

# **The Nuclear Institute**

Consolidated financial statements

For the year ended 31 December 2012

**Charity no: 1125404**  
**Company no: 06574762**

## Legal and administrative details

The Nuclear Institute was formed as an incorporated association, a company limited by guarantee number 06574762, by the constitution adopted on 23 April 2008. It is exempt under Section 60 of the Companies Act 2006 from the use of "Limited" within its name. It is also a registered charity, number 1125404.

<b>President and Chairman</b>	Norman Harrison
<b>Principal office</b>	CK International House 1-6 Yarmouth Place London W1J 7BU
<b>Investment managers</b>	Coutts & Co 440 Strand London WC2R 0QS
<b>Bankers</b>	National Westminster Bank Plc Charing Cross Branch PO Box 113 Cavell House 2a Charing Cross Road London WC2H 0PD
<b>NI Enterprises Limited (Registered Office)</b>	CK International House 1-6 Yarmouth Place London W1J 7BU
<b>Auditor</b>	Kingston Smith LLP Orbital House 20 Eastern Road Romford Essex RM1 3PJ

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## Report of the trustees

### Report of the Trustees

The trustees present their report together with the financial statements of The Nuclear Institute (the 'Institute') for the year ended 31 December 2012. The financial statements have been prepared in accordance with the accounting policies set out herein and comply with the current statutory requirements, applicable law and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in October 2007.

#### Organisational structure

The Trustees who served during the year were:

Mr Norman Harrison	President
Rear Admiral (retd) Timothy Chittenden	Vice President (appointed 13/07/2012)
Mr Kirk Mayer	Honorary Treasurer
Mr Robin Beeby	(resigned 07/06/2012)
Mr Connor Deehan	
Mr John Earp	(resigned 31/12/2012)
Mr Michael Grave	(resigned 31/12/2012)
Mr Iain Gray	
Mr Richard Lockwood	Chair of the Membership committee
Mr Roy Manning	
Mrs Corhyn Parr	
Mr Alfred Sheil	
Mr Richard Swinburn	
Dr Ali Tehrani	
Dr David Whitworth	
Mr Christopher Williams	

#### Structure, Governance and Management

The Nuclear Institute (NI) was founded in 2008. The Members of the Board are the President, Vice President, The Honorary Treasurer and Chair of the Membership Committee, and up to 11 Ordinary Members. Trustees serve for a maximum of six years in two 3-year terms.

All newly appointed Trustees are asked to attend an induction seminar delivered by an external expert and have access to the services of the Trustees Office to provide information and support as required. Each trustee is given the appropriate supporting documentation from the Charity Commission.

## Report of the trustees

### Organisational Structure and Decision-making

The Trustees meet regularly throughout the year to conduct the business of the Institute in accordance with the Memorandum and Articles of Association and from time to time hold meetings or part thereof, at which Trustees only are present.

The Trustees have approved and put in place formal Delegations of Authority. It is the policy of the Board of Trustees that authority shall be delegated to the greatest extent compatible with the Trustees' overall direction and control of the Institute and to the point in the Institute where it can be exercised most effectively. The Trustees retain responsibility for all acts taken under these delegated responsibilities.

An annual business planning cycle is in place. The Trustees monitor progress on a regular basis against strategic objectives and budgets set out in the Business Plan.

The Trustees have established the following structure of Boards and Committees from within the membership to monitor and control key areas of the NI:

- Audit Committee
- Finance & Business Planning Committee
- Membership Committee
- Education & Training Committee
- Events Committee
- Collaborative Committee
- Editorial Committee
- Branch Chairs Committee

All of these committees act under terms of reference detailed in the Bye-laws.

### Objectives and Policies

The objects for which the Company is established are:-

- the advancement of education relating to nuclear energy and its application and ancillary subjects;
- the advancement of nuclear science, engineering and technology;
- in the interests of public safety, the promotion of high standards of education and professional performance amongst those engineers, scientists and others working within the nuclear industry;
- the promotion of the public understanding of nuclear sciences and the impact on society and the environment; and
- to undertake such other charitable purposes as the Trustees shall in their discretion from time to time decide.

The activities of the Institute cover all aspects of nuclear energy and are not limited to a particular range of disciplines.

## Report of the trustees

Membership of the NI is promoted to encourage and enable a commitment to professional development. Membership brings active individuals into closer contact with likeminded people, encouraging the flow of knowledge and the development of member-led activities across geographic and technical boundaries. The NI is also able to benefit from the contribution of the time and expertise of many member volunteers in addition to subscription income in achieving its charitable objectives. Membership is open to everyone with an interest in nuclear matters and reduced rates are provided to retired people and students.

