



Annual Report and Accounts 2023



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Chair's Foreword and Review of the Year

This last year has seen us embark on an exciting journey of transformation and renewal in line with our 2022-2025 strategy which we unveiled in February 2023.

Part of the strategy involved delivering an IT transformation to improve member and customer experience. The first part of that project is now complete with our financial investment successfully delivering a new IMarEST website and customer relationship management system. The projects were delivered to a very high standard under an extremely tight deadline. This could not have been achieved without the dedication, hard work and collaboration by the Executive team and member volunteers, for which we thank them.

FY23 has also seen changes to personnel to the Board of Trustees, our Council, the Executive, and our team of employees. I am delighted to welcome Christy Farrer MBA, Professor Ed Hill, CBE and Sarah Grimshaw as new Non-Council Trustees. Their collective expertise will undoubtedly contribute to our Institute's success. Paddy Parvin has stepped down from the board as a Council Trustee, but has been elected by Council to become our first Vice-Chair of Council.

We are also fortunate to have a dedicated diverse and highly experienced group of elected Council Trustees who play a vital role in shaping the future of our Institute. They are: Dr. Parviz Sangin, Professor Chris Hodge, Professor Stephen de Mora, Dr. Sajid Hussain, Adthisaya Ganesen Manickam, Frank Mungo, Philip Parvin, and Kaushik Roy.

The Board of Trustees has officially delegated Council with implementing our Charitable Purpose, specific aspects of Operational Management, current strategy delivery, and managing relationships with members, Branches, and other bodies. To ensure continuity, we have established a Vice-Chair of Council and strengthened the Presidential Team.

The Council Executive Committee (CEC) has also been formed, comprising the President (as Chair of the Council), Vice-Chair, Chairs of the Council Committees, President Elect, Immediate Past President, and Delegates to the Engineering and Science Council. The CEC, chaired by the Vice-Chair of Council, will be responsible for governance related to the professional, technical and learned society delegated tasks, reporting to the Board of Trustees.

2023 was the last year that Gwynne Lewis, our Chief Executive, will be at the helm of IMarEST, having announced his forthcoming retirement. Gwynne has been an exceptional CEO, serving with dedication since mid-2020. Under his leadership, we have witnessed remarkable achievements, including the recruitment of a talented executive team, the successful implementation of new IT infrastructure, and the sale of our shares in MLA College Ltd. Gwynne's instrumental role in revitalising our Institute's finances and fostering operational excellence cannot be understated. The Trustees express our heartfelt gratitude for his contributions and wish him a fulfilling and well-deserved retirement, which he will begin in 2024.

It is my pleasure to announce that the Board of Trustees has recruited our new Chief Executive, Chris Goldsworthy, FIMarEST and former Cyprus Branch Chair. He joined the IMarEST in January 2024. Having returned to in-person events in the first half of 2022, I'm pleased to say that FY23 saw a continuation of this trend, with the Institute delivering our International Naval Engineering Conference and Exhibition and Annual Dinner, with plans in place for Oceans of Knowledge Conference and Engine as a Weapon X in FY24.

Our technical leadership in marine subjects continues to be driven not just through this events programme, but also through our Special Interest Groups (SIGs) and ongoing intergovernmental policy work. With a refreshed Technical and Policy team, we have been able to provide greater support for our SIGs and support several groups to refocus their work, including the new Superyacht SIG.

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Chair's Foreword and Review of the Year

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Based on consultation with our SIGs, we also published 'Disruptive Technologies in the Marine Sector: 2023 and beyond' – a report highlighting the potential impact of new technologies for the industry in coming years. Thank you to our SIG chairs for their insights on such projects and which help to demonstrate the expertise within the Institute and raise our profile.

National and international accreditations continued apace. We accredited 35 different courses/training schemes across 6 different institutions in FY23.

The agreements with our publishers once again allowed us to benefit from robust advertising revenue and sponsorship to support our events programme. Plus, our popular member magazine Marine Professional is set for a refreshed look and feel – look out for this in the new membership year.

As we move forward, we remain committed to your continued growth and development as marine professionals. Together, we will shape a brighter and more sustainable future for the marine sector. We must continue to deliver our three-year strategic plan which will allow us to continue to grow and provide value through membership. We must also seek to raise the profile of the IMarEST and the role of the ocean and maritime industries, ensuring their importance is recognised and that they drive positive change for a sustainable future.



Kevin Daffey
BEng CEng CMarEng FIMarEST MIET
Chair, Board of Trustees



About the IMarEST

The Institute of Marine Engineering, Science and Technology is a registered charity and the international professional body and learned society for all marine professionals in over 120 countries - the largest marine organisation of its kind and the first Institute to bring together over 12,000 marine engineers, scientists and technologists into one international multi-disciplinary professional body.

We promote the scientific development of marine engineering, science and technology, providing opportunities for the exchange of ideas and practices and uphold the status, standards and knowledge of marine professionals worldwide.

We are a nominated and licensed body of the Engineering Council (UK), a member of the Science Council and have links with maritime organisations worldwide, unrivalled by similar organisations of their kind, including consultative status at the International Maritime Organization (IMO).

We provide grades of membership for everyone working in a marine-related role, from those seeking to become Chartered or other Professional Recognition, to those just starting out in their careers or studying in education. We enhance the professional development of marine engineers, scientists and technologists at all stages of their careers. Through our international Branches and multidisciplinary Special Interest Groups (SIGs), we enable marine professionals to engage on relevant topics, share knowledge and drive change. Through our partnerships with academia, industry and regulators, we raise professional standards and awareness.

About the IMarEST

2022-2025 Strategic Plan

The IMarEST's purpose is more critical than ever as we look at how we can make a difference across this decade and beyond. As a home for those working across the marine sector, our role is to support marine professionals throughout their careers, ensuring they continue to develop their skills and stay abreast of the latest knowledge in their fields.

At the centre of our strategic plan to 2025 is a vision of the IMarEST as the trusted voice across the marine sector and as the global community for marine professionals, distinguished as leaders in shaping a sustainable world. As we take the Institute into the next chapter of its life, you will see us focus on six strategic themes:



Membership experience

This theme focuses on creating a tailored membership experience that is accessible, valuable and relevant to all members across the professions and at every stage of their career. This includes delivering professional development, active community engagement and knowledge sharing.

Community and member engagement

This theme focuses on providing vibrant and engaged forums for members to network, share knowledge and drive change while enhancing the life of the Institute through increased participation in our activities. We aim to become a highly relevant and professional community for our members and to embed diversity and inclusion across our global membership.

Technical leadership

Using the expertise of our members, partners and our uniquely broad view of the marine sector, we will share knowledge, create insight and inform debate on technical and scientific issues.

Growth through innovation and relevance

This theme is about understanding and responding to the needs of academia, industry, regulators and members to develop and offer new products and relevant services.

Public profile and communications

This theme is about providing a platform for members to give expert advice and comment. We want to position the Institute to be the primary authority on marine issues across the professions.

Operational excellence

This theme is about transforming our operations to ensure that every activity, process, and project delivers an enhanced member experience and value to the organisation. We want to align and develop our staff and volunteers to support the aspirations of the Institute and drive the continual improvement of systems and processes for improved member and stakeholder engagement, information exchange, organisational growth and ultimately the long-term financial sustainability of the Institute.

About the IMarEST

FY23 highlights

Here are some of the highlights from FY23:

2022
OCTOBER

Our report, 'Challenges in the Marine Industry: 2023 and beyond', identified the skills gap as one of the major challenges the marine sector faces over the coming decade.

New edition of *Marine Professional* published



2022
NOVEMBER

More than 250 delegates around the world gathered in Delft for our 16th International Naval Engineering Conference and Exhibition (INEC 2022) incorporating the International Ship Control Systems Symposium (iSCSS).

We appointed two new co-chairs to our Technical Leadership Board (TLB) - Jennifer Gomez Molina and Tim Kent



2022
DECEMBER

We launched a new 'IMarEST China Technology Centre' in Ningbo, China, to support professionalism in the region with access to IMarEST services and events.



2023
JANUARY

Creation of Council Executive Committee (CEC) to oversee the implementation of Council decisions, foster interaction and interworking between and among Council committees, Board of Trustees and the Executive.

2023
FEBRUARY

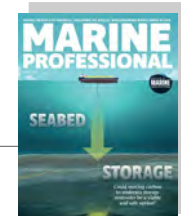
We signed a memorandum of understanding with PETRONAS, to support the professional development of their offshore engineers.

2023
MARCH

We welcome our 120th President, Martin Shaw - his President's Lecture focused on commercial shipping operations and the changes that have taken place over the past half century.

Our 118th Annual Dinner brought together hundreds of marine professionals for an evening for of fine food and networking - featuring speeches from our President, Richard Noble, Dr Kirsi Tikka, and Chief MAK0i

New edition of *Marine Professional* published



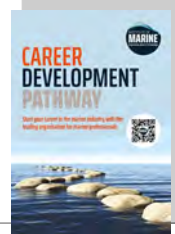
About the IMarEST

FY23 highlights

2023
APRIL

We partnered with Offshore Wind Learning IMarEST to help close the skills gap in offshore wind through a series of online courses.

