proposal to invest up to £100,000 in a managed, stocks and shares account was accepted unanimously. We have engaged with a broker and the full £100,000 has now been invested in the managed fund. Results of this investment are presented at each Council meeting.

Responsibilities of the Trustees

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Management Committee follow best practice and:

- 1 Select suitable accounting policies and then apply them consistently.
- 2 Make judgements and estimates that are reasonable and prudent; and
- 3 Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The Trustees are responsible for maintaining 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. The Trustees 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.

Members of the Management Committee

Members of the Management Committee, who are Directors for the purpose of company law and Trustees for the purpose of charity law, who served during the year and up to the date of this report are set out in the forward above. In accordance with company law, as the charitable company's directors, we certify that:

- 1 So far as we are aware, there is no relevant information of which the company's accountants are unaware; and
- 2 As Directors we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant accounts information and to establish that the charity's accountants are aware of that information.

The Accounts for the year 2021-2022 have been prepared from the accounting records by Hickeson Boyce and are presented here for discussion and approval at the AGM.

This report was approved by the Management Committee on 26th October 2022 and signed on its behalf by:

Bill Hedges
President

Institute of Corrosion Independent Examiner's Report

Independent Examiner's report to the trustees of Institute of Corrosion

I report to the charity trustees on my examination of the accounts of the company for the year ended 30 June 2022 which are set out on pages 8 to 16.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

68a High Street
Stony Stratford
Milton Keynes
MK11 1AQ

N Boyce FCCA
Hickeson Boyce
Chartered Certified Accountants

Date: 21/2/2023

Institute of Corrosion
Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 30 June 2022

	Notes	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
Income and endowments from:					
Donations and legacies	2	157,365	-	157,365	152,922
Other trading activities	3	18,144	-	18,144	6,363
Investments	4	326	-	326	1,711
Charitable activities	5	178,410	-	178,410	99,945
Total income and endowments		354,245	-	354,245	260,941
Expenditure on:					
Raising funds		85,871	8,057	93,928	80,969
Charitable activities		248,971	2,780	251,751	206,128
Total expenditure	6	334,842	10,837	345,679	287,097
Net gains/(losses) on investments	10	(6,960)	-	(6,960)	
Net Income/(expenditure)		12,443	(10,837)	1,606	(26,156)
Transfers Between Funds		-	-	-	-
Net movement in Funds		12,443	(10,837)	1,606	(26,156)
Reconciliation of funds:					
Total funds brought forward	15/16	595,965	529,368	1,125,333	1,151,489
Total funds carried forward	14	608,408	518,531	1,126,939	1,125,333

Institute of Corrosion
Balance Sheet
as at 30 June 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	9	625,014	623,962
Intangible assets	9	25,998	29,848
Investments	10	94,474	101,434
		<u>745,486</u>	<u>755,244</u>
Current assets			
Debtors	11	121,817	108,895
Cash at bank and in hand		<u>348,185</u>	<u>365,762</u>
		470,002	474,657
Creditors: amounts falling due within one year	12	(88,549)	(104,568)
Net current assets		<u>381,453</u>	<u>370,089</u>
Net assets		<u>1,126,939</u>	<u>1,125,333</u>
Charity funds			
Accumulated fund	15	608,408	595,965
Restricted funds	16	518,531	529,368
		<u>1,126,939</u>	<u>1,125,333</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

B Hedges

President

Approved by the Trustees on 9 November 2022

Institute of Corrosion
Notes to the Accounts
for the year ended 30 June 2022

1 Accounting policies

General information and basis of preparation

The charity constitutes a public benefit entity as defined by Financial Reporting Standard 102 (FRS 102). The accounts have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings. In preparing the financial statements the Charity follows best practice as laid down in the Statement of Recommended Practice Accounting and Reporting by Charities SORP 2019 FRS 102 and the Charities Act 2011.

Going Concern

The accounts have been prepared on the going concern basis as the directors consider this basis to be appropriate, having reviewed the forecasts for twelve months from the date of signing these accounts. The directors are confident that the Institute will be able to meet its liabilities as they fall due during the next twelve months.

Depreciation

Depreciation is calculated to write off the cost or re-valued amount less the estimated residual value of tangible fixed assets on a straight line basis over their estimated useful lives as follows.

Office Equipment	20%
Computer Equipment	33.30%
Fixtures and Fittings	20%

Assets acquired for less than £500 are not capitalised unless they relate directly to business operations.

Land is not depreciated. Buildings are depreciated if their residual value is considered to be less than cost.

Amortisation

Amortisation is calculated to write off the cost or re-valued amount less the estimated residual value of intangible fixed assets on a straight line basis over their estimated useful lives as follows .

Website	25%
Trademarks and other intellectual property	10%

Investments

Investments are valued at the lower of cost or net realisable value. Other investments include charity approved investments which are valued at market value with any gains or deficits being shown in the Statement Of Financial Activities.

