CONTENTS

Click the relevant chapter to navigate

01  
Trustee Board review of 2017

02  
Leading as the qualifying body for a broad spectrum of engineering activity

03  
Providing members with professional, ethical standards, life-long learning and continuous development through knowledge

04  
Inspiring, training and educating the next generation of engineers

05  
Promoting the role, importance and value of engineering

06  
Acting as the focus to which the world’s organisations turn for help, advice and informed opinion on mechanical engineering to tackle global challenges

07  
Encouraging innovation, research and entrepreneurship in engineering

08  
Governance and operations

09  
Financial review and improving the financial position
Trustee Board review of 2017.
IMPROVING THE WORLD THROUGH ENGINEERING

After the challenging trading situation incurred in some of our supporting companies in 2016 and the liquidation of our newly acquired company Amber Train, 2017 has seen a turnaround and has been a successful year for the Institution in many other areas. It was also the start of an important reflection on the future of the professional engineering landscape, with the publication of the Uff Review, by John Uff QC. We have long considered that a different structure would be necessary to achieve a better and new level of support to engineers, their employers, academia and decision makers. A number of positive conversations are taking place with other engineering institutions which show great promise for the future.

In her Presidential Address, Carolyn Griffiths spoke of the ‘Gender Agenda’. There are signs of positive change and we are pleased to report a modest growth in female members over the last two years from 7.6% to 8.9% of our membership. There is still a great deal more to be done though to address the imbalance between the numbers of men and women working as, or becoming engineers. Our commitment to the Gender Agenda is embodied in our adoption for 2018 of the Royal Academy of Engineering Diversity and Inclusion progression framework.

We are acutely aware of the reported skill shortage in engineering and the Institution is involved in great schools outreach work to engage more young people in understanding how creative and exciting engineering can be and that it can really positively impact the lives of others. Our report on engineering in education called “We Think it is Important But We Don’t Quite Know What It Is”, explores perceptions and experience of engineering in secondary school education. It is being used as part of the education programme alignment review being conducted by Engineering UK and the Royal Academy of Engineering, demonstrating that the Institution is now established as a thought-leader in this field.

We have continued to focus efforts on attracting more to join our organisation and again registered more engineers than any other engineering institution. A third of all new engineers registered with the Engineering Council did so through membership of our Institution. Our membership who live or work outside the UK has also increased from 24% to 26% in the last year.
Our key financial objective is to provide a sustainable income to deliver the Learned Society activities to members and the Institution runs a number of commercial ventures which are pertinent to its core values, to help subsidise the charitable purpose. In 2017 overall income rose 0.5% to £22.0M. Within that, the overall level of income from subscriptions and associated services rose by 5.8%, reflecting the fact that we achieved a net volume growth as well as the normal annual price increase. Operating expenditure rose 2.7% to £23.7M (£23.0M in 2016). Non-operating adjustments resulted in the net worth of the Institution growing by £1.4M, increasing our reserves to £30.9M.

This year has made particular demands upon our staff and our members who together deliver amazing work, worldwide. We are very grateful to them for enabling our wonderful Institution to continue on its mission during 2017 to ‘improve the world through engineering’.

The Trustee Board
Leading as the qualifying body for a broad spectrum of engineering activity.

STRATEGIC OBJECTIVE #1
MEMBERSHIP GROWTH

Continued strong growth in membership numbers and increased retention testifies to the valued service the Institution offers its members. For the sixth year running, the Institution was the leading Professional Engineering Institution (PEI) for new registrations. The number of new elections the Institution recorded at the Engineering Council rose by 5.8% to 2,933*. CEng applications were strong surpassing 2,000 for the first time, and EngTech applications rising by 5%; our registered membership across all grades has continued to grow more in the last five years compared with other PEIs. Total membership exceeded 120,000, of which 55% were paying members.

Our international presence also grew strongly. For the first time, the numbers of international members exceeded 25% of our total membership to reach 31,245. In 2017, we elected 8,131 members of which 1,380 were new paying members, 4% more than in 2016 with particularly strong growth seen in India (9% increase).

