It has now been a little over a decade since our Institute deliberately moved away from serving the professional needs of our traditional marine engineering constituency alone to welcoming marine scientists and marine technologists.

This transformation has provided a key component to the unique essence and identity of our Institute today. With other marine-based institutes still focusing on a single discipline in isolation and serving only a specific part of the sector, IMarEST alone offers a comprehensive home for all marine professionals.

This distinction is vitally important as it is no longer enough for seafarers, marine scientists and others to understand only their own piece of the marine puzzle, however thorough that knowledge. The synergy generated by combining marine engineering, science and technology - with cutting-edge research and knowledge developed in marine science being proactively turned into practical solutions and applied by marine engineers and technologists - will be fundamentally important both to the shipping industry's ability to develop sustainable maritime transport and retain its pre-eminent position and to advancing, and ultimately achieving, our vision of a world where marine resources and activities are sustained, managed and developed for the benefit of humanity.

By combining these key disciplines inside a single institute, we encourage – and, most importantly, provide a forum to enable - marine professionals from across the marine world's many specific disciplines to share ideas and work together. Professional development and recognition, technical knowledge and access to multidisciplinary and specialist information are vital to the success of both the marine industries themselves and the individuals employed in them; they are also the hallmarks of any learned society.

Technical and social activity in branches and at events and conferences promote direct interaction amongst the full spectrum of marine professionals. The increase in marine science topics included in many branches’ lecture programmes and provided via the central Sea Changes lecture series enriches the learning and professional development opportunities available to engineers, scientists and technologists alike.

Today’s world is interconnected and fast-changing in a way unimaginable not long ago and the marine world is certainly no exception. To meet the global challenges and issues regularly faced by our members, Marine Partners and the industry at large, our Institute must strive to become fully internationalised.

Hugely positive steps were taken this year with our events programme being taken to delegates around the world with Offshore Oil and Gas Conference in Houston, Shipping Emissions in Cyprus, LNG Ship Fuel Technology in Antwerp, MECCS in Amsterdam and Biofouling Management in Melbourne. For the first time, the INEC formula and brand were delivered outside Europe with an INEC Conference held alongside IMDEX Asia in Singapore. The introduction of digital publications means that each edition is available more quickly now to a member in Australia, Nigeria or away at sea than it used to be to a member just down the road from the mailing house. Opportunities will increase in future as the Institute leverages technology to record lectures and introduce online networking and collaboration, ensuring that location is no longer a bar to any member’s access to information, expertise and professional contacts.

The challenge to make IMarEST financially sustainable in the long-term continues and victory is not yet assured. However, there are positive signs that the groundwork previously laid is beginning to bear fruit with improved performance from events and key wins in partnering demonstrating that the potential market has an appetite for the products and services that IMarEST can provide. Along with a new outward focus and energy both in the Executive and among many volunteers, that makes me hugely optimistic that as we move toward the 125th anniversary of that first meeting in Workmen’s Hall in Stratford East London, we will again rise to the challenge and build a respected, vital and relevant Institute for 21st century marine professionals worldwide that will also be sustainable for generations of their successors yet to come.

Andreas Chrysostomou
FIMarEST
President

2
Chief Executive’s Review

We have enjoyed a very good year from a Learned Society perspective following a redefinition of our technical activity. The expansion of the Virtual Library with the addition of the Digital Archive gives members immediate access to a wealth of IMarEST’s own information at the press of a button from the convenience of their home or office or, in many cases, even at sea. IMarEST also remains engaged with governments and NGOs to ensure that impartial advice underpinned by a sound technical foundation is available to decision-makers during the policy process. We regularly respond to consultations and provide submissions to calls for written evidence such as the one from the House of Commons Science and Technology Select Committee’s Inquiry into Women in STEM. In late 2012, we were invited to provide oral evidence to the same Select Committee’s Inquiry into Marine Science. We also make submissions to IMO and other international bodies in the areas of our members’ expertise.

However, the economic landscape has been challenging for many organisations this year and this has been no different for the IMarEST. The market for advertising, one of our core revenue streams, has been particularly difficult and competitive. Despite keeping close control on our costs, this tough advertising sales market, and slower than anticipated new business wins with our updated Marine Partner proposition, meant that we fell short of our operational financial targets, notwithstanding the significant improvement in other areas, namely our global events programme.

We also recruited a record number of new members into the fold with just under 2,000 joining us during the year. Over 25% of these new members were marine technologists demonstrating our broadening appeal to all marine professionals. The resurgent equity market has, however, played in our favour and, through well thought out investment planning, we have not only agreed and stabilised our defined benefit pension scheme recovery plan, but also delivered a small surplus for the first time in many years.