Subscriptions

Individual and sustaining membership subscription income is accounted for on a receipts basis, unless it relates to a future period in which case it is deferred. All other income is accounted for on an accruals basis. Deferred subscription income in the current year amounted to £37,743 (2021 - £37,642) and £37,642 (2021 - £38,725) was released from the previous year.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Institute of Corrosion
Notes to the Accounts
for the year ended 30 June 2022

Expenditure Recognition

Expenditure is recognised in the period in which it was incurred and is allocated to the particular activity to which it relates or apportioned in a ratio considered appropriate by the Charity.

Taxation

The company has charity tax exemption status.

2 Income from donations and legacies

	2022	2021
	£	£
Subscriptions		
Individual Members	96,597	88,989
Sustaining Members	57,779	60,697
Magazine Income	210	160
	<u>154,586</u>	<u>149,846</u>
Elsevier (Corrosion Science)	2,779	3,076
	<u>157,365</u>	<u>152,922</u>
Gifts & Donations from Subsidiary Undertaking	-	-
	<u>157,365</u>	<u>152,922</u>

3 Income from other trading activities

	2022	2021
	£	£
Branch fundraising events	13,259	-
Branch sponsorships	4,750	5,682
Merchandise	135	681
Property rental	-	-
Other income	-	-
	<u>18,144</u>	<u>6,363</u>

4 Income from investments

	2022	2021
	£	£
Investment Income	<u>326</u>	<u>1,711</u>

5 Income from charitable activities

	2022	2021
	£	£
Branch seminar income	-	-
Corrosion Management magazine	5,950	5,479
Training courses	172,460	94,466
	<u>178,410</u>	<u>99,945</u>

Institute of Corrosion
Notes to the Accounts
for the year ended 30 June 2022

6 Expenditure

	Costs of generating voluntary income £	Fund raising and trading £	Direct charitable activities £	Governance costs £	2022 Total £	2021 Total £
Admin Fees	19,565	2,174	22,609	(870)	43,478	38,910
Depreciation	3,681	409	4,254	(164)	8,180	7,485
Head Office costs	9,777	1,086	11,298	(435)	21,726	18,161
Loan Interest	-	-	-	-	-	-
Total Support Costs	33,023	3,669	38,161	(1,469)	73,384	64,556
Audit, Accountancy, Legal & other professional services	-	-	-	18,773	18,773	12,549
Council & trustee meetings	-	10,596	-	11,661	22,257	4,277
Technical secretary services	-	-	-	2,950	2,950	2,350
Business development	1,156	17,335	3,467	1,156	23,114	40,385
Subscriptions and donations	-	-	-	13,656	13,656	14,339
Financial services	-	1,598	-	2,802	4,400	5,659
Other overheads	-	713	-	21,611	22,324	30,353
Corrosion management magazine	-	(440)	-	82,881	82,441	83,684
Branch expenditure	-	8,588	-	17,337	25,925	205
Conferences & symposia	-	-	-	-	-	-
Training courses	-	17,690	-	38,765	56,455	28,740
	34,179	59,749	41,628	210,123	345,679	287,097

Total support costs are apportioned in proportion to total income.

	2022 £
Analysis of expenditure on raising funds:	
Generating voluntary income	34,179
Fundraising and trading	59,749
	<u>93,928</u>
Analysis of expenditure on charitable activities:	
Direct charitable activities	41,628
Governance costs	210,123
	<u>251,751</u>

Institute of Corrosion
Notes to the Accounts
for the year ended 30 June 2022

7 Net Income/(expenditure) for the Year

Net income/(expenditure) for the year is stated after charging:

	2022	2021
	£	£
Depreciation	4,330	3,635
Amortisation	3,850	3,850
Independent examiners remuneration:		
Independent examination fee	1,750	1,680
Other services	<u>11,209</u>	<u>10,569</u>

8 Staff Costs and Numbers

	2022	2021
Average number of persons employed by the charity	<u>3</u>	<u>3</u>

During the year no employees received emoluments in excess of £60,000. The total pension contributions amounted to £3,243 (2021 - £2,019).

9 Fixed Assets

Intangible Fixed Assets

	Website	Trademarks	Other Intellectual Property	Total
	£	£	£	£
Cost				
At 1 July 2021	14,656	495	35,500	50,651
Additions	-	-	-	-
Disposals	-	-	-	-
At 30 June 2022	<u>14,656</u>	<u>495</u>	<u>35,500</u>	<u>50,651</u>
Depreciation				
At 1 July 2021	14,404	349	6,050	20,803
Charge for the year	252	49	3,549	3,850
On disposals	-	-	-	-
At 30 June 2022	<u>14,656</u>	<u>398</u>	<u>9,599</u>	<u>24,653</u>
Net book value				
At 30 June 2022	<u>-</u>	<u>97</u>	<u>25,901</u>	<u>25,998</u>
At 30 June 2021	<u>252</u>	<u>146</u>	<u>29,450</u>	<u>29,848</u>