Following the launch of our South-East Asia operations in 2017, we achieved a 17% increase in paying members (222) across Brunei, Singapore and Malaysia through new corporate account development. Progress is also being made working in collaboration with other UK PEIs (Institution of Chemical Engineers, the Institution of Civil Engineers and the Institution of Marine Engineering, Science and Technology) to raise the profile of professional registration in SE Asia.

* Updated figures from EngC, 17 January 2018. An amendment to the way EngC reports statistics meant all PEIs had reinstatements added to the total of new registrants for the first time.
MEMBERSHIP GROWTH 2012–2017

CENG GROWTH 2016–2017

2017 120,509
2016 117,751
2015 113,884
2014 111,467
2013 106,277
2012 101,751

12% increase in 2017*

* Updated figures from EngC, 17 January 2018. An amendment to the way EngC reports statistics meant all PEIs had reinstatements added to the total of new registrants for the first time.
Providing members with professional, ethical standards, life-long learning and continuous development through knowledge.

STRATEGIC OBJECTIVE #2
MEMBER ENGAGEMENT

Once again, the membership has been active in the UK and around the world. The efforts of those who volunteer their time on behalf of the Institution are highly valued on the ground and do much to bring the Institution to life in the community and in the workplace.

In 2017, 1,102 member-organised events were hosted across the UK compared with 1,200 in 2016, however the number of delegates attending increased by 10% to 43,000. The numbers of students participating in volunteering activities surpassed 111,000, also up by 10%. The latter achievement reflected a substantial increase in new volunteers, particularly new STEM Ambassadors. A remarkable 582 new volunteers joined in 2017, compared with 136 in 2016.

International networking also continued apace with 766 IMechE events. The international network also organised 285 joint events with local professional bodies in 2017 more than double the number run in 2016, further demonstrating a collaborative approach internationally with an agreement of cooperation signed with Engineers Australia. Both Hong Kong and Sri Lanka groups celebrated their 20th anniversaries, and a new group was formally launched in Brunei as part of the South-East Asia regional development.

1,102
Member organised events

43,000 (+10%)
Attendees

582 (+327%)
New volunteers
MEMBER ENGAGEMENT

Our young members worldwide organised and participated in 46 Speak Out for Engineering competitions designed to encourage engineers to showcase their talents in “speaking” technical mechanical engineering subjects to non-technical audiences, as well as hosting five Global Engineering Debates on the subject of Healthcare Engineering for an Ageing Population.

Following a pilot in 2016, our Career Developer online tool, which enables users to plan, record and review their professional development, was successfully used for the Engineering Council’s 2017 audit, with 2,778 members participating in the audit from a select pool of members.

Our library information services continued to be well used, with more than 250,000 documents being downloaded (approximately 1,000 each working day). We also ran a series of successful blogs, on subjects including Early Rail and Motor Racing, which attracted more than 12,000 visitors, the virtual archive receiving over 25,000 visits and a thematic online exhibition jointly with a partner organisation (Engineers at War based on the centenary of World War I).

READ MORE
Library and Archive

READ MORE
Career Developer
DIGITAL TRANSFORMATION.

We are investing over £3M into the Institution’s digital infrastructure in order to improve its services to our members both in the UK and internationally. Our drive to be a ‘digital first’ organisation gained pace in 2017, laying the foundation for major changes in our ways of working in 2018. We introduced a new email platform with greater reliability and functionality enhancing our member engagement, resulting in a 36% increase in click-throughs to the website and contributing to a higher uptake of training and attendance at events.
DIGITAL TRANSFORMATION.

- **2.3M** Website Sessions
- **96,000** Policy Page Views
- **5,000** Report Downloads
- **0.5M** Facebook Likes
- **46,000** Twitter Followers
- **25,371** LinkedIn Followers

Changes:
- +9.2%
- +39%
- +22%
- +2.4%
- +23%
- +21%
The Institution continues to build long-term relationships with companies and education establishments to support engineers and encourage professional registration.