Our Career Development Pathway membership was refreshed to help attract more graduates and young professionals as members.



2023
MAY

We were excited to launch a new Superyacht Special Interest Group (SIG), announced at the Palma Superyacht Show in Mallorca.



2023
JUNE

Our Executive and President attended the IMO Secretariat to meet the Secretary-General Kitack Lim for discussions about future collaboration.

New edition of *Marine Professional* published



2023
JULY

The National University 'Odessa Maritime Academy' was awarded the 2022 IMarEST Outstanding Contribution Award, sponsored by P&S Automation.

2023
AUGUST

Our new customer relationship management (CRM) platform and website went live, providing members an enhanced digital experience and exciting new features.



2023
SEPTEMBER

New edition of *Marine Professional* published





Trustees' Annual Report

Charitable Purposes

The IMarEST charitable purposes are delivered to the benefit of either the public at large or the global marine community:



ADVANCEMENT OF MARINE ENGINEERING, SCIENCE AND TECHNOLOGY

Advancing the understanding and practice of marine engineering, marine science and marine technology



EDUCATIONAL EXCELLENCE

Promoting educational excellence for marine professionals and students



ENVIRONMENTAL SUSTAINABILITY

Promoting environmental sustainability for the benefit of humanity



RELIEF OF POVERTY

Relieving global poverty through the safe and sustainable use of ocean trade and resources



IMPROVED SAFETY

Improving safety for those operating and working in the global marine sector



ETHICAL PROFESSIONALISM

Encouraging ethical professionalism by upholding standards



Trustees' Annual Report

Underpinning membership expertise

Delivery of the benefits described above depends upon the IMarEST maintaining a strong body of professional expertise incorporated in a financially robust and sustainable body. This expertise is essential to provide technical and social leadership and advice, and to ensure the safety, effectiveness and sustainability of global marine activities. This expertise is developed and recognised through our membership qualification, registration and professional development processes, through the maintenance of a body of technical information, and through professional and technical support. The IMarEST's own activities as a professional body are not considered to generate detriment or harm.

Membership

The IMarEST could not deliver its charitable purposes to the public benefit without its membership, and the membership subscriptions which are used to fund activities for public benefit. General membership of the IMarEST is open to the whole marine community and, through Affiliate membership, to any member of the public with an interest in marine affairs. Financial barriers to membership are minimised. Membership for students, apprentices, cadets and others in full-time education is free and a Career Development Pathway scheme is in place to offer discounts following graduation. Concessionary rates are in place for those living in certain countries, for those who have retired and for long-service members. Any member suffering financial hardship may apply for fees to be reduced or waived.

Fundraising

All solicitations are managed internally, without involvement of commercial participators, professional fundraisers or third parties and are focused on generating income to support delivery of our charitable purposes. The day-to-day management of all income generation is delegated to the executive team, who are accountable to the Trustees. Fundraising income is presented in our accounts as "Donations". The Institute is aware of the UK Fundraising Regulator's guidance, has received no complaints in the year and is confident in its ability to comply.

Charity Commission Guidance

The IMarEST Board of Trustees confirms it has complied with the duty outlined in Part 2 of the Charities Act 2011 to have regard to guidance on public benefit published by the Charity Commission when exercising any powers or duties to which the guidance is relevant.



What we will do in 2024

Membership experience

- In FY24 we shall continue to grow our membership and registers across engineering, science and technology by creating a tailored membership experience that is accessible, valuable and relevant to all members at every stage of their career.
- We will continue to work closely with the Engineering Council and the Science Council to ensure all our membership and registration processes and operations are fit for purpose and meet the needs of applicants from the marine sector.
- During FY24 we will continue to deliver academic and professional accreditations and CPD recognitions to organisations, training providers and universities internationally.
- Inspire, support and develop the next generation of marine professionals through a programme of relevant activity and encourage enrolment on the Career Development Pathway.
- We will continue to develop partnerships with governments and industry to promote professional development of their staff.

Community and member engagement

- We will run a series of high-quality events and workshops to lead on key technical issues and use a mix of inperson and online formats to create 'hybrid' events for greater accessibility. Key events in the FY24 calendar:
 - Oceans of Knowledge
 - Engine As A Weapon Symposium X
 - Annual Dinner
 - Future Leaders Forum
 - IMarEST Annual Conference
- We will engage with the branches and SIGs, continuing to support them in delivering a range of services to members, including training them to deliver hybrid and online lectures and to record in-person meetings.
- We will provide increased opportunities for members to network and exchange information and expertise with other marine professionals locally and around the world.
- Expand our support of and engagement with Student Sections and encourage the establishment of new Sections.

Technical leadership

- We will use the expertise of our members to provide an invaluable public service, sharing impartial, scientific and engineering expertise with governing bodies to help them in evidence-based decision and policy making.
- We will ensure decisions that directly affect marine engineers, scientists and technologists and the way they undertake their work are communicated to members and ensure policymakers are developing reasonable regulation that can be implemented by our community.
- We will develop awareness across relevant sectors and specialisms through our interdisciplinary content and magazine.



What we will do in 2024

Growth through innovation and relevance

- We will focus on working much more closely with our corporate clients to deepen our understanding of how we can support them.
- We will further grow and commercialise our events programme
- We will work with Think Publishing to improve our portfolio of member content and open access content under the established Marine Professional brand, as well as sponsorship and advertising revenue.
- We will also continue to work with Witherby's Seamanship International on our existing book portfolio and seek further book publishing opportunities in FY25.
- As we have come to the end of our five-year contract with Taylor & Francis for the publication of our two technical journals, we are actively inviting proposals from alternative publishing houses, as well as an invitation to renew from Taylor & Francis.

Public profile and communications

- We will enhance our marketing and communications strategy to improve external communications and media engagement to better communicate the work of the Institute for future growth.
- We will continue to develop the website to enhance member engagement, resources and the overall user experience.
- We will explore further investment in media training for our senior spokespeople

Operational excellence

- We will continue developing and expanding our IT estate, website and CRM to ensure maximum productivity and efficiency in delivering membership and business services.
- We will deliver financial targets and key performance measures as agreed by the Board of Trustees.

Financial review

The table below provides a high-level breakdown of income as shown in the consolidated statement of financial activities and notes to the financial statements.

	2023 £'000	2023 %	2022 £'000	2022 %
Income from charitable activities	2,531	85.13	2,462	84.23
Investment income	410	13.79	402	13.75
Net income from associates	19	0.64	58	1.98
Donations and legacies	13	0.44	1	0.04
	2,973	100.00	2,923	100.00

The IMarEST's overall financial position shows net movement in funds as follows:

	2023 £'000	2022 £'000
Net deficit (excl.pension adjustment) prior to other gains (losses)	(342)	(125)
Pension Scheme Adjustment (Note 18)	201	254
Net income before recognised gains and losses	(141)	128
(Loss) gains on listed investments	294	(1,680)
Actuarial gains on defined benefit pension scheme liability	(11)	125
Foreign exchange losses on translation	(15)	(17)
	127	(1,444)

The underlying financial performance of the Institute was a deficit of £277k (2022: £125k). The implementation of our the new CRM and website has impacted our revenue generating activities. Improvements in market conditions have seen a gain in our investment portfolios, totalling £294k (2022: (£1,680k)). Income from investments remains broadly consistent year on year at £410k (2022: £402k). The weakening of sterling against other currencies has led to a foreign exchange loss of £15k (2022: £17k). There has been an overall positive movement of £201k (2022: £379k) on the valuation of the Retirement Benefit Scheme deficit.

The Group balance sheet shows total net assets of £11,078k as follows:

	2023 £'000	2022 £'000
Total net assets before pension scheme liability	12,635	12,709
Defined benefit pension scheme liability	(1,557)	(1,758)
	11,078	10,951

Financial review

Charitable application

The table below provides a high-level breakdown of the application of funds to our charitable purposes as shown in the notes to the financial statements.

	2023 £'000	2023 %	2022 £'000	2022 %
Membership Services	1,255	40.30	1,271	44.3
Technical Publications & Books	131	4.21	141	4.92
Conferences & Events	666	21.39	454	15.83
Marine Partners & Members Fees	330	10.60	291	9.87
Accreditation	170	5.46	173	6.01
Technical & Library	548	17.60	527	18.37
Awards	14	0.45	19	0.71
	3,114	100.00	2,876	100.00

Cash and investment policy

The Institute's Royal Charter gives the Institute the power 'to invest the monies of the Institute not immediately required in or upon such investments or other property or other assets as the Trustees may think fit.' The Board of Trustees delegates day-to-day management of its investment portfolio to its investment managers and they act on a discretionary basis in accordance with the Statement of Investment Policy and Principle (SIPP) and benchmarks agreed with the Board of Trustees.

The Institute is following a strategy of predictable income using a selection of funds managed by Sarasin and Partners LLP (Sarasin). The SIPP and benchmarks are reviewed annually and adjusted as deemed necessary by the Board of Trustees. In the determination of benchmarks and the review of performance against these benchmarks the Trustees receive advice from an independent Investment Adviser.