The NI seeks to increase the generation of new knowledge by encouraging relevant research, cross disciplinary and international collaboration, and promoting the benefits of innovation, research and development to industry. The NI devotes significant resources to promoting public awareness and informing public and policy debate on relevant issues, including actively seeking to promote engineering to young people. The NI also encourages the sharing of best practice between corporate and educational stakeholders.

The NI has a license from the Engineering Council to register suitably qualified professional members as Chartered Engineers, Incorporated Engineers and Engineering Technicians, together with a license from the Science Council to register Chartered Scientists.

### **Membership**

Membership is open to all those who have an active interest in nuclear energy matters. There are two types of membership, professional and learned. Specific academic or professional qualifications are only required for professional grades of membership who comprise Fellows, Members, Associate Members Technician Members and Graduates. Learned membership is open to everyone with an interest in nuclear matters and reduced rates are provided to retired people and students. Members may be drawn from institutions, associations, academia, business and individuals. Fellows, Members, Associate Members and Technician Members are entitled to use post nominals.

Following a 1-year extension to its registration licence from the Engineering Council in 2009, the Institution was jointly audited by the Engineering Council and Science Council during 2010 and subsequently gained five year licences from both organisations to register suitably qualified professional nuclear engineers and scientists onto their respective registers.

### **Membership Contribution**

The NI operates as a membership body with the objectives of bringing individuals with an interest in nuclear technology into contact with each other to share knowledge, undertake learning through the range of NI products and services, and take part in organising the NI's many activities.

The total number of members at the end of 2012 stood at 1711.

The Trustees greatly value the financial and time contribution made by members recognising that NI is dependent on the efforts of many unpaid volunteers who give their time and expertise to boards and committees, providing governance and generating events and professional development activities as well as involvement in the publishing processes.

## Report of the trustees

### Branches

#### Introduction:

The regional branches of the Nuclear Institute (NI) represent the "engine room" of the organisation with much of the activity being carried out through this route. There are ten branches (shown geographically North to South):

- North of Scotland Branch
- Central and Southern Scotland Branch
- North East Branch
- Cumbria Branch
- North West Branch
- Midlands Branch
- Central England Branch
- Western Branch
- South East Branch
- London Branch

Additionally, and treated as a Branch, is the Young Generation Network (YGN) which operates nationally and has strong international links and the South African Branch which is an affiliated organisation.

#### Activities of the Branches:

The Branches have four main activities although there is significant linkage and overlap between them. These activities are aimed at delivering the NI's charitable objects or generating revenue to facilitate that delivery. The activities are:

- Running events
  - Generally branches organise a series of evening talks during the period September to April. These talks are free and open to the general public. They are broadly aimed at raising the profile of nuclear matters and enhancing nuclear knowledge at large.
  - Many branches also host longer events such as day long seminars/conferences on specific nuclear topics often relevant to the area. The YGN is notable for such events with its "Rough Guides" being well known and highly regarded in the sector. Delegates' fees are generally charged for these longer events in order to cover the venue and administration costs with any surplus contributing to the NI's annual plans.
- Supporting Education and Training.
  - All branches, and particularly the YGN, have strong links to local schools and colleges characterised by offering talks on nuclear aimed at de-mystifying the technology and hopefully encouraging youngsters to think about engineering careers in the wider sense. Such activities raise the profile of the NI and contribute to increasing membership.
  - Some branches also regularly organise young speakers' competitions, where young professionals are encouraged to enter. This helps enhance their presentation skills and again raises the profile of the NI and can potentially attract new members.

## Report of the trustees

- Generating new NI members.
  - Branches have strong links to local organisations within industry and academia and through these routes promote the NI with the aim of increasing individual membership. The NI also offers Company membership which is sometimes initiated locally through branches.
- Hosting local annual dinners.
  - Some Branches host annual dinners. These represent excellent networking events for those in the nuclear sector in the area and also raise the NI profile and potentially attract new members. Again a charge is made to cover the running of the dinner with any surplus being made available to deliver the NI charitable objects. Of particular note due to their "Well Established" position are the following dinners:
    - North West Branch – a significant event with attendance in the region of 800
    - Western Branch
    - YGN
    - Central England Branch
    - Cumbria Branch

### Delivering Public Benefit

The trustees have given due consideration to the Charity Commission's published guidance on the operation of the Public Benefit Requirements. The Nuclear Institute operates as a technical publisher, events organiser and public champion of issues relating to nuclear energy, as well as a membership body. While some of the Institute's work engages directly with the general public, for example the Institute operates a number of open and free evening lectures, the bulk of the Institute's public benefit is provided by supporting the generation and dissemination of knowledge amongst members and other individuals actively engaged in science, engineering and technology of nuclear energy.

