

**INFLUENCING.
GROWING.
TRANSFORMING.
INSPIRING.
ENGAGING.**

Institution of
**MECHANICAL
ENGINEERS**

Annual Review 2008

08

Improving the world through engineering

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Building on the success and foundations of the work initiated last year, the Institution undertook a number of wide ranging projects to establish its position within the engineering community and to evaluate the needs of our membership. More specifically, we were keen to try to focus our activities in specific areas, realign our vision and purpose, and set out how we would remain relevant to our key stakeholders.

In 2008, we have strived to fulfil many of the actions agreed in the previous year. In my view, we have made great strides towards updating the Institution, increasing its profile, reaching out to more of the membership and engaging better with both engineering companies and academia. Indeed we have had a bumper year with ground breaking activities in a number of areas including membership, media coverage, event attendance, political profile (including welcoming many Secretaries of State and Ministers to our Headquarters) and reaching out to young people, not to mention the largest ever Annual Dinner in the long history of the Institution.

Perhaps, the most obvious change to our Members has been the updating of our visual identity. We undertook this process with considerable rigour to ensure we had the widest possible input from our stakeholders before moving to design and implementation. The old identity, affectionately known as 'Dobbin', was seen by many members and industry as unrepresentative of a forward looking Institution with its new vision: 'Improving the world through engineering'. In addition to the visual identity, we were also keen to establish a 'voice' for the Institution, a tone in which we will communicate our messages to the outside world.



The launch of our new identity has been met with positive reviews throughout the engineering community. The new campaigning voice of the Institution has allowed IMechE to comment widely on a range of subjects with notable success. While the new look of the Institution may not be to everyone's taste, I do encourage you to visit the rebrand section of our website (www.imeche.org/brandidentity) and understand why these changes were made.

With our new identity in place better reflecting our new vision, the Institution has continued to develop its existing services and products, helping to make us the engineering institution of choice.

In 2008 we again had a successful year with Corporate membership applications rising by over 5%. We were also recognised by the Engineering Council (UK) as registering more Chartered Engineers than any other awarding body for the second year running. In addition to this, we continue to work on slowly increasing our Incorporated and Technician membership.

The Institution also introduced a significant addition to our membership mix with the development of Engeneration. This membership level was created in response to the new Engineering Diploma for secondary school students in England and Wales. For students undertaking the diploma, the scheme offers access to information on engineering, help and practical advice for their studies, as well as news and articles which we hope will inspire them to move from the Diploma into an engineering degree or apprenticeship. Engeneration also offers help and advice to the schools and teachers. More specifically, in 2009, the Institution will connect IMechE Ambassadors with schools to offer technical assistance to teachers. And by late 2009, Engeneration will be open to all students undertaking science and maths qualifications across the UK. It has been enthusiastically embraced by its stakeholder community.

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**WHEN COMPARED WITH
ALMOST ALL OTHER
INSTITUTIONS, WE ARE
NOW ACCEPTED AND
TURNED TO AS THE
LEADING VOICE FOR THE
ENGINEERING COMMUNITY.**

**PROFESSOR WILLIAM M BANKS
PRESIDENT,
INSTITUTION OF MECHANICAL ENGINEERS**

In our events, 2008 proved a busy year with attendance numbers rising significantly. This, in part, is down to the Technical Strategy Board agreeing to focus activities around the Institution's four key themes of Energy, Environment, Transport and Education. Overall delegate numbers for the 90 events increased by 27%. However, more significantly, the number of members attending the events rose by an impressive 55%. The prestige events of Formula Student and the Manufacturing Excellence Awards were again staged and helped raise the profile of the Institution in their specific sectors.

The Divisions and Groups, with the associated Theme Managers, were also instrumental in the development of a number of engineering based reports on subjects such as Low-Carbon Mobility, Energy from Waste, Marine Energy in Scotland, and Climate Adaptation. These reports were developed as a means of increasing the Institution's profile with key stakeholder groups such as the media and government. All reports contributed to a sizeable rise in our media profile to over £9M worth of printed news coverage and 70 minutes of TV and radio coverage. When compared with almost all other institutions, we are now accepted and turned to as a leading voice for the engineering community.

By the end of 2008, the growing threat of an economic slowdown became a reality with the UK, and many other member nations, falling into recession. The Institution is acutely aware that for many members, 2009 will be a difficult year. The Institution will be undertaking activities to encourage government support for the engineering/manufacturing sectors, promoting to the media the real value of engineering as the foundation of the nation, and looking at ways in which we can directly assist the membership. I would like to remind all members that our Benevolent Fund has a wide range of help available: from legal advice on employment matters, through assistance to find a new job to their forthcoming new free Money Advice Service, and I encourage all members to visit their website (www.bfime.org).

It has also been a particular pleasure to me to preside at the induction of our new Honorary Fellows, Lord Berkeley, Sir Peter Williams and Mr William Edgar. Their high standing in engineering and society will add weight to our already prestigious list of Honorary Fellows.

