This annual review contains a summary of the Institute’s objectives and aims together with details of achievements and finances for 2010, as well as plans for 2011.
OUR VISION
Our vision is to be recognised as the global leader for professionals involved with the materials cycle

OUR MISSION
• To promote the science, design, engineering and technology of materials, minerals and mining and their practical applications.
• To facilitate qualifications, professional recognition and development, and to deliver knowledge, information and networking services to a global membership and wider community

PUBLIC BENEFIT
Materials form an integral and important part of all our lives. The materials cycle covers the exploration and extraction of raw materials from the earth, processing them into industrial/engineered materials, application of these materials, recycling of waste and the ultimate disposal of waste in an environmentally friendly way. It is more important than ever that the scientists, engineers and technologists involved in the materials cycle are qualified and experienced to make the best use of materials in terms of economics, efficiency and sustainability for the benefit of the public. The Institute makes a major contribution to this through its objectives and activities.

The Institute has referred to the guidance contained in the Charity Commission’s guidance on public benefit when reviewing its aims and objectives and in planning future activities. In particular the Council consider how planned activities will contribute to the aims and objectives it has set.

CORPORATE AIMS
• Our strategic plan contains the following corporate aims:
  • Increase the membership and the retention of members.
  • Promote the importance and relevance of our subject areas and increase our influence.
  • Improve membership services in extent, quality and perception.
  • Operate at a surplus with sufficient reserves to meet at least one year’s activities.

Council has committed its efforts to the resourcing and delivery of the corporate aims. In view of the operating results in 2009, we concentrated our plans for 2010 on returning to the operating performance achieved in earlier years.

FINANCIAL AND ORGANISATIONAL AIMS
Our plans for 2010
Our plans included improving performance from all of our income generating and charitable trading activities as well as a reduction in overheads. Particular importance was placed on controlling costs within the Materials Information Service and Starpack activities. Our plans also included the continuing promotion of the Grantham premises and the completion of the governance review.

Achievements and performance
The Institute made good progress in returning to previous performance by generating an operating surplus of £164k compared to an operating deficit of £279k during 2009. There were net gains on investment assets and actuarial gains on the pension defined benefit scheme leading to an overall net surplus for the year of £1,282k (2009 -£236k). The net assets increased from £9.2m to £10.5m during the year and the balance sheet continues to show a healthy financial position. A summary of the financial statements for 2010 is shown on the fourth page of this review.

Whilst the 2010 result was good, the Institute faces a number of financial challenges including a reduction in public spending that may directly and indirectly reduce future income and increased costs associated with a potential rent increase from January 2012. Towards the end of the year, a programme commenced to re-organise the staff structure and reduce office space to meet the challenges facing the Institute. In particular, an internal sales and marketing team has been set up to reverse falling advertising revenue and offer a co-ordinated package of services to our customers. Our Doncaster office will be closed and more staff will be located in Grantham. Consideration is being given to selling our freehold properties in Doncaster and Stoke but we intend to retain offices in London, Stoke and Grantham.

Good progress has been made on the review of the Institute’s governance structure but the process has been much more involved than anticipated and it is now expected that the final proposals will be put to the members for approval in 2011.

Looking forward to 2011
The early part of 2011 has been spent in the development of the reorganisation plan. The benefits of the new structure are unlikely to be seen until late in 2011 and, in view of the economic situation; the operating surplus is budgeted to be less than 2010.
PROMOTING THE IMPORTANCE AND RELEVANCE OF OUR SUBJECT AREAS AND INCREASING OUR INFLUENCE

Our plans for 2010
Our plans included the maintenance and improvement of existing activities and included holding the biannual Materials Congress overseas for the first time outside the UK in Kuala Lumpur.

Achievements and performance
Through, IOM Communications Ltd, the Institute continued to publish its range of learned journals and member magazines. Wood Focus, our first on-line only magazine was successfully launched in the year and a prototype Mining Digest was produced for the mining community. A wide range of smaller conferences including two new events, Innovation to Sustainability and OPTIMOM, were held during the year. Unfortunately, the plans to hold Materials Congress in Kuala Lumpur were cancelled and the next event in the series (with the theme of materials at the Olympics) will be held in London in 2012. The information services team continued to support the Materials Knowledge Transfer Network which is funded by the Technology Strategy Board to improve industrial innovation and global competitiveness of UK businesses making or using materials. We were appointed by the World Packaging Organisation to administer the Worldstar Awards. Our existing training services expanded in the year and these were complemented by the introduction of wood training courses.