Institute of Corrosion
Notes to the Accounts
for the year ended 30 June 2022

Tangible Fixed Assets

	Land & Buildings £	Office Equipment £	Computer Equipment £	Fixtures & Fittings £	Total £
Cost					
At 1 July 2021	619,244	13,056	23,197	26,837	682,334
Additions	-	1,186	616	3,580	5,382
Disposals	-	-	-	-	-
At 30 June 2022	619,244	14,242	23,813	30,417	687,716
Depreciation					
At 1 July 2021	-	13,014	18,673	26,685	58,372
Charge for the year	-	280	3,259	791	4,330
On disposals	-	-	-	-	-
At 30 June 2022	-	13,294	21,932	27,476	62,702
Net book value					
At 30 June 2022	619,244	948	1,881	2,941	625,014
At 1 July 2021	619,244	42	4,524	152	623,962

The bespoke HQ building was professionally valued as at 21 September 2022 at £340,000. However in accordance with the Charities SORP FRS102 effective 1 January 2019 section 12.14, as the building continues to meet its intended service potential then the Trustees consider that its value in use would be better reflected by its replacement cost value rather than the amount for which it could be sold in the market, and therefore no impairment in value is considered to have arisen. Consequently, the land and buildings continue to be shown in the balance sheet at cost.

10 Fixed Asset Investment

	Shares in subsidiary undertakings £	Other Investments £
Cost/market value		
At 1 July 2021	1	101,433
Additions	-	-
Revaluation	-	(6,960)
At 30 June 2022	1	94,473
Historical cost		
At 30 June 2022	1	100,000
At 1 July 2021	1	100,000

In the opinion of the Directors the aggregate view of the company's investment in subsidiary undertaking is not less than the amount included in the balance sheet.

Company	Country of registration or incorporation and number	Shares held: Class	%
Correx Limited	England and Wales 04673112	Ordinary	100

The company commenced trading in March 2005

As at 30 June 2022, the company's capital and reserves amounted to £464,642 (2021 - £430,402), its turnover was £177,407 (2021 - £233,105) and the Profit for the Year amounted to £34,240 (2021 - £82,437).

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11 Debtors	2022	2021
	£	£
Trade debtors	58,827	31,037
Funding for subsidiary undertaking	5,845	-
Other debtors	-	1,423
Prepayments & accrued income	57,145	76,435
	<u>121,817</u>	<u>108,895</u>

12 Creditors: amounts falling due within one year	2022	2021
	£	£
Trade creditors	32,027	38,643
Other taxes and social security costs	4,821	-
Accruals and deferred income	51,701	65,925
	<u>88,549</u>	<u>104,568</u>

13 Creditors: amounts falling due after one year	2022	2021
	£	£
Other creditors	<u>-</u>	<u>-</u>

14 Analysis of Net Assets

	Unrestricted funds	Restricted funds
	£	£
Fixed assets	233,951	511,535
Current assets	463,006	6,996
Other creditors	(88,549)	-
	<u>608,408</u>	<u>518,531</u>

15 Unrestricted Funds

	Balance at 01/07/2021	Incoming	<u>Movement in Funds</u>		Unrealised gain/(loss) on investment	Balance at 30/06/2022
	£	£	Outgoing	Transfers	£	£
Accumulated fund	595,965	354,245	(334,842)	-	(6,960)	608,408
	<u>595,965</u>	<u>354,245</u>	<u>(334,842)</u>	<u>-</u>	<u>(6,960)</u>	<u>608,408</u>

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16 Restricted Funds

	Balance at 01/07/2021	Incoming	<u>Movement in Funds</u>		Unrealised gain on investment	Balance at 30/06/2022
	£	£	Outgoing	Transfers	£	£
Corrosion network group	855	-	-	-	-	855
Building endowments	7,535	-	-	-	-	7,535
Building fund	504,000	-	-	-	-	504,000
Young engineers fund	16,978	-	(10,837)	-	-	6,141
	<u>529,368</u>	<u>-</u>	<u>(10,837)</u>	<u>-</u>	<u>-</u>	<u>518,531</u>

The Corrosion Network Group formally known as the Corrosion Co-ordination Group was set up in 1997 by way of donations. The grant terms for the Corrosion Network Group are to provide support for a delegate from each of IoM³ and The Institute of Corrosion to attend the EFC Corrosion Conference each year.

Building endowments are made up of donations to the building fund from members.

The building fund includes funds from the Corrosion House sale and £410,000 gift aided from Correx Limited.

The Young Engineers fund is used to support the Young Engineers Program.

17 Related Party Transactions

During the year administration overheads amounting to £63,629 (2021 £57,900) were charged to Correx Limited, a trading subsidiary.