

Company Registration No: 01157249 (England and Wales)

Charity No: 267026

**THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee
and not having a Share Capital)**

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2017

**Faulkner House
Victoria Street
St Albans
Herts AL1 3SE**

**RAYNER ESSEX LLP
CHARTERED ACCOUNTANTS**

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

CONTENTS

	Page
Legal and Administrative Information	2
Trustees' Report	3 to 7
Auditors' Report	8 to 9
Statement of Financial Activities	10
Balance Sheet	11
Statement of Cash Flows	12
Notes to the Financial Statements	13 to 19

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2017

Constitution The Institute of Acoustics is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

The company is a registered charity governed by its Memorandum and Articles of Association, last revised June 2013, which establishes the objects and powers of the charitable company.

Trustees

W E Egan	J R Richardson
B M Gibbs	P J Rogers
J Glasgow	E Shanks
K R Holland	
P A Lepper	
M R Lester	V Stewart
R G Mackenzie (resigned 27 July 2017)	D Wallis
H Notley	D L Watts (resigned 27 July 2017)
G Parry	L J Webb
C Parsons (resigned 27 July 2017)	R Watson (appointed 27 July 2017)
P Lowery (appointed 27 July 2017)	
C D Goodhand (appointed 27 July 2017)	

President L J Webb

Secretary A Chesney

Honorary Treasurer D Wallis

Honorary Secretary J R Richardson

Company Number 01157249

Charity Number 267026

Registered and Principal Office 3rd Floor, St Peter's House
45-49 Victoria Street
St Albans
Hertfordshire
AL1 3WZ

Auditors Rayner Essex LLP
Faulkner House
Victoria Street
St Albans
Herts AL1 3SE

Solicitors Pictons Solicitors LLP
28 Dunstable Road
Luton
Bedfordshire LU1 1DY

Bankers Lloyds TSB Plc
Knightsbridge Branch
9-13 Brompton Road
London SW3 1DD

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

TRUSTEES ANNUAL REPORT FOR THE PURPOSES OF SECTION 162 OF THE CHARITIES ACT 2011 AND DIRECTORS' REPORT FOR THE PURPOSE OF SECTION 415 OF THE COMPANIES ACT 2006

FOR THE YEAR ENDED 31ST DECEMBER 2017

The trustees present their report and the independently audited financial statements of the charity for the year ended 31 December 2017. This report is the Directors' Report required by s417 of the Companies Act 2006.

The legal and administrative information set out on page 2 forms part of this report. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting: 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 (FRS102) (effective 1 January 2015).

Structure, Governance and Management

Recruitment and Appointment of Trustees

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as trustees.

Trustees are elected at the Annual General Meeting and shall hold office for a period of two years. The trustees are eligible for re-election at the end of the two year period, up to an additional six years.

Due to the nature of the Institute's objectives the trustees seek to ensure that the trustees either have a related qualification or are working within the acoustics sector. The trustees believe that by appropriately reflecting their members in the make up of the board of trustees that this gives the Institute and its staff an enhanced understanding of the members' requirements.

Trustee induction and training

Most trustees are already familiar with the practical work of the Institute. Additionally new trustees are invited and encouraged to meet with specific trustees to discuss and familiarise themselves with the Institute and the context in which it operates. This includes the future plans and objectives of the Institute.

Risk management

The trustees regularly review an assessment of the risks to which the Institute is exposed, particularly business, operational and financial risks, and introduce procedures and reporting regimes to manage and reduce the identified risks.

Organisational structure

The Institute of Acoustics is a registered charity and is constituted as a company, limited by guarantee. Its objects and powers and other constitutional matters are set out in its Memorandum and Articles of Association. It is governed by a Board of Trustees who are responsible for setting the strategic direction of the organisation and for establishing policy. A scheme of delegation is in place for the day to day running of the charity.

The Institute is the professional body representing acoustics in the United Kingdom, and provides a range of services for members.

Objectives and Activities

The Institute's principal objectives are:

- **Education**
The Institute administers its own Diploma in Acoustics and Noise Control together with Certificates in Workplace Noise Assessment, Environmental Noise Measurement, the Measurement of Sound Transmission within Buildings, the Management of Occupational Exposure to Hand Arm Vibration and Certificate of Proficiency in Anti-Social Behaviour etc (Scotland) Act 2004 - Noise Measurements. Courses are held at regular intervals at Centres throughout the country. In addition, the Diploma in Acoustics and Noise Control is available by tutored distance learning.

