



**PRIVATE AND CONFIDENTIAL**

**THE INSTITUTE OF MARINE ENGINEERING, SCIENCE AND TECHNOLOGY**

Minutes of the One Hundred and Thirty-First Annual General Meeting  
held at 11:30 hours on Thursday 2 April 2020  
online via Zoom

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The President, Dr Andrew Tyler CBE, in the Chair  
39 Voting Members present

**INTRODUCTION AND NOTICE OF MEETING**

The President, Dr Andrew Tyler, welcomed members to the Institute's 131<sup>st</sup> Annual General Meeting, which was the first virtual AGM. He noted that the change in format had been necessitated by the current unusual world circumstances and added that additional challenges were likely to be encountered because the meeting was being held remotely. He emphasised that the process was likely to work more smoothly for all concerned if everyone kept their microphones muted except when speaking and introduced participants to the chat and raise hand features found in the Zoom platform.

He reminded participants that the Notice of Meeting had been distributed prior to the meeting and remained available in the Governance section of the Institute's website.

**ANNUAL REPORT OF THE BOARD OF TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019**

The Chair of the Board of Trustees (Mr Richard Vie) and Secretary and Chief Executive (Mr David Loosley) delivered a brief digest of the Board and Institute's key work in FYE2019:

The Board Chair noted that he had provided a foreword to the Annual Report and Accounts and that he did not propose to repeat that information verbally here. He reminded attendees that the Chief Executive would be leaving the Institute in June 2020 to take up a new role and thanked him for his contribution over the past eight-and-a-half years and wished him well for the future. He also thanked the member volunteers and the Institute Executive for their great service to the Institute during the 2018-2019 year, the second year of the current Five Year Plan and drew attendees' attention to the progress toward sustainability that had continued in FY19, noting that the Honorary Treasurer would review this in detail shortly. He wished attendees well, adding that he hoped that all concerned would remain safe during the current worldwide pandemic.

The Chief Executive reported the progress made during FY19, highlighting the activity delivered against each of the Strategic Goals in the Strategic Plan 2018-2022, specifically:

**Strategic Goal 1: To Promote Professionalism and Technical Leadership**

- Accreditation undertaken for courses at a wide range of institutions
- Certificate of Excellence, in partnership with Nautical Institute, introduced to recognise a training college's quality of education, with the first Certificate awarded to Bangladesh Marine Academy
- MLA partnered with BAU Global to enable the delivery of more marine distance learning
- Special Interest Group (SIG) on Naval Engineering launched
- Roundtables held on marine plastic pollution, autonomous shipping and the future of liquefied natural gas (LNG)

- JOO (Journal of Operational Oceanography) published its third Ocean State Report, providing a comprehensive assessment of the state and health of oceans
- Continued proactive technical participation at intergovernmental level, especially at the International Maritime Organization (IMO), London Convention and London Protocol and the International Panel on Climate Change (IPCC)
- Delivered successful conferences including the first IMarEST Annual Conference, International Naval Engineering Conference (INEC) with the International Ship Control Symposium (iSCS), Engine as a Weapon (EaaW) and Marine Electrical and Control Systems Safety Conference (MECSS)
- All conference proceedings are now published on an open access basis

### **Strategic Goal 2: To Support the Development and Sustainability of the Marine Sector**

- Chief Executive served on UK Government's Maritime 2050 strategy experts panel and has been appointed to the Clean Maritime Council
- Institute's climate change position statement updated
- Participated in an EU capacity development project alongside the University of the South Pacific to develop a CPD strategy for those working in fisheries in the Pacific region
- Participated in the Commonwealth Blue Charter forum
- Introduction of Lady Hamlyn Award for apprentices
- Awarded Stanley Gray Fellowship, student bursaries and a David Henderson Inspiring Journey Grant
- Institute designated an End Point Assessment Organisation for UK apprenticeship schemes
- Supported Encounter Edu's Submarine Live and Arctic Live events which reached 24,000 students in 28 countries through live broadcasts to classrooms
- Launched Women's Network to build a forum for gender equality
- Produced a series of short videos to explain the benefits of membership, registration and CPD