In line with our five-year Corporate Plan, we started to implement our plan to address the revenue and cost base and take action to achieve a stronger, more efficient and sustainable business model for the IMarEST, focussing on three main areas:
- Improving the way we run the IMarEST
- Improving the profitability of our core revenue streams but not overly relying upon them
- Developing new and profitable business streams which are complementary to our overall offer

Our digital value proposition has already begun to convert new business this year with marine partners, academic partners and other marine-related institutes wanting access to our digital publications and Virtual Library. We have also launched our new proposition and brand style and will be introducing a new website, with new on-line tools, early in the new year.

Good progress has been made to reposition the IMarEST both internally and externally. Our clients (and members) are starting to better understand the breadth of services we offer. Our employees and volunteers are starting to better connect with the Institute they belong to and understand how they can contribute to the overall vision. These achievements are due to the hard work and commitment of many people, volunteers and executives alike. This year we said goodbye to John Wills, Head of Technical, Anne Moraes, Head of Finance and Shirley Kelliher, Governance Manager, all of whom I would like to thank for their support to the Institute over the years. New appointments included Camilla Bradshaw as Events Manager, who played a major role in driving global expansion and profit improvement to our events programme and we will be making further appointments to the newly created Head of Partnering and Head of Programmes posts early in the new year to support the growth agenda.

At the same time as seeking further growth for the IMarEST, we recognise that the global economy remains unsteady and it is a tough market in many regions, for our partners and individual members alike. Marketing and training budgets continue to be scrutinised and pay rises are limited. But our strong propositions should enable us to help our members and partners improve their efficiency in 2014 and open new doors for the IMarEST.

As we embark on the new financial year, we have a lot to look forward to. We are starting to see real traction in creating a sustainable platform for growth and are developing sector expertise and relationships. We have created a clear and compelling value proposition for our Marine Partners (and members) that builds on our technical expertise and demonstrates our ability to bring new digital solutions to the market.

Business is tough and will remain tough but we have confidence that the IMarEST is in a position to offer real value to our members and partners in 2014.

Finally, thank you to all those who have truly shone throughout 2013.

David Loosley
Chief Executive
Another year has passed and for the first time in a long time, the Institute has ended that year with a higher net value than at the start. This is indeed due to recovery in the equity markets, but we are also now beginning to see the results of the recovery plan we have been implementing over the last two years.

But before I explain more of that plan, I think it is worth exploring our history and its relation to our current development and progress towards sustainability, which has been the prime focus of the Board of Trustees since it was first formed. The summary is easy: “the good times are over”.

Over the latter part of the last century our Institute gained massively from owning the Memorial Building in Mark Lane. There was of course some risk in that, but it ended well with the Institute gaining significant income from the tenants, many of whom were on long-term fixed high rate leases. That period, in financial terms, was also largely fixed high rate leases. That period, in financial terms, was also largely sustained bull-market on the equity markets, was also largely overwhelming to cost reduction and income generation.

So to start with cost reduction - and the point to remember here is that very little, if anything, comes without pain:

**WE HAVE:**
- Moved to digital publications with expected savings of around £250,000 a year in future years.
- Reduced our governance costs substantially, implementing split-site meetings of Council and reducing the number of meetings of the Board of Trustees. Depending on which years are used for the comparison, and how the costs are apportioned, the reduction will deliver savings of around £200,000.

**WE ARE:**
- Reconfiguring our International Divisions to reduce their operating costs while retaining the essential engagement of our international membership.
- Implementing a Process Review of our HQ operations to ensure we are indeed as ‘lean’ as possible while delivering excellent value to our members and partners.

**WE WILL:**
- Continue to search for, and take advantage of, additional cost reductions and efficiency improvements.
- Redevelop our historic loss-making activities so that they either provide significant income or pose no financial risk to the Institute.

With respect to income generation – and the point to remember here is that very little, if anything, comes without cost:

**WE HAVE:**
- Redeveloped and reworked our Marine Partner proposition into something of real value to both parties, enabling us to negotiate mutually beneficial arrangements and at the same time increase our membership.
- Capitalised on our knowledge base by developing our Virtual Library – which I commend to you all – and which is proving to be a major attraction for our new Marine Partners.
- Continued to grow our membership outside of the Marine Partner programme.
- Changed our subscription strategy to cover the costs of membership services in as many cases as possible.

**WE ARE:**
- Actively looking for new income streams, of which there are many possibilities in play, but with one in particular looking extremely attractive. More will be announced as soon as the negotiations in which we are currently engaged allow.

**WE WILL:**
- Continue to seek ways to maximise our income.

All this, even though it is but a summary, leaves me very encouraged and I have never been more confident that the Institute has a solid, reliable and affordable future. However, that does not mean we are complacent. This coming year will be a crucial test of the success of our plans and we stand ready to take decisive alternative action if things do not turn out as we expect.

