

(A company limited by guarantee not having a share capital)

Company Registration No 2572820
(England & Wales)
Charity Registration No 1001625
(England & Wales)

Reports and Financial Statements

for the year ended 31 December 2014

THE INSTITUTION OF STRUCTURAL ENGINEERS EDUCATIONAL TRUST

TRUSTEE-DIRECTORS 2014

R A McKittrick BSc CEng FIStructE FICE

Chairman

B J Ayling CEng FIStructE

D A Byrne

Mr S G Evans CEng FIStructE

D S Lazarus MA (Cantab) CEng FIStructE FICE

Mrs C Lewis M.A. MEng

Mr Aengus McGrogan BEng (Hons)

S Wright BSc CEng FIStructE MICE

SECRETARY

D A Byrne

AUDITORS

BDO LLP, Beehive Ring Road, Gatwick, RH6 0PA

BANKERS

Cater Allen Bank Ltd, 2 Triton Square, Regent's Place, London NW1 3AN

THE INSTITUTION OF STRUCTURAL ENGINEERS EDUCATIONAL TRUST

TRUSTEE-DIRECTORS' REPORT 31 DECEMBER 2014

1 INTRODUCTION

The Trustee-Directors present their report and the financial statements of the Institution of Structural Engineers Educational Trust for the year ended 31 December 2014. The accounts which are attached to this report comply with current statutory requirements, the requirements of the Educational Trust's Memorandum and Articles of Association, and with the requirements of 'Accounting and Reporting by Charities: Statement of Recommended Practice (Revised 2005)'.

2 REFERENCE AND ADMINISTRATIVE INFORMATION

The Institution of Structural Engineers Educational Trust is constituted as a company limited by guarantee incorporated in England under Registration No 2572820 and is governed by its Memorandum and Articles of Association.

The Educational Trust is registered with the Charity Commission for England & Wales, under Registration No 1001625.

The registered office of the Educational Trust is 47 – 58 Bastwick Street, London, EC2V 3PS.

The Trustee-Directors who served during the period are set out on page 2. No material contracts subsisted during the period in which any Trustee-Director had an interest.

The name of the Secretary is set out on page 2.

3 ORGANISATIONAL STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Educational Trust was incorporated as a company limited by guarantee on 10 January 1991 and on 30 January 1991 it was registered as a charity. The Educational Trust's governing document is its Memorandum and Articles of Association.

Trustee-Directors

The Educational Trust's Articles of Association provide that there shall be not less than three Trustee-Directors. Trustee-Directors are appointed for three-year terms at the Annual General Meeting of the Educational Trust, on the recommendation of the Trustee-Directors. Subject to the conditions in the Articles, the Trustee-Directors may appoint a person who is willing to act as a Trustee-Director, either to fill a vacancy or as an additional Director, and the Trustee-Director so appointed shall hold office until the following Annual General Meeting when they may offer themselves for appointment.

Under the Educational Trust's Memorandum and Articles of Association the business of the company is managed by the Trustee-Directors who make the decisions of the company. On appointment, each Trustee-Director receives an information pack which contains information on the constitution of the Educational Trust, its financial statements, the roles of Trustee-Directors and company Trustee-Directors; this pack is updated as required. Neither the Trustee-Directors nor anyone else acting on behalf of the Educational Trust receive any payment apart from out-of-pocket expenses.

Relationships with other organisations

The Educational Trust makes donations and grants in support of other charitable organisations in pursuit of its objects. The Educational Trust is deemed a connected charity to the Institution of Structural Engineers by having similar objects and benefiting from administrative services provided by the Institution. As such, it has been established that there is no requirement for administrative charges to be levied and accordingly none appear in the annual accounts. During the year the Educational Trust received £8,442 of donated services from the Institution of Structural Engineers.

Risk

The Trustee-Directors oversee an on-going assessment of the major risks to which the Educational Trust is exposed, in particular those relating to its operations and finances, and are satisfied that systems are in place to manage the Educational Trust's exposure to those risks. The most significant risk is the fall in donations; meetings have taken place in 2014 to assess this risk and ensuring all outgoing are fully fundable from existing funds.