Finally, over the past year, much of what we wanted to do could not have been achieved without the excellent support of a number of people to whom I owe an enormous debt of thanks. During my year as President there was a change of Chief Executive with Stephen Tetlow joining the Institution and Ruth Spellman leaving. In the interval Bill Edgar did a sterling job as interim CEO.

I am also grateful to the members who actively support the Institution in our Trustee Board, Council, Regions, Branches, Divisions and Groups and Membership Services. Without your help, we would not be able to function. It was good to have the opportunity of visiting many overseas countries and to meet the international members, in particular to open a new Branch in India with senior Indian political figures attending and to sign agreements with our Chinese colleagues.

Last, but by no means least, I would like to thank the membership as a whole for their support over the past year. In my time as President, I have had the opportunity to meet many members in the UK (and to see the excellent work done by our Regional Managers) and around the world and I am encouraged by the dedicated service and enthusiastic approval of the changes we are implementing.

It has been a tremendous privilege and honour to serve such a wonderful and prestigious Institution and to know that it is constantly growing in esteem among its peers.

TECHNICAL STRATEGY BOARD

The learned society programme is created and delivered by our industrial divisions and technology groups. They work together within the Technical Strategy Board (TSB) to provide a relevant set of activities that support the strategic objectives of the Institution. Last year saw significant development of this outward facing strategy, primarily through the commitment by the Divisions and Groups to the agreed TSB strategic objectives and the resulting focus on the energy, environment, transport and education themes.

This strategy increased the scope and relevance of our commercial events programme. The Divisions and Groups organised 90 events, ranging from traditional conferences – Nuclear Decom (365 delegates) and the Young Members Essential Management Skills (217), through to new topic seminars such as Platform Technology for Military Vehicles (195) and the Manufacturing Division's series of focused TRIZ and Lean Design workshops.

In total, the delegate numbers increased by 27% over the previous year, with the member delegate total up by 55%. This is very encouraging as we reach out to ensure that a much larger proportion of the membership is engaging with our activities.

The success of the commercial events contributes significantly to the provision of free evening lectures for members and events aimed at encouraging and developing students and young engineers, such as the Schools Aerospace Challenge and the Biomedical Competition.

The TSB's Thomas Hawksley lecture – a presentation outlining the case for High Speed 2 by the CEO of Eurostar, Richard Brown – once again attracted the largest lecture audience (235 delegates) in the Institution's calendar.

Members continued to contribute time and expertise to activities promoting the strategic themes including the Energy from Waste, Marine Energy and Low-carbon Mobility reports. The launch of the King Review (on low carbon cars) and a consultation on the Severn Barrage show the strengthening links with Government that come from our outward facing agenda and increased media coverage. An experts meeting, held jointly with IMarEST, on transport emissions showed how we can work across traditional boundaries to provide balanced and authoritative analysis as the basis for policy. Importantly, all of the output from these reports and technical meetings is available now on our website via the theme portals: www.imeche.org/about/keythemes

Strategic activities were the subject of a TSB review, which assessed the Divisions and Groups according to their achievement of the Board's strategic objectives. The Automobile Division was ranked first and the TSB Strategic Achievement Award was presented to its immediate past Chairman Terry Spall of MIRA, on behalf of all AD members, at the Hawksley lecture in December.

In 2009 TSB is focusing on the next steps in our dialogue with members, industry and informed society, primarily through programme activities throughout the UK that address the technical relevance and business benefits of members and their employers. Greater emphasis is also being placed on the location of events to take advantage of industry clusters and the opportunities for Divisions, Groups and Regions to work together.



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**DELEGATE NUMBERS
INCREASED BY 27% OVER
THE PREVIOUS YEAR, WITH
THE MEMBER DELEGATE
TOTAL UP BY 55%.**

**KEITH MILLARD
CHAIRMAN,
TECHNICAL STRATEGY BOARD**

FORMULA STUDENT

A record number of entrants, and a ground-breaking new low carbon category encouraging 'green' innovation were the defining characteristics of Formula Student 2008. More than 2,000 students represented 118 teams and 22 countries in the high-performance engineering competition at Silverstone in July. Germany's Stuttgart University were crowned overall winners, scoring a total of 896 out of 1,000 in the static and dynamics events.

FS2008 saw the introduction of a new low carbon category: Class 1A, with three universities competing in the event. The winning team, Hertfordshire University, used a conventional combustion engine running on hydrogen gas sourced by environmentally friendly sources. These highly innovative cars are not only setting new standards but are exploring the boundaries of current technology, not least from the safety aspects. With these successes, this class of entry is set to grow for 2009 and will lead the way in expanding the sustainability element of the competition.

Formula Student (FS) is strongly supported by industry and in 2008 was sponsored by a wide range of companies, including Airbus, Autodesk, Alstom and Shell. These companies value the real world experience that FS gives to their graduate intake. As well as increasing attendance figures from universities, schools and spectators, FS2008 saw a rise in national and international media coverage. FS provided a strong platform for related IMechE regional lectures, university visits and press days that revolved around FS teams, helping to increase IMechE's profile. Moreover, a supplement produced with the Independent newspaper, introduced Formula Student to a much wider audience than ever before.