I finish by acknowledging our debt to David Loosley and his team who have laboured so hard to get the Institute to this point and also our debt to the Board of Trustees in general, and, in particular, to Frank Mungo, the Honorary Treasurer, and Malcolm Vincent, Immediate Past President and Chairman of the Pension Fund Trustees, whose selfless and unstinting work is an enduring example to us all.

To the future!

**Professor Chris Hodge**

FREng CEng CMarEng FIMarEST
Chairman, Board of Trustees
Vision

Our vision is a world where marine resources and activities are sustained, managed and developed for the benefit of humanity.

Mission

Our mission is to work with the global marine community to promote the scientific development of marine engineering, science and technology, providing opportunities for the exchange of ideas and practices and upholding the status, standards and expertise of marine professionals worldwide.

Ambition

Our ambition is to double the size of the Institute by 2017.

Priorities

The priority is to improve the efficiency of the organisation, grow and retain our membership whilst increasing revenues from our commercial activities by offering greater benefits, improved delivery of our publications and added value linked to our products and services. To deliver the member, Board and staff’s vision of the Institute in 2017, we will need to prioritise carefully over the five years of the plan. The key to the future success of the IMarEST will not be whether we have the best strategy and plan but how effective we are in delivering it.

The key themes that will exist throughout the life of this plan are:

- Engagement/Empowerment of the Membership
- Market Analysis – strategy prioritisation
- Ensure events deliver benefit
- Strong and efficient financial control
- Technology exploitation

Key Deliverables 2012-2013

- Digital Publications
- Member Benefit Proposition
- Marine Partner Benefit Proposition
- Subscription Strategy
- Website Redeveloped
  - Mobile Version Available
  - (Phase I)
  - (deferred to Phase II)
- Webinars, Webcasts and Recorded Lectures
- Marine Science Career Pathway Launch
- Implementation of Asia Pacific Region
- Institute Governance Review
- People Strategy (Staff and Volunteers)

Looking ahead – Highlights of 2013-2014

- Key Performance Measures/Budget
  - KPM 1 (Members) – Net Membership Growth
  - KPM 2 (Finance) – Margin Achievement
  - KPM 3 (Efficiency) – Total Expenditure (per member)
- Website Redeveloped (Phase II)
- Mobile Version Launched
- Member Collaboration Environments Introduced
- Engaged Membership
- Revised Divisional Structure
- Regional Office Strategy Implemented (Phase 2)
- Webinars, Webcasts and Recorded Lectures (expanded)
- Android Platform for Digital Publications Introduced
- Process Improvement Project (Lean) Commences
- Continuous Improvement Culture Launched
- Media Strategy (including Publications and Events)
- New Revenue Generation Opportunities
- Enhanced Management Information
- Development of Early Careers Initiative and Delivery of Phase I
The Digital Archive of 120 years of IMarEST published material went live as the third strand of the Virtual Library. More than 400 printed volumes with over 250,000 pages of material were digitised to produce the collection which provides online, fully searchable access to the Institute’s full archive of journal publications covering technical research, news, comment and analysis from across all the disciplines represented by our membership.

The Members’ Technical Supplement was fully integrated into Marine Professional. Each issue now takes members on a technical journey rather than focusing solely on a single subject. Following provision of a robust written response to the House of Commons Science and Technology Select Committee’s Inquiry into Marine Science, the Institute was invited to deliver oral evidence as well; Dr Ralph Rayner CSci CMarSci FIMarEST, a former Council Vice-President and Trustee, represented the Institute.

A video of the Presidential Address was made available via IMarEST HQ’s YouTube Channel for the first time so that members unable to attend in person, external stakeholders and others interested in the marine sector could view the lecture at their convenience.

Quarter 1

Following a successful trial, digital issues of all five IMarEST titles were made available to readers via web browsers and Apple Newsstand for iPad and iPhone. The introduction of digital publications will benefit individual members and the Institute alike with readers not having to await physical delivery while printing and distribution costs are decreased.

Two new Special Interest Groups were established to support the Institute’s work in key areas. The Operational Oceanography SIG will support the Institute’s stakeholder engagement with the Marine Science Coordination Committee and the UK-Integrated Marine Observing Network. The Human Element Working Group will address the adaptation of today’s seagoing engineers to safely manage increasingly automated machinery systems by focusing on Safety at Sea issues and examining faults in current ship engineering training.

Quarter 2

IMarEST’s Annual Dinner was relaunched in 2013 with a new format and a new home. Held at the Guildhall in the City of London for the first time, the event brought together almost 400 marine professionals from around the world. Monty Halls, the well-known broadcaster, explorer and writer - and a marine biologist by training - was the featured after-dinner speaker; his passion for oceans and wildlife was clear as he took his audience on a journey through his numerous diving and exploration projects.