The Institute also undertook a lead in the area of education and training by running conferences linked to Nuclear New Build and Decommissioning as well as smaller seminars.

During 2012, the Institute spent over £37,530 on a number of different education and training initiatives.

### Membership Committee

The Membership Committee has been very busy this year researching, writing and publishing a new set of professional membership policy, process, assessment and CPD related documents to meet the various License Conditions of the Engineering Council and the Science Council. These documents cover both HQ and volunteer processes and procedures. The HQ documents address the receipt, verification and despatch of professional membership applications, arranging Professional Review Interviews and the subsequent processing of successful candidates for membership and registration.

The Membership Committee volunteer related documents cover the policy, process, conduct, reporting and recording of Professional Review Interviews for Registration for Standard Route candidates with both the Engineering Council and Science Council, for those applicants who have the necessary exemplifying academic qualifications such as an accredited Masters degree for Chartered status. They also cover the processes for Individual Route candidates, for applicants who do not have the necessary exemplifying academic qualifications. Detailed procedures have been produced for suitably qualified and experienced Individual Route candidates who have gained the necessary professional equivalences in the work place rather than at university, who are usually taken forward for registration with the Engineering Council through the so-called 'Experiential Learning Route', which essentially involves a 30-minute Technical

## Report of the trustees

Interview prior to the normal 60-minute Professional Review Interview. Work is currently underway to produce a similar set of 'Experiential Learning Route' processes for Science Council registration.

The new procedures were endorsed at a joint Engineering Council/Science Council follow up License compliance audit conducted at the new NI premises in Mayfair, in November 2012. The audit report was very positive and indicated that the Nuclear Institute "has made significant progress since the five year licence review in October 2010 and the interim review in November 2011. The Nuclear Institute has been very open and maintained a high level of contact to complete all outstanding actions. They have regularly sought advice on good practice and their own ideas, from the Liaison Officer and Engineering Council staff". While the Science Council are planning to revisit in late 2013 to review progress with the planned Individual Route processes for Chartered Scientist, the audit confirmed that the Nuclear Institute's current License to Register suitably qualified and experienced Chartered Engineers, Chartered Scientists, Incorporated Engineers and Engineering Technicians remains extant until January 2016.

### Events Committee

The Events Committee continued to be active with the full involvement of its members and organised a range of events for 2012. The main events for 2012 were Decommissioning Conference (Decom 2012) run jointly with the Institution of Mechanical Engineers (IMechE), Radioactive Material Transport Conference (RAMTRANS) and Fuel Cycle. Additionally the Nuclear Institute supported the European Nuclear Society (ENS) in the organisation of TOPFUEL and the European Nuclear Conference which were both held in Manchester. A number of one day seminars were organised. RAMTRANS proves successful but the consolidation of the Nuclear Decommissioning Authority (NDA) estate under the Parent Body Organisations (PBO), as predicted last year, has made it more difficult to attract attendees from the Site License Companies seem in the modest attendance and sponsorship uptake at Decom 12

### Education and Training Committee

During 2012, the Education and Training (E&T) Committee which met three times, continued with the charitable objectives set by the Board of Trustees. Going forward a new strategy has been set, and implementation is planned for early 2013.

The charitable objectives covers a wide range of activities from schools, prizes and awards for outstanding achievement, local communities across the UK, science and technology (STEM programme) further education, apprentices, through to pre and post graduate programmes. In addition we looked at how to develop the NI Nuclear Delta (the mix of competencies that separate a nuclear professional from those working in other sectors), continuous professional development (CPD), and training initiatives covering a lifetime of learning, both for members of the Institute, and those associated with the industry, and wider community.

Much of the work of the Committee is delivered via the Branches of the NI, and the sterling work of its two sub committees. During 2012 the government has progressed development of nuclear skills and education, through a number of initiatives, resulting in the formation of various bodies, alliances, and organisations which support the three main areas of new build, the NDA, and ensuring a skilled workforce.

Notable developments during the year were:

- The young speaker competitions for 16 to 37 age group held by each Institute Branch demonstrated very high quality, and commitment from all involved, and the judges had a difficult task selecting winners.
- Prizes for outstanding achievements at school, apprentice, and graduate levels in the UK, and YGN person of the year were awarded.

