

Company Registration No. 01157249 (England and Wales)

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 31 DECEMBER 2018

Faulkner House
Victoria Street
St Albans
Hertfordshire
AL1 3SE

RAYNER ESSEX LLP
Chartered Accountants

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

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THE INSTITUTE OF ACOUSTICS LIMITED
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LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2018

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 (resigned 13 September 2018)
J Glasgow (resigned 13 September 2018)
J Hill (appointed 13 September 2018)
S W Turner (appointed 13 September 2018)

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

President

B M Gibbs

Secretary

A Chesney

Honorary Treasurer

D Wallis

Honorary Secretary

J R Richardson

Company Number

01157249

Charity Number

267026

Registered and Principal Office

Silbury Court
406 Silbury Boulevard
Milton Keynes
MK9 2AF

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
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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 2018

The trustees present their report and the independently audited financial statements of the charity for the year ended 31 December 2018. 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.

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FOR THE YEAR ENDED 31ST DECEMBER 2018

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.
- **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 (I/INCE), 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:

- The Head Office was relocated to Milton Keynes. The new office has good rail and road access, is fully accessible and has excellent audio and visual equipment to support online meetings and delivery of the Diploma Course to overseas students. The relocation not only delivers better facilities it also saves the Institute approximately £400k over the next 10 years.
- Council created a new marketing manager position to which Alex Shaida was recruited in October 2018. Plans are underway to improve the website and the Institute's social media presence and a number of short videos for the website have been commissioned.

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FOR THE YEAR ENDED 31ST DECEMBER 2018

- The diploma course continues to be popular with 91 candidates passing during the year. Another 191 candidates passed other courses offered by the Institute. Work is underway to produce and trial high quality teaching videos of the course to improve access to students from overseas and those who cannot attend one of the centres. If they prove successful the aim is to have the whole course ready for the 2020 intake.
- Five candidates presented themselves for the Professional Review Interview, of whom all were 'Individual Route' candidates with diverse backgrounds, including physics degrees. Their areas of employment were equally diverse- aerospace engineering, architectural and building acoustics, and naval noise and vibration engineering. Two candidates were elected IEng and three elected CEng. The reason for a small number was due to the office move and having only two lots of interviews instead of three.
- Membership has been retained at just under 3,000.
- The Institute is represented internationally through the following members: James Talbot (Director, IIAV), Maria Heckl (Director IIAV) and Rupert Thornely Taylor (Director, IIAV)
- The Parliamentary Liaison Group has focused on preparations for Brexit, and attempting to keep pace with the best way to achieve a meaningful intervention to protect acoustics regulations. The quick revision of national planning policy led to a well-attended workshop and attended by MHCLG to discuss the wording changes and identify challenges. From this the IOA consultation response was forged and submitted by PLG. Face to face meetings then resulted with MHCLG and DEFRA, and also UKMusic and Music Venues Trust in relation to the implementation of Agent of Change as part of the NPPF. The result was the there was some shaping of the final wording to avoid problematic conflicts. A briefing note submission on Soundscaping did not manage to get its inclusion, but it is hoped this laid a marker down for the future.
- Members have delivered 7 'You're Banned' acoustic workshop for presentation to schools.

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 £9,167 (2017: £230,100). The balance sheet indicates that total funds of the charity were £1,428,552 (2017: £1,419,385) of which all funds were unrestricted funds (2017: All funds unrestricted). These were represented by tangible fixed assets of £239,239 (2017: £22,904) and other net assets of £1,189,313 (2017: £1,396,481).

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 2018 the target was approximately £640,000, with a minimum reserve of £393,000, and the free reserves excluding fixed assets were £1,189,313 (2017: £1,396,481).

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The trustees have agreed a business plan to ensure that the appropriate level of reserves will be maintained into the future. As anticipated there has been a reduction in reserve levels in 2018 due to the one off costs related to the office relocation.

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. This will include the introduction of a learning platform to enable better online access for students and creation of online CPD courses.

The Institute has digitized the proceedings within the library and made these available online during 2018.

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 now in Milton Keynes, 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	(resigned 13 Sept 2018)
J Glasgow	(resigned 13 Sept 2018)
J Hill	(appointed 13 Sept 2018)
S W Turner	(appointed 13 Sept 2018)

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

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.

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FOR THE YEAR ENDED 31ST DECEMBER 2018

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.

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 20 March 2019 and signed on its behalf.