The Institute implemented a new recruitment service in partnership with Matchtech, the UK’s leading engineering recruitment consultancy. Not only does this provide a valuable, career-enhancing service to our members, it may also provide revenue to the Institute via a fee-sharing arrangement for any leads we provide to Matchtech that are subsequently successfully filled.

A decision was taken to grant Affiliate Membership immediately to all applicants to the Institute, regardless of the category of membership they ultimately wished to acquire. While prior Membership Committee approval is still required before applicants can be admitted to corporate categories of membership, this change means that all new members will receive access without delay to benefits, such as member discounts, publications and online access to the Virtual Library.

Learned Society Statistics, 2012-2013

New Members Recruited: 1979
Accreditations/CPD Course Recognitions: 35
Academic Courses: 16
Companies: 4
Streamlined Routes: 2 (with 19 pathways)
CPD Courses: 13 short courses recognised
Professional Review Interviews (PRIs) conducted: 364
Quarter 3 started with the launch of the Marine Science Career Pathway during the Ocean Business event held at National Oceanography Centre in Southampton. Over 50 employers and students attended the event during which several selected employers also gave short career briefs which were filmed to allow wider access to the information.

May 2013 saw the inaugural INEC Asia Conference held in Singapore alongside IMDEX Asia. This marked the first time that the successful INEC formula and brand were used outside their traditional European region of operation, reinforcing both the international nature of the marine sector and the global commitment of the Institute.

May also featured our first geographically-split Institute Council meeting with Council members attending in London or Singapore, joined together by the wonders of modern technology. Benefits included cost control, time savings for attendees and the opportunity to focus and discuss some issues on a regional basis more effectively.

As part of IMarEST’s commitment to a modern Institute relevant to today’s marine professionals, the Institute’s branding was refreshed and the revitalised image rolled out in a soft launch as new materials were required. It will feature across all internal and external material in due course.

In addition to the refreshed branding, a revision of the website itself was launched. The site, an interim step toward a more fundamentally redesigned site in the new year, featured clearer organisation of material and enhanced ease of use.

A new subscription strategy was designed and approved by the Board to ensure that it would be ready for implementation from the start of the new membership year. Key features included the provision of all five publication titles digitally to all members, membership payments accepted in five major world currencies and the introduction of the option for UK bank account holders to pay via Direct Debit monthly instead of annually.

Quarter 4

MarEST, in association with our recruitment partner Matchtech, organised and hosted a Skills Gap Roundtable and Reception as part of London International Shipping Week. The event brought together leaders from the Naval and Defence, Oil and Gas, Shipping, Leisure, Ports and Academic sectors to discuss openly the skills gap within the UK. A follow-up white paper will be issued in the coming year. Both the event and White Paper provide excellent opportunities to raise the Institute’s profile and reputation both in a key area and broadly within the marine industry.

Following feedback from members, work commenced to design and promote a reward scheme to enable members to receive discounts of up to 100% off their membership subscriptions or Annual Dinner registrations when they introduce new members to the Institute. The scheme itself will go live at the start of the new membership year.

Work began to develop a cohesive strategy aimed at delivering services and products of particular interest and relevance to people in the early stages of careers in the marine sector. The multi-year project will cut across areas of the Institute’s operation, providing career development and guidance, training, networking and more.

In September, the Chair of the Technical Leadership Board designed and delivered a bespoke workshop on marine environmental issues for a Marine Partner’s staff and clients at their request. This was the first time that IMarEST experts provided technical expertise in such a forum as part of a Marine Partnership package and was an excellent example of the type of services and benefits available to MarEST’s corporate partners.

Internally, a revised general ledger structure has been designed for implementation from the new financial year. It will provide improved management information and transparency of costs to the budget holders on an ongoing basis.
SUMMARY FINANCIAL REPORTS
The Consolidated Statement of Financial Activities and the Consolidated Balance Sheet shown are not full Annual Accounts but are extracted from the unqualified audited financial statements which were approved by the Board of Trustees on 11 February 2014 and signed by the Chair of the Board, Professor C G Hodge and the Honorary Treasurer, F B Mungo.

A full set of financial statements prepared in accordance with the Charities SORP and as audited by BDO LLP is available on request from the Secretary at the principal address or electronically from info@imarest.org and will be filed with the Charity Commission in due course after the Annual General Meeting.

REVIEW OF THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (SOFA) AND THE CONSOLIDATED BALANCE SHEET
The overall position for the year ending September 2013 is an improvement in the Consolidated Balance Sheet of £230K, the first improvement since 2007.

