

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 2021

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

**RAYNER ESSEX LLP
CHARTERED ACCOUNTANTS**

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THE INSTITUTE OF ACOUSTICS LIMITED
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LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2021

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

C Barlow	Y Liu
B Fenech	R M M Mirchandani
B M Gibbs	G Parry
J Hill	F E Rogerson
K R Holland	H S Sagoo
A Lamacraft	A W M Somerville
P A Lepper	V Stewart
M R Lester	S W Turner

D Goodhand (appointed 7 July 21)

President S W Turner

Secretary A Chesney

Honorary Treasurer M R Lester

Honorary Secretary F E Rogerson

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
(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 2021

The trustees present their report and the independently audited financial statements of the charity for the year ended 31 December 2021. 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 four years (up to six years if up to six years are in an Honorary position).

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.

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. In 2020 these had to be held online.
- **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 is scheduled to host InterNoise 2022 in Glasgow.
- **Future Development**
Future development of the Institute will focus on promoting the profession and the science of 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 Covid-19 restrictions continued to impact the work of the Institute in 2021. Online and hybrid meetings replaced face to face meetings, however the use of online facilities meant that participation at meetings doubled from 2020 numbers and reversed a steady decline from 2018. The Annual Conference successfully tried a system of members meeting in a number of hubs across the country that were connected online, with some members joining from home. Committee and Council meetings were also successfully held via Zoom.

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FOR THE YEAR ENDED 31ST DECEMBER 2021

- Diploma teaching post lockdown was mainly conducted online with the diploma videos available for students; there were some face to face sessions in the autumn. Online sessions proved to be popular, and students were able to watch the lessons again in their own time via the Moodle learning platform. As enrolments were down in 2020 due to Covid, only 63 candidates passed the diploma in 2020. The partial lifting of Covid restrictions during the year meant that more short courses were run than in 2020 with 147 candidates passing other courses.
- The Institute continued to attend the Parliamentary and Scientific Committee remotely throughout 2021, with engagement on hot topics and highlighting the relevance of acoustics to society. Networking links were made, which enabled the Institute to continue to contribute to a number of policy debates. Particular advancements have been made in relation to briefing notes on topics including Drones, Heat Pumps during 2021 to inform decision makers, including joint working with other professional bodies to provide guidance to enforcers and the public, including CIEH. The Institute continues to engage with a number of government departments as and when it is appropriate to (DfE, DCLG, Defra and DECC) in order to influence future policies affecting acoustics.
- The Institute continued to support STEM activities funding Edinburgh Science to work online with schools in Scotland and Sheffield, and with volunteers supporting online events in England.
- Further development work on the website and integration of the CRM with the new Accounting package MS NAV was conducted during the year. It is planned to upgrade the website to Drupal 9 in 2022.
- Ten candidates presented themselves for the CEng Professional Review Interview, of whom four were 'Standard Route' candidates, holding accredited degrees, and four were 'individual route' candidates with diverse backgrounds. 2 Candidates were not recommended but are working towards 2021 interviews. Three candidates were elected for IEng.
- The feared large loss of members due to the impact of Covid on the economy did not materialise with membership actually increasing from 2955 to 2964 (excludes students and affiliates)
- The Institute is represented internationally through the following members: Paul Lepper (EAA General Secretary), Adrian Brown (Director IIAV), Jian Kang (Director, IIAV), Graham Parry (Director IIAV), Jo Webb (ICA Board), and). Barry Gibbs (I-INCE).

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 £31,552 (2020: £45,571). The balance sheet indicates that total funds of the charity were £1,632,033 (2020: £1,600,481) of which all funds were unrestricted funds bar £7,650 (2020: All funds unrestricted). These were represented by tangible fixed assets of £368,212 (2020: £392,664) and other net assets of £1,263,821 (2020: £1,207,817).

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FOR THE YEAR ENDED 31ST DECEMBER 2021

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 2021 the target was approximately £650,000, with a minimum reserve of £400,000, and the free reserves excluding fixed assets were £1,263,821 (2020: £1,207,817). Out of this £7,650 is restricted to use on bursaries.

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. This will include the creation of online CPD courses.