The performance* against benchmark for the funds comprising the investment portfolio is given in the following table:

	Benchmark	Portfolio
Sarasin Income and Reserves Fund Class A Inc	6.0%	4.0%
Sarasin Endowments Fund Class A Inc	9.3%	6.7%

*performance is calculated 'net' of investment management fees and takes into account receipts and withdrawals from the portfolio during the period.

The Board of Trustees keeps under review the adequacy of the Treasury to fund immediate cash flow requirements, short-term capital projects and risk mitigation without jeopardising the invested reserves.



Financial review

Total Return Accounting

On 18 September 2018 the Committee of Management of the Memorial Fund (a Permanent Endowment Fund) agreed to adopt a total return investment approach under section 105 of the Charities Act 2011 for the Memorial Fund and that its core value should remain set at £3,044,472 as shown on the Memorial Fund balance sheet for the year ending 30 September 2011. They further agreed that responsibility for the implementation and oversight of adopting a total return basis should be delegated to the Institute's Finance & Investment Committee.

Reserves and reserves policy

In addition to its operating funds (i.e. working capital in current and deposit accounts), the IMarEST maintains a variety of funds and investments with different aims and structures:

- a) **Restricted Funds.** The IMarEST retains two separate Restricted Funds:
 - ii. **The Awards and Scholarships Fund.** This was established from legacies and donations received over time and is used to fund rewards for excellence within the fields of Marine Engineering, Science and Technology, with any unexpended income being retained within the fund. At 30 September 2023 its value was £243k (2022: £233k). It is considered as a reserve for its specific purpose.
 - ii. **The Permanent Endowment Memorial Fund (PEMF).** This was created after the sale of the Mark Lane building from 25% of the net proceeds. It is governed by its own scheme rules, under which dividend income can be used for the charitable purposes of the Institute but the core capital value must be preserved. At 30 September 2023 its core value was £3.044M. The fund is managed on a Total Return basis (in accordance with Charity Commission guidance) wherein capital gain above the core value can be taken as income. The Fund can be considered as part of the reserves – but under normal circumstances only for income generation. At 30 September 2023 the total fund value, including unapplied total return was £3.78M (2022: £3.68M).
- a) **Unrestricted Funds (free reserves).** Further IMarEST investment assets are contained in an investment fund which may be utilized for the general financial needs and charitable purposes of the Institute. At 30 September 2023 its value was £7.72M (2022: £8.63M), and can be considered free reserves.
- b) **Designated Funds.** The Trustees have designated £892k (2022: £167k) of funds relating to tangible fixed assets and cash held overseas to reflect that these cannot easily be realised as cash to apply towards charitable purposes.

The IMarEST requires reserves for the following purposes:

- a) In order to preserve the medium and long-term interests of the charity.
- b) As a source of income to fund the IMarEST's charitable purposes and Retirement Benefit Scheme (RBS) Recovery Plan.
- c) As a contingency fund against recovery from maturing risks.
- d) To meet the mid-term capital requirements of the Institute.

The reserves policy is to maintain the Institute, Memorial and Awards & Scholarship Funds at the required level in order to provide income to support delivery of the Charitable Purposes and RBS Recovery Plan without eroding capital value. IMarEST have recently updated the strategic plan for the next three years, which will see investment in capability and infrastructure to support efficiencies and growth. The designated funds and current target value of £12-£13m of free reserves will be reviewed in due course.

At 30 September 2023 the value of IMarEST free reserves and designated funds as shown on the charity balance sheet is £8.5M (2022: £8.6M).

Financial review

Pay policy for senior staff

The executive team of the Group direct and control the operation of the Group on a day to day basis. The remuneration of the entire executive team is reviewed and approved annually by the IMarEST Remuneration Committee. This Committee is chaired by the Vice Chair of the Board of Trustees. The Committee ensures arrangements are affordable and fair, and are designed to motivate and reward performance in the interest of the Group. Remuneration is benchmarked periodically using external surveys and data which includes both commercial and not-for-profit organisations.

Risk management

Risk management is embedded within the operations of the Group. Risk registers are regularly maintained by the executive, and reviewed by the trustees. Currently the most significant risks are:

Category	Risk	Mitigation
Compliance	Adherence to a broad range of regulatory and statutory obligations, including financial reporting, direct and indirect tax, employment laws, Charity Commission guidance, data protection etc.	Update operational procedures, seeking ISO9001 certification in FY24. Appropriate staff training and development to ensure we maintain appropriate skills and competencies in house, and supplement with external expertise where necessary.
People	As a small to medium sized business everything we do is highly dependent upon our volunteer network and our employees / executive. Post COVID the local employment market is very buoyant and there is a risk that we might lose key staff and their experience, impacting the business in the short to medium term.	We have reviewed our HR processes including recruitment, development, succession planning and appraisal. We also undertake manager training and conduct regular staff opinion surveys. We are working towards an Investors in People accreditation within the next 12 months.
Systems/Infrastructure	There is a risk that a lack of recent investment in our IT Systems and infrastructure might lead to a failure of the system and a loss of business continuity.	We have completed the first phase of our an IT Transformation Programme which has seen us move to the cloud and implement a new CRM system, website and member portal. We will develop our communities platform during FY24 supporting member interactions with SIG's, Branches and each other.
Financial	Ability to meet defined benefit pension liabilities.	The 2020 valuation was agreed with the RBS Trustees in December 2021, setting an affordable level of contributions until the next valuation in 2023. IMarEST have historically been reliant on the income from Investment Assets to meet this obligation.
Financial	Ensuring that IMarEST's portfolio of activities are financially sustainable.	A 3 year financial plan targeting a move to operational surpluses is currently under review, along with an extension of our strategic plan. A clear framework is used for bottom up budgeting, and forecasting. Internal project committees focus on customer engagement and product development in response to member feedback. Improving engagement with students/ early career professionals is key to longevity.

Financial review

Audit

Financial audit oversight is delegated to the Finance & Investment Committee. Operational and procedural audit matters are overseen directly by the Board.

Members

The role played by our members, who so generously volunteer their time and expertise to serve the IMarEST, cannot be overestimated. Their contribution is vital across a number of activities, including the Professional Review process by which individuals are assessed for qualification to membership, as accreditors, providing technical lectures, contributing to our publications, as representatives of the IMarEST, through branches, through SIGs (Special Interest Groups), our various Committees, the Council and the Board of Trustees. The IMarEST is very grateful for the contributions of members and recognises that without their efforts there could be no IMarEST.

Related parties and connected organisations

As detailed in note 9 to the financial statements, IMarEST has two fully owned subsidiary undertakings Marine Management (Holdings) Limited, a company registered (01100685) in England and Wales. and Marine Exhibitions Limited, a company registered (09235513) in England and Wales. Marine Management (Holdings) Ltd is the parent company of MAREST (S) PTE Limited.

As at 30 September 2023, Marine Management (Holdings) Ltd held a 30% share in Marine People Limited, a marine specialist recruitment agency. The shares in MLA College Ltd held at last year end were sold on 16 December 2022.

The table below gives details of the composition of the Board of Directors of the companies identified above as at 30 September 2023.

Company	IMarEST Trustees	IMarEST Executive	External	Chair
Marine Management (Holdings) Limited	1	2	2	External
MAREST (S) PTE Limited	–	2	1	Executive
Marine Exhibitions Limited	–	2	–	Executive
Marine People Limited	–	1	2	External

The Institute has a close working relationship with the Guild of Benevolence of the IMarEST, which is a separate and independent charity. The Institute provides certain services to the Guild for which charges are made based on the costs incurred by the Institute. The Honorary Treasurer and Secretary of the Institute are ex-officio members of the Guild's Committee of Management but the Institute has no overall control of the charity.

The Institute has historically had a close relationship with the Memorial Fund, which was a separate charity whose exclusive objects were to repair and maintain the property of the Institute, to advance education in engineering, science, and technology in the marine environment, and to advance the general charitable purposes of the IMarEST. Although it remains legally constituted as a separate charity, since July 2012 the Memorial Fund has been linked to the main Institute charity for registration and accounting purposes and no longer has a separate charity registration number. The Trustees of the Institute at any given time also serve as the trustees of the Memorial Fund.

In pursuance of its charitable objectives, the Institute has a working relationship through the joint branch arrangements with the Royal Institution of Naval Architects.



Structure, governance and management

Board of Trustees

The Institute of Marine Engineering, Science and Technology is a body incorporated by Royal Charter (registered number RC000256) and a charity registered in England & Wales (number 212992). It is governed by a Royal Charter, Bylaws and Regulations which were last updated in 2018 and 2023 respectively.

The overall governance and control of IMarEST is managed by a Board of Trustees (the Board) whose members are the charity trustees of IMarEST. The Board is composed of the five Officers of the Institute plus between 9 and 15 other Trustees, of which at least six must be Council Trustees and at least three Non-Council Trustees. Council Trustees are appointed by Council and Non-Council Trustees are appointed by the Board itself. IMarEST recruits trustees with the relevant skillset to support the Institutes activities. All Trustees receive an induction to IMarEST, along with an overview of the responsibilities of trustees. They are encouraged to attend training sessions during their tenure. The Chair of the Board is a Fellow of the IMarEST and appointed by the Board but need not be a member of either the Board or Council at the time of appointment. A Vice-Chair is selected by the Board from among its existing membership. The Board has three committees to focus on specific aspects of its work in detail: Nominations and Remuneration (both composed solely of Board members) and Finance & Investment, composed of Board members and, at the discretion of the Board, one or more individuals with specialist expertise who are not currently members of the Board. In addition, the Presidents' Advisory Committee, composed of past Institute presidents, is considered a Board committee.