The Monitored Professional Development Scheme (MPDS) is our approved and quality-controlled route for graduate engineers. We have now accredited 272 company schemes (including six professional training university schemes). We have also approved 118 Apprentice Company schemes and 98 Training Provider schemes. A total of 73 universities are currently accredited by the Institution, one more than last year despite a rationalisation of the accreditation schedule to drive cost efficiencies.

Working with the awarding organisation EAL, we launched an end-point assessment service for apprenticeships despite the uncertainty around these new schemes, and were accepted to the UK Government register of end-point assessment organisations.

### UK membership development highlights

<table>
<thead>
<tr>
<th>Activity / Objective</th>
<th>2017</th>
<th>% change year on year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of visits to employers, academia and regional membership events</td>
<td>1,385</td>
<td>+7%</td>
</tr>
<tr>
<td>Regional events</td>
<td>106</td>
<td>+14%</td>
</tr>
<tr>
<td>Company Based Registration Schemes launched/supported</td>
<td>258</td>
<td>+4%</td>
</tr>
<tr>
<td>New companies/sites engaged</td>
<td>182</td>
<td>+2%</td>
</tr>
<tr>
<td>University first year/affiliate presentations delivered</td>
<td>85</td>
<td>+9%</td>
</tr>
<tr>
<td>Apprenticeship EngTech/affiliate presentations delivered</td>
<td>156</td>
<td>+13%</td>
</tr>
</tbody>
</table>

272 Accredited company schemes
Inspiring, training and educating the next generation of engineers.

STRATEGIC OBJECTIVE #3
The Institution is committed to addressing the engineering skills gap and inspiring the next generation of engineers. ‘Leading the Change’ is a comprehensive approach to changing perceptions amongst young people that involves working with a range of stakeholders, from young people themselves, to the teachers and parents, through to politicians. Our young people’s strategy has five objectives which we are addressing through various initiatives across the Institution:

**INSPIRE**
Igniting enthusiasm in young people from an early age.

**INFORM**
Providing access to advice and information that can help shape their future.

**TRANSFORM**
Enhancing the practice, skills and knowledge of educational professionals.

**UNDERSTAND**
Gaining greater insights into the ways young people learn and develop their attitudes to engineering, while finding out which interventions work best.

**INFLUENCE**
Working with those responsible for shaping education policy throughout the UK.
Our ‘We Think It Is important But We Don’t Quite Know What It Is’ report on young people’s exposure to engineering in schools was well received by Members of Parliament, and is informing the collaborative education programme alignment being undertaken by Engineering UK and the Royal Academy of Engineering.

We met regularly with a range of Government departments to discuss the Year of Engineering 2018. It was agreed that our Engineering Education Grant Scheme, which supported 27 innovative projects in 2017 jointly funded with the Institution of Engineering and Technology (IET), will form a high profile element of the Government’s Year of Engineering campaign.

The year ended with joint workshops with IET and STEM Learning Ltd on STEM Ambassadors, which will form the basis for further collaborations in 2018 aimed at encouraging greater contact between schools and employers.

The Bloodhound SSC Newquay test run event in October was a great success engaging over 9,000 people over 3 days and attracted worldwide media attention. Over 100 schools attended the education day.

Our Education and Skills Strategy Board continued to support a programme balancing the different elements of the ‘Leading the Change’ approach. This tactic has been adopted by Engineering UK and the Royal Academy of Engineering for their joint work on education following a key recommendation from the Uff Review where joint PEI education outreach projects should be implemented in 2018. Our major investments continued to be Primary Engineer, STEM Learning Ltd and Bloodhound.

Primary Engineer ran 94 events across the UK including 16 Leaders’ Awards events attracting over 1,700 members of the public. We continued to work in collaboration with fellow PEIs and Engineering UK to produce and promote Tomorrow’s Engineers activities and materials. Approximately 1 million students and over 20,000 teachers used the materials through print and downloads in 2017.