The Institute has digitized the proceedings within the library, these are being made available online in batches.

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 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:

C Barlow	Y Liu
B Fenech	R M M Mirchandani
B M Gibbs	G Parry
J Hill	F E Rogerson
K R Holland	H S Sagoo
A Lamacraft	A W M Somerville
P A Lepper	V Stewart
M R Lester	S W Turner

D Goodhand (appointed 7 July 21)

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FOR THE YEAR ENDED 31ST DECEMBER 2021

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.

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.

The report of the Trustees' was approved by the Board on 16 March 2022 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

Opinion

We have audited the financial statements of The Institute of Acoustics Limited (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standards 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of uncertainties due to Covid-19 on our audit

Uncertainties related to the global effects of Covid-19 are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the trustees, such as impairment of fixed assets, recoverability of debtors, intangibles assets and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 is one of the most significant global economic events presently and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. No audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Covid-19.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

However, as not all future events or conditions can be predicted, such as the impact of Covid-19, and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor report is not a guarantee that the company will continue in operation as a going concern.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

THE INSTITUTE OF ACOUSTICS LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE

MEMBERS OF THE INSTITUTE OF ACOUSTICS LIMITED

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report (incorporating the trustees' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement (set out on page 6 and 7), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

MEMBERS OF THE INSTITUTE OF ACOUSTICS LIMITED

The extent to which the audit was considered capable of detecting irregularities including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the Chief Executive and other management, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, The Charities Act 2011, and taxation legislation and data protection, anti-bribery, employment, environmental and other relevant regulations;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

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

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

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

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

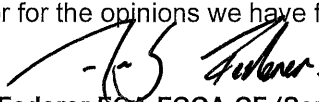
THE INSTITUTE OF ACOUSTICS LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE

MEMBERS OF THE INSTITUTE OF ACOUSTICS LIMITED

Use of our report

This report is made solely to the company'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 company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.


Antony Federer FCA FCCA CF (Senior Statutory Auditor)
for and on behalf of Rayner Essex LLP

16 March 2022

Chartered Accountants
Statutory Auditor

Faulkner House
Victoria Street
St Albans
Herts
AL1 3SE

THE INSTITUTE OF ACOUSTICS LIMITED
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STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income & Expenditure Account)

FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Incoming resources from:					
Donations & legacies:					
Donations		-	10,000	10,000	-
Legacies		9,334	-	9,334	-
Charitable activities:					
Subscriptions		485,214	-	485,214	477,331
Meetings		26,910	-	26,910	14,721
Publications		102,854	-	102,854	113,262
Education		333,807	-	333,807	309,183
Branch and Group Activities		-	-	-	-
Engineering Division		16,607	-	16,607	16,285
Investments:					
Investment Income	3	6,841	-	6,841	11,241
Other:					
Sundry Income		2,627	-	2,627	4,560
Total incoming resources	2	984,194	10,000	994,194	946,583
Resources expended					
Costs of generating funds	4	279,633	-	279,633	287,252
Charitable activities	4	680,659	2,350	683,009	613,760
Total resources expended	4	960,292	2,350	962,642	901,012
Net incoming resources before other recognised gains and losses	5	23,902	7,650	31,552	45,571
Other recognised Gains and Losses		-	-	-	-
Net movement in funds	5	23,902	7,650	31,552	45,571
Reconciliation of funds					
Fund Balances Brought Forward	11	1,600,481	-	1,600,481	1,554,910
Transfers between funds		-	-	-	-
Fund balances carried forward	11	1,624,383	7,650	1,632,033	1,600,481

All activities are classified as continuing. There were no recognised gains or losses for 2021 or 2020 other than those recorded in the Statement of Financial Activities.

All incoming resources and resources expended in 2020 were unrestricted.

The notes on pages 15 to 23 form part of these financial statements.