FS will return to Silverstone from 16-19 July for another record-breaking event in 2009. For further information, visit www.imeche.org/fs

THE MANUFACTURING EXCELLENCE AWARDS

In 2008, the Manufacturing Excellence Awards (MX) proved once again how they are rewarding best practice and highlighting the best of the UK's manufacturing across all sectors, with an extremely high standard of entry from a range of organisations including large multi-nationals and small SMEs.

MX showcases the UK's top manufacturers and rewards them for developing and implementing best practice. By offering companies the opportunity to compare their processes and practices, MX is helping British manufacturers improve. The key to the scheme's continued success is that every entrant receives a customised benchmark report advising them on how and where they can improve their business.

Entry is free because the Awards are run in partnership with a number of high-profile organisations. These partners include BERR's Manufacturing Advisory Service, BP, Professional Engineering and WMG. New partners for 2008 included PricewaterhouseCoopers, Autodesk, the National Skills Academy for Manufacturing and the InnovationXchange.

The 2008 winners are testament to the fact that MX compares companies of different sizes and industry sectors on a level playing field. Winners included: Hozelock, Perkins Engines, Rolls-Royce, Leyland Trucks, Phoenix Beattie, Altro, Cummins and Astrium. The winner of the Best SME Award was Naylor Drainage from Barnsley. The competition for the Overall Award was particularly close. Wrightbus, Hozelock, Leyland Trucks and Perkins Engines all presented very strong cases, but eventually the judges unanimously decided that Wrightbus were the worthy recipients. Wrightbus's focus on innovation was also rewarded as they received their third Product Innovation Award in three years.

More information on the MX Awards, including a detailed breakdown of the 12 different awards on offer is available at: www.imeche.org/mx

Throughout 2008, the work of the Membership, Accreditation and Professional Development departments continued to adapt to new challenges. Over 10,859 membership applications were processed of which 1,327 were corporate applications – up 5.23% on the previous year.

For the second year running, the Institution registered more Chartered Engineers than any other awarding body and, although there was a small decrease in corporate membership, our overall membership increased by 2.77%.

Education

In October 2008 the Institution launched Engeneration. It is aimed at pupils on the new 14–19 Engineering Diploma or at specialist engineering schools and provides information about engineers and materials to support engineering related study. This membership scheme was driven by market research and is a good example of how to build a useful educational tool that meets the needs of teachers and students alike. For details about Engeneration, please visit: www.engeneration.imeche.org

The Institution played a central role in the merger of the Engineering Education Alliance and Shape the Future to create Education for Engineering, or E4E, which will input to government on education policy which relates to engineering.

Professional Development Training and Continuing Professional Development (CPD)

The online eCPD service has continued to be popular with over 5,000 regular users.

The second half of 2008 saw the introduction of our first short courses delivered through Continuing Professional Development (CPD). This has proved to be a great success in terms of the quality of course content and delivery and has also returned a reasonable income stream for the Institution.

2008 focused on providing courses in management, leadership and personal development. Such was the demand for places on 'The New Engineering Manager: Moving from Technical Professional to Manager' and 'Project Management for Engineers and Technical Professionals' that these courses had to be repeated several times throughout the year and were also delivered regionally.

Monitored Professional Development Scheme (MPDS)

eMPDS continues to be the preferred method of recording Initial Professional Development. Approximately 4,000 engineers and an equal number of mentors utilise the system to plan and record progress to professional registration.

Company Accreditation

2008 saw a marked increase in the number of company schemes that were accredited with 72 CEng schemes and a further 23 EngTech schemes being approved. This represents an increase of over 50% on the previous year.

University Accreditation

2008 was a solid year for academic accreditation, with a similar number of visits to 2007. Many universities asked us to review their full spectrum of programmes, comprising Foundation, BEng, MEng and MSc degrees. The Institution continues to take an active role in the DIUS-funded Gateways to the Professions project operated by ECUK, which aims to deliver a work-based MSc that will enable graduates to satisfy the academic requirements for ECUK registration, while acquiring the necessary competences in the workplace.



**FOR THE SECOND
YEAR RUNNING, THE
INSTITUTION REGISTERED
MORE CHARTERED
ENGINEERS THAN ANY
OTHER AWARDING BODY.**

PROFESSOR TONY UNSWORTH
CHAIRMAN,
QUALIFICATIONS AND MEMBERSHIP BOARD



YOUNG MEMBERS

For 2008, the Young Members Board (YMB) wanted to particularly focus on: providing intellectual leadership for our key themes; strengthening our links with members and increasing member engagement; and developing awareness of engineering and raising the Institution's profile.

