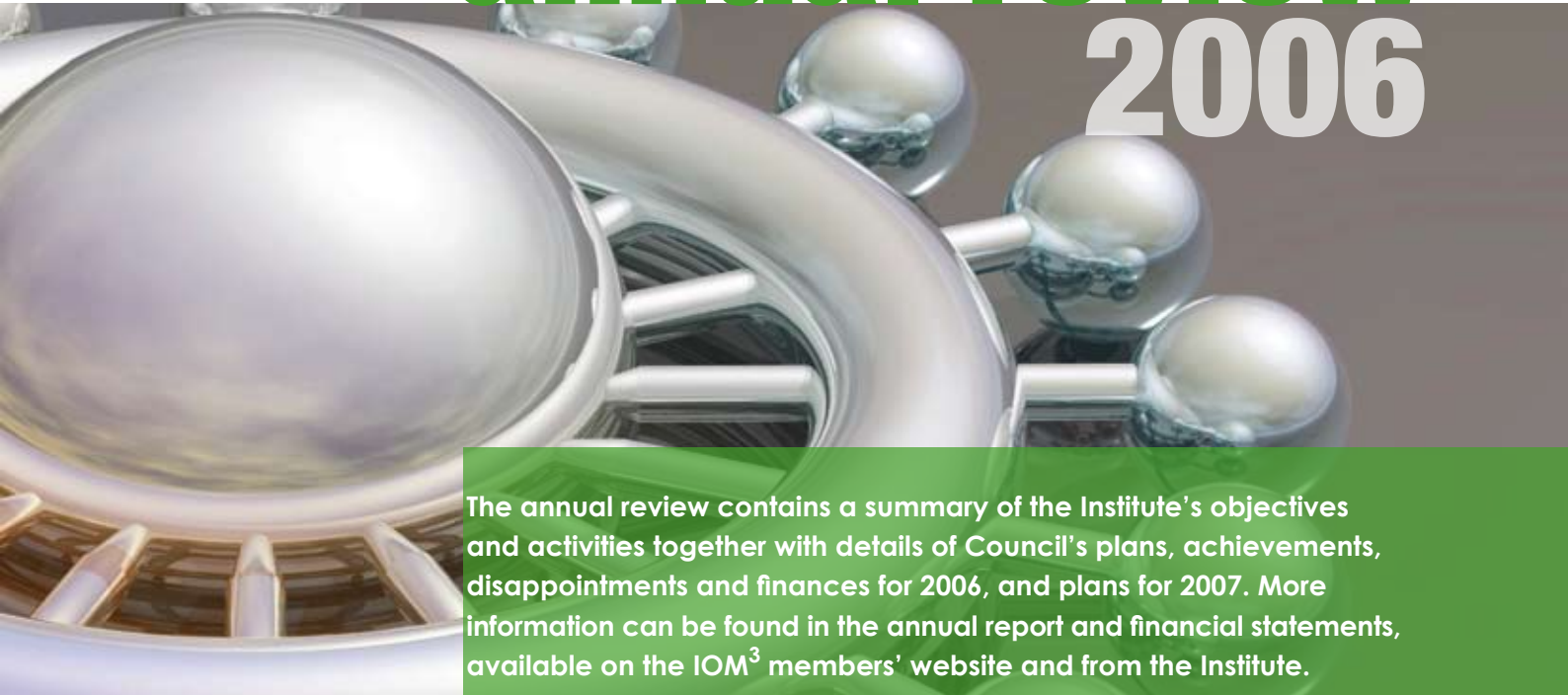


annual review

2006



The annual review contains a summary of the Institute's objectives and activities together with details of Council's plans, achievements, disappointments and finances for 2006, and plans for 2007. More information can be found in the annual report and financial statements, available on the IOM³ members' website and from the Institute.

Our vision

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.

Our activities

We promote materials, minerals and mining science, engineering and technology by providing:

A wide range of member services, including professional recognition and networking opportunities through 16 technical divisions.

Knowledge through our website, libraries, conferences, publications and consultancy services.

An active education programme through schools and universities to attract young people into the profession.

Support and encouragement to younger members and affiliated societies in the UK and overseas.

The visibility of new technology to industry with funding from government.

Our plans for 2006

Our plans for 2006 included the development of a new strategic plan, with increased activities and focus for external projects, links to the design community, and enhanced content within the IOM³ web presence



left: Focus – KTN Newsletter
middle: one of the new journal titles – International Heat Treatment and Surface Engineering
right: MADE Magazine – The Magazine for the Materials and Design Exchange

Our achievements in 2006

Integration of activities and members from the former Institute of Packaging and the Institute of Clay Technology.

Development of a significant critical mass of members within the materials cycle.

An excellent financial result, with this being the fourth year of surpluses.

Agreement of a five year strategic plan (2006-2011) against six corporate aims and individual performance measures.

Development of a pivotal role in both a national Materials Knowledge Transfer Network and the Materials UK organisation.

Extension of the facilities of the Institute with the development of a factory/office in Grantham.

Increasing support to the Design community through a major three year programme involving the Design Council, Royal College of Art, EEF (South) and Institution of Engineering Designers.

Development of greater visibility for technical communities within the Institute, both by a Society model and the evolution of the web portal.

Generation of two new journal titles, and the provision of resource for the production of new conferences.

Extensive feasibility testing for a new website to be launched in 2007.

Our disappointments in 2006

Progress towards the development of ISO approval for membership processing has been slower than anticipated. We hope to increase this activity in 2007.

Membership numbers remained strong both in the professional and younger bands of the grade structure, but we saw higher losses in the general affiliate groups.