## Report of the trustees

- Initiatives supported ranged from STEM ambassadors, to material for schools programmes, and developing links with other Institutions and skill organisations to promote the Nuclear Delta, which sits at the heart of nuclear professionalism, irrespective of a members professional qualifications.
- Committee members also worked hard giving professional inputs to work undertaken by Cogent, NSAN, and others, often on a voluntary basis over and above their professional occupation

Considerable support was also given to Young Generation Network (YGN) E&T work, and the Nuclear Academic Industrial Liaison Sub-committee (NAILS). NAILS is the Academic sub-group to E&T, and support University-related programmes, Undergraduates through UNTF events, and prizes. Finally the NI South East Branch organised an excellent educational visit to Flamanville, the new EPR under construction in France, together with Cap Le Hague, the French equivalent of Sellafield, and a follow up visit to Sizewell B. We thank them for all the hard work in organising and delivering these to key stakeholders across the industry.

Young Generation Network (YGN)

During 2012, The YGN held several regional speaking competitions, culminating in the National Grand Final Speaking Competition. The Winner of the Grand Final spoke at the YGN Annual Day Seminar 2012. Standards were high and the judges found it hard to select winners at every stage. At the YGN Annual Dinner, the YGN Excellence prize was awarded, recognising the achievements of emerging talent.

YGN also supported Engineering Your Future (EYF) throughout the year, as well as STEM ambassador initiatives. YGN also delivered a programme of seminars and audience with events as well as facilitating opportunities for YGN members to volunteer at and thus attend major industry conferences.

YGN maintained links within the international YGN community, facilitating international conferences.

YGN offered free student places at the seminars throughout 2012, thus supporting the charitable objectives and promoting nuclear knowledge.

### **Developments and Achievements during the Year**

#### **Public Affairs**

Objectives in this area are to provide informed opinion to guide policy formation and, where appropriate, to engage the public in understanding relevant technical issues.

Submissions to UK government policy debate have included responding to government consultations on:

- Ministry of Defence Submarine Dismantling Project public consultation
- Justification of Plutonium reuse
- Geological Waste in West Cumbria (response led by the Cumbria Branch)
- Consultation on the amendment of the Nuclear Waste and Decommissioning (Finance and Fees) Regulations 2011 consultation
- Office of Nuclear Regulation consultation on the interpretation of 'bulk quantities' of nuclear material.

## Report of the trustees

### Operational improvements

During 2012, the Board of Trustees took the decision to move the head quarters of the NI to central London, a move that was completed in July 2012. The premises of Allan House were put up for sale and a purchaser identified by December 2012. The capital from the sale of these premises will be put into the reserves for future charitable use. However, this did lead to increased operational costs during 2012.

In the autumn, the NI further improved its operational infrastructure, by investing in a new membership management database and website. The Board of Trustees took the decision to invest in these important infrastructure developments to improve operational efficiency.

### Financial and Business Planning Committee

The Financial and Business Planning (F&BP) Committee operates very much as an enabler for other committees and the branches, ensuring that the finance, business systems and infrastructure are in place, so that the charitable objectives of the Nuclear Institute can be delivered effectively and efficiently.

A significant element of this is the development of and recommendation to the Board of Trustees of the Nuclear Institute's budget. The F&BP Committee has seen further improvements to the budget development process, particularly earlier and more detailed budgets for each branch being fed into the overall budget.

Regular reviews of the organisation's management accounts have been carried out, with challenges to aspects of the accounts contributing to improvements in the financial management implemented by the Executive Secretary. There has been a stronger emphasis on cash flow. Regular reviews of relevant risks on the Nuclear Institute's risk register, together with the identification of new risks, have been carried out.

The Chairman would like to thank the members of the F&BP Committee for their commitment to the Nuclear Institute by participating in the work of the committee.

### Financial Review

The Consolidated Statement of Financial Activities on page 13 reflects the performance of the Institute for year ending 31st December 2012.

Income from the trading company, NI Enterprises Limited, for the year amounted to £636,832 and expenditure, excluding an intercompany management charge of £41,000, being £422,022. In the year ending 2012 the trading company made surplus a of £173,810 for the group.

During the year, the Nuclear Institute received 'gifts in kind', these included meeting rooms, meeting refreshments and site visits. The value of the gift is shown in note 2.

## Report of the trustees

### Investment Policy

The risk requirement is managed at an overall level by diversifying the investment portfolio between different asset classes and geographic markets which have been agreed with individual managers together with maximum ranges for these allocations.

The NI's investment portfolio is managed by Fidelity Coutts.

The NI has tailored benchmarks agreed with the investment managers, the Total Fund benchmark being a weighted average of the two individual managers' benchmarks.

The market values of the Group's investments were £582,017 at 31 December 2012.

### Reserves Policy

The trustees consider it prudent to keep unrestricted reserves at levels which ensure that there are sufficient funds to meet the needs of current and future activities. Trustees are considering designating sufficient funds from unrestricted reserves into: Operations, Development and New Initiatives Reserves in future years.