Total incoming resources in the year (£3.366M) were comparable to that of the previous year (£3.334M) which is an achievement given that this was a year when there were no INEC, SMM or Posidonia, three major revenue generating events. With £180K of payments to Retirement Benefit Scheme (RBS) Recovery Plan, exceptional staff costs of £114K due to restructuring and depreciation charges of £271K compared to £174K in the previous year total outgoing resources in year (£4.872M) were higher than that of the previous year (£4.440M).

At the statutory triennial valuation of the RBS in September 2011, after a review of the underlying assumptions used, the Actuary calculated that the fund was in deficit by £1.9M; this increased to £2.3M as of September 2012. This required the IMarEST to implement a Recovery Plan to repay the deficit, underpinned by a strong Employer’s Covenant, both of which had to be agreed by the RBS Trustees and the Pensions Regulator. The Recovery Plan consists of 129 monthly payments of £20K, starting in January 2013. The FRS 17 disclosure required by the accounting standards is based on the annual reports from our actuaries. The basis for selecting the assumptions for the preparation of the FRS 17 pension costs and disclosures is consistent with the assumptions in the previous year. The reported RBS net deficit was £2.217M compared to a deficit of £2.325M in the previous year and provision for the liability of £2.217M is included in the Balance Sheet.

The pension deficit and the need to reduce the risk of the combined Institute and RBS investment strategies led to changes in the investment strategy for the Institute funds.

A strategy for long term growth being largely equity based can lead to significant short term losses in a market downturn – and thus an increase in overall volatility. Alternative mixed-asset strategies can maintain value in a downturn but are not expected to grow as rapidly in an equity market upturn. Given the IMarEST requirement for long term growth, but with reduced volatility and some insurance against a downturn in order to reassure the RBS Trustees, some diversification into a fund with a mixed-asset strategy was prudent.

In order to reduce risk the IMarEST has decided to avoid a high correlation between RBS and Charity assets. The Standard Life GARS Fund makes extensive use of derivatives but its strategies are not correlated to equity markets; volatility is reduced by using multiple diversified market risks. The IMarEST decided to:

- Relocate 25% of the IMarEST funds invested with Sarasins to the Standard Life GARS Fund;
- Allocate the income requirement to each fund in the same proportion (25/75);
- Keep the Permanent Endowment Memorial Fund within the Sarasins investment portfolio;
- Appoint a project manager to ensure the smooth and timely transfer of funds.

The transfer of funds was completed successfully.

The Investment income this year was £579K which is an improvement of £157K on the previous year. At 30 September 2013 the market value of the investments of the combined portfolio was £15,932,600 an improvement of £896,654 on the value (£15,035,946) at September 2012.

CONSOLIDATED BALANCE SHEET
as at 30 September 2013

<table>
<thead>
<tr>
<th>Total Funds</th>
<th>Prior Year Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
</tr>
<tr>
<td>Unrestricted income funds excluding pension liability</td>
<td>14,797,940</td>
</tr>
<tr>
<td>Net assets excluding pension liability</td>
<td>17,014,940</td>
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<tr>
<td>Defined benefit pension scheme (liability)</td>
<td>(2,277,000)</td>
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<tr>
<td>Net current assets</td>
<td>152,113</td>
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<tr>
<td>Current assets</td>
<td>981,249</td>
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<tr>
<td>Cash at bank and in hand</td>
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<td>Stocks</td>
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<tr>
<td>Debtors</td>
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<tr>
<td>Net assets including pension liability</td>
<td>14,797,940</td>
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<tr>
<td>Total fixed assets</td>
<td>16,862,827</td>
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<tr>
<td>Fixed assets</td>
<td>16,862,827</td>
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<tr>
<td>Tangible assets</td>
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<tr>
<td>Investments</td>
<td>15,932,601</td>
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<tr>
<td>Total current assets</td>
<td>981,249</td>
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<tr>
<td>Total current assets</td>
<td>981,249</td>
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<tr>
<td>Liabilities</td>
<td>829,156</td>
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<tr>
<td>Creditors: amounts falling due within one year</td>
<td>829,156</td>
</tr>
<tr>
<td>Net current assets</td>
<td>152,113</td>
</tr>
<tr>
<td>Net assets excluding pension liability</td>
<td>17,014,940</td>
</tr>
<tr>
<td>Defined benefit pension scheme (liability)</td>
<td>(2,277,000)</td>
</tr>
<tr>
<td>Net assets including pension liability</td>
<td>14,797,940</td>
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<tr>
<td>The funds of the charity</td>
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<tr>
<td>Restricted income funds</td>
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<td>Permanent endowment funds</td>
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<td>Unrestricted income funds</td>
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<td>Designated funds</td>
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<td>General funds</td>
<td>12,974,447</td>
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<tr>
<td>Unrestricted income funds excluding pension liability</td>
<td>(2,277,000)</td>
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<tr>
<td>Pension reserve</td>
<td>10,577,447</td>
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<tr>
<td>Total unrestricted funds</td>
<td>14,797,940</td>
</tr>
<tr>
<td>Total charity funds</td>
<td>14,797,940</td>
</tr>
</tbody>
</table>

The Investment income this year was £579K which is an improvement of £157K on the previous year. At 30 September 2013 the market value of the investments of the combined portfolio was £15,932,600 an improvement of £896,654 on the value (£15,035,946) at September 2012.