Our finances

Consolidated operating surplus of £736k compared to £210k in 2005.

Results from merged institutes incorporated for first time.

Surplus includes one-off merger receipts of £402k.

Income continuing to rise from most sources.

Materials Information Service maintains improved performance.

Poor results from technology improvement award events but difficulties now resolved.

Further staff recruited to support activities.

Investment gains amounted to £562k.

FRS17 pension deficit reduced from £1,450k to £170k.

The actuarial valuation is currently being prepared.

Net assets increased from £8.1M to £10.5M.

Our plans for 2007

Council has committed its efforts to the resourcing and delivery of the IOM³ strategic plan. The plan is wide ranging and new appointments and investments will be required to deliver the defined actions.

A significant expenditure is planned for web developments both to aid the visibility of technical communities, and to fully utilise the quality content from Institute activities.

New communication mechanisms will be developed to reduce meetings cost and to improve the dissemination of events.

Further magazine developments are expected using our magazine and design groups.

Increased resources for educational and accreditation activities will be put in place.

Special emphasis will be placed on the development of overseas groups.

Summarised financial statements

STATEMENT OF FINANCIAL ACTIVITIES

| | 2006 £'000 | 2005 £'000 |
|--|---------------|---------------|
| Incoming resources | | |
| Membership and related activities | 1,294 | 1,186 |
| Charitable trading activities | 3,293 | 2,360 |
| Voluntary income | 407 | 23 |
| Activities for generating funds | 456 | 435 |
| Investment income | 415 | 359 |
| Total incoming resources | 5,865 | 4,363 |
| Resources expended | | |
| Membership and related activities | 1,960 | 1,911 |
| Charitable trading activities | 2,528 | 1,621 |
| Activities for generating funds | 448 | 442 |
| Investment management costs | 37 | 28 |
| Governance costs | 156 | 151 |
| Total resources expended | 5,129 | 4,153 |
| Net incoming resources | 736 | 210 |
| Other recognised gains/(losses) | | |
| On investment assets | 562 | 816 |
| Defined benefit pension scheme | 1,124 | (213) |
| Net movements in funds | 2,422 | 813 |
| Total funds brought forward | 8,121 | 7,308 |
| Total funds carried forward | 10,543 | 8,121 |
| BALANCE SHEET | | |
| Tangible assets | 1,324 | 1,406 |
| Investments | 8,491 | 7,888 |
| Net current assets | 898 | 277 |
| Pension scheme liability | (170) | (1,450) |
| Net assets | 10,543 | 8,121 |
| Restricted funds | 1,763 | 1,675 |
| Unrestricted funds | | |
| Designated funds | 2,349 | 2,368 |
| General fund | 6,431 | 4,078 |
| | 10,543 | 8,121 |

CASH FLOW STATEMENT

| | 2006 £'000 | 2005 £'000 |
|--------------------------------------|---------------|---------------|
| Operating activities | 64 | 95 |
| Interest and dividends received | 415 | 359 |
| Sale of investments | 478 | 234 |
| Purchase of investments | (517) | (277) |
| Capital expenditure | (76) | (50) |
| Increase in cash | 364 | 361 |
| NOTES | | |
| Charitable trading activities | | |
| <i>Turnover</i> | | |
| Publishing | 1,304 | 1,132 |
| Conferences | 608 | 819 |
| Information services | 985 | 409 |
| Technology awards | 167 | - |
| Training services | 229 | - |
| | 3,293 | 2,360 |
| <i>Costs</i> | | |
| Publishing | 640 | 534 |
| Conferences | 486 | 658 |
| Information services | 969 | 429 |
| Technology awards | 247 | - |
| Training services | 186 | - |
| | 2,528 | 1,621 |
| <i>Net contribution</i> | 765 | 739 |
| Resources expended | | |
| Direct costs | 2,455 | 1,922 |
| Employment costs | 1,808 | 1,484 |
| Establishment costs | 575 | 501 |
| Administration costs | 291 | 246 |
| | 5,129 | 4,153 |
| Net current assets | | |
| Stocks | 56 | 22 |
| Debtors | 1,192 | 492 |
| Bank balances | 885 | 521 |
| | 2,133 | 1,035 |
| Current assets | (955) | (522) |
| Creditors | (280) | (236) |
| Advance receipts | | |
| | 898 | 277 |

INDEPENDENT AUDITORS' STATEMENT TO THE TRUSTEES OF THE INSTITUTE OF MATERIALS MINERALS AND MINING

We have examined the summarised financial statements set out on this page.

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 with the full financial statements, on which we reported to you on 18 May 2007 and annual report. We also read the other information contained in the summarised annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summarised financial statements.

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6 "The auditors' statement on the summary financial statement" issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

In our opinion the summarised financial statements are consistent with the full financial statements and the annual report of the Institute of Materials, Minerals and Mining for the year ended 31 December 2006.

BAKER TILLY UK AUDIT LLP
Registered Auditor
Chartered Accountants
12 Gleneagles Court
Brighton Road
Crawley
West Sussex
RH10 6AD
18 May 2007.

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 18 May 2007 and these will be filed with the Charity Commission after the AGM. A copy of these will be available on the members' website at <http://wam.iom3.org> and can be obtained by contacting Dallas Dinsmore at 1 Carlton House Terrace London SW1Y 5DB (email dallas.dinsmore@iom3.org and telephone 020 7451 7364).

Copies will be distributed to members attending the AGM on 4 July 2007.

Signed on behalf of Council by Dr R E Dolby and Mr C T Massey on 18 May 2007.