

# 2022 ANNUAL REPORT

Year ended  
31 December 2022



The Institute of Measurement and Control

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London NW1 3AD  
United Kingdom

Tel: 020 7387 4949  
[www.instm.org](http://www.instm.org)



# OBJECTIVE

As set out in its Royal Charter and Bye-laws, the object of the Institute of Measurement and Control is:

“...to promote for the public benefit by all available means the general advancement of the science and practice of measurement and control technology and its application.”

Bearing in mind the Charity Commission’s guidance on public benefit, the Institute pursues its commitment to public benefit through a 5-year Strategic Plan formulated in 2015 and maintained in the 2020 re-write. The plan defines ...

## Our Vision

“to be a globally recognised body for promoting the advancement of the science and application of measurement and control.”

## Our Mission

“...to maintain the Institute as the eminent professional UK body for advancing the science and application of measurement and control technology.”

## Our Strategic Goals

- to raise the profile and public perception of the Institute, nationally and abroad
- to increase membership at every professional level
- to expand membership geographically
- to improve the value of membership
- to promote professional excellence throughout Institute services and activities
- to sustain a culture of continual improvement in the Institute
- to keep the Institute relevant and responsive to its stakeholders

## Serving the Public

Measurement underpins the welfare of a modern society by providing a structure in which individuals and organisations can interact and operate confidently, consistently, competently, safely, and innovatively. Measurement therefore touches almost every facet of daily life and in some areas, particularly those that affect or involve the public, such as health, transport, and safety, the need for accurate measurement is critical. It is more important than ever that engineers, scientists and technologists engaged in measurement and the related control activities and systems are properly qualified and able to meet the expectations of an increasingly technically aware and expectant society.

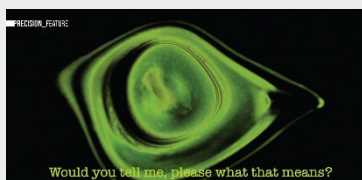
# 2022 IN REVIEW

The Institute has pursued its seven strategic goals during 2022 through a series of initiatives which have the general objective of presenting a modern professional engineering body responsive to technical and societal changes. We have been seeking to meet the needs of members and the general public by a number of proactive ventures and by engagement with a range of external bodies, whilst recovering from the impact of the international pandemic in previous years.

***raise the profile and public perception of the Institute, nationally and abroad***

During 2022 we continued to make the best use possible of social media to expand our reach beyond just the membership. This includes Twitter as well as LinkedIn. These platforms give us the opportunity to share our activities beyond the membership and show off some of the excellent material being produced by the Institute. We continued to upload videos to our YouTube channel throughout the year and it now forms an helpful repository of informative and engaging content.

We continued to produce and improve our member magazine, *Precision*, throughout the year. We try to primarily source articles directly from the membership to make sure we attempt to cover the diversity of fields our members are working in. That means we are able to feature a wide variety of interesting features.



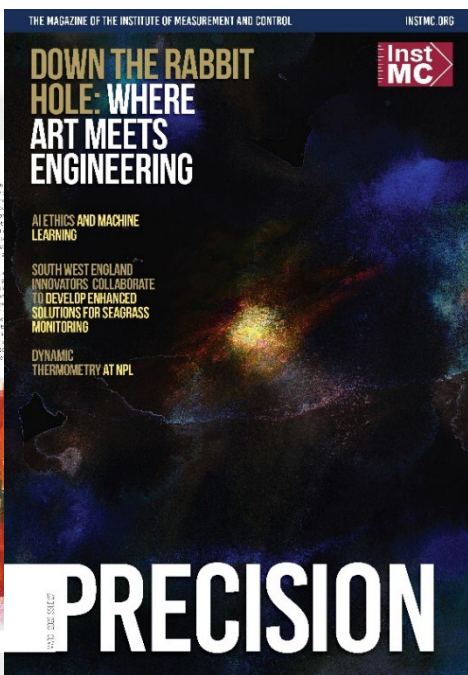
## DOWN THE RABBIT HOLE: WHERE ART MEETS ENGINEERING

As a featured subject in the '101 Jobs that Changed the World' campaign run by UK Research & Innovation, Artist Engineer Diana Scarborough explains how she successfully fuses art and science to create multimedia networks.