During 2010 and 2011, the Institute widened its area of expertise with the launch of two new cross cutting specialist groups, the Natural Materials Association and the Construction Materials Group. The 16 technical divisions and 59 affiliated local societies offered their communities a variety of services during the year and much further information can be found on our website. The Schools Affiliates Scheme, set up to interest young people in materials, was revitalised and re-launched its web presence with enhanced information available for school and college pupils, teachers, parents and governors.

Looking forward to 2011
We will seek to increase our visibility overseas whilst maintaining and improving existing activities.

INCREASING MEMBERSHIP

Our plans for 2010
We aim to increase membership through merger and organic growth. Merger development was scaled back as our staff resources were utilised in improving operating performance. An improved package was developed in 2009 to attract more members and non-members to become fellows of the Institute and this will be introduced in 2010.

Achievements and performance
The package of benefits aimed at fellows of the Institute was successfully launched in the Fellows’ Lounge on the Institute’s website in October 2010. Whilst there was no merger activity, the members of the Institute of Vitreous Enamellers joined the Institute to form the Vitreous Enamellers Society within the Surface Engineering Division. Paid up members totalled 16,042 at 31 December 2010 (2009: 16,461).

Looking forward to 2011
We will continue to target strategic mergers and recruit fellows from within and outside the Institute.

IMPROVING MEMBERSHIP SERVICES

Our plans for 2010
In addition to implementing the improved package of benefits for fellows, we planned web development to provide members with greater knowledge resources and better facilities to record continuing professional development (CPD).

Achievements and performance
Members benefit from the many technical services provided by IOM Communications Ltd, the Institute’s technical divisions and the affiliated local societies that it supports. New categories were added to the website including glass, wood, natural materials and materials for defence and security. Improved facilities for recording CPD were also introduced. We have seen encouraging support for social networking through Twitter, Facebook and particularly the LinkedIn group.

Looking forward to 2011
We plan to improve our understanding of members’ needs, ensure that services are integrated and efficient using emerging technologies to deliver members’ needs.
<table>
<thead>
<tr>
<th>STATEMENT OF FINANCIAL ACTIVITIES</th>
<th>2010 £'000</th>
<th>2009 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCOMING RESOURCES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership and related activities</td>
<td>1,351</td>
<td>1,371</td>
</tr>
<tr>
<td>Charitable trading activities</td>
<td>4,424</td>
<td>4,221</td>
</tr>
<tr>
<td>Voluntary income</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td>Activities for generating funds</td>
<td>492</td>
<td>503</td>
</tr>
<tr>
<td>Investment income</td>
<td>370</td>
<td>377</td>
</tr>
<tr>
<td><strong>TOTAL INCOMING RESOURCES</strong></td>
<td>6,649</td>
<td>6,474</td>
</tr>
<tr>
<td><strong>RESOURCES EXPENDED</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership and related activities</td>
<td>2,002</td>
<td>2,218</td>
</tr>
<tr>
<td>Charitable trading activities</td>
<td>3,841</td>
<td>3,903</td>
</tr>
<tr>
<td>Activities for generating funds</td>
<td>467</td>
<td>461</td>
</tr>
<tr>
<td>Investment management costs</td>
<td>32</td>
<td>26</td>
</tr>
<tr>
<td>Governance costs</td>
<td>143</td>
<td>145</td>
</tr>
<tr>
<td><strong>TOTAL RESOURCES EXPENDED</strong></td>
<td>6,485</td>
<td>6,753</td>
</tr>
<tr>
<td><strong>NET INCOMING/(OUTGOING) RESOURCES</strong></td>
<td>164</td>
<td>(279)</td>
</tr>
<tr>
<td><strong>OTHER RECOGNISED GAINS/(LOSSES)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>On investment assets</td>
<td>715</td>
<td>1,042</td>
</tr>
<tr>
<td>Defined benefit pension scheme</td>
<td>403</td>
<td>(527)</td>
</tr>
<tr>
<td><strong>NET MOVEMENTS IN FUNDS</strong></td>
<td>1,282</td>
<td>236</td>
</tr>
<tr>
<td>Total funds brought forward</td>
<td>9,228</td>
<td>8,992</td>
</tr>
<tr>
<td>Total funds carried forward</td>
<td>10,510</td>
<td>9,228</td>
</tr>
<tr>
<td><strong>BALANCE SHEET</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>3,140</td>
<td>3,349</td>
</tr>
<tr>
<td>Investments</td>
<td>8,495</td>
<td>7,786</td>
</tr>
<tr>
<td>Net current (liabilities)</td>
<td>(1,125)</td>
<td>(1,427)</td>
</tr>
<tr>
<td>Pension scheme liabilities</td>
<td>–</td>
<td>(480)</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td>10,510</td>
<td>9,228</td>
</tr>
<tr>
<td><strong>RESTRICTED FUNDS</strong></td>
<td>1,792</td>
<td>1,698</td>
</tr>
<tr>
<td><strong>UNRESTRICTED FUNDS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designated funds</td>
<td>3,633</td>
<td>3,631</td>
</tr>
<tr>
<td>General fund</td>
<td>5,085</td>
<td>3,899</td>
</tr>
<tr>
<td><strong>TOTAL UNRESTRICTED FUNDS</strong></td>
<td>10,510</td>
<td>9,228</td>
</tr>
</tbody>
</table>