Professor C G Hodge FREng CEng CMarEng FIMarEST
Chairman of the Board of Trustees
F B Mungo CEng CMarEng FIMarEST
Trustee & Honorary Treasurer of the Institute
INDEPENDENT AUDITORS’ STATEMENT TO THE TRUSTEES OF THE INSTITUTE OF MARINE ENGINEERING, SCIENCE AND TECHNOLOGY

We have examined the summary financial statement for the year ended 30 September 2013 set out on pages 8-9.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

The trustees are responsible for preparing the annual review in accordance with applicable United Kingdom law.

Our responsibility is to report to you our opinion on the consistency of the summary financial statement within the annual review with the full annual financial statements and the Trustees’ Report.

We also read the other information contained in the annual review and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summary financial statement.

The other information comprises only the President’s review, Chief Executive’s review, Chairman’s review and the Annual Review of Activities.

Our report has been prepared pursuant to the requirements of the Charities Act 2011 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person entitled to rely upon this report by virtue of and for the purpose of the Charities Act 2011 or has been expressly authorised.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2008/3 ‘The auditors’ statement on summary financial statement in the United Kingdom’ issued by the Financial Reporting Council.

Our report on the charity’s full annual financial statements describes the basis of our opinion on those financial statements and on the Trustees’ Report.

OPINION

In our opinion the summary financial statement is consistent with the full annual financial statements and the Trustees’ Report of the Institute of Marine Engineering, Science and Technology for the year ended 30 September 2013.

BDO LLP, Statutory Auditor
Gatwick, United Kingdom
BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES as at 30 September 2013

<table>
<thead>
<tr>
<th>Endowment Funds</th>
<th>Other Restricted Funds</th>
<th>Unrestricted Funds</th>
<th>2013 Total Funds</th>
<th>2012 Total Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
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</table>

INCOMING RESOURCES

Incoming resources from generated funds

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<th>6,787</th>
<th>11,787</th>
<th>37,938</th>
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<tbody>
<tr>
<td>Activities for generating funds</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Institute functions</td>
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</tr>
<tr>
<td>Investment income</td>
<td>12,472</td>
<td>566,867</td>
<td>579,339</td>
<td>422,826</td>
</tr>
<tr>
<td>Incoming resources from charitable activities</td>
<td></td>
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<tr>
<td>Membership Services</td>
<td></td>
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<tr>
<td>Publications, Marketing &amp; Exhibitions</td>
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<tr>
<td>Events</td>
<td></td>
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<tr>
<td>Marine Partners</td>
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<tr>
<td>Accreditation</td>
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<tr>
<td>Technical &amp; Library</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other incoming resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support Services</td>
<td></td>
<td>64,927</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total incoming resources</td>
<td>0</td>
<td>17,472</td>
<td>3,348,113</td>
<td>3,365,585</td>
</tr>
<tr>
<td>RESOURCES EXPENDED</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs of generating funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising trading: cost of goods sold and other costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Institute functions</td>
<td>277</td>
<td>62,600</td>
<td></td>
<td>62,877</td>
</tr>
<tr>
<td>Charitable activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership Services</td>
<td>4,466</td>
<td>1,010,451</td>
<td></td>
<td>1,014,917</td>
</tr>
<tr>
<td>Publications, Marketing &amp; Exhibitions</td>
<td>8,856</td>
<td>1,967,999</td>
<td></td>
<td>1,976,855</td>
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<tr>
<td>Events</td>
<td>2,313</td>
<td>521,718</td>
<td></td>
<td>523,530</td>
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<tr>
<td>Marine Partners</td>
<td>390</td>
<td>88,229</td>
<td></td>
<td>88,618</td>
</tr>
<tr>
<td>Accreditation</td>
<td>452</td>
<td>102,327</td>
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<td>102,779</td>
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<tr>
<td>Technical &amp; Library</td>
<td>2,406</td>
<td>544,318</td>
<td></td>
<td>546,724</td>
</tr>
<tr>
<td>Support Services</td>
<td>308</td>
<td>69,692</td>
<td></td>
<td>70,000</td>
</tr>
<tr>
<td>Grants paid through the awards funds</td>
<td>23,585</td>
<td></td>
<td></td>
<td>23,585</td>
</tr>
<tr>
<td>Governance costs</td>
<td>2,065</td>
<td>410,253</td>
<td></td>
<td>412,318</td>
</tr>
<tr>
<td>Total resources expended</td>
<td>0</td>
<td>45,117</td>
<td>4,777,087</td>
<td>4,822,204</td>
</tr>
<tr>
<td>Net outgoing resources before transfers</td>
<td>(27,645)</td>
<td>(1,428,974)</td>
<td>(1,456,619)</td>
<td>(1,106,266)</td>
</tr>
<tr>
<td>Transfer of the Memorial Fund</td>
<td></td>
<td></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>Net resources expended before other recognised gains and losses</td>
<td>(27,645)</td>
<td>(1,428,974)</td>
<td>(1,456,619)</td>
<td>10,038,684</td>
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<tr>
<td>Gains/(losses) on investments assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net gain/(loss) on investments</td>
<td>377,907</td>
<td>2,065</td>
<td>372,839</td>
<td>1,686,675</td>
</tr>
<tr>
<td>Net gain/(loss) on memorabilia &amp; historic assets</td>
<td>(30,505)</td>
<td>440,014</td>
<td>400,510</td>
<td>372,838</td>
</tr>
<tr>
<td>Net gain/(loss) on paintings</td>
<td>(27,645)</td>
<td></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>Actuarial gains/(losses) on defined benefit pension schemes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NET MOVEMENT IN FUNDS</td>
<td>377,907</td>
<td>(59,716)</td>
<td>(88,401)</td>
<td>229,790</td>
</tr>
<tr>
<td>Fund balances at 1 October 2012</td>
<td>3,438,878</td>
<td>463,424</td>
<td>10,665,848</td>
<td>14,568,150</td>
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<tr>
<td>FUND BALANCES at 30 September 2013</td>
<td>3,816,785</td>
<td>403,708</td>
<td>10,577,447</td>
<td>14,797,940</td>
</tr>
</tbody>
</table>