Many artists of different backgrounds and disciplines have been inspired by the world of science and technology. From the early days of the Industrial Revolution to the modern era of digital art, artists have found ways to express their creativity through the lens of science and technology. Diana Scarborough is one of the many artists who have successfully fused art and science to create multimedia networks.

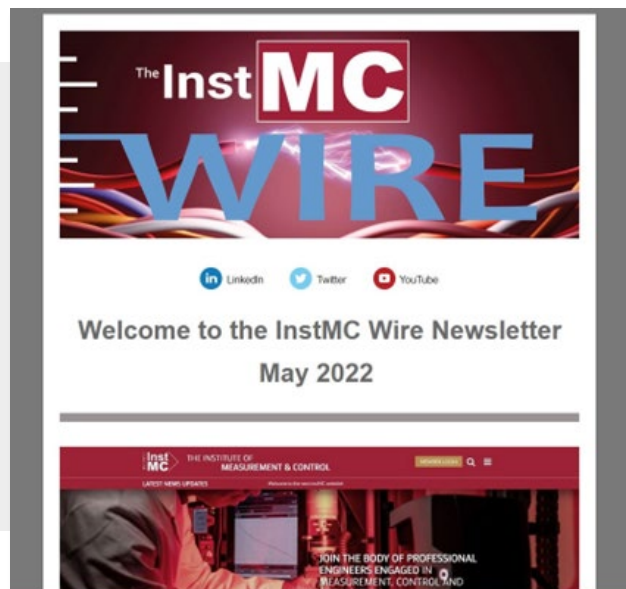
Scarborough is a multidisciplinary artist and engineer who has worked in various industries, including aerospace, defense, and healthcare. She has a background in engineering and has worked for several years at NASA. She has also worked for the UK Space Agency and the European Space Agency. She has a degree in Fine Art from the University of Exeter and a degree in Engineering from the University of Plymouth.

During her time at NASA, Scarborough worked on the Space Shuttle program and was involved in the design and development of the Shuttle's external tank and solid rocket boosters. She was also involved in the development of the Shuttle's thermal protection system. She has a deep understanding of the engineering and science behind the Shuttle program and has been able to apply this knowledge to her art.



Two peer review Journals, *Transactions of the Institute and Measurement and Control*, have retained links with the Institute but are hosted and available online through the Sage Publishing website.

The e-newsletter, *The Wire*, continued to be sent on a monthly basis and provided a useful tool for keeping members updated on the activities of the Institute and other relevant organisations that may be of interest. We have been able to significantly increase the amount of content during 2022 and continue to get good feedback from the members.



Through the Royal Academy and the Engineering Council we maintain communications and collaborations with other Professional Engineering Institutes and related bodies, and work collaboratively where it is of benefit to our members and the profession.

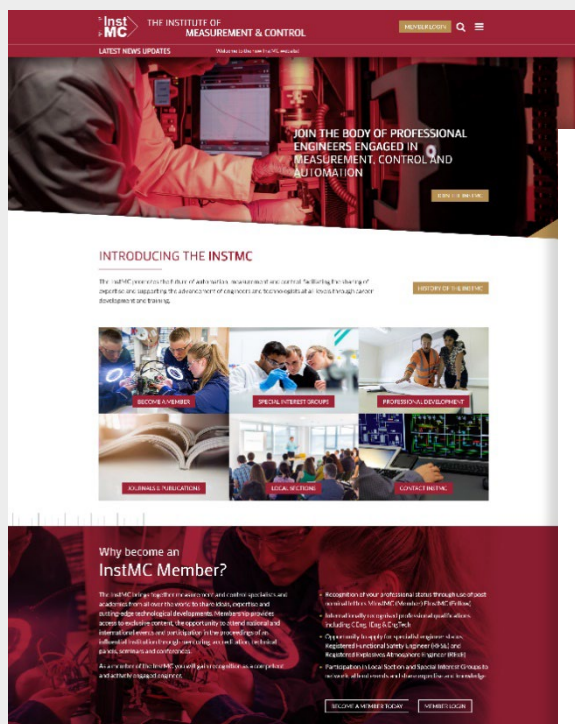


We continue to be represented on numerous standards committees both nationally and internationally.