4 OBJECTS, ACTIVITIES AND ACHIEVEMENTS

Objects

The Educational Trust's objects are:

1. To promote or develop for the benefit of the public the science of engineering.
2. To promote excellence in structural engineering.
3. To award medals and prizes to winners of competitions organised by the Educational Trust.
4. To further the education and professional development of engineers by awarding scholarships, bursaries or maintenance allowances.
5. To award travel grants.
6. To promote for the public benefit research in the field of structural engineering and to publish the useful results of all such research.

Vision

The vision of the Educational Trust is to promote excellence in structural engineering by encouraging bright young people to join the profession of structural engineering.

Public Benefit

The general public throughout the world benefit from the developments achieved from the exploration of the science of engineering provided by educated professionals.

The general public around the world also benefit from the knowledge and learning gained through research in the field of Structural Engineering.

The Trustee-Directors have considered the Charity Commission's general guidance on public benefit and have taken it into account when reviewing the Trust's aims and objectives and in planning its future activities.

Activities and achievements

Through its activities the Educational Trust's aims are to educate and enthuse young people about the structural engineering profession.

The Educational Trust's main objectives for 2014 were:

1. To issue grants, prizes, scholarships and awards.
2. To provide travel bursaries.
3. To further the education of young engineers by providing support to schools, through the sponsorship of events and the development of curriculum material.

The Trustee-Directors have formulated a strategic plan for achieving its stated objectives, and developed policies and procedures for the administration of the Educational Trust and its assets. These are kept under regular review.

The Educational Trust receives requests for sponsorship, both from individuals and from organisations. These are carefully scrutinised by the Trustee-Directors to ensure that they meet the objects of the Trust and that a consistent approach is adopted in allocating the Trust's resources. There are a number of initiatives that the Trust sponsors annually.

In 2014 the Educational Trust sponsored projects amounting to £18,112. These included a one-off donation to The Architecture Centre for the "Bridge - Spanning Art and Science" exhibition which took place from October to November 2014. The Educational Trust also continued to provide annual sponsorship to the Institution's Young Structural Engineer Professional Award. The Award aims to recognise outstanding performance among engineers under the age of 28. In 2014 the Award went to Kayin Dawoodi, for his submission "*Bridges to Prosperity*". The Trust also provided sponsorship to Teambuild, a unique training opportunity to promote understanding and co-operation between young professionals in the construction industry.

THE INSTITUTION OF STRUCTURAL ENGINEERS EDUCATIONAL TRUST

TRUSTEE-DIRECTORS' REPORT (continued)

31 DECEMBER 2014

The Educational Trust offered the Pai Lin Li Travel Award for the first time in 2007. The Pai Lin Li Travel Award makes available grants to members of the Institution wishing to spend 4 to 6 weeks outside their country studying current practice or trends related to the use of any construction material in the field of structural engineering. In April 2014, Marc Easton and Ian Hamilton were recipients of the Travel Award for their studies entitled 'Biorock as a material for structural use' and 'Green Building in Sri Lanka: Understanding the Challenge of Embodied Energy in Tropical Building', respectively

In January 2015, Nathan Fieldsend presented his study "*The use of prefabrication for low-cost, sustainable housing in developing countries*" at an evening technical meeting. Nathan's topic attracted approximately 75 delegates to his presentation.

During the year the Educational Trust continued to sponsor initiatives aimed at schools. These included:

1. The Maths Inspiration events which provides an opportunity for sixth formers and those in Year 11 to experience some of the UK's most inspiring maths and engineering speakers.
2. The Engineering Architecture Prize is a biennial essay competition which is open both sixth-form students (Year 12 and 13) and Student and Graduate members of the Institution; category 1 and category 2 respectively. Entrants are invited to write an essay depicting their favourite structure focussing on the collaboration of structural engineers and architects in design. The Engineering Architecture Prize was awarded to Simon Cook of Sackville School for his essay on *Imberthorne Viaduct* under category 1. The winning entries under category 2 were Eleanor Earl of Cardiff University for her essay on a family home in *Jorgen Babur Mart Slum* and Michelle Hicks for her essay on the *Quadripartite Vaults* at London Bridge Station.