Council

The Council is the representative body of the members of the Institute and acts in an advisory capacity to the Board of Trustees. It also provides oversight for the professional, technical and learned society activities of the Institute under delegation from the Board. Appointed Members of Council are appointed by Council to three-year terms on the recommendation of the Nominations Committee. Elected Members of Council are elected to three-year terms by the Voting Members in the relevant electoral division. Both Appointed Members and Elected Members are eligible to serve two consecutive terms of office and there are currently four electoral divisions: Americas, ANZSPAC (Australia and New Zealand), Asia Pacific and EMEA (Europe, Mid East and Africa). The Honorary Treasurer is elected annually by Voting Members across all electoral divisions. The President of IMarEST serves as the Chair of Council as well as IMarEST's ambassador and is appointed to a one-year term by Council on the recommendation of the Presidents' Advisory Committee. The President is supported by the Presidential Team, which consists of the President Elect, Immediate Past President and the Vice Chair of Council. The Vice Chair of Council is appointed for three years and chairs the Council Executive Committee which supervises the work of the Committees of Council.

Council delegates the delivery of specific aspects of its work to its standing committees: Membership Committee, Professional Affairs and Education Committee (PAEC), Publications Supervisory Board (PSB) and Technical Leadership Board (TLB). Council must meet a minimum of twice each year and normally holds two face-to-face and two on-line meetings during the year.



Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the income and expenditure of the group and the charity for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in 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);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the group and charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's Royal Charter. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by the trustees and signed on their behalf on 2 April 2024 by:

Kevin Daffey
Chair of Board of Trustees

Martin Murphy
Honorary Treasurer

Independent auditor's report to the trustees of the Institute of Marine Engineering, Science & Technology

Opinion

We have audited the financial statements of The Institute of Marine Engineering, Science and Technology ("the Parent Charity") and its subsidiaries ("the Group") for the year ended 30 September 2023 which comprise the consolidated statement of financial activities, the consolidated and Parent Charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 30 September 2023 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related 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 Group's or the Parent Charity'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 other information comprises the information included in the Annual report and Accounts 2022, other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Charity; or
- the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- the Parent Charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; 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 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 Group's and the Parent Charity'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 Group or the Parent Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report 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 accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and Charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and those that relate to data protection (General Data Protection Regulation). identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias;
- used data analytics to investigate the rationale behind any significant or unusual transactions; and
- tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the Group and Charity's financial procedures.

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

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

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

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

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

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's 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 Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Edward Finch (Senior Statutory Auditor)

For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 2 April 2024

Consolidated Statement of Financial Activities

Year to 30 September 2023

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds 2023 £'000	Total funds 2022 £'000
Income						
Donations and legacies	1	2	11	–	13	1
Charitable activities	2	2,531	–	–	2,531	2,462
Investment income	3	272	9	129	410	402
Income from associates	3	19	–	–	19	58
Total income		2,824	20	129	2,973	2,923
Expenditure						
Charitable activities	4	3,100	14	–	3,114	2,869
Other expenditure						
Write down of investment in associates	6,12,19	–	–	–	–	(74)
Total expenditure		3,100	14	–	3,114	2,795
Net income (expenditure) before investment gains and losses						
		(276)	6	129	(141)	128
Gain / (loss) on listed investments	9a	196	4	94	294	(1,680)
Net income / (expenditure)		(80)	10	223	153	(1,552)
Transfers between funds	18	129	–	(129)	–	–
Net income/(expenditure) before other recognised gains and losses		49	10	94	153	(1,552)
Actuarial (loss) / gains on defined benefit pension scheme		(11)	–	–	(11)	125
Foreign exchange losses		(15)	–	–	(15)	(17)
Net movement in funds		23	10	94	127	(1,444)
Reconciliation of funds						
Total funds brought forward at 30 September		7,037	233	3,681	10,951	12,395
Total funds carried forward at 30 September		7,060	243	3,775	11,078	10,951

Income and expenditure was derived from continuing activities in the above periods, with the exception of the write down in associates.

Balance sheets

As at 30 September 2023

	Notes	Group		Charity	
		2023	2022	2023	2022
		£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	7	834	59	786	-
Tangible assets	8	16	77	11	77
Investments	9	11,962	11,737	11,938	11,622
		12,812	11,873	12,735	11,699
Current assets					
Debtors	11	542	1,744	642	1,702
Cash at bank and in hand		201	459	140	407
		743	2,203	782	2,109
Creditors: amounts falling due within one year	13	(920)	(1,367)	(1,028)	(1,302)
Net current assets (liabilities)		(177)	836	(246)	807
Debtors: amounts due after one year	12	-	-	-	45
Net assets before pension liability		12,635	12,709	12,489	12,551
Defined pension scheme liability	17	(1,557)	(1,758)	(1,557)	(1,758)
Total net assets		11,078	10,951	10,932	10,793
Funds and reserves					
Permanent endowment funds	10	3,775	3,681	3,775	3,681
Restricted funds		243	233	243	233
Unrestricted funds					
. Designated funds	18	891	167	887	167
. General funds	18	7,726	8,628	7,584	8,470
. Pension reserve	17	(1,557)	(1,758)	(1,557)	(1,758)
Total funds	18	11,078	10,951	10,932	10,793

The accompanying accounting policies and notes form an integral part of these financial statements. The financial statements on pages 22 to 48 were approved by the trustees on 2 April 2024 and signed on their behalf by:



Kevin Daffey
Chair of Board of Trustees



Martin Murphy
Honorary Treasurer

Consolidated statement of cash flows

Year to 30 September 2023

	2023	2022
	£'000	£'000
Cash flows from operating activities		
Net movement in funds for the year before other recognised gains and losses	153	(1,552)
Adjustments for		
Depreciation charges tangible assets	19	76
Amortisation charges intangible assets	29	11
Write back of negative goodwill	-	(403)
Decrease in stock	-	4
Decrease (increase) in debtors due within one year	1,202	(1,269)
Decrease in debtors due in more than one year	-	1,584
Decrease in creditors	(447)	99
DB pension charge contributions net of interest expense	(136)	(254)
Dividends and investment income receivable	(410)	(402)
Net income from associates	(19)	(58)
Gains on listed investments	(294)	1,680
Foreign exchange losses	(15)	(17)
Net cash used in operating activities	82	(501)
Cash flows from investing activities		
Dividend received from investments	430	450
Purchase of property, plant and equipment	(9)	(8)
Purchase of intangible assets	(751)	-
Proceeds from sale of listed investments	-	250
Purchase of listed investments	-	(7)
Net cash provided by investing activities	(330)	685
Change in cash and cash equivalents in the reporting period	(248)	185
Cash and cash equivalents at 1 October	563	378
Cash and cash equivalents at 30 September	315	563
Analysis of cash and cash equivalents		
Cash at bank and in hand	201	459
Cash held by investment managers	114	104
Total cash and cash equivalents	315	563

The Group holds no external loans. There is therefore no difference between the changes in cash and cash equivalents and the changes in net debt.

Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

Basis of preparation

The Financial Statements have been prepared in accordance with the Charities SORP (FRS 102), Accounting and Reporting by Charities: A 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) and the Charities Act 2011. The statements have been prepared under the historic cost convention, with the exception that investments, memorabilia and historic assets are included at market value. The financial statements are rounded to the nearest £'000.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Group and Charity's ability to continue as a going concern. The Charity holds significant reserves which will support a budgeted deficit position for the forthcoming year, whilst the income streams are diversified. Should the Charity require additional funding for operational activities, the investments can be realised quickly to ensure that financial obligations are met as they fall due.

Basis of consolidation

The accounts consolidate those of the Charity and its wholly owned non-charitable trading subsidiaries: Marine Management (Holdings) Limited, MAREST (S) Pte Limited and Marine Exhibitions Ltd.

The shareholding in MLA College Ltd was sold in December 2022, discharging the debtor disclosed at the end of last year. Intra-group transactions are eliminated in full.

As a result of a direction issued by the Charity Commission in July 2012, The Institute of Marine Engineering, Science and Technology Memorial Fund (the Memorial Fund) was linked with the funds of the Institute.

In the year ended 30 September 2006, the Stanley Gray Awards and The Institute of Marine Engineers Scholarship Fund merged with the Donald Maxwell Fund. Donald Maxwell Fund was linked, under a Charity Commission direction, with the funds of the Institute. The resulting linked charity is referred to as the Awards and Scholarship Fund. The Scholarship fund was enhanced by a generous injection of funds in respect of the John Blackburn Main Trust in 2007.

The Memorial Fund and The Awards and Scholarship Fund remain subject to their trusts and the terms under which they were given. The separate charity balance sheet and its related notes include these two funds.

Income

Income is recognised in the period in which the group and the charity has entitlement to income, the amount of the income can be measured reliably and it is probable that the income will be received.

Donations and legacies

Income from donations and legacies is included once the Charity is informed of an entitlement and that there is a probable assurance of receipt. Unless the legacies or donor specifies conditions of receipt, the income is included in the general fund.