Providing intellectual leadership for our key themes

Four YMB representatives were recruited to ensure that the key themes were at the forefront of Young Member activities. The Institution's competition 'Cooling the Planet', was co-ordinated by the YMB Environment representative. The competition, which invited teams of young engineers to assess the engineering feasibility and sustainability of potential geo-engineering solutions to climate change, attracted strong entrants from around the globe. The Cooling the Planet competition final was held on 5 March 2009, with output from the activity being used to inform our Environment policy.

Strengthening our links with members and increasing membership engagement

The YMB worked hard throughout 2008 to increase awareness of the benefits of being active and recognising those who are already making significant contributions. The YM of the Year 2008 award went to Ian Grant, from the North Western Region, for his outstanding contribution to the profession. The YM:POSSIBLE competition was also won by The North Western Young Members Panel. The YMB Executive team's allocation of the James Bates Grant to a number of worthwhile activities enabled YMs to undertake cross-sector industrial visits, and gain valuable non-engineering work-place skills.

Technology enabled the YMB to become more outwardly focused and accessible, and added value to membership for YMs across the globe. The social networking site, Facebook, enhanced communication and encouraged interaction between panels and members within the same geographical area. To reflect the new international forum structure, international Young Member forum representatives will be contributing to the YMB.

Developing an awareness of engineering and raising the Institution's profile

YMB has developed a Young Member Roadshow aimed primarily at recruiting new members and encouraging existing Young Members to become active. The Roadshow is a marketing toolkit which is now available to all Young Members who feel they have a relevant marketing opportunity.

Throughout 2008, the YMB has established itself as a support hub for the YM Network. The Board successfully worked in partnership with departments across the Institution to develop tools that enable panels to engage with Young Members in their area, providing platforms for them to voice their opinions and reward and recognise active members for their contribution to the profession. In 2009, the YMB will look to focus its future objectives to meet the needs of the YM Network.

For further information about Young Members please visit: www.imeche.org/ye



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THE YMB WORKED HARD THROUGHOUT 2008 TO INCREASE AWARENESS OF THE BENEFITS OF BEING ACTIVE AND RECOGNISING THOSE WHO ARE ALREADY MAKING SIGNIFICANT CONTRIBUTIONS.

**MATT GARSIDE
YOUNG MEMBER REPRESENTATIVE,
TRUSTEE BOARD**

UK AND IRELAND

The Regional Network is the Institution's strongest link with its membership at a local level. In 2008 the network delivered key support and services to engage members and raise the profile of the Institution and the engineering profession.

Over the past year the regional business plan has been fully embedded in the regional network, guiding and supporting regional activity. Regions have embraced the new direction, tailoring it specifically to the needs and interests of their local membership.

Regional Achievements

16 UK regions have delivered over 330 activities, with a particular focus on two of the Institution's principal strategic objectives of engagement with members and the public. In a drive to engage regional membership and recognise professional achievement, over 50% of the regional network has held New Members Evenings across the country. The number of non-technical events and lectures increased throughout 2008; for example, nine Speak Out For Engineering competitions, which challenge entrants to present mechanical engineering to non-engineering judges, were held across the UK.

Educational Initiatives

Engineering Your Future (EYF)

This event has been running in the London Region since 2000 and has expanded from two per year to five in 2007, to an excellent array of 13 across the country in 2008. A one-day careers advisory event for sixth form pupils studying Science, Mathematics or Engineering at GNVQ or A level, it provides an opportunity for students to get a practical introduction to a career in engineering.



Our World in 2050

To support the Institution's Environment theme, in 2008 the Western Region piloted 'Our World in 2050'. A Science, Technology, Engineering and Maths (STEM) enriched activity, it is aimed at 12-13 year olds and focuses on the topics of adaptation to climate change and sustainability. The regional network has now committed to delivering 11 more in 2009.

IMechE Public Challenge

In March 2008 the North Western Young Member Panel led a regional initiative to promote engineering in the community. Five teams gathered at Manchester's Arndale Shopping Centre to take part in an engineering challenge to design a kitchen gadget to help disabled people. The event was hosted and judged by TV scientist Johnny Ball and Bolton MP Brian Iddon.

The winning team was ASSYSTEM, an engineering and design management consultancy, with Best Team Effort going to Sandbach High School for girls. There was an approximate footfall of 65,000 people through the event and the event has had a positive PR response on television, radio and press encouraging 80 comments about engineering on an online blog.

Regional digital communication with members

Near You has been particularly successful in terms of improving member awareness of local activities and events taking place near to them. Over 753 events held across the UK by the regional network were advertised on the site in 2008.

In 2009 the regional network is committed to building on its strengths and focusing on the strategic objectives that are achievable through its volunteer network throughout the 16 regions across the UK.

For further information about Regional activity, please visit: www.imeche.org/nearyou

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**IN A DRIVE TO ENGAGE
REGIONAL MEMBERSHIP,
OVER 50% OF THE
REGIONAL NETWORK HELD
NEW MEMBERS EVENINGS
ACROSS THE COUNTRY.**

**PROFESSOR ROD SMITH
CHAIRMAN,
REGIONAL STRATEGY BOARD**

INTERNATIONAL

Membership acquisition remained a major focus for the Institution this year and via the international strategy we took up the challenge for growth of the Institution in both profile and membership.