Our Education and Skills Strategy Board continued to support a programme balancing the different elements of the ‘Leading the Change’ approach. This tactic has been adopted by Engineering UK and the Royal Academy of Engineering for their joint work on education following a key recommendation from the Uff Review where joint PEI education outreach projects should be implemented in 2018. Our major investments continued to be Primary Engineer, STEM Learning Ltd and Bloodhound.

Primary Engineer ran 94 events across the UK including 16 Leaders’ Awards events attracting over 1,700 members of the public. We continued to work in collaboration with fellow PEIs and Engineering UK to produce and promote Tomorrow’s Engineers activities and materials. Approximately 1 million students and over 20,000 teachers used the materials through print and downloads in 2017.

103
Bloodhound education toolkits distributed to schools in 2017

23,500
Students engaged through toolkits since 2012
The Bloodhound SSC Newquay test run event in October was a great success engaging over 9,000 people over 3 days and attracted worldwide media attention. Over 100 schools attended the education day.
STUDENT AND APPRENTICE CHALLENGES.

The Railway Challenge, the Unmanned Aircraft Systems (UAS) Challenge, the Design Challenge and the Home Automation Challenge all continue to grow in influence and engagement. They also raise the profile of the Institution in the eyes of students and apprentices considering engineering as a career.

67 Universities & colleges
117 Different teams
Participated in the challenges

READ MORE
Challenges
Formula Student enjoyed another highly successful year with 125 teams from all over the world taking part, including the first ever team from Mexico. Over five days in July, Silverstone played host to more than 7,000 attendees. For the first time a volunteer village was established for the competition’s 250 volunteers. On the digital front, the first ever Formula Student webinar took prospective competitors through the 2018 rules, attracting a truly global audience.
Promoting the role, importance and value of engineering.

STRATEGIC OBJECTIVE #4
The Institution is committed to raising the profile of engineering and providing expert commentary and advice to media organisations across the world.

We continue to provide insight into advances in engineering and comment on current affairs through our regularly updated web news pages and in Professional Engineering magazine. We also commissioned six polls on topical issues in engineering, such as apprenticeships, driverless cars and UK electricity generation, which gathered considerable media interest including mentions in The Guardian and The Daily Mail.

Our eight Engineering Heritage Awards – the latest being the 1903 Daniel Adamson Steam Ship in Albert Dock, Liverpool – continued to be popular with members and generated significant regional media coverage.

In 2017 we released 12 reports and policy statements on key issues in engineering and manufacturing including:

— Railway capacity
— The health of the manufacturing sector in the UK
— The supply of skills to the engineering sector
— Personalising transport
— Government apprenticeship initiatives
— Gender specific issues in engineering employment

We also released a number of shorter, impactful case studies on topics such as nuclear power and management of incontinence.

Reporting of these outputs enabled us to achieve the equivalent of £47.8 million of media coverage.
We commissioned six polls on topical issues in engineering, such as apprenticeships, driverless cars and UK electricity generation, which gathered considerable media interest including mentions in The Guardian and The Daily Mail.
Acting as the focus to which the world’s organisations turn for help, advice and informed opinion on mechanical engineering to tackle global challenges.

STRATEGIC OBJECTIVE #5
SETTING THE AGENDA

The Institution is a leading player in informing governments on policy in areas related to mechanical engineering. With an international membership spanning the industrial and academic sectors, we are uniquely placed to advise governments and policymakers in the UK and further afield.

Brexit has dominated our public affairs work. We were mentioned in The Evening Standard, The Guardian and The Engineer for our campaign to maintain CE-marking capability for medical devices and for our work on the Euratom Treaty in relation to maintaining an effective UK nuclear sector. This latter work resulted in us giving verbal evidence to a UK parliamentary select committee.

Our policy team was called upon to speak publicly at national and regional events, on behalf of the Institution, on topics such as education and skills shortages, the experience of female engineers, clean shipping, national air quality and low emission vehicles, the future of transport, and the role of engineering in medicine.

READ MORE
Policy and Press
The Institution is a leading player in informing governments on policy in areas related to mechanical engineering. With an international membership spanning the industrial and academic sectors, we are uniquely placed to advise governments and policy-makers in the UK and further afield.
Encouraging innovation, research and entrepreneurship in engineering.