### **Strategic Goal 3: To be a High-Performing Organisation Delivering Strong Value**

- Exceeded financial targets for FY19 while continuous process and systems improvements helped drive further efficiencies across the organisation
- Enhanced IMarEST Echo with additional resources including an additional 100 soft-skills training videos
- Increased content available via IMarEST TV
- Three Fellows' Events held, in Dubai, Kuala Lumpur and Aberdeen
- Two specialisms introduced on the Institute's CSci register to indicate specialist expertise in Hydrography and Oceanography
- Expanded book portfolio launched in partnership with Witherby Publishing Group
- Marine Professional magazine relaunched with new partner Think Publishing
- BranchLine introduced to provide branch committees with information and guidance
- Implementation of a new staff development and review process designed to help drive performance and staff engagement

The Chief Executive added that the Institute's investment in technology over the past few years had allowed the executive team to implement remote working seamlessly when the UK was put into lockdown. Members were being reminded that the Institute provides them with access to a range of tools, technologies and resources to help them stay connected and productive during the challenging times ahead.

He concluded noting that this was his ninth and final AGM as Chief Executive and that it had been a privilege to lead the Institute through this exciting period in its history. He thanked the committed volunteers around the world and the executive teams in London and Singapore for their help and support in transforming the Institute into a more innovative; open; inclusive and efficient organisation.

The Honorary Treasurer, Mr Martin Murphy highlighted the key points from the Financial Statements for the year ending 30 September 2019, specifically:

- There was a positive net movement in funds of £236k so that total funds now stood at £12.56M.
- Loss on operational activities in FY19 was £139k compared to £245k in 2018, an improvement of £106k
- The Institute was approaching the point where the top line income from charitable activities exceeded the equivalent expenditure and cost base
- Investments had performed well, delivering both dividend and interest income (£491k) (approx. 3.5% on listed investments overall) and capital gain in value (£524k)
- Sale of 60% of MLA mid-year meant that year-end income and expenditure figures for the Group at FYE19 included MLA only through June 2019 (ie for 9 months of the year)
- The MLA sale benefitted the Group by £425k; the loans remain in place and are due to be repaid in 2022 and 2024. The sale and partnership with BAU Global will unlock further investment in MLA, build sustainability into MLA which continues to further the Institute's charitable purposes such as expanding educational excellence, and mitigate the risk of a default on MLA's debt since it is now backed by a personal guarantee from BAU's principal shareholder.
- The closed defined benefit Retirement Benefit Scheme liability position worsened by £370k and was £2.078m on the balance sheet at FYE19, despite the annual payment of £250k being made under the current pension recovery plan. The next formal triennial valuation is due at 30 September 2020 and the trustees of the Institute and scheme have initiated a review of the recovery plan in advance of the triennial valuation.

The Honorary Treasurer noted that financial sustainability, defined as operating income from charitable activities plus investment income at least equalling total costs and expenditure including annual payments to the Retirement Benefit Scheme deficit, had been expected to occur during FY 21. He then discussed the possible effects of the COVID-19 situation on the Institute's financial situation going forward, highlighting its likely impact in three key areas:

- Effect on Institute's charitable activities: It was not yet possible to predict what the impact would be. Potential issues included reduced membership renewals, difficulty attracting new members, and the loss or deferment of income from events and conferences. While the Institute had hoped to increase its top line, this was probably now in jeopardy.
- Income and gains from investment portfolio: The financial markets have already fallen on a scale not experienced since the Great Depression with the FTSE100 down 30% since 1 January 2020. So far the Institute's investment managers, Sarasins, have managed to shield the portfolio with losses of (only) 11% in calendar Q1 of 2020. However, with lower capital value combined with dividend payments being decreased or stopped by corporations, the Institute's target investment income will not be realised.
- Impact on Retirement Benefit Scheme: The scheme assets will be subject to the same influences as the investment portfolio. In addition, the assumptions used to calculate the future pension fund obligations are affected and this will lead to widening deficits and increased liabilities. This is of particular concern to this organisation since its scheme's formal statutory triennial valuation is due this year. Guidance from The Pensions Regulator is being monitored closely and discussions with the scheme trustees have already started.

Mr Edward Finch of Buzzacotts LLP delivered the Report of the Auditors. He confirmed that the accounts presented a true and fair view of the affairs of the Institute and Group at FYE19 and that the accounts had been prepared in accordance with all relevant legislation. He noted that the accounts were signed off in February before the COVID-19 situation had become clear; had the accounts been signed off month later, caveats along the lines of the Honorary Treasurer's briefing on the likely effect of the COVID situation/uncertainty would likely have been included. However, given the depth of the Institute's reserves, this would not have been expected to impact the judgment that the Institute remained a going concern.

Mr Kevin Daffey proposed a motion that the Annual Report and Financial Statements for the year ended 30 September 2019 be approved and adopted; it was seconded by Dr Beverley Mackenzie.