The Educational Trust plans to continue its strategy for supporting school initiatives in 2015.

5 FINANCIAL REVIEW

Trustee-Directors' responsibilities

The Trustee-Directors are responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Trustee-Directors are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustee-Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee-Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee-Directors are responsible for keeping adequate accounting records that show and explain the charity's transactions, 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 also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the website is the responsibility of the Trustee-Directors. The Trustee-Directors responsibility extends to the on-going integrity of the financial statements contained therein.

The Trustee-Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

All of the current Trustee-Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the charity's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustee-Directors are not aware of any relevant audit information of which the auditors are unaware.

THE INSTITUTION OF STRUCTURAL ENGINEERS EDUCATIONAL TRUST

TRUSTEE-DIRECTORS' REPORT (continued) 31 DECEMBER 2014

Review of the year

The Educational Trust is mainly dependent on donations with limited income from other sources. The income during 2014 comprised donations and gifts amounting to £12 and additional investment income of £621, giving a total of £633. With total expenditure of £19,585, the operational deficit was £18,952.

So far as expenditure is concerned, the bulk represents sponsorship and grants to individuals as outlined within note 4. The total varies year by year as the amounts of the grants can vary, as can the number of requests from various bodies. Although some grants are awarded annually on a continuing basis, others are considered following a specific request or when an initiative is brought to the attention of the Trustee-Directors. In 2014 total expenditure was 12% higher than the previous year largely due to an increase in the grants awarded and in particular the Bridge - Spanning Art and Science exhibition.

The amount of donations cannot be guaranteed from year to year, and therefore the level of expenditure will also vary, depending on activities that are supported from time to time.

The most important development for the Educational Trust during 2014 was the Institution decision that in future it will not host the Trust's annual request for donations via its subscription notice. Instead, members' donations will go direct to the Institution to be used for general educational activities, to be determined by the Institution's new Education Committee. This does not, however, prevent members from contributing directly to the Educational Trust. The direct consequence of the funding decision is that there may only be a finite amount of time before the Trust's funds are used up. Nevertheless, the Trustee-Directors remain fully committed to continuing the Trust's successful work for at least the next 4/5 years. Plans have been developed to wind up the work of the Trust gradually, but the Trustee-Directors will continue to investigate potential new streams of funding.

Investment policy and performance

The Trustee-Directors have approved an investment policy under which the main objective is growth in income and capital at low risk. The Educational Trust currently has an account with the Cater Allen Private Bank, which offers a preferential interest rate for charities. In 2014 the Trustee-Directors agreed to transfer some funds into a Cater Allen One Year Term Deposit account which yields a higher rate of interest.

Reserves policy

The Trustee-Directors have considered the level of reserves held by the Educational Trust, particularly in light of the potential change in donation income. Whilst the previous policy stipulated that expenditure should not ordinarily exceed income for the year this policy has been revised based on the new circumstances. The Educational Trust intends to utilise its remaining reserves within the next five-year period. The Trustee-Directors review this policy annually in conjunction with their consideration of the annual accounts. The Educational Trust's financial reserves at the year-end were £122,662 with general funds at £71,614.

The Educational Trust has three designated funds that have each been established in pursuit of a particular objective. These are as follows:

1. Barrett Prize Fund which contributes to the prize for the winner of the Young Structural Engineers' International Design Competition.
2. Pai Lin Li Travel Award fund which received additional funding from Mrs Anita Li in 2014.
3. Alsop Fund which funds the prize for the best entry from an applicant from a country of low GNI in the Young Structural Engineers' International Design Competition.

Grant-making policies

The Educational Trust's policy in making grants is to check that its objects have been met. Each case is considered on its merits and grants are made with the purpose of promoting structural engineering.

6 PLANS FOR FUTURE PERIODS

The key objectives will be to continue with existing awards and bursaries, to offer the Pai Lin Li Travel Award and to explore opportunities to further the Trust's objectives. The Trust will continue to work alongside the Education Committee of the Institution of Structural Engineers.