In the year we were approached by the newly formed Instrumentation Excellence Awards and asked if the Institute, through the Chief Executive, would act as one of the expert judges.

The Institute was a co-sponsor of the Engineering Integrity Society's Instrumentation, Analysis and Testing exhibition in May and also manned a stand at the event. This was a valuable opportunity to talk to individuals and organisations, and resulted in some new Companion Companies joining the Institute.

We also supported the Water Wastewater and Environmental Monitoring exhibition, and provided speakers and content to support the learning and development zone during the event. We are looking forward to the return of even more face-to-face events in 2023.



### *sustain a culture of continual improvement in the Institute*

One of the biggest improvements we implemented in 2022 was the launch of the brand-new Website and Customer Relationship Management system (CRM). The new site and supporting CRM and database went live in April 2022 and the feedback has been overwhelmingly positive.

The new site is much easier to read and navigate and provides more up to date content to support the members, and entice potential new joiners. There is now also a more powerful and user-friendly Members Area, allowing members to take control of their details, SIGS and Local Sections memberships more easily, pay fees and purchase items, and sign up to appear in the Members Directory.

In Office the new CRM and database is much easier to use and provides useful automation that has significantly reduced the amount of time needed to run the day-to-day operating process of the Institute. The new site was designed to be scalable and so it will be much easier to adapt and grow the pages as the Institute itself grows and adapts.

During 2022 we continued our ongoing review and updating of our internal governance and documentation. This year also saw the formation of a new Audit committee. Chaired by the Honorary Secretary this new committee has a broad remit to organise and conduct audits on any aspect of the Institute's governance or management, with a particular focus on Licensed activities.

Internally we have continued to make use of Microsoft Teams and other technologies that allows us to continue a hybrid working style in a secure and productive way. We remain committed to staying on top of our cyber security, and received both Cyber Security Essentials, and Cyber Security Essentials Plus certification during the year.

The marketing team worked very hard to update the branding and accompanying guidelines during the year and produced detailed media packs with accompanying material to the Local Sections and Special Interest Groups. This helps to maintain and protect the Institute's professional reputation and public image.

### ***keep the Institute relevant and responsive to its stakeholders***

Members have multiple ways that they are able to engage directly with and feedback to the Institute. Special Interest Groups are open to members at all levels, and interested non-members. These groups meet regularly with staff from Head Office, and the Chairs of all SIGs are invited to attend meetings of the SIG Management Board which feedback directly to the Chief Executive.

A large number of members also engage through their Local Sections. Local Sections continue to provide a variety of activities for the members, ranging from professional development and networking, to social. The majority of Local Sections are committed to maintaining some virtual access where possible as we have found this enabled the largest possible number of members to take part.

The Council and Board of Trustees continued to meet virtually and face to face throughout the year. Council is made up of elected members, Chairs of Local Sections and Chairs of the major Committees and provides an invaluable medium for members to discuss the work of the Institute and feedback any issues or suggestions to Head Office and the Board of Trustees.

In 2022 we were finally able to hold a face-to-face AGM open to all the members to attend. However, the Institute is committed to maintaining the ability for members to attend the AGM virtually where necessary to ensure international members and those not able to travel for whatever reason to take part.

During the year a small working group was formed to look at the current boundaries of Local Sections within the UK to see if these were still in the most sensible place. This work has already led to a change in boundaries and names for a couple of Sections, and we plan to continue this work in 2023 to bring the Local Sections up to date with the current geographic spread and density of membership.

### ***promote professional excellence throughout Institute services and activities***

The Institute continues to accredit university course and company training programmes in line with Engineering Council requirements. In 2022 we conducted visits at 4 different universities and accredited a large number of BEng, MEng and MSc courses.

We continue to support and encourage our members to undertake and record their CPD and each year we request a sample from 5% of the registered members for review and feedback. Our internal approach to this survey was reworked slightly during the year and we will be conducting the audit slightly differently in 2023.

One way the Institute has traditionally promoted and celebrated excellence is through its well-respected prizes and awards. During the pandemic we still made our annual awards and had small virtual awards ceremonies but in 2022 we were finally able to hold our first face to face awards evening since 2019. We invited not just this year's winners but all those from 2020 and 2021 to join us. We also launched our new Exceptional Early Careers award this year to recognise the achievements of members who are in the first stages of their careers and performing above the expected standard.