Drawing on the unique history that the UK has with India we launched a branch in the country and embarked on an ambitious project to identify companies and places of learning where valuable mutual relationships can be developed. In order to optimise spend, better target recruitment and improve the provision of services, the Institution's aim is for structured international activity focused on two international markets while retaining an existing presence in other locations. Similar but tailored projects were also identified in China, Australia and Malaysia.

The rationale for focusing on these countries leads from several sources: the desirability in country for affiliation to an internationally recognised institution; demand for an internationally recognised qualification (CEng); widespread mobility of engineers; and the potential for a substantial intake of affiliate members where the Institution could well demonstrate its strengths in professional development.

In order to ensure financial health and stability for the Institution in the future, we have identified a need for solid member retention and conversion schemes.

Internationally, while membership recruitment is concentrated in clearly defined markets outside the UK, the maintenance and retention of existing members and the identification of partnerships to encourage joint working and share of best practice is key in the remaining 120 countries where members reside.



Drawing together these systems of joint working, membership acquisition and retention of members, the Institution established four forums with responsibility to represent and lead the growth and sustainability of the organisation worldwide: Europe, the Middle East & Africa, Asia & Oceania and the Americas.

These geographical groupings of constituent countries will support all members based outside the UK and will enable improved added value for membership: increased networking between volunteers, the membership, headquarters, the general public and partners, and high visibility of the Institution's aims and objectives.

Forum representatives will have the responsibility of driving the delivery of local action plans including the improvement and increase of local member services, membership acquisition, conversion plans from affiliate throughout the grades, inspiration and leadership examples for the young, increased event attendance and expansion of partnership activities with local organisations.

In 2009 our aim is to expand overseas membership by 500 via undergraduate registration and establish a number of industry based schemes, with a target increase of 20% international growth by 2012 as part of the overall projection of 100,000 members worldwide. This in real terms is an increase from the current 14,000 overseas members to 20,000 in four years.

Engagement of the membership will be a critical factor in achieving these growth streams and across the Institution a number of new and improved services will be developed and delivered both from headquarters and importantly via the forum leaders.

The result of these initiatives will enable the Institution to optimise spend and better target recruitment activity and in doing so improve the provision of services, financial stability, and overall profile.



**IN ORDER TO ENSURE
FINANCIAL HEALTH
AND STABILITY FOR
THE INSTITUTION IN
THE FUTURE, WE HAVE
IDENTIFIED A NEED
FOR SOLID MEMBER
RETENTION AND
CONVERSION SCHEMES.**

**PROFESSOR JOSEPH MCGEOUGH
CHAIRMAN,
INTERNATIONAL STRATEGY BOARD**

In its first full year of operation, the new Directorate of Marketing & Communications has sought to create effective communications that reflect the needs of the audiences that the Institution interfaces with. The work of the Directorate cuts across the Institution, ensuring that customer benefits are clearly understood and that the Institution's brand is presented in a positive and consistent manner. The 2008 Marketing & Communications strategy was developed in response to the call from the Trustees and from the Membership to raise the awareness of, and promote both the Institution and the engineering profession to government, industry and the wider public. In addition to building awareness and influence, a more professionally marketed IMechE is better able both to attract and retain members.

Our focus for 2008 has been the reinforcement of the Institution's vision: Improving the world through engineering. Every element of the 2008 plan was aimed at helping to bring the vision to life and seeks to demonstrate the statements which support it:

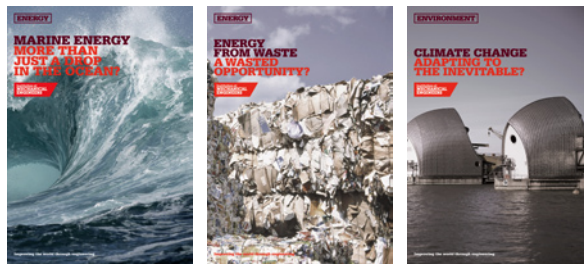
- Setting the agenda
- Developing professional engineers
- Inspiring the next generation

Setting the Agenda

Central to the commitment to raise the profile of engineering in the outside world is the intention of the Institution to take a more campaigning role. Our specific theme campaigns focussed on demonstrating how engineering can improve the world. They have enabled us to increase both our coverage in the media and our engagement with government, while also increasing the number of visitors to our websites.

Four newspaper supplements and three key theme reports were launched, generating significant media and political interest. Overall media coverage was up from £8.7M AEV (Advertising Equivalent Value) in 2007 to £9.5M AEV in 2008. This is the highest level of coverage the Institution has ever achieved. Working with the Engineering Directorate, the Institution was cited in Parliament 10 times, gave oral evidence twice in response to select committee inquiries and hosted two Parliamentary breakfast briefings. The Scottish Parliamentary event, which was hosted by the Shadow Minister for Energy, generated significant political coverage and provided important input to the position on marine energy.