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

TRUSTEES ANNUAL REPORT FOR THE PURPOSES OF SECTION 162 OF THE CHARITIES ACT 2011 AND DIRECTORS' REPORT FOR THE PURPOSE OF SECTION 415 OF THE COMPANIES ACT 2006

FOR THE YEAR ENDED 31ST DECEMBER 2017

Objectives and Activities (continued)

- **Conferences and Meetings**
A substantial annual programme of technical conferences and meetings takes place, which have an international flavour. In addition there are many one-day meetings together with evening meetings organised by the Specialist Groups and Regional Branches.
- **Publications**
'Acoustics Bulletin' is published bi-monthly and carries articles of professional, academic and technical interest. A Register of Members is available on the IOA website. Proceedings record the papers presented at the Institute's Annual Conference, Reproduced Sound and Underwater Acoustics conferences held during the year. A well-stocked Library is available to members and the Institute's Web Site is a regularly updated source of information. A free online-zine is produced twice a year for students to promote a broad understanding of acoustics; the on-line Zine is now on hold whilst a new marketing executive is recruited.
- **Engineering Council**
As a nominated body of the Engineering Council the Institute can award Chartered Engineer and Incorporated Engineer status to suitably qualified members.
- **International**
The Institute is a member of the International Institute of Noise Control Engineering (IINCE), the European Acoustics Association (EAA) and the International Congress of Sound and Vibration (ICSV). The Institute hosted ICSV24 Conference in London in 2017.
- **Future Development**
Future development of the Institute will focus on promoting the profession and acoustics, providing advice related to acoustics, supporting the professional development needs of members, increasing membership, developing the education facilities and promoting acoustics in education and maintaining and extending present activities.

Achievements and Performance

The Institute has continued to serve the interests of its members through its established programmes in the areas of education, professional development, meetings and publications, and by providing representation in areas such as the Engineering Council, Standardisation and International affairs. Strategic development of the Institute continued to be a priority and various actions were implemented.

The Trustees confirm that in the exercise of their powers as charity trustees, they have had due regard to the published guidance from the Charities Commission on the operation of the public benefit requirements and the aims of the charity are carried out for the public benefit.

During the year:

- 12 candidates presented themselves for the CEng Professional Review of whom 6 achieved CEng Status, 4 IEng and 2 were asked to submit further evidence.
- During the year 90 students were awarded the Diploma in Acoustics and Noise Control with 230 students passing other courses offered by the Institute.
- Membership has increased to 3,497 of which 467 are students.
- The Institute is represented internationally through the following members: Maria Heckl (Director IIAV) and James Talbot (Director IIAV)
- Members have delivered 3 'You're Banned' acoustics workshops presentations to schools.

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

TRUSTEES ANNUAL REPORT FOR THE PURPOSES OF SECTION 162 OF THE CHARITIES ACT 2011 AND DIRECTORS' REPORT FOR THE PURPOSE OF SECTION 415 OF THE COMPANIES ACT 2006

FOR THE YEAR ENDED 31ST DECEMBER 2017

- In partnership with IIAV the Institute organised a very successful International Congress on Sound and Vibration in London with over 1,000 delegates from over 50 countries attending.
- In partnership with the ANC and the CIEH the Institute published the Professional Practice and Guidance: Planning and Noise guidance document.
- The Institute has regularly sent a representative to the parliamentary and Scientific Committee meetings.
- Members have given evidence at parliamentary enquiries on research funding post Brexit and housing and responded to the Government's new 25 Year Environmental Plan.

Financial Review

The financial statements have been prepared in accordance with the Companies Act 2006 the Statement of Recommended Practice: Accounting and Reporting by Charities (issued March 2005), FRS102 and the Institute's governing document.

The statement of financial activities shows that incoming resources exceeded resources expended by £230,100 (2016: £182,060). The balance sheet indicates that total funds of the charity were £1,419,385 (2016: £1,189,285) of which all funds were unrestricted funds (2016: All funds unrestricted). These were represented by tangible fixed assets of £22,904 (2016: £40,519) and other net assets of £1,396,481 (2016: £1,148,766).

Investment policy

Other than retaining a level of funds to meet the reserve policy of the Institute, most of the funds are to be utilised in meeting the main objectives of the Institute. The trustees do not believe it to be prudent to utilise the funds in long term investments and instead have decided to invest the available funds in short-term bank deposit accounts to ensure the liquidity of these funds. As available funds increase over and above the amount required by the reserve policy the trustees will review the investment policy to ensure that the returns the Institute receives is maximised whilst not detracting funds from its main objectives.