THE INSTITUTE OF ACOUSTICS LIMITED
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BALANCE SHEET

AS AT 31ST DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed Assets					
Tangible assets	8		368,212		392,664
Current Assets					
Debtors	9	134,340		77,530	
Cash at bank and in hand		1,362,450		1,310,458	
Total Current Assets		1,496,790		1,387,988	
Creditors: Amounts Falling Due within One Year	10	(232,969)		(180,171)	
Net Current Assets			1,263,821		1,207,817
Total Assets Less Current Liabilities			1,632,033		1,600,481
The Funds of the Charity					
Reserves – unrestricted	11		1,624,383		1,600,481
Reserves - restricted	11		7,650		-
Total Funds			1,632,033		1,600,481

These financial statements have been prepared in accordance with FRS102 SORP.

The financial statements were approved by the board of directors and authorised for issue on 16 March 2022 and are signed on its behalf by:



S W Turner
President

Company Registration No. 01157249

Charity Registration No. 267026

The notes on pages 15 to 23 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 2021

	2021	2020
	£	£
Cash flows from operating activities		
Net income (expenditure) for the year	31,552	45,571
Adjustments for:		
Depreciation	89,178	74,074
Loss of disposal of fixed assets	-	-
Investment income	(6,841)	(11,241)
(Increase)/reduction in debtors	(56,810)	66,419
Increase/(reduction) in creditors	52,798	(103,336)
Net cash provided/ (used) in operating activities	<u>109,877</u>	<u>71,487</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(64,726)	(121,053)
Sale of tangible fixed assets	-	-
Investment income	6,841	11,241
Net cash (used in) investing activities	<u>(57,885)</u>	<u>(109,812)</u>
Net increase / (decrease) in cash and cash equivalents	51,992	(38,325)
Cash and cash equivalents at the beginning of the year	1,310,458	1,348,783
Cash and cash equivalents at the end of the year	<u>1,362,450</u>	<u>1,310,458</u>
Cash and cash equivalents is made up of the following:		
Cash at bank and in hand	1,362,450	1,310,458
Total	<u>1,362,450</u>	<u>1,310,458</u>

The notes on pages 15 to 23 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2021

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.
- Donations are recognised on receipt and are treated as unrestricted funds unless they are specifically restricted by the donor
- Legacy entitlement is taken on a case by case basis as the earlier of the date when the charity is aware that probate has been granted, and either:
 - the estate has been finalised and estate accounts have been received by the charity
 - notification has been made by the executor(s) to the charity that a distribution will be made; or
 - when a distribution is received from the estateIn estimating the value of legacies at the year end the trustees have exercised their judgement based on the available information and the appropriate application of the Charities SORP
-

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.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2021

1. Accounting Policies (continued)

- 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.

Funds

Unrestricted funds are funds which the trustees are free to use for any purpose in furtherance of the charity's 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, the level of reserves and in particular cash balances are considered sufficient to mitigate the uncertainties arising from the COVID -19 pandemic.

THE INSTITUTE OF ACOUSTICS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2021

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

	2021	2020
	£	£
Interest receivable	6,841	11,241
	<u> </u>	<u> </u>

THE INSTITUTE OF ACOUSTICS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2021

4. Total resources expended

	Costs of generating funds £	Conferences and Education £	Other £	Governance £	2021 Total Funds £	2020 Total Funds £
Costs directly allocated to activities						
Meetings	-	22,165	-	-	22,165	19,976
Publications	93,890	-	-	-	93,890	90,150
Education	-	90,858	-	-	90,858	79,611
Branch and Group Activities	-	1,326	-	-	1,326	2,014
Engineering Division	-	-	21,881	-	21,881	24,603
Subscriptions	-	19,194	-	-	19,194	21,510
Legal fees	-	-	-	5,068	5,068	1,006
Audit	-	-	-	8,500	8,500	8,500
Accountancy & taxation	-	-	-	11,505	11,505	11,670
Marketing expenses	79,654	-	-	-	79,654	99,127
Bad debts	-	9,203	-	-	9,203	-
	<u>173,544</u>	<u>142,746</u>	<u>21,881</u>	<u>25,073</u>	<u>363,244</u>	<u>358,167</u>
Support costs allocated to activities						
Staff costs	64,771	129,543	12,954	51,164	258,432	246,669
Rent, rates and service charge	11,980	29,950	2,994	14,976	59,900	53,570
Light, heat and insurance	1,505	3,760	376	1,879	7,520	6,486
Hire of equipment	-	11,122	-	-	11,122	11,394
Computer fees	6,109	48,878	-	6,109	61,096	42,311
Printing, stationery & duplicating	287	2,302	-	287	2,876	3,203
Postage (including Bulletin)	502	4,015	-	502	5,019	4,093
Telephone	774	6,967	-	-	7,741	5,440
Committee and management expenses	1,606	8,774	-	24,087	34,467	30,386
Sundry expenses	393	969	96	480	1,938	1,070
Bank and credit card charges	2,624	6,122	-	-	8,746	9,631
Depreciation	8,917	71,344	-	8,917	89,178	74,074
Irrecoverable VAT	4,393	32,951	2,197	4,393	43,934	48,755
Travel	244	407	81	81	813	1,102
Repairs and maintenance	1,984	3,310	661	661	6,616	4,661
	<u>279,633</u>	<u>503,160</u>	<u>41,240</u>	<u>138,609</u>	<u>962,642</u>	<u>901,012</u>