No separate Statement of Financial Activities for the Institute has been included as permitted by the Statement of Recommended Practice for Charities (SORP)

All incoming resources and resources expended derive from continuing activities

The Statement of Financial Activities includes all gains and losses recognised in the year.
## HONORARY FELLOWS

Honorary Fellowship, the highest distinction the Institute can confer, is awarded to highly distinguished external individuals to enhance the prestige of the Institute, to Fellows of the Institute who have attained an international reputation and are recognised for their professional eminence as marine engineers, scientists or technologists and to Fellows and Officers of the Institute for outstanding service.

**HRH The Prince Philip, Duke of Edinburgh**
**HRH The Princess Royal**
**The Rt Hon the Lord Greenway**
**The Rt Hon the Lord Sterling of Plaistow**
**Choo Chiau Beng**
**Dr J Cowley FEng**
**Prof C Th Grammenos CBE DSc**
**R J M Grey MBE**
**Vice Admiral Sir Robert Hill KBE FEng**
**Prof Sir David King FRS**
**Admiral R E Kramek DSC**
**D M Long CEng**
**Rear Admiral (Rtd) RNLN R Ltjte Schiphol KNL OON**
**Admiral E E Mitropoulos**
**Sir John Parker FEng**
**K F Read CBE CEng**
**Eur Ing P S Rickaby CEng**
**J E Sloggett OBE CEng**
**A H Taylor OAM CEng**

### MEMBERs OF THE EXECUTIVE

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive and Secretary</td>
<td>D Loosley CEng CMarEng</td>
</tr>
<tr>
<td>Chief Operating Officer</td>
<td>P James CEng CMarEng</td>
</tr>
<tr>
<td>Divisional Manager EMEA(A)</td>
<td>T Simms CEng CMarEng FIMarEST</td>
</tr>
<tr>
<td>General Manager AsiaPac</td>
<td>Ms S A Kelliher CEng CMarEng FHIMarEST</td>
</tr>
<tr>
<td>Governance Manager</td>
<td>Ms J Seow AMIMarEST</td>
</tr>
<tr>
<td>Head of Commercial</td>
<td>D Wood</td>
</tr>
<tr>
<td>Head of Finance</td>
<td>Ms A Moraes FCA to 30 June 2013</td>
</tr>
<tr>
<td>Head of Marketing</td>
<td>D Kelly MCIM</td>
</tr>
</tbody>
</table>

### HONORARY VICE-PRESIDENTS

The Honorary Vice Presidency is awarded to Fellows of the Institute in recognition of long-standing and committed service to the activities and organisation of the Institute. There can be no more than 25 Honorary Vice Presidents at any given time.