Reserves policy

The trustees have adopted a reserves policy that they consider appropriate to ensure the continued ability of the Institute to meet its objectives in the light of the predominant risks to the organisation.

The target reserves are based on continuing operations for one year having had a 25% reduction in membership and having sufficient funds to ensure Diploma students' courses are maintained for two years. At 31 December 2017 the target was approximately £640,000, with a minimum reserve of £393,000, and the free reserves were £1,419,385 (2016: £1,189,285).

The trustees have agreed a business plan to ensure that the appropriate level of reserves will be maintained into the future.

Plans for Future Periods

The Institute is looking at continuing to develop its provision of education and the diploma courses that are run so that they are continually held with high regard within the sector.

The charity will be relocating premises from St Albans to Milton Keynes due to the financial implications of signing a new lease in St Albans.

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

TRUSTEES ANNUAL REPORT FOR THE PURPOSES OF SECTION 162 OF THE CHARITIES ACT 2011 AND DIRECTORS' REPORT FOR THE PURPOSE OF SECTION 415 OF THE COMPANIES ACT 2006

FOR THE YEAR ENDED 31ST DECEMBER 2017

Vote of thanks

Thanks are due again to our Professional Advisors, Dennis Baylis our Advertisement Manager, Blane Judd our Engineering Manager, Keith Attenborough our Education Manager, our dedicated staff at Head Office in St Albans, and those members involved in the numerous Committees, Regional Branches and Specialist Groups who have done so much in a voluntary capacity behind the scenes. It is their continued support and effort that assures our future success.

Trustees

The Trustees during the year under review were:

W E Egan	J R Richardson
B M Gibbs	P J Rogers
J Glasgow	E Shanks
K R Holland	V Stewart
P A Lepper	D Wallis
M R Lester	D L Watts
R G Mackenzie	L J Webb
H Notley	R Watson
G Parry	
C Parsons	
P Lowery	
C D Goodhand	

Trustees' Responsibilities

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires Trustees, as directors of the company, to prepare financial statements for each financial year which give a true and fair view of the state of the charity's affairs and of the profit or loss for the year. In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are also responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

In addition, the trustees confirm that:

- in the exercise of their powers as charity trustees, they have had due regard to the published guidance from the Charity Commission on the operation of the public benefit requirements; and
- the aims of the charity are carried out for the public benefit.

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

**TRUSTEES ANNUAL REPORT FOR THE PURPOSES OF SECTION 162 OF THE CHARITIES ACT
2011 AND DIRECTORS' REPORT FOR THE PURPOSE OF SECTION 415 OF THE COMPANIES
ACT 2006**

FOR THE YEAR ENDED 31ST DECEMBER 2017

Auditors


In accordance with section 487(2) of the Companies Act 2006, a resolution proposing that Rayner Essex LLP be reappointed as auditors of the company will be put to the Annual General Meeting.

Statement of disclosure to auditor

- (a) so far as the trustees are aware, there is no relevant audit information of which the Institute's auditors are unaware, and
- (b) they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the Institute's auditors are aware of that information.

Small Company Exemptions

The report of the Trustees' has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and was approved by the Board on 21 March 2018 and signed on its behalf.



A Chesney
Secretary

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

INDEPENDENT AUDITORS' REPORT TO THE

MEMBERS OF THE INSTITUTE OF ACOUSTICS LIMITED

We have audited the financial statements of The Institute of Acoustics Limited for the year ended 31 December 2017 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 6 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 (in accordance with regulations made under section 154 of that Act), rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006 and the Charities Act 2011

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

**INDEPENDENT AUDITORS' REPORT TO THE
MEMBERS OF THE INSTITUTE OF ACOUSTICS LIMITED**

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Rayner Essex LLP

Statutory Auditors

**Faulkner House
Victoria Street
St Albans
Herts
AL1 3SE**

21 March 2018

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income & Expenditure Account)