A New Identity



Most importantly, a new brand and visual identity was developed in 2008. Research had indicated that the old visual identity made IMechE look old-fashioned and, crucially, failed to communicate the powerful new vision and the campaigning values that support that vision. Evidence thus far is that the new identity has significantly helped to modernise the brand image of the Institution.

Public Affairs programme statistics:

- Institution cited in Parliament 10 times, compared with twice in 2007.
- Institution gave oral evidence twice to select committee inquiries (by comparison, ICE gave oral evidence just once and IET were not invited to do so).
- Institution hosted two Parliamentary breakfast briefings.
- Institution significantly increased its presence at the three main autumn party conferences, hosting four fringe events with the ETB and RAEng on engineering and innovation.
- The Scottish Parliamentary event, hosted by the Shadow Minister for Energy, generated significant political coverage. The devolved PA programme also responded to three consultations.

Web Traffic statistics

- In 2008, IMechE websites had c.76,000 unique visitors per calendar month.
- Since the launch of our Marine Energy Report in November the monthly downloads of published reports and policy papers has grown steadily to c. 10,000 per calendar month.

Developing Professional Engineers

The Regional Managers were active across the UK helping to attract new members into the Institution, at every level. As well as supporting the active membership in the regions and getting the vision's messages across, they also promoted the new Engineering Technician membership grade. Working closely with the Membership and Professional Development team, the RMs targeted engineering companies with established apprenticeships schemes, seeking to incorporate 'EngTech' into their development programmes. Twenty three schemes were live by the end of 2008, covering several hundred 'Affiliate' Engineering Technicians. At the end of 2008, 166 Engineering Technicians had registered.

Inspiring the Next Generation

In developing Engeneration, we undertook the in-depth research required to understand the needs of both students and teachers, and to create a compelling proposition which would help 14 to 18 year olds with their studies and give them an early relationship with the Institution.

We also successfully launched the Ambassador Scheme in April 2008, recruiting 280 Ambassadors from among the Membership. This scheme enabled the Institution to reward the busiest and most productive of those Ambassadors who committed to volunteering for 100 hours or more delivering the vision by giving them Gold status, and providing them with relevant professional development training from the Institution's CPD programme. Currently 63 Ambassadors are 'Golds' and the aim is to register 100 by the end of 2009.

Finally at the request of the President, the Directorate also devised and launched the Vision Awards in 2008.



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**OVERALL MEDIA
COVERAGE WAS UP
FROM £8.7M AEV IN 2007
TO £9.5M AEV IN 2008.**

**JOHN WOOD
CHAIRMAN,
MARKETING ADVISORY COMMITTEE**

The first Vision Awards – created to unite Engineering Technicians, Undergraduates and Whitworth Award holders – was held on 2 October 2008 and was attended by key figures from the science and engineering world. The three inaugural Visionaries, each chosen for their academic ability, technical skill and exceptional dedication to their chosen profession, were presented with a trophy by the guest of honour Professor Lord Winston:

Siobhan Kohli-Lynch Undergraduate Visionary

Robert Manley EngTech Visionary

Jenny Tagallie Whitworth Visionary

The Institution is committed to supporting the educational and development needs of today's students, graduates and members. This year, over £400,000 from Trust Funds was issued to enable members to study overseas; take part in third world engineering projects; attend conferences as speakers or delegates; and engage in research and continuing development.

Thirty one Institution Undergraduate Scholarships valued at £4,000 (£1,000 per annum over four years) and four Postgraduate Scholarships valued at £6,500 per annum were presented by Dr Maggie Aderin-Pocock. The Undergraduate Scholarship Scheme was supported by Rolls-Royce plc, AMEC and Laing O'Rourke.

Thirteen undergraduates were awarded a Whitworth Scholarship Award valued at £4,500 per annum, two graduates were presented with Whitworth Senior Scholarship Awards valued at £7,500 per annum, and eleven graduates were elected to Whitworth Scholar and received their medals and certificates from the President of the Whitworth Society, Mr Peter Whyman.

The major prizes and awards of the Institution were awarded as follows:

- James Watt International Gold Medal 2008 to Professor Emeritus John Spence OBE FREng FIES FRSE “for his outstanding contribution to engineering research and engineering education”.
- James Clayton Prize 2007 (£10,000 + Certificate) to Professor Patrick A McKeown OBE FREng FIMechE “for his contributions to the development and promotion of the arts and sciences of precision engineering”.
- Thomas Hawksley Gold Medal 2007 (Gold Medal, bronze replicas to co-authors) to Dr Daren Bowness*, Dr Anthony Lock, Professor William Powrie, Dr Jeffrey Priest and Professor David Richards for their paper “Monitoring the dynamic displacements of railway track” – published in the Journal of Rail and Rapid Transit, Volume 221, Part F.
*Dr Ellen Dexter collected the Gold Medal on behalf of her late husband Dr Daren Bowness.
- George Stephenson Prize 2007 (£500 + Bronze Medal) to Dr Ben Diedrichs, Mr Mikael Sima, Dr Alexander Orellano and Mr Henrik Tengstrand for their paper “Crosswind Stability of a High-Speed Train on a High Embankment” – published in the Journal of Rail and Rapid Transit, Vol 221, Part F.
- Safety Award in Mechanical Engineering 2007 (£500 + Certificate) to Dr George McCollister and Dr Christopher Pflaum for their paper “A Model to Predict the Probability of Highway Rail Crossing Accidents” – published in the Journal of Rail and Rapid Transit, Vol 221, Part F.