<table>
<thead>
<tr>
<th>Name</th>
<th>Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td>J Ayles CMarEng</td>
<td>D Lyon CEng CMarEng</td>
</tr>
<tr>
<td>D Brophy CEng CMarEng</td>
<td>S W Nicholls MBE CEng CMarEng</td>
</tr>
<tr>
<td>B T Carr CEng CMarEng</td>
<td>R C Pattinson Eur Ing V Pomeroy CEng</td>
</tr>
<tr>
<td>J R Corless CEng CMarEng</td>
<td>A Gilchrist CEng CMarEng Eur Ing A Rose CEng CMarEng</td>
</tr>
<tr>
<td>A Gilchrist CEng CMarEng</td>
<td>Prof K Rozhdestvensky CEng CMarEng</td>
</tr>
<tr>
<td>C S Harnett</td>
<td>D Skinner</td>
</tr>
<tr>
<td>E E Hopkins MBE CEng CMarEng</td>
<td>J Sloan CEng CMarEng</td>
</tr>
<tr>
<td>Eur Ing Prof R A John CEng CMarEng</td>
<td>Eur Ing A R Wells CEng CMarEng</td>
</tr>
<tr>
<td>Eur Ing G D Kinnade CEng CMarEng</td>
<td>Eur Ing M H F Law CEng CMarEng</td>
</tr>
<tr>
<td>Eur Ing M H F Law CEng CMarEng</td>
<td>J C Woodhead CEng CMarEng</td>
</tr>
<tr>
<td>P M Low CEng CMarEng</td>
<td></td>
</tr>
</tbody>
</table>
The IMarEST Awards Portfolio consists of a wide range of awards, scholarships, prizes and medals that cater for undergraduate and postgraduate students as well as marine professionals in the industry. Many have been established by, or in memory of, recently departed long-standing members, while others receive sponsorship from industry companies, including Marine Partners.

Full details of the awards offered, including eligibility and application requirements and deadlines, can be found at: www.imarest.org/membership/awards-scholarships

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**Denny Medal**


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**ABS Undergraduate Award**
Alina Colling
University of Plymouth

**Armand Covell Award**
Mr MD. Arafat E Islam

**Harris Pye Award**
Victoria Gravestock

**IMarEST £50 Prizes**
Ektor-Ioannis Chrysochou
University of Strathclyde

**John Blackburn Main Awards**
Undergraduate Scholarship
Luca Mallia-Milanes
University of Strathclyde

**Postgraduate Scholarship**
Not awarded in 2012-2013

**Stanley Gray Fellowship**
Santiago Suarez de la Fuente
University College London
Matteo Charlie Ichino
University of Southampton

**IMarEST Undergraduate Scholarships**
Maria Christy
University of Southampton
Freya Kelly Garry
University of Southampton
Juliane Wihsgott
University of East Anglia

**SUT/Challenger/IMarEST**
Lisa Holton
University of Southampton

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110th President Malcolm Vincent (c) with Douwe Stapersma (l) and Arthur Vrijdag (r) following presentation of their Denny Medals at the 2013 AGM.
THE GUILD OF BENEVOLENCE

The Guild of Benevolence is the last remaining charity that has a direct link to the loss of the Titanic. Since its inception it not only provided much needed help to the widows and orphans of the Engineer Officers all of whom were lost on that tragic night in 1912 but has expanded over the decades to encompass certificated marine engineers, naval and merchant naval, worldwide and today also includes members of the Institute, irrespective of their discipline and their dependents. Until we, as Trustees, became involved with the Guild I can honestly say that we had no idea of the number of our colleagues who, for whatever reason, have fallen on hard times. On all occasions when we visit beneficiaries, none of us leaves without one thought in mind, which is, had our own circumstances been different we too could be in a similar predicament.

During this last financial year 2012/13 the Guild has considered some 91 cases, a 25% increase on the previous year. Forty-five of those cases were new applications, the remainder being from existing beneficiaries who were either receiving a regular grant or who had previously received a one-off grant. Apart from the one-off grants awarded this year, the Guild currently has 65 beneficiaries who receive a regular grant of up to £25 per week, eight of whom are overseas citizens. This resulted in the Guild disbursing, for the year, some £120,000 in regular grants and one-off payments.

More recently the Guild has donated £5,000 towards Typhoon Haiyan relief fund with the monies being channelled through two nautical charities, the Apostleship of the Sea and Sailors’ Society who are dealing directly with families of affected seafarers.

We rely heavily on donations from members of the Institute and wish to make it as easy as possible for you to donate if you haven’t already done so. If you would like to make a donation, please look at our website www.imarest.org/guild where you can now also donate on a monthly or yearly basis by direct debit. If you prefer you can contact Karen Lendor at guild@imarest.org and she will gladly forward you the necessary form.

Anthony D Muncer RD
CEng CMarEng FIMarEST
Chairman, Guild of Benevolence