FOR THE YEAR ENDED 31ST DECEMBER 2017

	Notes	Unrestricted Funds £	2017 Total Funds £	2016 Total Funds £
Incoming resources from:				
Charitable activities:				
Subscriptions		432,289	432,289	416,064
Meetings		85,483	85,483	117,310
Publications		155,547	155,547	136,907
Education		355,406	355,406	352,185
Branch and Group Activities		875	875	-
Engineering Division		12,419	12,419	10,838
Investments:				
Investment Income	3	12,923	12,923	13,930
Other:				
Sundry Income		799	799	256
Total incoming resources	2	<u>1,055,741</u>	<u>1,055,741</u>	<u>1,047,490</u>
Resources expended				
Costs of generating funds	4	211,345	211,345	215,961
Charitable activities	4	614,296	614,296	649,469
Total resources expended	4	<u>825,641</u>	<u>825,641</u>	<u>865,430</u>
Net incoming resources before other recognised gains and losses	5	230,100	230,100	182,060
Other recognised Gains and Losses		-	-	-
Net movement in funds	5	230,100	230,100	182,060
Reconciliation of funds				
Fund Balances Brought Forward	11	1,189,285	1,189,285	1,007,225
Transfers between funds		-	-	-
Fund balances carried forward	11	<u>1,419,385</u>	<u>1,419,385</u>	<u>1,189,285</u>

All activities are classified as continuing. There were no recognised gains or losses for 2017 or 2016 other than those recorded in the Statement of Financial Activities.

All incoming resources and resources expended in 2017 and 2016 were unrestricted.

The notes on pages 13 to 19 form part of these financial statements.

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

BALANCE SHEET

AS AT 31ST DECEMBER 2017

	Notes	2017		2016	
		£	£	£	£
Fixed Assets					
Tangible assets	8		22,904		40,519
Current Assets					
Debtors	9	78,015		111,798	
Cash at bank and in hand		1,438,093		1,384,559	
Total Current Assets		1,516,108		1,496,357	
Creditors: Amounts Falling Due within One Year	10	(119,627)		(347,591)	
Net Current Assets			1,396,481		1,148,766
Total Assets Less Current Liabilities			1,419,385		1,189,285
The Funds of the Charity Reserves	11		1,419,385		1,189,285
Total Funds			1,419,385		1,189,285

For the year ending 31 December 2017 the company was entitled to exemption from audit under section 477(2) of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

These financial statements were approved by the Board of Trustees on 21 March 2018 and signed on its behalf.

L J Webb
President



Company Registration No. 01157249

Charity Registration No. 267026

The notes on pages 13 to 19 form part of these financial statements.

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER 2017

	2017 £	2016 £
Cash flows from operating activities		
Net (expenditure) for the year	230,100	182,060
Adjustments for:		
Depreciation on equipment	22,883	21,198
Investment income	(12,923)	(13,930)
(Increase)/reduction in debtors	33,783	(41,225)
Increase/(reduction) in creditors	(227,964)	198,388
Net cash provided/ (used) in operating activities	<u>45,879</u>	<u>346,491</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(5,268)	(3,485)
Investment income	12,923	13,930
Net cash (used in) investing activities	<u>7,655</u>	<u>10,445</u>
Net increase / (decrease) in cash and cash equivalents	53,534	356,936
Cash and cash equivalents at the beginning of the year	1,384,559	1,027,623
Cash and cash equivalents at the end of the year	<u>1,438,093</u>	<u>1,384,559</u>
Cash and cash equivalents is made up of the following:		
Cash at bank and in hand	<u>1,438,093</u>	<u>1,384,559</u>
Total	<u>1,438,093</u>	<u>1,384,559</u>

The notes on pages 13 to 19 form part of these financial statements.

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER 2017

1. Accounting Policies

Basis of preparation

The Institute meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared under the historical cost convention, in accordance with the 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 the Republic of Ireland (FRS 102), the Companies Act 2006 and the UK Generally Accepted Practice as it applies from 1 January 2015.

Fund accounting

Unrestricted general funds are available for use at the discretion of the trustees in furtherance of the general objects of the charitable company.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Membership income is invoiced at the start of each financial year and fully recognised in the year.
- Meeting and conference income is recognised in the year that the meeting or conference is held.
- Publication income is recognised when the publications are sold.
- Education income is recognised in the year when the courses are run.

Resources expended

All expenditure is accounted for on an accruals basis as a liability is incurred. Expenditure excludes VAT. Any VAT that cannot be reclaimed is reported separately.

- Costs of generating funds comprise the costs associated with the handling of the membership.
- Charitable expenditure comprises those costs incurred by the charity in achieving its objectives including the holding or supporting of conferences. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, other costs are apportioned on an appropriate basis.

Where costs are apportioned these are either allocated directly as a result of the usage of the resource, such as floor space or staff time, or where this is not possible the allocation is based on a percentage basis as agreed by the trustees.