Charitable activities

Subscriptions are recognised on an accruals basis. Receipts received in advance of the membership period are held as deferred income. Income is recognised using the stage of completion method and on-going tutorial support is considered to be immaterial. Income generated from consultancy is recognised over the life of the project. Income from technical journals subscriptions and events are recognised in the year it relates to, with payments in advance held as deferred income.

Investment income and interest

Income receivable on deposits and investments is recognised when received. Income from permanently endowed investments is calculated on a total return basis (see note 9).

Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Where subsidiary companies undertake charitable activities these are included within the charitable expenditure.

All expenditure is inclusive of irrecoverable VAT.

Allocation of overheads

Where costs cannot be directly attributed to a particular charitable activity, costs are allocated using the best judgement. The allocation of overhead costs is analysed in note 4.

Governance costs

Governance costs have been analysed to show the cost of running the Charity, including strategic planning for its future development, legal advice for the Board of Trustees or Council. All the costs of complying with constitutional and statutory requirements, such as the costs of the Board of Trustees and Council meetings, and of preparing statutory accounts and satisfying public accountability, are allocated to charitable activity using best judgement.

Operating leases

Lease commitments are charged in the statement of financial activities on a straight-line basis over the lease term. Details of the lease commitments are shown in note 14.

Pension costs

The Institute's staff pension scheme incorporates a final salary section and a stakeholder section. The assets of the scheme are held separately from those of the Institute in an independently administered fund. The final salary section of the scheme was closed to new members on 5 April 2002. At that date, the final salary section, which previously was a non-contributory scheme, became a contributory scheme with active members paying 7% of their gross salary.

The final salary section of the pension scheme is accounted for in accordance with FRS 102 section 28 'Retirement Benefits'. The service cost of pension provision relating to the year, together with the cost of any benefits relating to past service if the benefits have vested, is charged to the statement of financial activities. A charge equal to the increase in the present value of the scheme liabilities (because the benefits are closer to settlement) and a credit to the Group's long term expected return on assets (based on the market value of the scheme assets at the start of the year), are also included in the statement of financial activities.

The difference between the market value of the assets of the scheme and the present value of the accrued pension liabilities is shown as an asset or liability on the balance sheet. Any differences between the actual and expected return on assets during the year are recognised in the statement of financial activities along with the difference arising from experience or assumption changes.

Contributions to the stakeholder section of the pension scheme are charged to the statement of financial activities in the year in which they become payable.

More information about the pension scheme is provided in note 17 to the financial statements.

Intangible assets

Intangible assets comprise the following:

- Goodwill arising on the acquisition of a 30% interest in Marine People Limited.
- Accounting Software
- CRM and Website

Items of software are capitalised where they provide an on-going economic benefit to the charity. Costs incurred are capitalised to the extent that they relate to bringing the asset into a working condition or operating in the manner intended. Intangible assets are held at cost and amortisation is charged over their useful economic life on a straight line basis of 10 years. The impairment of intangible assets is considered annually, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, and provision made when necessary.

Tangible assets

Leasehold property - Leasehold premises and associated acquisition costs are stated at cost. Depreciation is provided to write off the cost of the leasehold premises over the initial 5-year term of the lease.

Other tangible fixed assets - Assets with a value under £250 are not capitalised and all assets are assessed for signs of impairment at each Balance Sheet date.

Depreciation is provided to write off the cost, less estimated residual values, of other tangible fixed assets over their expected useful lives. Fixtures, fittings and equipment are depreciated on a straight-line basis each year at rates between 20% and 33%.

Memorabilia - The Institute holds a collection of heritage assets which relate to the history of the Institution itself and the wider history of Marine Engineering, Science and Technology. Part of the collection is on loan to the South Shields Marine School. No depreciation is provided on the memorabilia and historic assets. Revaluation of these assets will be considered annually and subject to receiving a reliable valuation at a cost commensurate with the benefit to the users of the accounts and to the IMarEST, any increase or decrease in value of the assets from one year to the next will be treated as an unrealised gain or loss.

Investments

Investments in listed stocks and shares are stated at market value at the balance sheet date. Realised and unrealised gains on investments during the year are taken to the fund in which the investments are held. Any increase or decrease in the value of the assets from one year to the next is treated as an unrealised gain or loss.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and either the opening market value or the purchase cost if investments are purchased in the year. Unrealised gains and losses are calculated as the difference between the market value at the year-end and either the opening market value or the purchase cost if investments are purchased in the year. Realised and unrealised gains are not separated in the statement of financial activities.

At 30 September 2023, the Group had a 30% shareholding in Marine People Limited. In accordance with FRS 102, these associates have been accounted for using the equity method.

Taxation

The Institute of Marine Engineers, Science and Technology is a registered Charity and accordingly is exempt from taxation on its charitable activities.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Foreign currency

Foreign currency transactions of individual companies are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. Any differences are taken to income and expenditure in the statement of financial activities.

The results of overseas operations are translated at the average rates of exchange during the year and the balance sheet translated into sterling at the rates of exchange ruling on the balance sheet date. Exchange differences which arise from translation of the opening net assets and results of foreign subsidiary undertakings are taken to other recognised gains and losses in the statement of financial activities.

Funds

Where income is received, which is subject to donor-imposed restrictions on its future use it is credited to restricted funds in the statement of financial activities. Expenditure of the resources for the specified purpose is charged to the restricted fund, and any balances of unexpended income are carried forward as restricted funds on the Balance Sheet. Where funds received are to be retained as permanent endowment, these are identified separately as endowment funds.

Where the Board of Trustees identifies a need to allocate funds for specific purposes, these funds are shown as designated funds in the balance sheet. Such funds are unrestricted as their designation is at the discretion of the Board of Trustees. All funds other than restricted funds and designated funds are regarded as free reserves and are called other unrestricted funds. Where funds previously designated are no longer required, they are transferred to other unrestricted funds.

Debtors, cash and creditors

Debtors – trade and other debtors are recognised at the settlement amount due after any trade discount offered. Amounts due are initially recognised at fair value and subsequently at amortised cost using the effective interest method where the effect of discounting is material. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand – Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions – Creditors and provisions are recognised where there is a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Accounting estimates and judgements

In preparing the accounts, the trustees are required to make estimates and judgements. The matters detailed below are considered to be the most important in understanding the judgements that are involved in preparing the accounts, and the uncertainties that could impact the amounts reported.

Intangible assets – The allocation of staff time in support of the implementation of a new CRM and website has been based on prudent estimates provided by departmental managers. In deciding whether this time should be capitalised or expensed, an assessment has been made about whether the time incurred was directly attributable to bringing the asset into use or related to the general administration or training costs. Assessed useful economic life of the asset has been based on best estimate, which has been informed by previous replacement cycles.

Income recognition – a significant portion of the Group's income is earned over a period of time following invoice. This includes membership subscriptions, registration fees for qualifications and annual centre fees. Income is allocated to each accounting period in accordance with accounting policy. The setting of the recognition methods and periods is an area where judgement is applied, and this is undertaken by reference to product definitions, and individual sales contracts.

Income and cost allocation to charitable purpose – the allocation of income and costs to charitable purposes is an area where judgement is applied and this is undertaken by reference to knowledge of the activities undertaken and to historic data trend.

Actuarial assumptions in respect of defined benefit pension scheme – the application of actuarial assumptions relating to the Institute's defined benefit pension scheme is incorporated in the accounts in accordance with FRS 102. In setting the assumptions, advice is taken from independent qualified actuaries. These assumptions require significant judgement to be exercised with regard to such areas as future changes in salary and inflation, mortality rates and long-term discount rates.

Overseas bank accounts – there are cash balances in some overseas bank accounts that are difficult to access. The total of these balances at the end of the year was £42K. A full provision has been made against these amounts on the basis that some, if not all, of these balances would be recovered in due course.

Notes to the Financial Statements

1 Donations and legacies

	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Total funds 2023 £'000	Unrestricted funds 2022 £'000	Restricted funds 2022 £'000	Total funds 2022 £'000
Donations	2	11	13	-	1	1

2 Income from charitable activities

	Unrestricted and total funds 2023 £'000	Unrestricted and total funds 2022 £'000
Membership services	1,947	1,987
Technical Publications & Exhibitions	99	64
Conferences & functions	335	157
Marine Partners & members fees	60	70
Accreditation	43	133
Technical & Library	11	21
Support services	36	30
	2,531	2,462

3 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds 2023 £'000
Listed investments	265	9	129	403
Interest income	7	-	-	7
	272	9	129	410
Income from associates	19	-	-	19
	291	9	129	429

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total Funds 2022 £'000
Listed investments	264	9	129	402
Interest income	-	-	-	-
	264	9	129	402
Income from associates	58	-	-	58
	322	9	129	460

4 Expenditure on charitable activities

	Direct costs £'000	Support costs £'000	Total 2023 £'000	Direct costs £'000	Support costs £'000	Total 2022 £'000
Membership services	545	710	1,255	590	681	1,271
Technical Publications & Books	40	91	131	54	87	141
Conferences & events	411	255	666	208	246	454
Marine Partners & members fees	57	273	330	49	234	283
Accreditation	43	127	170	42	131	172
Technical & Library	185	363	548	146	381	527
Awards	14	-	14	20	-	20
	<u>1,295</u>	<u>1,819</u>	<u>3,114</u>	<u>1,109</u>	<u>1,760</u>	<u>2,869</u>

All of the above expenditure relates to expenditure on unrestricted funds, with the exception of Awards Expenditure, where £14k was restricted (2022: £20k).