RAMcKittrick
08/04/15 Bob McKittrick
Chairman
on behalf of the Trustee-Directors

THE INSTITUTION OF STRUCTURAL ENGINEERS EDUCATIONAL TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INSTITUTION OF STRUCTURAL ENGINEERS EDUCATIONAL TRUST

We have audited the financial statements of The Institution of Structural Engineers Educational Trust for the year ended 31 December 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable by law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Trustee-Directors and auditor

As explained more fully in the Trustee-Directors' Responsibilities Statement (set out on page 5) the Trustee-Directors (who are also the Directors of the 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.

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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the charity's affairs as at 31 December 2014 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustee-Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustee-Directors' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit; or
- the Trustee-Directors were not entitled to prepare the financial statements and the Trustee-Directors' report in accordance with the small companies' regime and from the requirements to prepare a strategic report.

Andrew Stickland, Senior Statutory Auditor
for and on behalf of BDO LLP, Statutory Auditor
Gatwick
United Kingdom



Date: 22 April 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

THE INSTITUTION OF STRUCTURAL ENGINEERS EDUCATIONAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	Unrestricted Funds £	Restricted Funds £	2014 Total £	2013 Total £
<u>Incoming resources</u>					
Incoming resources from generated funds					
Voluntary income		12	-	12	58,777
Activities for generating funds					
Investment income	3	380	241	621	280
Total incoming resources		392	241	633	59,057
<u>Resources expended</u>					
Charitable activities					
Grants & prizes	4	13,798	4,314	18,112	15,881
Fundraising & publicity		264	-	264	209
Governance costs	6	1,209	-	1,209	1,469
Total resources expended		15,271	4,314	19,585	17,559
Net (outgoing)/incoming resources before gains and transfers		(14,879)	(4,073)	(18,952)	41,498
Total funds brought forward		86,493	55,121	141,614	100,116
Total funds carried forward		71,614	51,048	122,662	141,614

All amounts relate to continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

The notes on pages 11 to 13 form part of these financial statements.

THE INSTITUTION OF STRUCTURAL ENGINEERS EDUCATIONAL TRUST

BALANCE SHEET
31 DECEMBER 2014
COMPANY NUMBER 2572820

		2014	2013
	Notes	£	£
CURRENT ASSETS			
Debtors	8	549	536
Bank deposits		124,173	144,997
		<u>124,722</u>	<u>145,533</u>
CREDITORS			
Amounts falling due within one year	9	(2,060)	(3,919)
NET CURRENT ASSETS AND NET ASSETS			
		<u>122,662</u>	<u>141,614</u>
INCOME FUND			
Funds:			
General fund		71,614	86,493
Restricted funds	10	51,048	55,121
		<u>122,662</u>	<u>141,614</u>

These financial statements have been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

On behalf of the board:

Bob McKittrick

Bob McKittrick
Chairman

08/04/15

These financial statements were approved by the board on 18 March 2015 and authorised for issue

The notes on pages 11 to 13 form part of these financial statements.

1. **ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards and the Statement of Recommended Practice – Accounting by Charities, and the Companies Act 2006. No cash flow statement has been prepared since The Institution of Structural Engineers' Educational Trust meets the requirements of a small company as defined by the Companies Act 2006. The following accounting policies have been applied consistently during the period:

Incoming Resources

Donations and gifts

Donations and gifts are included in the financial statements as received.

Investment income

Investment income is included in the financial statements in the year in which it is receivable.

(b) **Resources expended**

Expenditure is incorporated in the financial statements as incurred, and includes any irrecoverable VAT.

Fundraising and publicity

This comprises the costs of fundraising and holding publicity events.

Grants and prizes

Grants are incorporated when notified to beneficiaries. Any commitments payable at a later date are included in the balance sheet as creditors. Payments comprise grants awarded to members and their families.

Support costs

These costs represent the general administration costs, including venue and travel expenses, incurred in supporting the operational activities for which the charity is responsible. These are allocated as detailed in Note 5.

Governance costs

These costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in the charitable activities. This includes external audit and legal fees.

(c) **Fund accounting**

Funds are available to the charity to pursue all of its objectives under its constitution and comprise:

General fund

This represents the undesignated accumulated surplus to funds available for the general objectives of the charity.