## *improve the value of membership*

We have continued to develop and support our Special Interest Groups during the year. Our Current SIGs are:

- Cyber Security
- Digital Transformation
- Explosive Atmospheres
- Flow Measurement
- Functional Safety
- Measurement
- National Metrology Skills Alliance
- Standards



The SIGS are open to all members as well as any other interested parties.



The National Metrology Skills Alliance (NMSA) SIG was officially launched in 2022. It was formed out of the work that the Institute has been doing with the Midlands Centre for Data Driven Metrology. The main goals of this SIG are to produce an industry recognised professional standard for Metrologists and ultimately a

professional qualification against this standard. The first draft of the standard was completed during 2022 and sent to selections Industry and other partners for alpha testing. The feedback from this was very positive and the SIG will be rolling out a much wider beta testing phase in early 2023. Now that the core of the standard work is completed the SIG have started to plan for the next stage after publication, which is to develop a robust and industry accepted professional qualification using the standard which will be available only to members of the Institute.

The SIGS produced many useful guides, seminars and presentations throughout the year. The majority of these were virtual as it gives the most members the opportunity to join in. Wherever possible the Institute has tried to make recordings and summaries available later for those unable to attend.

The Functional Safety and Explosive Atmospheres SIGs continued to write and publish their useful briefing notes throughout the year. These are now hosted on a members only area of the new website.



During the year we worked on creating more content for members based on the feedback they have given us. This included a drive to provide more talks and seminars that could form part of our member's continuing professional development. The Institute will continue with this approach and provide more CPD opportunities in 2023.

### ***increase membership at every professional level***

This year we have been making an effort to survey and reach out to the younger and early career members to find out what they would like to see from the Institute. This research is being analysed and we hope to be able to apply it across future strategy and membership development activities.

We continue to develop and maintain relationships with Universities and Colleges both through head office and via the Local Sections. This gives us an opportunity to talk to and engage with students and early career engineers and talk to them about the benefits of PEI membership and registration. During 2022 we have also been able to have similar talks with technicians in industry to discuss the value of EngTech registration.

Local Sections regularly hold events with local businesses and organisations to promote the various levels of membership and discuss the benefits of professional registration, and these activities have continued throughout the year especially now that restrictions have been lifted and these sorts of activities can take place face to face again.

We have been re-establishing our relationship with the Worshipful Company of Scientific Instrument Makers during the last 12 months and we are hoping to launch a new SIG in 2023 that focuses on the importance of STEM education and proper career advice in schools, to try to secure the engineers and members of tomorrow.

### ***expand membership geographically***

As we have continued to make as many events as possible available to virtual attendees, we continue to have much better engagement with our international members than when we were only operating on a face to face basis.

We have been approached by several members this year who feel there is now enough of a membership base in their countries to form new Local Sections, and Head Office is committed to supporting them in that process, so that they can benefit from that support network and have a base to increase membership in their areas.

Our existing International Local Sections continue to operate on a high level, with representatives on Trustees, Council and other important internal committees. Our

International Sections are committed to the promotion of professional excellence in their home countries and as such, consistently have some of the highest retention and new member figures across any group in the Institute.

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## **ACKNOWLEDGEMENT**

None of the Institute's achievements would have been attained without the particular efforts of members, nationally and locally, who volunteered their time and expertise for various activities and affairs. The Trustees wish to extend their unanimous appreciation to all volunteers and to the small but dedicated team of staff at our head office.

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## **FINANCIAL REVIEW**

At the end of 2022, the Institute had maintained a stable financial position. The Investments are performing as expected and are monitored regularly by our Investment Advisory Group. The operating budgets of the Institute are healthy.

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## **RESERVES POLICY**

The Institute's policy remains to conduct regular reviews to ensure that its reserves are sufficient to match its current and future needs. The Institute aims to fund its core activities through revenue and to maintain adequate capital reserves which are not used to support normal operating costs; and the Institute believes its resources should be used to realise its charitable objectives, not to accumulate capital.