The level of free reserves, currently at £165,664 is equal to 2.3 months of running costs. The Trustees are reviewing the reserves policy.

### Risk Management

The importance of risk management continues to be fully accepted by the Trustees.

### Trustees' Responsibilities for the Financial Statements

The trustees are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees 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; 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 that 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 Charities Act 2006, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Report of the trustees

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Auditors

A resolution for the reappointment of Kingston Smith LLP as auditor of the charitable company will be proposed at the forthcoming Annual General Meeting.

The Annual Report was approved by the Board of Trustees and signed on its behalf by:

**Mr N Harrison - President**

Date: Norm Harrison

**Charity No: 1125404**  
**Company No: 06574762**

17 September 2013

## Report of the independent auditors to the members of The Nuclear Institute

We have audited the financial statements of The Nuclear Institute for the year ended 31 December 2012 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable 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 charitable company's members and trustees those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition we read all the financial and non financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2012 and of the group's incoming/outgoing resources and application of resources, including its income and expenditure, for the year then ended; and
- 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**

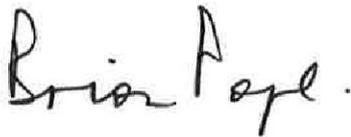
In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Report of the independent auditors to the members of The Nuclear Institute

**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 to you if, in our opinion:

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



**Brian Pope (Senior Statutory Auditor)**  
**for and on behalf of Kingston Smith LLP**

**Chartered Accountants**  
**Statutory Auditor**



Orbital House  
20 Eastern Road  
Romford  
Essex  
RM1 3PJ

## Consolidated statement of financial activities

	Note	Unrestricted £	Total 2012 £	Total 2011 £
<b>Incoming resources</b>				
Incoming resources from generated funds:				
Voluntary income	2	7,947	7,947	50
Investment income and interest	3	11,722	11,722	11,641
Incoming resources from charitable activities:				
Members' subscriptions		177,680	177,680	219,463
Operational programmes	4	23,988	23,988	19,523
		<u>221,337</u>	<u>221,337</u>	<u>250,677</u>
Activities for generating funds:				
Trading operations	5	<u>636,832</u>	<u>636,832</u>	<u>739,196</u>
<b>Total incoming resources</b>		<u>858,169</u>	<u>858,169</u>	<u>989,873</u>
<b>Charitable expenditure</b>				
Costs of generating funds		426,672	426,672	498,488
Charitable activities		350,277	350,277	396,271
Governance costs		<u>103,636</u>	<u>103,636</u>	<u>81,102</u>
<b>Total resources expended</b>	6	<u>880,585</u>	<u>880,585</u>	<u>975,861</u>
Net (outgoing)/incoming resources		(22,416)	(22,416)	14,012
Gain/(Loss) on investments - unrealised		40,461	40,461	(19,497)
Gain/(Loss) on investments - realised		<u>1,261</u>	<u>1,261</u>	<u>(4,714)</u>
<b>Net movement in funds</b>		19,306	19,306	(10,199)
Total funds brought forward		<u>1,161,257</u>	<u>1,161,257</u>	<u>1,171,456</u>
<b>Total funds carried forward</b>	14	<u>1,180,563</u>	<u>1,180,563</u>	<u>1,161,257</u>

All incoming resources and resources expended are derived from continuing activities.

There were no other gains and losses apart from the result for the year.

The accompanying accounting policies and notes form an integral part of these financial statements.

## Consolidated Balance Sheets

	Note	Group December 2012 £	Group December 2011 £	Charity December 2012 £	Charity December 2011 £
<b>Fixed assets</b>					
Tangible assets	9	1,946	432,588	1,946	432,588
Investments	10	582,017	533,382	582,017	533,382
Subsidiary companies	10	-	-	100	100
		<u>583,963</u>	<u>965,970</u>	<u>584,063</u>	<u>966,070</u>
<b>Current assets</b>					
Assets held for sale	11	430,936	-	430,936	-
Debtors	12	173,298	76,447	149,007	39,718
Cash at bank and in hand		170,585	215,278	62,051	202,732
		<u>774,819</u>	<u>291,725</u>	<u>641,994</u>	<u>242,450</u>
Creditors: amounts falling due within one year	13	<u>(178,219)</u>	<u>(96,438)</u>	<u>(45,494)</u>	<u>(47,263)</u>
Net current assets		<u>596,600</u>	<u>195,287</u>	<u>596,500</u>	<u>195,187</u>
<b>Total assets less current liabilities</b>		<u>1,180,563</u>	<u>1,161,257</u>	<u>1,180,563</u>	<u>1,161,257</u>
<b>Funds</b>					
Unrestricted funds	14	<u>1,180,563</u>	<u>1,161,257</u>	<u>1,180,563</u>	<u>1,161,257</u>

These financial statements have been prepared in accordance with the provision applicable to companies subject to the small companies regime within part 15 of the Companies Act 2006. The financial statements were approved by the Board of Trustees on 17 September 2013

  
 Mr K Mayer - Treasurer

  
 Norman Harrison - Trustee

Company Registration no: 06574762.