Restricted funds

These funds have been received by the Trust with specific restrictions on their use, and comprise:

Barrett Prize Fund

This fund is restricted following a donation from Mrs Ann Barrett for the purpose of awarding a prize to the winner of the Young Structural Engineers' International Design Competition.

Alsop Fund

This fund is restricted following a donation from the Alsop family for the purpose of awarding a prize to the best entry from a country of low GNI in the Young Structural Engineers' International Design Competition.

THE INSTITUTION OF STRUCTURAL ENGINEERS EDUCATIONAL TRUST

NOTES ON THE FINANCIAL STATEMENTS
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Pai Lin Li Travel Award

This fund is restricted following a donation from Mrs Pai Lin Li for the purpose of awarding travel bursaries for young engineers wishing to spend 4 to 6 weeks abroad studying current practice or trends related to the use of any construction material in the field of structural engineering.

2. **NET INCOMING RESOURCES AND NET MOVEMENT IN FUNDS**

The net incoming resources and net movement in funds are wholly attributable to the company's activity of the administration of funds held for charitable purposes and arise wholly within the United Kingdom.

3. **INVESTMENT INCOME**

	2014 £	2013 £
Bank deposit interest	<u>621</u>	<u>280</u>

4. **GRANTS**

Grants during the year were made up as follows:

	2014 £	2013 £
Grants to Institutions and Charities	10,500	11,687
Grants and prizes to individuals	7,147	3,633
Support costs	465	561
	<u>18,112</u>	<u>15,881</u>

The number of individuals benefiting from grants or prizes was

<u>8</u>	<u>9</u>
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5. **SUPPORT COSTS**

	Basis of allocation	Support costs £	Charitable expenditure £	Total £
Grants and Prizes	<i>Expenditure ratios</i>	465	17,647	18,112
Fundraising & Publicity	<i>Expenditure ratios</i>	7	257	264
Governance	<i>Expenditure ratios</i>	31	1,178	1,209
Total		<u>503</u>	<u>19,082</u>	<u>19,585</u>

THE INSTITUTION OF STRUCTURAL ENGINEERS EDUCATIONAL TRUST

NOTES ON THE FINANCIAL STATEMENTS
31 DECEMBER 2014

6. GOVERNANCE COSTS

	Unrestricted Funds	Restricted Funds	Total 2014	Total 2013
	£	£	£	£
External audit costs	420	-	420	420
Trustee-Directors meetings	758	-	758	997
Allocated support costs	31	-	31	52
Total governance costs	<u>1,209</u>	<u>-</u>	<u>1,209</u>	<u>1,469</u>

7. TRUSTEE-DIRECTORS

No Trustee-Director received any remuneration. During the year a number of Trustee-Directors were reimbursed a total of £997 for travel expenses by the company (2013: £1,103).

8. DEBTORS

	2014 £	2013 £
These represent amounts falling due within one year.		
Institution of Structural Engineers – members' donations	12	36
Arkwright Scholarship refund	-	500
Interest owed on long term deposit	537	-
	<u>549</u>	<u>536</u>

9. CREDITORS

Amounts falling due within one year:

	2014 £	2013 £
Accruals - IDBE recipient	-	2,500
Institution Structural Engineers - catering and other charges	202	18
Pai Lin Travel Award	1,438	968
Other creditors and accruals	420	433
	<u>2,060</u>	<u>3919</u>

10. MOVEMENT IN FUNDS

The movement in funds during the year was:

	Balance 31 December 2013 £	Income New Designations £	Expenditure or Utilised/ Released £	Balance 31 December 2014 £
General Fund	86,493	392	(15,271)	71,614
Restricted Funds:				
Barrett Prize Fund	13,560	59	-	13,619
Alsop Fund	14,063	62	-	14,125
Pai Lin Li Travel Award	27,498	120	(4,314)	23,304
	<u>141,614</u>	<u>633</u>	<u>(19,585)</u>	<u>122,662</u>

11. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The company had no capital commitments or contingent liabilities at 31 December 2014 (2013: None).