Included within Committee and management under conferences and education is £2,350 bursary expenditure relating to restricted funds. The remaining expenditure is unrestricted.

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NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2021

5. Net Movement In Funds

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

	2021	2020
	£	£
Depreciation of owned assets	89,178	74,074
Auditors' remuneration	8,500	8,500
Operating leases – premises	48,186	46,211
Hire of equipment	11,122	11,394
	<u>157,086</u>	<u>180,179</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.

7. Trustees and Employees

The Trustees received no remuneration during the year but 7 (2020: 11) Trustees have been reimbursed for travel and subsistence costs incurred by them on behalf of the Institute, totalling £3,159 (2020: £3,732). During the year a company connected to a trustee was paid £3,600 (inc. VAT) for an online CPD video. This was awarded after a tender process undertaken by staff who are not trustees, standard trading rules applied.

	2021	2020
	£	£
Wages and salaries	225,385	215,757
Employers' national insurance	19,898	18,426
Employers' pension costs	13,149	12,486
	<u>258,432</u>	<u>246,669</u>

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

	2021	2020
	Number	Number
Direct charitable activities	4	4
Management and administration	2	2
	<u>6</u>	<u>6</u>

One individual employee (2020: one) received employee benefits of £60,000 or higher, (£60,000 - £70,000 band- 1)

The cost to the Institute regarding key management personnel was £77,297 (2020: 74,658)

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NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2021

8. Tangible Fixed Assets	Leasehold Improvements	Computer Equipment £	Office Equipment £	Total £
Cost				
At 1st January 2021	161,461	426,346	27,475	615,282
Additions	-	64,726		64,726
Disposals	-	-	-	-
	<u>161,461</u>	<u>491,072</u>	<u>27,475</u>	<u>680,008</u>
At 31st December 2021	<u>161,461</u>	<u>491,072</u>	<u>27,475</u>	<u>680,008</u>
Depreciation				
At 1st January 2021	48,441	165,933	8,244	222,618
Charge for the year				
Disposals	16,147	70,283	2,748	89,178
	<u>64,588</u>	<u>236,216</u>	<u>10,992</u>	<u>311,796</u>
At 31st December 2021	<u>64,588</u>	<u>236,216</u>	<u>10,992</u>	<u>311,796</u>
Net Book Value				
At 31st December 2021	<u>96,873</u>	<u>254,856</u>	<u>16,483</u>	<u>368,212</u>
At 31st December 2020	<u>113,020</u>	<u>260,413</u>	<u>19,231</u>	<u>392,664</u>
9. Debtors				
		2021	2020	
		£	£	
Trade debtors		57,334	50,662	
Prepayments and accrued income		75,249	24,055	
VAT recoverable		1,709	1,608	
Other debtors		48	1,205	
		<u>134,340</u>	<u>77,530</u>	
10. Creditors: Amounts Falling Due Within One Year				
		2021	2020	
		£	£	
Trade creditors		38,845	32,235	
Other taxes and social security		9,017	7,159	
Accruals		61,129	34,149	
Deferred income		123,978	106,628	
		<u>232,969</u>	<u>180,171</u>	