Support costs above consist of:

	2023 £'000	2022 £'000
Staff costs	763	753
Office costs	95	106
Governance costs	61	41
Pension Scheme Costs	238	166
Other costs	663	694
	<u>1,819</u>	<u>1,760</u>

Other costs comprise Estates, IT, Marketing, Finance and HR.

5 Staff costs

	2023 £'000	2022 £'000
Wages and salaries	1,260	1,106
Social security costs	146	127
Ordinary pension costs	223	97
	<u>1,629</u>	<u>1,330</u>

Wages and salaries above includes £nil redundancy costs.

During the course of the year IMarEST have capitalised £201k of staff costs (included in figures above) relating to the development of the new CRM and Website. The cost has been transferred in the year to Intangible Assets.

IMarEST introduced a salary sacrifice scheme for employee pension contributions in 2022. Ordinary pension costs for FY23 represent the full employer contribution.

The average number of employees during the year was allocated as follows (based on estimated time spent on activities in the year on each charitable activity).

	2023	2022
	No.	No.
Membership services	3	3
Technical Publications & Books	1	1
Conferences & events	1	1
Marine Partners & members fees	1	1
Accreditation	2	2
Technical & Library	2	2
Support	10	10
Total	20	20

The number of staff whose total emoluments (excluding employer's pension contribution and employer's national insurance) for the year was over £60,000 is as follows

	2023	2022
	No.	No.
£ 60,001 - £ 70,000	1	2
£ 70,001 - £ 80,000	1	1
£ 80,001 - £ 90,000	-	1
£90,001 - £100,000	1	-
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
£130,001 - £140,000	1	-
£140,001 - £150,000	-	1

IMarEST introduced a salary sacrifice scheme in August 2022 which has impacted the emoluments calculation, and the employer pension contributions.

Employer pension contributions in respect of the above higher earners were as follows:

	2023	2022
Contributions to defined contribution schemes, £	100	57
Number of individuals	5	6

Key management personnel and trustees expenses

Key management personnel during the year comprise the members of the board of trustees, the Chief Executive, Finance and Commercial Director, Sales and Business Development Director, Membership and Professional Services Director, Head of Business Systems and Transformation, Head of Technical, Policy & Content, Head of Marketing & Communications, Head of Membership, and the Institute Assistant Secretary.

The total remuneration of key management personnel was £809K (2022: £804K).

No trustees were remunerated for their role as trustee.

Expenses were reimbursed to the trustees when they were claimed in accordance with the appropriate rules governing the payment of expenses.

	2023	2022
	£'000	£'000
Total expenses claimed, covering travel, subsistence and hotel expenses, £	22	5
Expenditure reimbursed relating to events, £	-	4
Total claim	22	9
No. of trustees reimbursed	11	7

During the year the IMarEST did not receive any donations from the trustees (2022: £nil).

6 Related party transactions

The following transactions and balances occurred between the Charity or its wholly owned subsidiaries and other non-wholly owned undertakings.

- *MLA College Ltd (MLA):* The shareholding was sold on 16 December 2022. There were no charges to the SOFA in the current year relating to this sale. (2022 : £74k).
- *Marine People Limited:* Dividends totalling £20k were received (2022: £48k) and costs of £Nil were paid for recruitment services (2022: £5k). All balances were settled at the year-end.
- *Marine Management (Holdings) Limited (MM(H)):* There was an outstanding amount due from IMarEST to MM(H) of £53k (2022: £27k due from MM(H) to IMarEST). A historical balance related to a loan to fund investments in MLA and Marine People. The change in balance for FY23 relates to the par value of MLA share capital.
- *Marine Exhibitions Limited:* Unpaid shares were transferred from MM(H) to IMarEST during the year, and the share capital was paid up by IMarEST. There was an outstanding amount due from MEX to IMarEST of £147k (2022: £Nil). Transactions between IMarEST and MEX relate to the IMarEST conferences and events portfolio.
- *Marest SPTE Ltd:* There was an outstanding due from Marest to IMarEST of £14k (2022: £10k due from Marest to IMarEST) . These monies relate to charges to supporting IMarEST activities in Asia Pacific region.

Owing to the composition of the Board of Trustees, it is inevitable that IMarEST might have corporate members in which a trustee has an interest. Our standard corporate rates are applied to this membership. During the year £x (2022: £x) was received for corporate membership from such organisations.

Other than the above, there were no related party transactions.

7 Intangible fixed assets

Group

	Marine People Limited Goodwill £'000	Computer Software £'000	Total £'000
Cost			
At October 2022	108	-	108
Transfers from tangible fixed assets	-	106	106
Additions	-	751	751
At 30 September 2023	108	857	965
Amortisation			
At 1 October 2022	49	-	49
Transfers from tangible fixed assets	-	53	53
Charge for year	11	18	29
At 30 September 2023	60	71	131
Net book values			
At 30 September 2022	59	-	59
At 30 September 2023	48	786	834

Of the above assets, £786k (2022: £Nil) of Computer Software is owned by the Charity. Additions relate to new Software brought into use at the end of the financial year. Depreciation will start in FY24 and the assets will be written down over a 10 year period. Historic investment in business systems has been reclassified from tangible fixed assets during the year.

8 Tangible fixed assets

Group

	Leasehold acquisition costs £'000	Furniture, fixtures and fittings £'000	Business systems and equipment £'000	Total £'000
Cost or valuation				
At 1 October 2022	9	364	638	1,011
Additions	-	-	9	9
Transfers to intangible assets	-	-	(106)	(106)
Disposals	-	(51)	(404)	(455)
At 30 September 2023	9	313	137	459
Depreciation				
At 1 October 2022	9	355	569	933
Transfers to intangible assets	-	-	(53)	(53)
Charge for year	-	9	10	19
Depreciation on disposals	-	(51)	(404)	(455)
At 30 September 2023	9	313	122	444
Net book values				
At 30 September 2022	-	9	69	78
At 30 September 2023	-	-	15	15

Charity

	Leasehold acquisition costs £'000	Furniture, fixtures and fittings £'000	Business systems and equipment £'000	Total £'000
Cost or valuation				
At 1 October 2022	9	364	630	1,003
Reclassifications	-	-	(106)	(106)
Additions	-	-	6	6
Disposals	-	(51)	(404)	(455)
At 30 September 2023	9	313	129	448
Depreciation				
At 1 October 2022	9	355	562	926
Reclassifications	-	-	(53)	(53)
Charge for year	-	9	10	19
Depreciation on disposals	-	(51)	(404)	(455)
At 30 September 2023	9	313	115	437
Net book values				
At 30 September 2022	-	9	68	77
At 30 September 2023	-	-	11	11

All tangible fixed assets are held at cost. Business systems have been reclassified as intangible assets.

The Institute also holds a collection of heritage assets which relate to the history of the Institution itself and the wider history of Marine Engineering, Science and Technology. Part of the collection is on loan to the South Shields Marine School.

Due to the fact that reliable cost information or comprehensive valuations are not readily available for these assets, and that such information cannot be obtained at a cost commensurate with the benefit to the users of the accounts and to the IMarEST, the values were written down to £nil in FY21 and are retained at that value.

The Trustees recognise the importance of the collection, which they will continue to maintain, and will recognise any expenditure which is required to preserve or prevent deterioration of individual collection items in the income and expenditure account when it is incurred. Expenditure in the current year totals £Nil (2022: £Nil).

9 Investments

	Note	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Listed investments	a	11,898	11,592	11,898	11,592
Investments in associates	b	64	145	-	-
Subsidiary undertakings	c	-	-	40	30
		11,962	11,737	11,938	11,622

a) Listed investments

Group & Charity	2023 £'000	2022 £'000
Market value at 1 October	11,488	13,412
Additions at cost	-	7
Disposals	-	(215)
Net unrealised gains (losses) on revaluation	296	(1,716)
Market value at 30 September	11,784	11,488
Cash held with investment managers	114	104
Total listed investments	11,898	11,592
Cost at 30 September	11,622	11,622

b) Investments in associates

Group	Marine People Limited £'000	Marine Learning Alliance £'000	2023 £'000
At 1 October 2022	65	80	145
Disposals in year		(80)	(80)
Net income from associates	18	-	18
Adjustments to carrying value	(20)	-	(20)
At 30 September 2023	63	-	63

Marine People Limited is a company registered in England and Wales (Company Registration No. 10632568). The company is a marine specialist permanent recruitment agency. Marine Management (Holdings) Limited has 30% ownership of Marine People Limited. During the financial year ending 30 September 2023, the Group received a £20k dividend from the company (2022: £48k).

MLA College Ltd is a company registered in England and Wales (Company Registration No. 09188277). The company is a provider of marine related e-learning. Marine Management (Holdings) Limited sold its 40% shareholding in MLA College Ltd in December 2022. Note 12 provides further information.

c) Subsidiary undertakings

The following subsidiaries are part of the Group.