STRATEGIC OBJECTIVE #6
PROMOTING INNOVATION

The Stephenson Fund fulfills our founding purpose to promote invention and innovation. As an organisation at the forefront of the engineering profession, we are ideally placed to identify and invest in innovative companies and technologies. Our investments, which are administered by our partner Midven, are not just about providing monetary support, but also about connecting companies to resources, knowledge and an expert network. We provide practical support to entrepreneurs through the work of the Learned Society.

During 2017, The Stephenson Fund made two further investments in fledgling companies:

Inductosense who have developed an innovative approach to ultrasound measurement for non-destructive testing using sensors permanently embedded in industrial pipework and handheld scanners.

Utonomy who have developed a novel actuator for the low-pressure gas network that promises to reduce costs for network operators and reduce leakage of methane, a greenhouse gas up to 100 times more damaging to the environment than carbon dioxide.

Our Stephenson Fund currently supports nine companies and looks to grow further in 2018.

PRESTIGE AND VISION AWARDS

This year’s award-winners illustrate the depth and breadth of engineering activity among our members and their outstanding contributions to engineering.

The 2017 Prestige Award winners were:

— **James Clayton Prize:**
  Neville Jackson and Bridget Eickhoff

— **The Alastair Graham-Bryce Award:**
  Kathryn Bjärkvik and Jessica Rogers

— **The Thomas Hawksley Gold Medal:**
  Mohsen Shandiz

— **The George Stephenson Gold Medal:**
  François Hild

— **The Verena Winifred Holmes Award:**
  Benjamin Murphy

— **Award for Risk Reduction in Mechanical Engineering:**
  Michael Todinov

The 2017 Vision Award winners were:

— **Young Member Visionary:**
  Stephen Walsh

— **EngTech Visionary:**
  Hugh Wotherspoon

— **Whitworth Scholarship Visionary:**
  Michael Kelly

— **Scholarship Visionary:**
  Sarah Barrington
Inductosense have developed an innovative approach to ultrasound measurement for non-destructive testing using sensors permanently embedded in industrial pipework and handheld scanners.
Governance and operations.
March 2017 saw the release of the ‘Uff Review’, an independent review of UK engineering led by Professor John Uff QC. Commissioned by the Institution of Mechanical Engineers, the Institution of Engineering and Technology, and the Institution of Civil Engineers, which collectively represent 70% of UK professional engineers, the Uff Review called for greater integration across PEIs. In response, the three institutions are working collaboratively across five areas:

— A joint policy unit
— An alignment of education activities
— A joint knowledge portal
— Joint accreditation
— Engaging the missing 3 million (those engineers not currently served by the PEIs)

Building on the Uff Review, we produced a white paper outlining a long-term vision for a more integrated engineering profession. Discussions are being held with partner institutions to turn this vision into reality with further progress expected in 2018 and beyond.
We successfully completed a significant restructuring in 2017 in preparation for enhanced digital working and to deliver greater business efficiency. A new membership operations directorate has been created combining all member-facing operations. Events, training and library services have been brought together under the same directorate to provide an integrated professional development proposition. Marketing and Communications have been combined alongside a new policy unit to improve the effectiveness of our thought leadership and further raise our public profile. There is also a new Employee Engagement Committee to strengthen our engagement with our employees.

With the EU General Data Protection Regulations (GDPR) due to come into force in May 2018, we established a GDPR team to ensure our management of personal data is compliant with new regulations.
EMPLOYEE ENGAGEMENT

The Institution is an equal opportunities employer which aims to recruit a diverse range of talented people. It recognises that future success depends on the skills, professional fulfilment and continuing development of all employees. The Institution currently holds a silver accreditation by Investors in People.
Financial review and improving the financial position.
The key objective in improving the financial position of the Institution is to provide secure financial underpinnings to deliver the Learned Society activities to members. The business model continues to be that the Institution runs a number of commercial ventures which are pertinent to its core values to help subsidise the charitable purpose.