# Notes to the financial statements

## **1. Accounting Policies**

### **1.1 Basis of preparation**

The financial statements of the charitable company and group have been prepared under the historical cost convention, modified to include the revaluation of freehold land and buildings, and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005), updated 2007.

The principal accounting policies of the charitable company and group are set out below.

### **1.2 Consolidation**

These financial statements consolidate the results of the charitable company, its branches and its wholly owned trading subsidiary N.I. Enterprises Ltd., on a line by line basis. A separate Statement of Financial Activities (SOFA) is not presented because the charitable company has taken advantage of the provisions of paragraph 397 of the SORP and section 408 of Companies Act 2006.

### **1.3 Fixed asset investments**

Quoted fixed asset investments are included at market value at the balance sheet date. Any gain/loss on revaluation is credited/charged to the SOFA. Cash on deposit awaiting investments is included in investments. Income from investments is accounted on the basis of when dividends are receivable. Interest on bank deposits is accounted for on a receivable basis.

### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets other than land and freehold property are capitalised at cost where the acquisition value is greater than £250 and are stated at cost, net of depreciation. Land and freehold property is included in the balance sheet at valuation.

Depreciation on fixed assets is provided at rates calculated to write down the cost less estimated residual value over their expected useful lives.

The rates applicable are:

Land	Nil
Freehold property	2% on a straight line basis
Office furniture and equipment	25% on a straight line basis

### **1.5 Taxation**

The charitable company is exempt from taxation under current legislation.

### **1.6 Cash flow**

The charitable company has used the exemption under Financial Reporting Standard No 1 (revised) not to prepare a cash flow statement as it qualifies as a small entity.

## Notes to the financial statements

### **1.7 Incoming resources**

#### **Member subscriptions**

Income from member subscriptions is included in incoming resources when these are received, except in the case of subscriptions which are specifically stated to be in respect of an ensuing accounting period.

#### **Grants, donations and sponsorship income**

Grants, donations and sponsorship are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specific future period, in which case they are deferred.

#### **Interest receivable**

Interest is included when receivable by the charitable company.

#### **Journal income**

Income from journals is recognised following publication of the journal and is accounted for on an accruals basis.

#### **Commercial trading activities**

Income from commercial activities shown in the Statement of Financial Activities represents amounts receivable during the year from conference attendance, exclusive of Value Added Tax.

Income from conferences is recognised at the conference date, income received in advance of the conference is deferred until the conference date.

### **1.8 Resources expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

#### **Costs of generating funds**

Costs of generating funds comprise the costs of managing the investment portfolio which are substantially investment management fees.

#### **Costs of direct charitable activities**

Costs in support of charitable activities comprise central overheads related to the organisational management and administration costs on specific activities. These are apportioned 90% to charitable activities and 10% to governance costs.

#### **Governance costs**

Governance costs comprises the cost of audit, the costs relating to the Board of trustees carrying out the group's duties and the cost of statutory compliance.

### **1.9 Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the expenditure account on a straight line basis over the period of the lease.

## Notes to the financial statements

### 1.10 Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charitable company.

### 1.11 Liabilities

Liabilities are recognised when there is a legal and constructive obligation committing the charitable company to the expenditure.

## 2 Voluntary income

	Unrestricted £	Total 2012 £	Total 2011 £
Donations and Gift in Kind	7,947	7,947	50

## 3 Investment income and interest

	Unrestricted £	Total 2012 £	Total 2011 £
Investment income - quoted investments	11,722	11,722	11,641

## 4 Operational programmes

Contributions from operational programmes in the year were as follows:

	Unrestricted £	Total 2012 £	Total 2011 £
Functions (branches & other)	23,988	23,988	19,523

## Notes to the financial statements

### 5 Trading operations

NI Enterprises Limited, which is incorporated in the United Kingdom, is a wholly owned trading subsidiary of the charitable company and its audited financial statements are filed with the Registrar of Companies. Its principal activities are the organisation of conferences, seminars and the publication of a journal.