A Chesney
Secretary

THE INSTITUTE OF ACOUSTICS LIMITED
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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 2018 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 2018 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

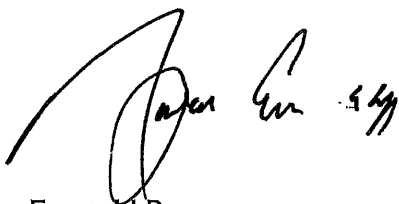
**THE INSTITUTE OF ACOUSTICS LIMITED
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**INDEPENDENT AUDITORS' REPORT TO THE
MEMBERS OF THE INSTITUTE OF ACOUSTICS LIMITED**

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**

20 March 2019

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 2018

	Notes	Unrestricted Funds £	2018 Total Funds £	2017 Total Funds £
Incoming resources from:				
Charitable activities:				
Subscriptions		446,753	446,753	432,289
Meetings		202,169	202,169	85,483
Publications		162,986	162,986	155,547
Education		369,926	369,926	355,406
Branch and Group Activities		2,215	2,215	875
Engineering Division		9,555	9,555	12,419
Investments:				
Investment Income	3	13,979	13,979	12,923
Other:				
Sundry Income		240	240	799
Total incoming resources	2	<u>1,207,823</u>	<u>1,207,823</u>	<u>1,055,741</u>
Resources expended				
Costs of generating funds	4	240,724	240,724	211,345
Charitable activities	4	957,932	957,932	649,296
Total resources expended	4	<u>1,198,656</u>	<u>1,198,656</u>	<u>825,641</u>
Net incoming resources before other recognised gains and losses	5	9,167	9,167	230,100
Other recognised Gains and Losses		-	-	-
Net movement in funds	5	9,167	9,167	230,100
Reconciliation of funds				
Fund Balances Brought Forward	11	1,419,385	1,419,385	1,189,285
Transfers between funds		-	-	-
Fund balances carried forward	11	<u>1,428,552</u>	<u>1,428,552</u>	<u>1,419,385</u>

All activities are classified as continuing. There were no recognised gains or losses for 2018 or 2017 other than those recorded in the Statement of Financial Activities.

All incoming resources and resources expended in 2018 and 2017 were unrestricted.

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

THE INSTITUTE OF ACOUSTICS LIMITED
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BALANCE SHEET

AS AT 31ST DECEMBER 2018

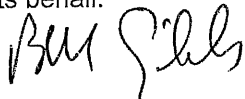
	Notes	2018		2017	
		£	£	£	£
Fixed Assets					
Tangible assets	8		239,239		22,904
Current Assets					
Debtors	9	121,529		78,015	
Cash at bank and in hand		1,240,119		1,438,093	
Total Current Assets		1,361,648		1,516,108	
Creditors: Amounts Falling Due within One Year	10	(172,335)		(119,627)	
Net Current Assets			1,189,313		1,396,481
Total Assets Less Current Liabilities			1,428,552		1,419,385
The Funds of the Charity					
Reserves	11		1,428,552		1,419,385
Total Funds			1,428,552		1,419,385

For the year ending 31 December 2018 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 20 March 2019 and signed on its behalf.



B M Gibbs
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
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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER 2018

	2018	2017
	£	£
Cash flows from operating activities		
	9,167	230,100
Net (expenditure) for the year		
Adjustments for:		
Depreciation on equipment	47,158	22,883
Loss of disposal of fixed assets	119	-
Investment income	(13,979)	(12,923)
(Increase)/reduction in debtors	(43,514)	33,783
Increase/(reduction) in creditors	52,708	(227,964)
	<u>51,659</u>	<u>45,879</u>
Net cash provided/ (used) in operating activities		
Cash flows from investing activities		
Purchase of tangible fixed assets	(264,163)	(5,268)
Sale of tangible fixed assets	551	-
Investment income	13,979	12,923
	<u>(249,633)</u>	<u>7,655</u>
Net cash (used in) investing activities		
Net increase / (decrease) in cash and cash equivalents	(197,974)	53,534
Cash and cash equivalents at the beginning of the year	1,438,093	1,384,559
	<u>1,240,119</u>	<u>1,438,093</u>
Cash and cash equivalents at the end of the year		
Cash and cash equivalents is made up of the following:		
Cash at bank and in hand	1,240,119	1,438,093
	<u>1,240,119</u>	<u>1,438,093</u>
Total	<u>1,240,119</u>	<u>1,438,093</u>

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

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.

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER 2018

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
Audio Visual system	10% straight line
Office equipment	10% straight line
Leasehold improvements	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

	2018	2017
	£	£
Interest receivable	13,979	12,923

THE INSTITUTE OF ACOUSTICS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2018