In 2017 overall income rose 0.5% to £22.0M (2016 – £21.9M). Within that the overall level of income from subscriptions and associated services rose by 5.8%, reflecting the fact that we achieved a net volume growth as well as the normal inflationary price increase. Operating expenditure rose 2.7% to £23.7M (2016 – £23.0M) resulting in an operating loss of £1.6M (2016: £1.1M).

Non-operating costs included a further £0.6M (2016 - £1.3M) write off relating to our liquidated subsidiary, Amber Train, £0.2M of goodwill amortisation (2016 – £0.6M), a £1.8M (2016 – £2.7M) gain on investments and a £2.0M actuarial gain (2016 – £2.4M loss) on the pension fund scheme resulting in an increase in funds of £1.4M (2016 – £2.5M deficit) for the year.

Over the last few years the Institution has made several acquisitions in companies that specialise in learning and development for engineers. These investments will both ensure the financial stability and meet the objective of improving the world through engineering. The Institution will continue to invest in its learning and development activity, and the long term plan is for these commercial activities to contribute an increasing proportion of our revenues.

The Engineering Training Centre in Sheffield acts as a hub for hosting local member activities, meetings, conferences and events, and in 2017, it has expanded its operations and secured the first clients as a commercial venue for hire.
Non-Destructive Testing and Samples
Engineering Training Solutions, a trading name of PEP Ltd, suffered another challenging year in the Non-Destructive Testing (NDT) and Inspection global market. Turnover was down 3% on 2016, primarily due to a temporary decline in income from affiliated exam centres, but, despite this, losses were significantly reduced. The exposure to oil and gas weakness stabilized with business at a low level. The exam business suffered from key 3rd party overseas training centres having their licenses temporarily suspended due to controls irregularities (the Institution had no responsibility for this).

However, with support from us, all centres have regained their licenses and activity has returned to normal levels.

Sonaspection, a manufacturer of flawed specimens for training and examination, secured new and repeat contracts from China, South Korea and the United States. The decision to develop the Hinkley Point site has resulted in significant work for this business but delays and shifting customer priorities resulted in delays in 2017 and a 10% decline in turnover. Despite this, the UK business returned to profit after losses in 2016, and with reduced losses in the USA.

Learning and Development
Demand for In-Company Training and public programmes grew with turnover up 14% on 2016, particularly in the public programme as we continue to develop our range of technical training courses. After a steady start to the year with first half turnover virtually flat on 2016, activity accelerated in the second half, particularly in the public programme.

Our Venue Hire business grew strongly on the back of new digital marketing initiatives with turnover up 10% on 2016.

Amber Train
As described in last year’s accounts, Amber Train was placed into liquidation on 24 July 2017. The 2017 write off includes certain costs after this date relating to lease termination costs of vehicles where the Institution had taken out contracts on behalf of Amber Train, and write off of intercompany balances. All of these costs ceased before the end of 2017. The balance of the write off relates to professional fees associated with the liquidation.
Sonaspection, a manufacturer of flawed specimens for training and examination, secured new and repeat contracts from China, South Korea and the United States.
**Balance Sheet**

Our investments declined to £22.5M (2016 – £24.2M) despite an underlying £1.8M gain as £3.5M was realised to fund the operating deficit and our capital expenditure programme (£2.5M across tangible and intangible assets). Within that we continue to invest in early stage innovation companies, in line with our charitable aim of being an impulse to innovation through the Stephenson LLP fund and we have now invested £1.4M in nine companies.

Intangible assets increased to £2.1M (2016 - £0.9M) as we invested in our digital transformation programme. Although long-term interest rates decreased slightly, the very strong investment performance eliminated the deficit on the pension fund, which is now in slight surplus. The sensitivity of this fund is such that a 0.5% movement in interest rates leads to a £5.2M increase in pension liabilities. The aim of the Trustees of the Pension Fund and the Institution is to transfer the total risk to an acceptable financial vehicle, such as an insurance company, in the medium-term.