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## **RISK REVIEW**

The Chief Executive, supported as appropriate by the Trustees, is responsible for the operation of the Institute's approach to internal risk management and control, the systems for which are reviewed regularly. An annual risk audit is conducted based on a comprehensive risk register that is refreshed periodically. In addition, a schedule of procedural audits is carried out at least annually covering specific aspects of the Institute's work and governance. We use external audits and reviews as appropriate to validate our internal processes.

# STRUCTURE AND GOVERNANCE

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## TRUSTEE BOARD

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The Board of Trustees is the governing body of the Institute. As defined in the Institute's Royal Charter and Bye-laws, membership of the Board comprises elected Officers of the Institute and elected representatives of the Council; their terms of office being subject to triennial election.

The Trustees during 2022 were: Martin Belshaw, Billy Milligan, Ian Craig, Stewart Macfarlane, Louis Lock, Gary Tse, Malcolm George, Duncan Hutton and Maurice Wilkins.

The Trustees meet regularly throughout the year to conduct the affairs and business of the Institute in keeping with their powers and duties laid down in the Royal Charter and Bye-laws. Although they remain accountable for decisions and actions, the Trustees have the authority to delegate responsibilities, the Board therefore operates through Chief Executive, Council and a hierarchy of Boards, Committees and SIG's, some of which have their own sub-committees and panels.

## COUNCIL

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Council's remit is to advise and support the Trustees on matters affecting the Institute's affairs. It is an elected body comprising representatives from across the membership.

## OFFICERS OF THE INSTITUTE IN 2022

President	Mr Martin Belshaw
Vice-Presidents:	Mr Louis lock Mr Gary Tse Mr Maurice Wilkins
Honorary Secretary	Mr Billy Milligan
Honorary Treasurer	Mr Ian Craig

### Principal Boards and Committees in 2022

Professional Registration Committee: chair Dr B. Stanford

Accreditation Committee: chair Professor S. Smith

SIG Management Board: chair Mr H. Dearden

### Chief Executive Officer

The Chief Executive for 2022 was Steff Smith.

## LEGAL AND ADMINISTRATIVE INFORMATION

Founded in 1944 as the Society of Instrument Technology, the Institute of Measurement and Control took its present name in 1968 and was incorporated by Royal Charter in 1975.

Registered charity in England and Wales, number 269815.

Address: 297 Euston Road, London, NW1 3AD.

Telephone +44 (0)20 7387 4949

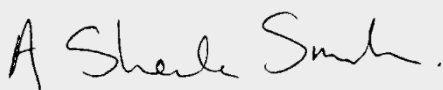
Website: [www.instmc.org](http://www.instmc.org)

Bankers: CAF Bank, 25 Kings Hill Avenue, West Malling, ME19 4JQ

Independent Examiner:

Steve Cracknell FCA, ESW, Chartered Accountants, 162-168 High Street, Rayleigh, Essex SS6 7BS .

Sheila Smith  
President



Steff Smith  
Chief Executive



# Institute of Measurement & Control

Financial Statements  
Year to 31 December 2022



# INSTITUTE OF MEASUREMENT & CONTROL

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF INSTITUTE OF MEASUREMENT & CONTROL

I report to the trustees on my examination of the financial statements of Institute of Measurement & Control (the charity) for the year ended 31 December 2022.

### Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

Since the charity'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 Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 charity as required by section 130 of the 2011 Act;

or

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 financial statements to be reached.

Mr S Cracknell FCA  
162-168 High Street  
Rayleigh  
Essex  
SS6 9BS

Dated: March 2023

**Institute of Measurement & Control  
Statement of Financial Activities  
Including Income and Expenditure Account  
for the Year to 31 December 2022**

		Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	Note	£	£	£	£
<b>Income from:</b>					
Donations, gifts and legacies	3	2,424		2,424	1,559
<b>Charitable Activities</b>					
Membership Subscriptions & Fees		402,900		402,900	423,238
Technical & Professional Activities		0		0	0
Publications and Web Services		13,243		13,243	14,967
Other		4,043		4,043	578
<b>Investments</b>	4	21,143		21,143	8,858
<b>Total Income</b>		<b>443,753</b>	<b>0</b>	<b>443,753</b>	<b>449,201</b>
<b>Expenditure on:</b>					
Charitable activities	5	491,554	0	491,554	442,508
<b>Net Income/(expenditure) before gains/(losses) on investments</b>		<b>(47,801)</b>	<b>0</b>	<b>(47,801)</b>	<b>6,693</b>
Net gains/(losses) on investments	10	(192,732)		(192,732)	215,303
<b>Net Income/(expenditure) and Net movement in funds</b>		<b>(240,533)</b>	<b>0</b>	<b>(240,533)</b>	<b>221,996</b>
Fund Balances at 1 January 2022		2,752,454	6,108	2,758,562	2,536,566
<b>Fund Balances at 31 December 2022</b>		<b>2,511,921</b>	<b>6,108</b>	<b>2,518,029</b>	<b>2,758,562</b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

**Institute of Measurement & Control  
Balance Sheet at 31 December 2022**

	Note	2022 £	2022 £	2021 £	2021 £
<b>Fixed Assets</b>					
Tangible Assets	9		657		1,313
Investments	10		<u>2,000,711</u>		<u>2,226,015</u>
			2,001,368		2,227,328
<b>Current Assets</b>					
Debtors	11	16,971		9,991	
Cash at Bank & in Hand		650,833		695,229	
		<u>667,804</u>		<u>705,220</u>	
<b>Creditors - Amounts falling due within one year</b>	12	<u>(151,143)</u>		<u>(173,986)</u>	
Net Current (Liabilities)/Assets			516,661		531,234
<b>Total Assets Less Current Liabilities</b>			<u>2,518,029</u>		<u>2,758,562</u>
<b>Net Assets</b>			<u>2,518,029</u>		<u>2,758,562</u>
<b>Income Funds</b>					
<i>Restricted Funds</i>	13		6,108		6,108
<b>Unrestricted Funds:</b>					
<i>Designated Funds</i>	14	1,202		1,202	
<i>General Fund</i>		<u>2,510,719</u>		<u>2,751,252</u>	
			2,511,921		2,752,454
			<u>2,518,029</u>		<u>2,758,562</u>

The accounts were approved by the Trustees on 22nd March 2023

Sheila Smith  
Chairman of the Board of Trustees

Stewart Macfarlane  
Trustee and Honorary Treasurer



**Institute of Measurement & Control**  
**Notes to the Financial Statements**  
**31 December 2022**

**1 Accounting policies**

**Charity information**

Institute of Measurement & Control is a charitable institute incorporated by Royal Charter in 1975.

**1.1 Accounting convention**

The accounts have been prepared in accordance with the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention subject only to the revaluation of Listed Investments. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the Board of Trustees to pursue a particular objective or group of objectives under the Royal Charter. The purposes and uses of the designated funds are set out in the notes to the accounts.

Restricted funds are subject to specific conditions by donors as to how they may be used within the objectives of its Royal Charter. The purposes and uses of the restricted funds are set out in the notes to the accounts.

**1.4 Incoming resources**

Membership Subscriptions & Fees received are allocated to the membership period to which they relate. Amounts relating to subsequent periods are carried forward as deferred income until that period.

Donations, gifts and legacies are included in the financial statements when receivable.

Technical & professional, publications & information services and other activities represent amounts receivable in respect of goods and services provided during the period.

**Investment income and gains**

Investment income, including any tax recoverable thereon, is included in the financial statements in the year in which they are receivable. Investment gains and losses are incorporated in the financial statements as they occur. Unrealised gains and losses arising from the valuation of investments, together with any movements in such gains are separately identified within the financial statements.

**1.5 Resources expended**

Resources expended are accounted for on an accruals basis including irrecoverable Value Added Tax and include expenditure where there is a constructive or legal obligation to pay. Charitable expenditure comprises expenses incurred on the defined charitable purposes of the Institution. Each category includes direct expenses and staff costs, together with an allocation of support and governance costs based on direct staff costs.

**1.6 Volunteers**

InstMC as an organisation relies heavily on its volunteers to allow it to carry out the wide variety of work that it does, across a range of fields within measurement & control. Attempting to provide such in-depth knowledge for a science and industry as diverse as measurement & control is an enormous undertaking, and would be extremely difficult without the many members who give their time, resources and expertise to the Institute helping it to maintain standards and to remain on the forefront of technology.