A summary of the trading results of this company for the year ended 31 December 2012 are shown below:

	2012 £	2011 £
Turnover:		
Annual dinner and functions	636,832	739,196
	636,832	739,196
Cost of sales and administrative expenses	(463,022)	(534,902)
Profit on ordinary activities before interest	173,810	204,294
Gift Aid to charitable company	(173,810)	(204,294)
Retained in the subsidiary	-	-

### 6 Resources expended

	Cost of generating funds £	Charitable activities £	Governance costs £	Support costs £	Total 2012 £	Total 2011 £
Staff costs	-	79,154	17,589	79,153	175,896	186,430
Premises cost	-	-	-	10,893	10,893	18,957
Legal & professional	-	-	18,098	-	18,098	1,945
Consultancy	-	-	-	18,617	18,617	16,817
Audit & accounting	-	-	12,145	-	12,145	26,033
Subscriptions	-	-	-	1,153	1,153	-
Bank charges	-	-	-	7,069	7,069	3,117
Investment management cost	4,650	-	-	-	4,650	4,586
Provision for bad debt	-	-	1,676	-	1,676	60,571
NUC NET subscription	-	519	-	-	519	525
Science Council Subscription	-	2,265	-	-	2,265	5,289
Depreciation	-	-	-	758	758	8,652
Office cost	-	-	-	56,577	56,577	34,084
EC UK subs	-	11,997	-	-	11,997	11,217
Education and training	-	9,743	-	-	9,743	8,974
Branches	-	27,787	-	-	27,787	47,219
European Nuclear Society subscription	-	16,874	-	-	16,874	19,810
Meeting expenses	-	-	31,691	-	31,691	22,455
Relocation cost	-	-	-	13,613	13,613	-
Trading operations	422,022	-	-	-	422,022	493,402
Website and database	-	-	-	29,583	29,583	-
Website and publicity	-	-	-	6,959	6,959	5,278
	426,672	148,339	81,199	224,375	880,585	975,861
Support costs:	-	201,938	22,437	(224,375)	-	-
Total charitable activities	426,672	350,277	103,636	-	880,585	975,861

## Notes to the financial statements

### 6 Resources expended (continued)

Included in audit and accountancy costs is auditors' remuneration of £10,500 (2011: £12,000).

### 7 Staff costs and number

	2012	2011
	£	£
Wages and salaries	152,027	150,563
Social security costs	14,635	14,676
Employers pension	-	1,464
Temporary staff	9,234	19,727
	<u>175,896</u>	<u>186,430</u>

One employee received remuneration between £60,000 - £70,000 (2011: none). The average number of employees during the year was 5 (2011: 5) and they were all administrative staff.

### 8 Transactions with trustees

No member of the Board of Trustees received any remuneration for services to the charitable company for the year. During the year travel and subsistence costs totalling £4,842 (2011: £4,470) were reimbursed to 8 Trustees. Included in trade creditors at the year end is £nil (2011: £679) owed to trustees in relation to travel and subsistence costs.

### 9 Tangible fixed assets

Group and charity	Land and freehold property £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 January 2012	450,000	51,408	501,408
Additions	-	1,721	1,721
Transfer to current assets	(450,000)	-	(450,000)
Disposals	-	(47,596)	(47,596)
At 31 December 2012	<u>-</u>	<u>5,533</u>	<u>5,533</u>
Depreciation			
At 1 January 2012	19,064	49,756	68,820
Provided in the year	-	758	758
Transfer to current assets	(19,064)	-	(19,064)
Disposals	-	(46,927)	(46,927)
At 31 December 2012	<u>-</u>	<u>3,587</u>	<u>3,587</u>
Net book value at 31 December 2012	<u>-</u>	<u>1,946</u>	<u>1,946</u>
Net book value at 31 December 2011	<u>430,936</u>	<u>1,652</u>	<u>432,588</u>

## Notes to the financial statements

### 10 Fixed asset investments

	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Quoted investments	582,017	533,382	582,017	533,382
Subsidiary (N I Enterprises Limited)	-	-	100	100
	<u>582,017</u>	<u>533,382</u>	<u>582,117</u>	<u>533,482</u>

#### Quoted investments

	Group and Charity 2012 £	Group and Charity 2011 £
Market value at 1 January 2012	513,671	526,026
Acquisitions at cost	17,726	82,809
Disposals	(4,963)	(70,953)
Net realised and unrealised gain/(loss) in the year	41,722	(24,211)
Market value at 31 December 2012	<u>568,156</u>	<u>513,671</u>
Cash on deposit awaiting investment	13,861	19,711
Total value at 31 December 2012	<u>582,017</u>	<u>533,382</u>

The historical cost of quoted investments as at 31 December 2012 was £477,144 (2011: £464,381)

The following investment holdings represent more than 5% of the value of the portfolio at 31 December 2012.