4. Total resources expended

	Costs of generating funds £	Conferences and Education £	Other £	Governance £	2018 Total Funds £	2017 Total Funds £
Costs directly allocated to activities						
Meetings	-	217,254	-	-	217,254	57,492
Publications	100,516	-	-	-	100,516	99,557
Education	-	71,829	-	-	71,829	67,535
Branch and Group Activities	-	9,498	-	-	9,498	10,378
Engineering Division	-	-	23,368	-	23,368	23,662
International expenses	-	20,075	-	-	20,075	17,353
Subscriptions	-	37,688	-	-	37,688	16,634
Legal fees	-	-	-	2,715	2,715	6,461
Audit	-	-	-	8,050	8,050	7,850
Accountancy & taxation	-	-	-	6,175	6,175	5,845
Marketing expenses	19,548	-	-	-	19,548	12,014
Bad debts	-	30,819	-	-	30,819	3,023
	<u>120,064</u>	<u>387,163</u>	<u>23,368</u>	<u>16,940</u>	<u>547,535</u>	<u>327,804</u>
Support costs allocated to activities						
Staff costs	71,809	143,618	14,362	57,447	287,236	269,790
Rent, rates and service charge	14,632	36,580	3,658	18,290	73,160	52,971
Light, heat and insurance	284	708	70	354	1,416	1,197
Hire of equipment	-	11,839	-	-	11,839	9,756
Computer fees	3,772	30,178	-	3,772	37,722	55,718
Printing, stationery & duplicating	284	5,113	-	284	5,681	5,006
Postage (including Bulletin)	272	4,898	-	272	5,442	6,566
Telephone	885	7,962	-	-	8,847	6,262
Committee and management expenses	2,057	8,227	-	30,851	41,135	32,541
Sundry expenses	5,016	12,541	1,254	6,270	25,081	9,648
Bank and credit card charges	3,675	8,574	-	-	12,249	6,499
Depreciation	4,716	37,726	-	4,716	47,158	22,883
Irrecoverable VAT	7,466	55,996	3,733	7,466	74,661	19,000
Loss on disposal of fixed assets	-	191	-	-	191	-
Relocation costs	5,301	8,835	1,767	1,766	17,669	-
Travel	491	817	163	163	1,634	-
	<u>240,724</u>	<u>760,966</u>	<u>48,375</u>	<u>148,591</u>	<u>1,198,656</u>	<u>825,641</u>

5. Net Movement In Funds

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

	2018 £	2017 £
Depreciation of owned assets	47,158	22,883
Auditors' remuneration	8,050	7,850
Operating leases – premises	45,816	33,313
Hire of equipment	11,839	9,756
	<u>112,663</u>	<u>73,802</u>

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
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NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2018

7. Trustees and Employees

The Trustees received no remuneration during the year but 14 (2017: 12) Trustees have been reimbursed for travel and subsistence costs incurred by them on behalf of the Institute, totalling £10,500 (2017: £7,766).

	2018	2017
	£	£
Wages and salaries	255,551	237,011
Employers' national insurance	20,267	20,472
Employers' pension costs	11,418	12,306
	<u>287,236</u>	<u>269,789</u>

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

	2018	2017
	Number	Number
Direct charitable activities	5	6
Management and administration	2	2
	<u>7</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 £69,163 (2017: 65,920)

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NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2018

8. Tangible Fixed Assets	Leasehold Improvements	Computer Equipment £	Office Equipment £	Total £
Cost				
At 1st January 2018	-	134,408	20,563	154,971
Additions	161,461	75,227	27,475	264,163
Disposals	-	(49,154)	(20,563)	(69,717)
At 31st December 2018	<u>161,461</u>	<u>160,481</u>	<u>27,475</u>	<u>349,417</u>
Depreciation				
At 1st January 2018	-	112,060	20,007	132,067
Charge for the year	16,147	28,263	2,748	47,158
Disposals	-	(49,040)	(20,007)	(69,047)
At 31st December 2018	<u>16,147</u>	<u>91,283</u>	<u>2,748</u>	<u>110,178</u>
Net Book Value				
At 31st December 2018	<u>145,314</u>	<u>69,198</u>	<u>24,727</u>	<u>239,239</u>
At 31st December 2017	<u>-</u>	<u>22,348</u>	<u>556</u>	<u>22,904</u>
9. Debtors				
		2018	2017	
		£	£	
Trade debtors		83,899	39,421	
Prepayments and accrued income		37,630	30,696	
Taxation		-	7,898	
		<u>121,529</u>	<u>78,015</u>	
10. Creditors: Amounts Falling Due Within One Year				
		2018	2017	
		£	£	
Trade creditors		14,643	10,863	
Other taxes and social security		23,576	5,148	
Accruals		35,895	23,684	
Deferred income		91,618	75,553	
Other creditors		6,603	4,379	
		<u>172,335</u>	<u>119,627</u>	
11. Funds				
Undesignated				General Funds £
At 1st January 2018				1,419,385
Net incoming (outgoing resources)				9,167
At 31st December 2018				<u>1,428,552</u>

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NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2018

12. Analysis of Assets between Funds

	Undesignated General Funds £
Fixed Assets	239,239
Debtors	121,529
Cash at bank and in hand	1,240,119
Creditors	(172,335)
	<hr/>
At 31st December 2018	<u>1,428,552</u>

13. Operating Lease Commitments

At 31st December 2018 the charity had total commitments under non-cancellable operating leases as set out below:

	Land & Buildings		Other	
	2018 £	2017 £	2018 £	2017 £
Operating leases which expire:				
1-2 years	28,580	38,865	7,170	10,480
2-5 years	185,963	-	28,680	28,657
After five years	-	-	5,378	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>214,543</u>	<u>38,865</u>	<u>41,228</u>	<u>39,137</u>

14. Members liability

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

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NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2018

15. Comparative Resources Expended year ended 31 March 2017

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