Applications for prizes and awards in 2009 are now invited: for further information on the range of funds available, and how to apply, please visit: www.imeche.org/awards

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THE THREE INAUGURAL
VISIONARIES WERE EACH
CHOSEN FOR THEIR
ACADEMIC ABILITY,
TECHNICAL SKILL AND
EXCEPTIONAL DEDICATION
TO THEIR CHOSEN
PROFESSION.

ERNEST SHANNON

CHAIRMAN

TRUSTEE BOARD AWARDS COMMITTEE



Professional Engineering Publishing Ltd managed a successful year despite the economic difficulty, producing a significant surplus for the Institution.

Journals proved to be buoyant on all fronts in 2008. We were excited by the successful launch of the Journal of Sports Engineering and Technology (Part P of the Proceedings of the Institution of Mechanical Engineers). This promises to bring whole new (and popular) areas of engineering within our scope – first issues had technical papers on such things as running shoes, grip force in golf, head impacts of hockey players, accelerometers and tension loss in tennis strings.

All parts of the Proceedings, though, were increasingly successful with both authors and readers. In 2008 submissions of papers were up by 25%, which is incredibly healthy, even if it does put strain on costs and workload. Papers published were up by 12% (not as great as submissions, reflecting both a lag in time between submission and publication, and also that a number of submitted papers fail our rigorous quality control). Downloads of electronic versions were up by an enormous 75% – now over a quarter of a million, and indicating the trend towards electronic usage of academic information.

We strengthened our international links, particularly with China. There, we signed a co-operation with the Chinese Mechanical Engineering Society for a new Chinese-language magazine, as well as a consortium deal with Chinese libraries.

A particular innovation at the end of the year was the launch of a new electronic service for conference organisers, for their proceedings, called Engineering Conferences Online (ECO). This offers a full service (including hardcopy if required) and will, in most cases, provide full text to readers at no charge. The first fruits of ECO will appear in 2009.

Despite the decline in the market, Professional Engineering consolidated and strengthened its position as the leading engineering magazine. Its coverage was as wide-ranging as ever, and charted the ups and downs of engineering sentiment as recession approached (and arrived). Automotive Engineer continued as, we believe, the best magazine in its sector, and we continued to have success with our contracted projects for other societies.

By the end of 2008 it was already clear that 2009 will be a challenging year, but we believe we have the staff, strategy and products that will enable us to continue to be a valuable support to IMechE both in its direct charter obligations and by providing funds that it can use in support of its strategic objectives.



**PROFESSIONAL
ENGINEERING
CONSOLIDATED AND
STRENGTHENED ITS
POSITION AS THE LEADING
ENGINEERING MAGAZINE.**

**DAVID GREENWAY
CHAIRMAN,
PROFESSIONAL ENGINEERING PUBLISHING LTD**

FINANCIAL REVIEW 2008

As previously announced 2008 was a year of investment in Learned Society activities and marketing for the Institution. This is described in detail elsewhere in the report, but financially has meant a 23% year on year increase in these costs.

However, the current economic climate has affected the Institution in a number of ways. Our commercial ventures in Publishing and Room Bookings at Birdcage Walk saw a sudden drop in revenue levels toward the latter part of the year. The trading subsidiary was able to gift aid £2,310,000 (2007:£2,795,000) to the Institution for 2008.

Our investment income has been affected by the interest rate decreases in the latter part of the year after the highs earlier in the period.

None of these items is likely to pick up in 2009.

However it is on the balance sheet where the effect of the turbulent stock markets has been shown. Investments, which are held to give prizes and awards as well as to provide a long term cushion, fell by 25% compared with a FTSE 100 fall of 31%.

The other effect was on the FRS17 pension provision. Again the investments and liabilities within that fund acted against the institution and a net liability of £1,702,000 is accounted for against an asset of £545,000 last year. A valuation of the pension fund is taking place during in 2009 and may result in more funds being required.

The conclusion is that the Institution remains financially sound. The Trustee board is committed to maintaining financial prudence and in particular ensuring a positive income from activities during these turbulent times.