Support costs

The support costs of the charity are allocated between charitable activities and costs of raising funds. Governance costs have been allocated to resources expended on charitable activities. Governance costs in the comparative figures have been reclassified on the above basis to be in-line with the SORP (FRS 102).

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER 2017

1. Accounting Policies (continued)

Funds

Unrestricted funds are funds which the trustees are free to use for any purpose in furtherance of the charities objectives.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or through the terms of an appeal.

Debtors

Short term debtors are measured at transaction price, less any impairment losses.

Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and demand deposits with banks.

Liabilities

Short term creditors are measured at the transaction price.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets over their expected useful lives. The rates generally applicable are:

Computer equipment	20%-33% straight line
Office equipment	10% straight line

Leased Assets

Assets under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease. All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Accounts on a straight-line basis over the lease term.

Going concern

The trustees are not aware of material uncertainties regarding going concern

Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means the actual outcomes could differ from those estimates. There were no material estimations necessary other than the decision on depreciation rates.

2. Incoming resources

The income was derived from the charity's principal activities which were carried out mainly in the UK. The Institute's main sources of income centre around the subscriptions receivable from its members and income derived from the meetings and educational activities that are provided to its members.

3. Investment income

	2017	2016
	£	£
Interest receivable	12,923	13,930

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2017

4. Total resources expended

	Costs of generating funds £	Conferences and Education £	Other £	Governance £	2017 Total Funds £	2016 Total Funds £
Costs directly allocated to activities						
Meetings	-	57,492	-	-	57,492	95,812
Publications	99,557	-	-	-	99,557	93,993
Education	-	67,535	-	-	67,535	60,163
Branch and Group Activities	-	10,378	-	-	10,378	9,827
Engineering Division	-	-	23,662	-	23,662	27,770
International expenses	-	17,353	-	-	17,353	17,311
Subscriptions	-	16,634	-	-	16,634	12,434
Legal fees	-	-	-	6,461	6,461	1,069
Audit	-	-	-	7,850	7,850	7,750
Accountancy & taxation	-	-	-	5,845	5,845	5,320
Marketing expenses	12,014	-	-	-	12,014	14,688
Bad debts	-	-	-	3,023	3,023	320
	<u>111,571</u>	<u>169,392</u>	<u>23,662</u>	<u>23,179</u>	<u>327,804</u>	<u>346,457</u>
Support costs allocated to activities						
Staff costs	67,448	134,894	13,490	53,958	269,790	271,530
Rent, rates and service charge	10,594	21,189	2,648	18,540	52,971	50,709
Light, heat and insurance	240	478	60	419	1,197	1,263
Hire of equipment	-	9,756	-	-	9,756	22,616
Computer fees	5,572	44,574	-	5,572	55,718	31,368
Printing, stationery & duplicating	250	4,506	-	250	5,006	18,263
Postage (including Bulletin)	328	5,910	-	328	6,566	5,501
Telephone	626	5,636	-	-	6,262	6,879
Committee and management expenses	1,627	6,508	-	24,406	32,541	32,378
Sundry expenses	1,931	3,858	482	3,377	9,648	15,618
Bank and credit card charges	5,069	-	-	1,430	6,499	15,165
Depreciation	2,289	18,305	-	2,289	22,883	21,198
Irrecoverable VAT	3,800	7,600	950	6,650	19,000	26,485
	<u>211,345</u>	<u>432,606</u>	<u>41,292</u>	<u>140,398</u>	<u>825,641</u>	<u>865,430</u>

5. Net Movement in Funds

The movement of funds is stated after charging or (crediting):

	2017 £	2016 £
Depreciation of owned assets	22,883	21,198
Auditors' remuneration	7,850	7,750
Operating leases – premises	33,313	33,313
Hire of equipment	9,756	22,616

6. Taxation

No provision for UK corporation tax has been made since the Trustees are of the opinion that all of the charity's income is applied for charitable purposes.

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2017

7. Trustees and Employees

The Trustees received no remuneration during the year but 12 (2016: 15) Trustees have been reimbursed for travel and subsistence costs incurred by them on behalf of the Institute, totalling £7,766 (2016: £9,408).

	2017	2016
	£	£
Wages and salaries	237,011	238,305
Employers' national insurance	20,472	21,002
Employers' pension costs	12,306	12,223
	<u>269,789</u>	<u>271,530</u>

The average monthly number of employees, excluding Trustees, during the year was as follows:

	2017	2016
	Number	Number
Direct charitable activities	6	6
Management and administration	2	2
	<u>8</u>	<u>8</u>

No one individual employee received employee benefits of £60,000 or higher.