The President then invited attendees to ask questions. The Honorary Treasurer reported that he had received a private chat message from a participant suggesting that an action plan be developed in relation to the financial effects of the COVID-19 pandemic. The Honorary Treasurer confirmed that this work was already under way in association with the Executive; a revised forecast for FY20 was currently being prepared by the Executive and the Honorary Treasurer expected to review it during the course of the following week.

The motion to approve the Annual Report and Financial Statements for 2019 was adopted unanimously.

### **APPOINTMENT OF THE AUDITORS FOR FY20**

Mr Chris Bolton proposed that the auditors, Buzzacotts LLP, be appointed to hold office until the conclusion of the next Annual General Meeting and that the Board of Trustees be authorised to fix their remuneration. The motion was seconded by Mr Jim Clench and carried, with one voter indicating abstention and no votes against.

### **APPOINTMENTS BY THE COUNCIL**

The President requested that the meeting note the appointments by the Council of the President and President-Elect for the year 2020-2021 and Appointed Members of Council to take office for a term of three years:

President:	Mr Kevin Daffey
President-Elect:	Mr Alastair Fischbacher
Appointed Member of Council:	Mr Richard Graham Capt Cassandra Ryan RAN Capt John Voyce OBE RN

### **COUNCIL ELECTIONS**

The Chief Executive read the Report of the Scrutineers.

Mr Martin Murphy was elected Honorary Treasurer unopposed in accordance with Regulation 8.5.6.7.

The following were elected Elected Members of Council:

ANZSPAC:

- Mr Len Michaels (2<sup>nd</sup> term, elected unopposed in accordance with Regulation 8.5.6.7)

Asia Pacific:

- Mr Yves De Leeneer (2<sup>nd</sup> term)

EMEA:

- Mr John Blacklock (1<sup>st</sup> term)
- Mr John Butler (1<sup>st</sup> term)
- Prof Stephen de Mora (1<sup>st</sup> term)
- Mr William Doyle (2<sup>nd</sup> term)
- Mr Sergey Karianskyi (1<sup>st</sup> term)
- Mr Paul Marshall (1<sup>st</sup> term)
- Mr Parviz Sangin (1<sup>st</sup> term)

There was 1 spoiled paper and in total 6,112 votes were counted.

## **VOTE OF THANKS TO THE SCRUTINEERS FOR 2019/20 AND ELECTION OF SCRUTINEERS FOR THE YEAR 2020/21**

Capt Cass Ryan proposed a vote of thanks to the Scrutineers for 2019-2020 and moved that Mr Jim Clench, Mr John Harrison, Mr Anthony Muncer RD, Mr Malcolm Vincent and Dr Wyn Williams CB be elected to serve as Scrutineers for 2020-2021. The motion was seconded Mr Nigel Brunning. The President put the motion to the meeting and it was approved unanimously.

## **VOTES OF THANKS**

Kevin Daffey thanked Andrew Tyler for his hard work representing the Institute and raising its profile over the past year. He added that Andrew had brought a considerable maritime background forged from over 25 years in both the scientific and engineering spheres to the role and that his unique blend of technical, scientific, business and leadership expertise had been invaluable to the Institute. He noted that Andrew's main theme had been encouraging diversity in marine engineering and science and that the Women's Network had been established to promote this both within the Institute and in the wider marine industry. A formal vote of thanks was recorded for Andrew Tyler.

Andrew Tyler thanked Kevin Daffey for the vote of thanks and noted that his term as President had been an enjoyable experience as well as an honour. He observed that, inevitably, it was not possible to deliver everything desired during the course of a single year presidency, but he was pleased to have been able to kick-start addressing diversity and especially gratified that the incoming President had agreed to continue the momentum in this area. He thanked all for their support over the past year and especially David Loosley, both for his assistance and partnership during his presidential year and for broader achievements and service to the Institute over his full tenure as Chief Executive.

## **CONCLUSION OF BUSINESS AND CLOSE OF THE 131<sup>st</sup> ANNUAL GENERAL MEETING**

With the business of the meeting concluded, the President declared the 131<sup>st</sup> Annual General Meeting of the Institute closed. He thanked attendees for being 'virtual pioneers' and joining the online AGM. He looked forward to the time when the world returned to 'normal' and the Institute membership would be again able to meet face-to-face. He assured members that it absolutely was the intention of all concerned to reinstate the face-to-face AGM for future years after lockdown had ended.