The financial statement has been extracted from the full statutory financial statements of the Institute of Materials, Minerals and Mining and may not contain sufficient information to allow for a full understanding of the financial affairs of the Institute.

The full annual report and financial statements have been subjected to an external audit and the audit report thereon was unqualified. Council approved the full annual report and financial statements of the Institute of Materials, Minerals and Mining on 31 May 2011 and these will be filed with the Charity Commission after the annual general meeting.

**CASH FLOW STATEMENT**

<table>
<thead>
<tr>
<th></th>
<th>2010 £'000</th>
<th>2009 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating activities</td>
<td>103</td>
<td>(424)</td>
</tr>
<tr>
<td>Interest and dividends received</td>
<td>336</td>
<td>355</td>
</tr>
<tr>
<td>Sales of investments (net)</td>
<td>6</td>
<td>–</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>(13)</td>
<td>(680)</td>
</tr>
<tr>
<td><strong>INCREASE/(DECREASE) IN CASH</strong></td>
<td>432</td>
<td>(749)</td>
</tr>
</tbody>
</table>

**NOTES**

**CHARTABLE TRADING ACTIVITIES**

**TURNOVER**

- Publishing: 1,153
- Conferences: 287
- Information services: 2,646
- Technology awards: 112
- Training services: 226

**COSTS**

- Publishing: 629
- Conferences: 312
- Information services: 2,591
- Technology awards: 125
- Training services: 184

**RESOURCES EXPENDED**

- Direct costs: 3,345
- Employment costs: 2,210
- Establishment costs: 681
- Administration costs: 249

**NET CURRENT (LIABILITIES)**

- Stocks: 41
- Debtors: 913
- Bank balances: 99
- Current assets: 1,053
- Creditors: (1,495)
- Advance receipts: (683)

A copy of the Institute’s full annual report and financial statements will be available on the Institute website at www.iom3.org/annual-reviews and can be obtained by contacting COLETTE MORGAN

1 Carlton House Terrace London SW1Y 5DB
TEL +44(0)20 7451 7364 • collette.morgan@iom3.org

Copies will be distributed to members attending the AGM on 12 July 2011
Signed on behalf of Council by Mr JCH Lewis
Dr MJ May on 31 May 2011

The full annual report and financial statements have been subjected to an external audit and the audit report thereon was unqualified. Council approved the full annual report and financial statements of the Institute of Materials, Minerals and Mining on 31 May 2011 and these will be filed with the Charity Commission after the annual general meeting.

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**INDEPENDENT AUDITORS**

**STATEMENT TO THE TRUSTEES OF THE INSTITUTE OF MATERIALS, MINERALS AND MINING CHARITY**

We have examined the Institute’s summarised financial statements set out here.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

The trustees are responsible for preparing the summarised financial statements in accordance with the recommendations of the charities SORP.

Our responsibility is to report to you our opinion on the consistency of the summarised financial statements within the annual review with the full annual financial statements and its compliance with the relevant requirements of the charities SORP.

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 summarised financial statements. The other information comprises only the annual review.

**BASIS OF OPINION**

We conducted our work in accordance with Bulletin 2008/3 “The auditors’ statement on the summary financial statement” issued by the Auditing Practices Board. Our report on the charity’s full annual financial statements describes the basis of our audit opinion on those statements.

**OPINION**

In our opinion the summarised financial statements are consistent with the full financial statements and the trustees’ annual report of The Institute of Materials Minerals and Mining charity for the year ended 31 December 2010 and comply with the recommendations of the charities SORP.

**BAKER TILLY UK AUDIT LLP**

Statutory Auditor
Chartered Accountants
12 Glencairns Court
Brighton Road, Crawley
West Sussex, RH10 8AD
31 May 2011