However, as it is impractical to place a monetary value on the volunteers' contribution due to the absence of a reliable measurement basis, the contribution of volunteers are not included as income in the financial statements.

## 1 Accounting policies (Continued)

### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Equipment renewals due to technological changes are charged to income & expenditure as incurred. Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Furniture and equipment	33% per annum on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

### 1.8 Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year

A source of financial risk faced by the charity is that is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities, particularly currency risk, and within particular sectors or sub sectors

### 1.9 Impairments

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

### 1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

### 1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

## 1 Accounting policies (Continued)

### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

## 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

## 3 Donations and Legacies

	2022 £	2021 £
Donations and Gifts	2,424	1,559
Legacies	0	0
	<u>2,424</u>	<u>1,559</u>

## 4 Investments

	2022 £	2021 £
Interest Receivable	1,993	1,464
Listed Investments	19,150	7,392
	<u>21,143</u>	<u>8,858</u>

## 5 Charitable activities

	Sections & Branches £	Technical & Prof'nal £	Professional Standards & Development £	Publications £	Other Activities £	2022 Total £	2021 £
Staff costs	12,320	86,242	86,242	49,281	30,800	264,885	235,753
Publication costs				21,833		21,833	21,624
Conferences		0				0	0
	<u>12,320</u>	<u>86,242</u>	<u>86,242</u>	<u>71,114</u>	<u>30,800</u>	<u>286,718</u>	<u>257,377</u>
Share of support costs (note 6)	9,195	64,367	64,367	36,781	22,988	197,697	182,806
Share of Governance costs (note 6)	332	2,324	2,324	1,328	830	7,139	2,325
	<u>21,847</u>	<u>152,933</u>	<u>152,933</u>	<u>109,223</u>	<u>54,618</u>	<u>491,554</u>	<u>442,508</u>

### Analysis by fund

Unrestricted funds 491,554

### For the year ended 31 December 2021

Unrestricted funds 442,508

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6 Support Costs

	Support Costs	Governance	2022	2021	Basis of Allocation
	£	£	£	£	
<b>Support costs</b>					
Staff Costs	43,121		43,121	38,379	Staff Time
Consultancy	21,320		21,320	20,500	Staff Time
Independent Examination	0	1,640	1,640	1,600	Staff Time
Legal and professional	2,148		2,148	1,575	Staff Time
Payment & Bank charges	7,573		7,573	7,531	Staff Time
Postage	116		116	1,126	Staff Time
Stationery and copying	1,182		1,182	249	Staff Time
Telephone	759		759	670	Staff Time
Travel	2,837	3,190	6,027	163	Staff Time
General expenses	39		39	45	Staff Time
Irrecoverable VAT	14,499		14,499	12,462	Staff Time
Rent & Storage	14,356		14,356	16,747	Staff Time
Insurance	3,848		3,848	2,965	Staff Time
IT & Equipment Maintenance	54,617		54,617	53,604	Staff Time
Other bodies	3,993		3,993	4,145	Staff Time
Awards & Lectures	4,693		4,693	1,350	Staff Time
Meeting Room Hire	827	2,309	3,136	0	Staff Time
Institute promotion	1,393		1,393	1,238	Staff Time
Sections & Branches	3,995		3,995	2,400	Staff Time
Depreciation	657		657	2,516	Staff Time
Interest paid	0		0	0	Staff Time
Investment Managers Charges	15,725		15,725	15,866	Staff Time
	<u>197,697</u>	<u>7,139</u>	<u>204,836</u>	<u>185,131</u>	

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year (2021 - none). 3 were reimbursed a total of £2,848 in respect of travelling and other expenses whilst on Institute business (2021- none).