Name	Nature of business	Parent	Holding	Share capital, £	Address of registered office
Marine Management (Holdings) Limited (MM(H))	Holding Company	IMarEST	100%	30,000	1 Birdcage Walk, London, England, SW1H 9JJ
MAREST (S) PTE Limited	Membership	MM(H)	100%	26,548	16 Raffles Quay, #33-03 Hong Leong Building, Singapore
Marine Exhibitions Limited	Events	IMarEST	100%	10,000	1 Birdcage Walk, London, England, SW1H 9JJ

A summary of the results of each entity is shown below.

	Marine Exhibitions Limited		MAREST (S) PTE Limited		Marine Management (Holdings) Limited (MM(H))	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Total Income	436	-	161	153	20	48
Cost of Sales	-	-	-	-	-	-
Other operating expenses	(436)	-	(180)	(155)	(1)	(2)
Profit/ (Loss) before tax	-	-	(19)	(2)	19	46
Taxation	-	-	-	-	-	-
Retained profit (losses) for the year	-	-	(19)	(1)	19	46
Retained profit (losses) at 30.09.23	-	-	(46)	(27)	203	184

Marine Management (Holdings) Limited

Marine Management (Holdings) Ltd, a company registered (Company registration 01100685) in England and Wales is the parent company of MAREST (S) PTE Ltd. The IMarEST is the ultimate parent company, owning the entire share capital of Marine Management (Holdings) Ltd. This company itself did not trade during the year, the board maintains its duties as the parent to MAREST (S) PTE Ltd and its reported expenditure consists of minor administration/filing charges.

MAREST (S) PTE Limited

MAREST (S) PTE Limited, incorporated on 13 August 2012, is registered in Singapore (201220044C) and is a 100% subsidiary of Marine Management (Holdings) Ltd. The IMarEST owns the entire share capital of Marine Management (Holdings) Limited, a company registered in England and Wales. The principal activity of the company is support for the delivery of IMarEST's charitable purposes in the Asia Pacific region.

Marine Exhibitions Limited

Marine Exhibitions Ltd was incorporated on 25 September 2014 (Company registration 09235513). It is a 100% owned subsidiary of IMarEST. The principal activities of the company are those relating to the delivery of conferences, exhibitions and symposia. The company started trading on 1 September 2022.

10 Statement of total returns

	Endowment £'000	Unapplied Total Return £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
30 September 2022				
Permanent Endowment	3,044	-	3,044	3,044
Unapplied total return	-	637	637	1,507
	<u>3,044</u>	<u>637</u>	<u>3,681</u>	<u>4,551</u>
Movements in the reporting period:				
Investment return: dividends and interest	-	129	129	128
Investment return: realised and unrealised (losses) gains	-	94	94	(620)
	<u>-</u>	<u>223</u>	<u>223</u>	<u>(492)</u>
Unapplied total return allocated to income in the reporting period	-	(129)	(129)	(378)
Net movements in reporting period	<u>-</u>	<u>94</u>	<u>94</u>	<u>(870)</u>
30 September 2023				
Permanent Endowment	3,044	-	3,044	3,044
Unapplied total return	-	731	731	637
	<u>3,044</u>	<u>731</u>	<u>3,775</u>	<u>3,681</u>

The total return allocated to income in the period was transferred to the general funds of the Institute.

11 Debtors due within one year

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Trade debtors	112	33	83	16
Other debtors	227	81	217	73
Prepayments	166	88	144	77
Amount due from group undertakings	-	-	161	-
Amount due from associates	-	1,320	-	1,320
Accrued income	37	222	37	216
	<u>542</u>	<u>1,744</u>	<u>642</u>	<u>1,702</u>

Other debtors includes income receipts of £191k (2022: £70k) made via 3rd party applications which have yet to be paid over to the charity bank accounts.

At the end of FY22, there was a debt due within one year relating to the Group's interest in MLA College, which was sold in December 2022.

12 Debtors due in more than one year

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Amount due from group undertakings	-	-	-	37
Amount due from associates	-	-	-	8
	-	-	-	45

13 Creditors: amounts falling due within one year

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Trade creditors	161	114	150	108
Other creditors	129	212	127	212
Tax and National Insurance	37	35	34	33
Accruals	247	530	360	518
Members' subscriptions in advance	235	359	235	359
Amounts due to group undertakings	-	-	53	-
Other deferred income	111	117	69	72
	920	1,367	1,028	1,302
Deferred income movement				
Balance at 1 October	476	565	519	551
Amount released in the year	(476)	(565)	(519)	(463)
Amount deferred in the year	346	476	304	430
Balance at 30 September	346	476	304	519

14 Operating lease commitments

Group	2023		2022	
	Property	Other	Property	Other
	£	£	£	£
Within one year	138	3	64	3
Between one and two years	44	3	-	3
Between two and five years	-	4	-	7
	182	10	64	13

Of the above commitments, £148k (2022: £41k) relate to the Charity. As at 30 September 2023, the existing lease for the charities head office had expired. The charity has recently signed a new lease for 1 Birdcage Walk until 20 December 2024.

15 Capital Commitments

The Group and Charity had no capital commitments as at 30 September 2023 (2022: £Nil).

16 Auditors' remuneration

Remuneration payable to the group auditor was as follows:

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Financial statements audit current year	33	32	31	29
Financial statements audit prior year	2	3	2	3
HR Services	2	4	2	5
VAT & Tax Advice / Services	3	1	2	-
	40	40	37	37

17 Pension schemes

The Group operates a defined benefit and a defined contribution pension scheme. The defined benefit scheme was closed to new entrants and to future service accrual on 5 April 2002. The defined contribution pension scheme was introduced on 5 April 2002 for the benefit of all staff.

The Institute's total contributions to the defined benefit scheme were £330k (2022: £300k).

Defined benefit pension scheme

In preparing these financial statements, the Institute has fully complied with the Financial Reporting Standard 102: "Retirement Benefits" issued by the Accounting Standards Board.

Benefits under the IMarEST Retirement Benefits Scheme (RBS) are based on employees' final remuneration and length of service. All assets of the scheme are held separately from those of the Institute in independently administered funds. The pension expense charged to the statement of financial activities makes no allowance for actuarial gains and losses during the year.

The RBS is in deficit and a recovery plan agreed with the Trustees of the RBS every three years.

In addition to the £330k contribution, administrative and other expenses of the scheme and the Pension Protection Fund levy are paid separately by the Institute. These costs amounted to £89k (2022: £126k)

In preparing these financial statements, the Institute has fully complied with the Financial Reporting Standard 102: "Retirement Benefits" issued by the Accounting Standards Board.

The actuary has computed the following information with respect to the financial position of the scheme as at 30 September 2023:

	2023	2022
Group and charity	£'000	£'000
Fair value of scheme assets	7,971	8,460
Defined benefit obligation	(9,528)	(10,218)
Net defined benefit (liabilities) assets	(1,557)	(1,758)
Restriction on asset recognised at year end	–	–
Net amount recognised at year end	(1,557)	(1,758)

The amount recognised in the Statement of Financial Activities was:

	2023	2022
	£'000	£'000
Administration expenses	34	–
Net interest expense	84	40
Charge recognised in income and expenditure	118	40
Return on scheme assets	513	5,051
Actuarial gains (losses)	(502)	(5,176)
Charge/(credit) recorded in other comprehensive income	11	(125)
Total defined benefit cost/(credit)	129	(85)

Changes in the value of scheme assets were as follows:

	2023	2022
	£'000	£'000
At start of the year	8,460	13,473
Benefits paid	(704)	(526)
Administrative expenses	(34)	(6)
Contribution from the employer	330	300
Interest income (expense)	432	270
Return on assets	(513)	(5,051)
At end of the year	7,971	8,460

Changes in the value of scheme liabilities were as follows:

	2023	2022
	£'000	£'000
At start of the year	(10,218)	(15,610)
Benefits paid	704	526
Interest income (expense)	(516)	–
Past service cost (expense)	–	(310)
Actuarial gains (losses)	502	5,176
At end of the year	(9,528)	(10,218)

The major categories of scheme assets are as follows:

	2023		2022	
	£'000	%	£'000	%
Return Seeking funds	4,716	59	6,705	79
Fixed Interest Gilts	1,112	14	512	6
Index Linked Gilts	458	6	102	1
Hybrid gift fund	1,383	17	821	10
Cash	302	4	320	4
	7,971	100	8,460	100

Principal actuarial assumptions used:

	2023	2022
	%	%
Discount rate	5.55	5.23
Inflation assumption – Retail price inflation	3.40	3.67
Inflation assumption – Consumer price inflation	2.40	2.87
Revaluation of deferred pensions – Deferred revaluation	3.40	3.67
Increase for pension payment		
. Benefits accrued prior to 1 October 1999	5.00	5.00
. Benefits accrued after 1 October 1999	3.85	3.83
. Benefits accrued after 1 October 2005	2.25	2.43
Proportion of members opting for early retirement	–	–
Proportion of members commuting maximum allowable pension for cash at retirement	85.00	85.00

Assuming retirement at age 65, life expectancy in years are as follows:

	2023	2022
Male currently aged 65	86.3	86.3
Female currently aged 65	88.3	88.3
Male currently aged 45	87.3	87.3
Female currently aged 45	89.6	89.6

18 Movement in Funds

Group	At 1 October 2022 £'000	Income £'000	Expenditure £'000	Gains and losses £'000	Transfers £'000	At 30 September 2023 £'000
Unrestricted funds						
General funds	8,628	2,824	(3,275)	181	(632)	7,726
Designated funds						
Intangible fixed assets fund	-	-	(18)	-	804	786
Tangible fixed assets fund	77	-	(19)	-	(43)	15
Overseas cash	90	-	-	-	-	90
Pension reserve	(1,758)	-	212	(11)	-	(1,557)
Restricted funds						
Awards and scholarships	233	20	(14)	4	-	243
Endowment funds	3,681	129	-	94	(129)	3,775
	10,951	2,973	(3,114)	268	-	11,078

Charity	At 1 October 2022 £'000	Income £'000	Expenditure £'000	Gains and losses £'000	Transfers £'000	At 30 September 2023 £'000
Unrestricted funds						
General funds	8,470	2,544	(2,983)	181	(628)	7,584
Designated funds						
Intangible fixed assets fund	-	-	(18)	-	804	786
Tangible fixed assets fund	77	-	(19)	-	(47)	11
Overseas cash	90	-	-	-	-	90
Pension reserve	(1,758)	-	212	(11)	-	(1,557)
Restricted funds						
Awards and scholarships	233	20	(14)	4	-	243
Endowment funds	3,681	129	-	94	(129)	3,775
	10,793	2,693	(2,822)	268	-	10,932

Transfer between funds represent the application of total return on endowment funds (note 10) and movements on designated funds.

Purpose of funds

Designated funds

The trustees have earmarked part of the charity's unrestricted funds as designated funds to be used for the following particular purposes in the future.

The intangible assets fund represents the net book value of goodwill and software owned by the Group. As a long-term asset, these intangible assets are expected to generate economic returns for the Group in the future.

The tangible fixed assets fund represents the net book value of the tangible fixed assets owned by the group, excluding historic assets and memorabilia (which are restricted funds). Such assets are vital to the group being able to carry out its charitable work and the value invested in the assets cannot, therefore, be realised in order to meet future expenditure or contingencies. To emphasise this point the net book value of the assets is represented by a specific tangible fixed assets fund.

The designated overseas cash fund was created on 30 September 2014 in respect of those cash at bank balances which cannot be readily transferred to UK and as such are not available to the trustees for charitable purposes.

Restricted funds

The Awards and Scholarships Funds were established via donations and legacies received over the course of time to create separate funds specifically available for rewarding excellence within the field of marine engineering, science and technology. Income arising from these funds is accumulated in the restricted income fund and is used to fund the prizes and awards.

Endowment funds

The permanent endowment funds form part of the funds of the Memorial Fund. On 18 September 2018 the Committee of Management of the Memorial Fund (a Permanent Endowment Fund) agreed to adopt a total return on investment approach under section 105 of the Charities Act 2011 for the Memorial Fund and that its core value should remain set at £3,044,472. They further agreed that responsibility for the implementation and oversight of adopting a total refund basis should be delegated to the Institute's Finance & Investment Committee.

Net assets between funds

Group	Endowment funds £	Restricted funds £	Unrestricted funds			2023 Total funds
			Designated funds £	General funds £	Pension reserve £	
Intangible fixed assets	—	—	786	48	—	834
Tangible fixed assets	—	—	15	—	—	15
Investment assets	3,775	243	90	7,853	—	11,962
Net current liabilities	—	—	—	(177)	—	(177)
DBS pension liability	—	—	—	—	(1,557)	(1,557)
	3,775	243	891	7,726	(1,557)	11,078

Group	Endowment funds £	Restricted funds £	Unrestricted funds			2022 Total funds
			Designated funds £	General funds £	Pension reserve £	
Intangible fixed assets	—	—	—	59	—	59
Tangible fixed assets	—	—	77	—	—	77
Investment assets	3,681	233	90	7,733	—	11,737
Net current assets	—	—	—	836	—	836
DBS pension liability	—	—	—	—	(1,758)	(1,758)
	3,681	233	167	8,628	(1,758)	10,951

19 Post Balance Sheet Events

There are no post balance sheet events to report in the current year. In the previous year, we reported the receipt of sale proceeds of £1.4M (£1,320k debt and £80k share capital) relating to the sale of shares in MLA College which completed on 16 December 2022.

20 Comparative consolidated statement of financial activities

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds 2022 £'000
Income					
Donations and legacies	1	-	1	-	1
Charitable activities	2	2,462	-	-	2,462
Investment income	3	265	9	128	402
Income from associates	3	58	-	-	58
Total income		2,785	10	128	2,923
Expenditure					
Charitable activities	4	2,850	19	-	2,869
Total expenditure		2,850	19	-	2,869
Other expenditure					
Write down of investment in associates		(75)	-	-	(75)
Total Expenditure		2,775	19	-	2,794
Net (expenditure) income before investment gains and losses					
		9	(9)	128	128
Loss on listed investments	9a	(1,019)	(41)	(620)	(1,680)
Net income		(1,010)	(50)	(492)	(1,552)
Transfers between funds		378	-	(378)	-
Net income (expenditure) before other recognised gains and losses		(632)	(50)	(870)	(1,552)
Actuarial gains on defined benefit pension scheme		125	-	-	125
Foreign exchange losses		(17)	-	-	(17)
Net movement in funds		(524)	(50)	(870)	(1,444)
Reconciliation of funds					
Total funds brought forward at 30 September		7,560	283	4,551	12,395
Total funds carried forward at 30 September		7,036	233	3,681	10,951



Structure, governance and management

Members of Board of Trustees

Chair Board of Trustees
President
President-Elect
Immediate Past President
Honorary Treasurer
Rachel Nicholls-Lee (*Vice-Chair, Board of Trustees*)
Barry Brooks (*to Mar'23*)
Nigel Brunning (*to Mar'23*)
Yves De Leeneer (*to Mar'23*)
Stephen de Mora
Christy Farrer (*from Jun'23*)
Adthisaya Ganesen Manickam (*from Mar'23*)
Sarah Grimshaw (*from Nov'23*)
Ed Hill CBE (*from Jun'23*)
Christopher Hodge OBE
Katherine Holmes (*to Oct'22*)
Sajid Hussain
Alan Mills (*to Mar'23*)
Frank Mungo
Philip Parvin (*to Oct'23*)
Louise Rigby (*to May'23*)
Kaushik Roy (*from Mar'23*)
Parviz Sangin

Chair Board of Trustees

Kevin Daffey

President

Martin Shaw
(*from March 2023*)
Alastair Fischbacher
(*to March 2023*)

President-Elect

Yves De Leeneer
(*from March 2023*)
Martin Shaw
(*to March 2023*)

Immediate- Past President

Alastair Fischbacher
(*from March 2023*)
Vacant
(*to March 2023*)

Honorary Treasurer

Martin Murphy

Members of Council

Chair, Board of Trustees
President
President-Elect
Immediate Past President
Honorary Treasurer
Iain Anderson
John Blacklock (*to Mar'23*)
Christopher Bleasdale
Barry Brooks
John Butler (*to Mar'23*)
Anna-Marie Chaffey
Yves De Leeneer (*to Mar'23*)
Stephen de Mora
Valerio De Rossi (*from Mar'23*)
William Doyle (*to Mar'23*)
Robert Fitzsimmons
Adthisaya Ganesen Manickam (*from Mar'23*)
Bradley Golden
Richard Graham (*to Mar'23*)
Kenneth Greig
Christopher Hodge OBE
Sajid Hussain
Franklin Joseph
Sergey Karianskyi
Pete Lambeth
Jemma- Anne Lonsdale (*from Mar'23*)
Bev Mackenzie
Paul Marshall (*to Mar'23*)
Leonard Michaels (*to Mar'23*)
Stephen Morant (*from Mar'23*)
Frank Mungo
Philip Parvin
Malek Pourzanjani
Kaushik Roy
Cassandra Ryan (*to Mar'23*)
Parviz Sangin
Nigel Smith (*from Mar'23*)
George Sotirelis (*from Jul'23*)
Alex K M Tang (*from Mar'23*)
Alexander Walster (*from Mar'23*)
Mike Watt
Elisabeth Wilson

Management Team

Chief Executive

Gwynne Lewis (*to Jan '24*)
Chris Goldsworthy (*from Jan '24*)

Commercial & Finance Director

Sue Arnold

Sales & Business Development Director

Hector Sewell

Membership & Professional Services Director

Susan Foster (*from Nov'23*)

Institute Assistant Secretary

Margaret Marchetti

Head of Membership & Partner Services

Richard Goldsbrough (*to December 2022*)
Susan Foster (*from Feb'23 to Oct'23*)

Head of IT & Business Systems

Ronnie van de Laak

Head of Marketing & Communications

Anshie Patel (*to May'23*)
Patrick Carpenter (*from May'23*)

Head of Technical & Policy

Peter Sheppard (*from Feb'23*)

Head of Events

Jo Lewis (*from Feb'23*)

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