The cost to the Institute regarding key management personnel was £65,920 (2016: 65,273)

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2017

8. Tangible Fixed Assets	Computer Equipment	Office Equipment	Total
	£	£	£
Cost			
At 1st January 2017	129,140	20,563	149,703
Additions	5,268	-	5,268
At 31st December 2017	<u>134,408</u>	<u>20,563</u>	<u>154,971</u>
Depreciation			
At 1st January 2017	89,337	19,847	109,184
Charge for the year	22,723	160	22,883
At 31st December 2017	<u>112,060</u>	<u>20,007</u>	<u>132,067</u>
Net Book Value			
At 31st December 2017	<u>22,348</u>	<u>556</u>	<u>22,904</u>
At 31st December 2016	<u>39,803</u>	<u>716</u>	<u>40,519</u>
9. Debtors		2017	2016
		£	£
Trade debtors		39,421	54,161
Prepayments and accrued income		30,696	57,637
Taxation		7,898	-
		<u>78,015</u>	<u>111,798</u>
10. Creditors: Amounts Falling Due Within One Year		2017	2016
		£	£
Trade creditors		10,863	16,453
Other taxes and social security		5,148	39,764
Accruals		23,684	30,709
Deferred income		75,553	100,413
Other creditors		4,379	160,252
		<u>119,627</u>	<u>347,591</u>
11. Funds			
Undesignated			General Funds
			£
At 1st January 2017			1,189,285
Net incoming (outgoing resources)			230,100
At 31st December 2017			<u>1,419,385</u>

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2017

12. Analysis of Assets between Funds

	Undesignated General Funds £
Fixed Assets	22,904
Debtors	78,015
Cash at bank and in hand	1,438,093
Creditors	(119,627)
At 31st December 2017	<u>1,419,385</u>

13. Operating Lease Commitments

At 31st December 2017 the charity had total commitments under non-cancellable operating leases as set out below:

	Land & Buildings		Other	
	2017 £	2016 £	2017 £	2016 £
Operating leases which expire:				
1-2 years	38,865	38,865	10,480	10,480
2-5 years	-	38,865	28,657	38,187
After five years	-	-	-	-
	<u>38,865</u>	<u>77,730</u>	<u>39,137</u>	<u>48,667</u>

14. Members liability

The liability of the members is restricted to £1 on the event of the winding up of the Institute.

THE INSTITUTE OF ACOUSTICS LIMITED
(A Company limited by guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2017

15. Comparative Resources Expended year ended 31 March 2016

	Costs of generating funds £	Conferences and Education £	Other £	Governance £	2016 Total Funds £
Costs directly allocated to activities					
Meetings	-	95,812	-	-	95,812
Publications	93,993	-	-	-	93,993
Education	-	60,163	-	-	60,163
Branch and Group Activities	-	9,827	-	-	9,827
Engineering Division	-	-	27,770	-	27,770
International expenses	-	17,311	-	-	17,311
Subscriptions	-	12,434	-	-	12,434
Legal fees	-	-	-	1,069	1,069
Audit	-	-	-	7,750	7,750
Accountancy & taxation	-	-	-	5,320	5,320
Marketing expenses	14,688	-	-	-	14,688
Bad debts	-	-	-	320	320
	<u>108,681</u>	<u>195,547</u>	<u>27,770</u>	<u>14,459</u>	<u>346,457</u>
Support costs allocated to activities					
Staff costs	67,883	135,764	13,577	54,306	271,530
Rent, rates and service charge	10,142	20,284	2,535	17,748	50,709
Light, heat and insurance	253	505	63	442	1,263
Hire of equipment	-	21,485	-	1,131	22,616
Computer fees	3,137	25,094	-	3,137	31,368
Printing, stationery & duplicating	913	16,437	-	913	18,263
Postage (including Bulletin)	275	4,951	-	275	5,501
Telephone	688	6,191	-	-	6,879
Committee and management expenses	1,619	6,475	-	24,284	32,378
Sundry expenses	3,124	6,247	781	5,466	15,618
Bank and credit card charges	11,829	-	-	3,336	15,165
Depreciation	2,120	16,958	-	2,120	21,198
Irrecoverable VAT	5,297	10,594	1,324	9,270	26,485
	<u>215,961</u>	<u>466,532</u>	<u>46,050</u>	<u>136,887</u>	<u>865,430</u>