8 Employees

Number of Employees

The average number of employees during the year was:

2022 Number	2021 Number
7	6

Employment costs

Wages and Salaries  
Social Security Costs  
Other Pension Costs  
Other Costs

2022 £	2021 £
274,324	246,692
25,670	22,224
7,422	4,116
590	1,099
<u>308,006</u>	<u>274,132</u>

Number of employees earning in excess of £60,000  
£60,000 - £70,000  
£70,000 - £80,000

2022 Number	2021 Number
1	1

## 9 Tangible Fixed Assets

	Furniture & Equipment £	Total £
<b>Cost or valuation</b>		
At 1 January 2022	10,717	10,717
Additions	0	0
Disposal	0	0
At 31 December 2022	<u>10,717</u>	<u>10,717</u>
<b>Accumulated Depreciation</b>		
At 1 January 2022	9,404	9,404
Depreciation Charged in the year	656	656
On Disposal	0	0
At 31 December 2022	<u>10,060</u>	<u>10,060</u>
<b>Net Book Value</b>		
At 31 December 2022	<u>657</u>	<u>657</u>
At 31 December 2021	<u>1,313</u>	<u>1,313</u>

## 10 Fixed Asset Investments

	2022 £	2021 £
<b>Valuation</b>		
At 1 January 2022	2,226,015	1,972,851
Purchase of units	336,060	199,344
Sale of units	(384,778)	(162,199)
Net gain on revaluation at 31 December	(176,586)	216,019
At 31 December 2022	<u>2,000,711</u>	<u>2,226,015</u>
Net gains/(losses) on investments are made up of:		
Gain/(Loss) on sale of investments	(16,146)	(716)
Net gain on revaluation at 31 December	(176,586)	216,019
	<u>(192,732)</u>	<u>215,303</u>
<b>Investments are made up of:</b>		
Listed investments	<u>2,000,711</u>	<u>2,226,015</u>
<b>The historical cost of investments are:</b>		
At 1 January 2022	1,914,940	1,869,967
Purchase of units	347,717	199,344
Sale of units	(341,844)	(154,371)
At 31 December 2022	<u>1,920,813</u>	<u>1,914,940</u>

The listed investments are managed on behalf of the Institute by Tilney Investment Management Limited

The basis of fair value for listed investments is equivalent to the market value, using the mid-market price.

## 11 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year</b>		
Debtors in respect of charitable services	2,640	300
Other Debtors	14,331	9,691
<b>Total debtors</b>	<u>16,971</u>	<u>9,991</u>

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**12 Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Deferred Income:		
Amounts Received in Advance for subscriptions & services	88,041	96,926
Creditors and accruals for goods and services provided	63,102	77,060
	<b>151,143</b>	<b>173,986</b>

**13 Restricted Funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	<b>Balance</b>	<b>Movement in Funds</b>		<b>Balance</b>
	<b>31 December</b>	<b>Incoming</b>	<b>Resources</b>	<b>31 December</b>
	<b>2021</b>	<b>Resources</b>	<b>Expended</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Pamely Evans Fund	921	0	0	921
A Davies Memorial Fund	1,474	0	0	1,474
Dr Alec W Hough-Grassby Fund	2,311	0	0	2,311
Process Tomography Prize Fund	1,402	0	0	1,402
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	6,108	0	0	6,108
	-----	-----	-----	-----

Each of the funds are restricted to the award of prizes or grants in particular disciplines.

**14 Designated Funds**

	<b>Balance</b>	<b>Movement in Funds</b>		<b>Balance</b>
	<b>31 December</b>	<b>Incoming</b>	<b>Resources</b>	<b>31 December</b>
	<b>2021</b>	<b>Resources</b>	<b>Expended</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Leo James Prize Fund	1,202	0	0	1,202
	-----	-----	-----	-----
	1,202	0	0	1,202
	-----	-----	-----	-----

This fund was established from a donation from the estate of Leo James for the award of prizes for excellence in the study of measurement and control technology

**15 Analysis of Consolidated Net Assets between Funds**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fund Balances at 31 December 2022</b>			
<b>are represented by:</b>			
Tangible Fixed Assets	657	0	657
Fixed Asset Investments	2,000,711		2,000,711
Current Assets/(Liabilities)	510,553	6,108	516,661
	-----	-----	-----
<b>Total Net (Liabilities)/Assets</b>	<b>2,511,921</b>	<b>6,108</b>	<b>2,518,029</b>
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16 Related party transactions

**Remuneration of key management**

The remuneration of key management was as follows:

	<b>2022</b> £	<b>2021</b> £
Remuneration of key management	76,438	69,304
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