	£
Coutts Fund Managers UK Equity Index Programme	166,037
Coutts Fund Managers Grade Bid Programme	61,576
Coutts Fund Managers UK specialist Equity Programme	37,854
Coutts Global Investment Grade Bond Programme	<u>35,687</u>

## Notes to the financial statements

### 10 Fixed asset investments (continued)

#### Geographical analysis

	<b>Total 2012 £</b>	<b>Total 2011 £</b>
<b>United Kingdom</b>		
Fixed interest	193,610	164,712
Equities	203,891	203,911
<b>Overseas</b>		
Equities	121,356	100,273
Alternative investments	49,299	44,775
	<u>568,156</u>	<u>513,671</u>
Cash on deposit awaiting investment	13,861	19,711
	<u>582,017</u>	<u>533,382</u>

#### Unquoted investments

At 31 December 2012 the charitable company owned the entire issued share capital of 100 ordinary £1 shares each in NI Enterprises Ltd. The trading results of that company are set out in note 5. At 31 December 2012 the aggregate amount of that company's assets, liabilities, share capital and reserves was:

	<b>2012 £</b>	<b>2011 £</b>
Current assets	256,178	88,421
Creditors: amounts falling due within one year	<u>(256,078)</u>	<u>(88,321)</u>
	<u>100</u>	<u>100</u>
Represented by:		
Share capital	100	100
Reserves	-	-
	<u>100</u>	<u>100</u>

## Notes to the financial statements

### 11 Assets held for sale

At the balance sheet date the trustees had decided to sell the freehold property in South London owned by the charity. Therefore the value of the property previously shown as fixed assets has been transferred to current assets.

### 12 Debtors

	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Trade debtors	137,610	58,248	3,707	-
Amounts due from group undertakings	-	-	123,353	39,146
Other debtors	14,809	6,069	1,068	-
Prepayments	20,879	572	20,879	572
VAT recoverable	-	11,558	-	-
	<u>173,298</u>	<u>76,447</u>	<u>149,007</u>	<u>39,718</u>

### 13 Creditors: amounts falling due within one year

	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Trade creditors	102,427	27,382	10,835	16,678
Other taxes and social security	6,014	3,957	3,771	3,957
Accruals	69,523	43,042	30,888	26,628
Deferred income	255	22,057	-	-
	<u>178,219</u>	<u>96,438</u>	<u>45,494</u>	<u>47,263</u>

### 14 Analysis of funds

#### Group and charity

	As at 1 January 2012 £	Incoming resources £	Outgoing resources £	Gains on revaluation £	As at 31 December 2012 £
Unrestricted funds					
General funds	1,161,257	858,169	(880,585)	41,722	1,180,563
	<u>1,161,257</u>	<u>858,169</u>	<u>(880,585)</u>	<u>41,722</u>	<u>1,180,563</u>

## Notes to the financial statements

### 15 Analysis of net assets between funds

Group	Unrestricted	Total	Total
	£	2012	2011
Fixed assets	583,963	583,963	965,970
Current assets	774,819	774,819	291,725
Current liabilities	(178,219)	(178,219)	(96,438)
	<u>1,180,563</u>	<u>1,180,563</u>	<u>1,161,257</u>

Charity	Unrestricted	Total	Total
	£	2012	2011
Fixed assets	584,063	584,063	966,070
Current assets	641,994	641,994	242,450
Current liabilities	(45,494)	(45,494)	(47,263)
	<u>1,180,563</u>	<u>1,180,563</u>	<u>1,161,257</u>

### 16 Financial commitments

At 31 December 2012 the charitable company was committed to making following payments under non cancellable operating leases in the year to 31 December 2013.

	Hire of office equipment		Land and Buildings	
	2012	2011	2012	2011
	£	£	£	£
Operating lease that expire:				
Within one year	-	-	20,160	-
Between two and five years	2,856	5,961	-	-
	<u>2,856</u>	<u>5,961</u>	<u>20,016</u>	<u>-</u>

### 17 Post Balance Sheet Event

Since the balance sheet date the property held for sale within current assets has been sold. The sale was completed on 16 May 2013 at the final price of £551,296.

## Notes to the financial statements

### **18 Surplus / (Deficit) for the financial year**

As permitted by section 408 of the Companies Act 2006, the parent charitable company's Statement of Financial Activities has not been included in these financial statements. The surplus/(deficit) for the financial year is made up as follows:

	2012 £	2011 £
Parent charitable company's surplus/(deficit) for the financial year	<u>19,306</u>	<u>(10,199)</u>

### **19 Company status**

The charitable company is limited by guarantee not having a share capital. In the event of winding up, under the terms of the Memorandum of Association each member guarantees the sum of £1.