“ ”

**THE TRUSTEE BOARD
IS COMMITTED TO
MAINTAINING FINANCIAL
PRUDENCE AND IN
PARTICULAR ENSURING A
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ACTIVITIES DURING THESE
TURBULENT TIMES.**

**ARCHIE BETHEL
HONORARY TREASURER**

Summarised Accounts

The Summarised Accounts are extracted from the audited Annual Accounts, which were approved by the Trustee Board on 18 March 2009. The report of the auditors on the Annual Accounts was unqualified. The Summarised Accounts do not contain sufficient information to allow for a full understanding of the financial affairs of the Institution. A copy of the full Trustees' Report and Annual Accounts can be obtained from the Trustee Department on +44 (0)20 7973 1311. A copy of the Trustees' Report and Annual Accounts will be submitted to the Charity Commission in due course. The Summarised Accounts were approved by the Trustee Board on 18 March 2009 and were signed on its behalf by William M Banks, President, Institution of Mechanical Engineers.

Independent Auditors' Statement to the Members of the Institution of Mechanical Engineers ('The Charity')

We have examined the summary financial information of the Institution of Mechanical Engineers for the year ended 31 December 2008 which comprise the Summary group Statement of Financial Activities and the Summary group Balance Sheet.

This statement is made solely to the charity in accordance with the terms of our engagement letter dated 28 January 2008. Our work has been undertaken so that we might state to the charity those matters we are required to state to it in such a statement 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 for our work, for this statement, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The board of trustees has accepted responsibility for the preparation of the summarised financial statements. Our responsibility is to report to the charity our opinion on the consistency of the summary financial information on page 17 within the summarised financial statements with the statutory Annual Report and Accounts.

We also read the other information contained within the summarised financial statements and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summary financial information.

Basis of opinion

We conducted our work having regard to Bulletin 1999/6 The auditor's statement on the summary financial statement issued by the Auditing Practices Board. Our report on the charity's statutory Annual Report and Accounts for the year ended 31 December 2008 describes the basis of our audit opinion on those Accounts.

Opinion

In our opinion, the summary financial information set out on page 17 is consistent with the statutory Annual Report and Accounts for the year ended 31 December 2008.

FINANCIAL SUMMARY

For the year ended 31 December 2008

	2008 £'000	2007 £'000
Income		
Publishing	7,212	7,868
Membership Subscriptions	6,844	6,658
Technical	2,430	1,885
Interest & Dividends & Room Hire	2,182	2,065
Professional Development & Membership	429	317
Sundry	177	130
Total Incoming Resources	19,274	18,923

Resources Expended

Cost of Generating Funds:

Fundraising Trading; Cost of Goods Sold and Other Costs

Publishing	5,471	5,824
Technical	4,547	3,756
Interest & Dividends & Room Hire	633	621
Regional Activities & Marketing	3,906	3,130
Professional Development & Membership	2,159	1,895
Library & Facilities at Birdcage Walk	1,159	1,182
Prizes, Awards and Scholarships	687	636
Governance Costs	359	307
Membership Subscriptions	154	168
Total Resources Expended	19,075	17,519

Net Income on Activities	199	1,404
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Pension Costs	(2,435)	2,144
Gains on Investments	(4,612)	352
Net Movement in Funds	(6,848)	3,900

Summarised Consolidated Balance Sheet

At 31 December 2008

	2008 £'000s	2007 £'000s
Fixed Assets		
Tangible Assets	2,268	2,362
Investments	13,824	18,359
	16,092	20,721

Current Assets	4,368	6,144
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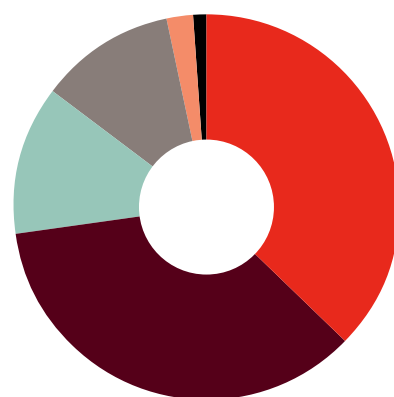
Current Liabilities	(5,642)	(7,445)
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Pension Scheme Asset/(Liability)	(1,702)	545
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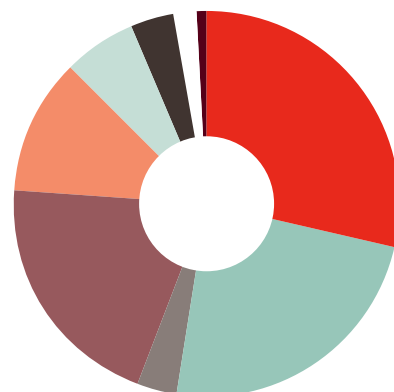
Net Assets	13,116	19,965
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Total Charity Funds	13,116	19,965
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Income:



Expenditure:



- Publishing
- Membership Subscriptions
- Technical (Learned Society)
- Interest & Dividends & Room Hire
- Professional Development & Membership
- Regional Activity & Marketing
- Library & Facilities at Birdcage Walk
- Prizes, Awards and Scholarships
- Governance Costs
- Sundry

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