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NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2021

11. Funds

Unrestricted – general fund

	£
At 1st January 2021	1,600,481
Net incoming (outgoing resources)	23,902
	<u> </u>
At 31st December 2021	<u><u>1,624,383</u></u>

The comparative note is as follows:

	£
At 1st January 2020	1,554,910
Net incoming (outgoing resources)	45,571
	<u> </u>
At 31st December 2020	<u><u>1,600,481</u></u>

Restricted – bursary fund

	£
At 1st January 2021	-
Incoming resources	10,000
Expenditure	(2,350)
	<u> </u>
At 31st December 2021	<u><u>7,650</u></u>

There was no restricted funds in the prior year.

12. Analysis of Assets between Funds

Fund balances at 31 December 2021 are represented by:

	Bursary Restricted Fund	Total General Fund	Total
	£	£	£
Fixed Assets	-	368,212	368,212
Debtors	-	134,340	134,340
Cash at bank and in hand	7,650	1,354,800	1,362,450
Creditors	-	(232,969)	(232,969)
	<u> </u>	<u> </u>	<u> </u>
At 31st December 2021	<u>7,650</u>	<u>1,624,383</u>	<u>1,632,033</u>
	<u> </u>	<u> </u>	<u> </u>

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NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2021

13. Operating Lease Commitments

At 31st December 2021 the charity had total commitments under non-cancellable operating leases as set out below:

	Land & Buildings		Other	
	2021	2020	2021	2020
	£	£	£	£
Operating leases which expire:				
1-2 years	52,983	48,938	9,324	10,590
2-5 years	31,972	104,531	42,345	21,510
After five years	-	-	-	-
	<u>84,955</u>	<u>153,469</u>	<u>51,669</u>	<u>32,100</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 2021

15. Comparative Resources Expended year ended 31 December 2020

Total resources expended

	Costs of generating funds £	Conferences and Education £	Other £	Governance £	2020 Total Funds £	2019 Total Funds £
Costs directly allocated to activities						
Meetings	-	19,976	-	-	19,976	122,837
Publications	90,150	-	-	-	90,150	98,209
Education	-	79,611	-	-	79,611	92,265
Branch and Group Activities	-	2,014	-	-	2,014	8,735
Engineering Division	-	-	24,603	-	24,603	24,835
Subscriptions	-	21,510	-	-	21,510	45,928
Legal fees	-	-	-	1,006	1,006	367
Audit	-	-	-	8,500	8,500	8,500
Accountancy & taxation	-	-	-	11,670	11,670	11,640
Marketing expenses	99,127	-	-	-	99,127	88,637
Bad debts	-	-	-	-	-	(21,427)
	<u>189,277</u>	<u>123,111</u>	<u>24,603</u>	<u>21,176</u>	<u>358,167</u>	<u>480,526</u>
Support costs allocated to activities						
Staff costs	61,823	123,647	12,364	48,835	246,669	237,847
Rent, rates and service charge	10,714	26,785	2,678	13,393	53,570	39,829
Light, heat and insurance	1,298	3,243	324	1,621	6,486	5,917
Hire of equipment	-	11,394	-	-	11,394	10,761
Computer fees	4,231	33,849	-	4,231	42,311	40,863
Printing, stationery & duplicating	320	2,563	-	320	3,203	5,484
Postage (including Bulletin)	409	3,275	-	409	4,093	6,292
Telephone	544	4,896	-	-	5,440	7,163
Committee and management expenses	1,519	6,078	-	22,789	30,386	38,817
Sundry expenses	217	535	53	265	1,070	3,995
Bank and credit card charges	2,889	6,742	-	-	9,631	10,862
Depreciation	7,407	59,260	-	7,407	74,074	38,366
Irrecoverable VAT	4,875	36,567	2,438	4,875	48,755	51,375
Travel	331	551	110	110	1,102	1,165
Repairs and maintenance	1,398	2,331	466	466	4,661	8,137
	<u>287,252</u>	<u>444,827</u>	<u>43,036</u>	<u>125,897</u>	<u>901,012</u>	<u>987,399</u>