Due to the £1.4M overall increase in funds, group reserves increased to £30.9M from £29.5M in 2016. The Institution continues to remain financially sound. The Trustee Board is committed to maintaining financial prudence and in particular making a surplus from trading activities.

---

### Summarised Consolidated Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Assets</strong></td>
<td>£’000</td>
<td>£’000</td>
</tr>
<tr>
<td>Intangible Assets</td>
<td>2,117</td>
<td>894</td>
</tr>
<tr>
<td>Tangible Assets</td>
<td>7,408</td>
<td>7,339</td>
</tr>
<tr>
<td>Investments</td>
<td>22,496</td>
<td>24,239</td>
</tr>
<tr>
<td><strong>Total Fixed Assets</strong></td>
<td>32,021</td>
<td>32,472</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td>7,262</td>
<td>5,667</td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td>(8,398)</td>
<td>(6,701)</td>
</tr>
<tr>
<td>Pension Scheme Liability</td>
<td>–</td>
<td>(1,979)</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td>30,885</td>
<td>29,459</td>
</tr>
<tr>
<td><strong>Total Charity Reserves</strong></td>
<td>30,855</td>
<td>29,459</td>
</tr>
</tbody>
</table>
The Summarised Accounts are extracted from the audited Annual Accounts which were approved by the Trustee Board on 18 April 2018. The report of the auditors on the Annual Accounts was qualified due to the nonconsolidation of the Amber Train Ltd accounts. The Summarised Accounts do not contain sufficient information to allow a full understanding of the financial affairs of the Institution. A copy of the full Trustees Report and Annual Accounts are available to view and download at www.imeche.org/governance. A copy of the Trustees Report and Annual Accounts has been submitted to the Charities Commission.

**FINANCIAL SUMMARY**

<table>
<thead>
<tr>
<th>For the year ended 31 December 2017</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income £’000</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership Subscriptions</td>
<td>11,319</td>
<td>10,697</td>
</tr>
<tr>
<td>Technical[1]</td>
<td>2,005</td>
<td>2,172</td>
</tr>
<tr>
<td>Other Non-charitable Trading</td>
<td>7,261</td>
<td>7,166</td>
</tr>
<tr>
<td>Professional Development &amp; Membership</td>
<td>153</td>
<td>156</td>
</tr>
<tr>
<td>Interest, Dividends &amp; Rent</td>
<td>1,291</td>
<td>1,170</td>
</tr>
<tr>
<td>Sundry, including Legacies</td>
<td>20</td>
<td>580</td>
</tr>
<tr>
<td><strong>Total Incoming Resources</strong></td>
<td>22,049</td>
<td>21,941</td>
</tr>
</tbody>
</table>

**Resources Expended**

Cost of Generating Funds; Fundraising Trading; Cost of Goods Sold and Other Costs:

| Technical[1]                        | 6,362 | 5,261 |
| Other Non-charitable Trading        | 8,526 | 8,628 |
| Investment Management Costs         | –     | 3     |
| Regional Activities & Marketing     | 4,272 | 4,470 |
| Professional Development & Membership| 1,022 | 830   |
| Library & Facilities at Birdcage Walk| 1,700 | 1,464 |
| Prizes, Awards and Scholarships     | 751   | 890   |
| Membership Subscriptions            | 1,028 | 1,134 |
| **Total Resources Expended**        | 23,661| 23,030|

**Net Deficit on Activities**

<table>
<thead>
<tr>
<th>(1,612)</th>
<th>(1,089)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension Costs</td>
<td>2,035</td>
</tr>
<tr>
<td>Gains on Investments</td>
<td>1,788</td>
</tr>
<tr>
<td>Goodwill Amortisation</td>
<td>(202)</td>
</tr>
<tr>
<td>Amounts Written Off in Respect of Amber Train</td>
<td>(583)</td>
</tr>
<tr>
<td><strong>Net Movement in Funds</strong></td>
<td>1,426</td>
</tr>
</tbody>
</table>

[1] Technical represents Learned Society activities