

The Royal Institution of Naval Architects



2019 Annual Report and Financial Statements for the year ending 30 September 2019

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Royal Institution of Naval Architects

2019 ANNUAL REPORT

OBJECTIVES OF THE INSTITUTION

The Objectives of The Royal Institution of Naval Architects are as set out in the Charter of Incorporation 1910 - ‘the improvement of ships and all that specially appertains to them, and the arrangement of periodic meetings for the purpose of discussing practical and scientific subjects bearing upon the design and construction of ships and their means of propulsion, and all that relates thereto’.

Today, reflecting the wider range of activities of the Institution as both a professional institution and learned society, the Objectives of the Institution are more aptly described as “to encourage and assist in the achievement of the safe and efficient design, construction, maintenance and operation of marine vessels and structures.”

These Objectives are primarily achieved by:

- Setting of internationally recognised and accepted standards of professional competence and integrity required for membership.
- Encouraging membership of the Institution at all levels
- Enabling of the exchange of technical information through the Institution’s publications, conferences and local meetings, which are open to all those involved in the design, construction, maintenance and operation of marine vessels and structures.
- Contributing its collective expertise to national and international maritime organisations for the benefit of the profession and society.

The Institution’s specific Objectives in 2019 have been to increase the internationalism of the Institution in both its membership and its activities, to encourage the younger members of the profession to become involved in the activities of the Institution, and to strengthen its links with academia and industry. These remain the Institution’s specific Objectives for the forthcoming year.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The Institution organised/co-organised 17 courses and conferences, covering the full spectrum of maritime technology and ranging from one-day seminars to major 3-day conferences. Throughout the year, the Institution published 9 journal titles, reporting on developments in the maritime industry and the results of research and development. Conferences and publications have also contributed to the Institution’s income.

The Institution’s local Branches and Sections have held regular meetings to present and discuss matters of professional interest. The Institution’s conferences, publications and local meetings are available to both members and non-members.

The Institution also contributed its collective expertise to national and international organisations, particularly concerned with maritime safety and the protection of the maritime environment. The Institution recognised and encouraged the achievement of individuals at all stages of professional development through its prizes and awards.

During the year, the Institution achieved its programme of planned activities in full, and increased their availability to both members and non-members. Feedback on its activities confirmed that the Institution was maintaining the high standard and value of its conferences, publications etc., and meeting its Objects.

Future Plans

In the forthcoming year, the Institution intends to maintain its programme of courses, conferences and local meetings, reflecting developments in the design, construction and maintenance of marine vessels and structures, and to continue contributing its collective expertise to appropriate national and international organisations for the public benefit.

BOARD OF TRUSTEES

The Royal Institution of Naval Architects, also known as “RINA”, is a registered charity (number 211161) incorporated under Royal Charter. The Board of Trustees is the governing body of the Institution.

The Board of Trustees is responsible for the governance and management of the Institution. Responsibility for the day to day management of the Institution’s affairs is delegated to the Chief Executive, accountable through the Chairman to the Board of Trustees. All Trustees are provided with guidance documentation issued by the Charity Commission concerning their responsibilities.

Board of Trustees (at 31 December 2019)

Chairman
R W Birmingham

Vice Chairman
tba

Treasurer
J Frier

Trustees

R Cripps	L Santini	F H Spencer
M D’Amico	A King	P G Wrobel
C S P Hunter	A Pattison	C L Savage

The Board of Trustees met seven times in the year, during which its principal considerations were the policy, management and review of the Institution’s investments, the management and

review of the Risk Register, and review of the Institution's financial and administrative procedures.

During the year, the Board completed Phase 3 of the Strategic Review, considering the Recommendations of the Working Groups tasked during Phase 2 with identifying how the Objectives were being achieved today and what changes would be required to continue achieving these Objectives in the future, in response to expected changes in the maritime industry and members' professional needs. On completion of Phase 3 of the Review, the Board commenced Phase 4 when actions to implement the accepted Recommendations were identified and placed..

The principal recommendation arising from the Strategic Review, accepted by the Board and approved by the Members at a SGM during the year, was the grouping of members' countries into 6 global regions, with members of Council to be nominated and elected by members in each region, and with the number of members elected by each Region in proportion to the number of members in the Region, thereby increasing the internationalism of the Institution, and the closer involvement and engagement of the members with its activities. Vice Presidents to represent the Institution in each region were also appointed.

Management of Risk

The Risk Register is reviewed and updated at every Trustees meeting.

COUNCIL

The Council is elected by the members. It is responsible for communicating the views of the Institution's membership to the Board and providing guidance and advice to the Board of Trustees on all matters related to the governance of the Institution.

The Council holds delegated authority from the Board of Trustees for the management of the professional, technical and learned society affairs of the Institution. Such delegated authority is principally exercised through the Institution's standing committees and the Chief Executive.

Council and Officers of the Institution

(at 31 December 2019)

President

2018- Professor R W Birmingham FRINA

Past Presidents

1984-1987 Professor J B Caldwell OBE PhD MSc FEng
 1996-1999 Sir John Parker FEng
 2002-2004 Professor W G Price FEng FRS
 2004-2007 Dr N Gee DEng FEng
 2007-2010 S Payne OBE HonPhD (Sc) FEng
 2010-2014 P French FEng FRSA
 2014-2016 B S. Rosenblatt FRINA
 2016-18 T Boardley FRINA

Honorary Vice Presidents

2004- E C Tupper RCNC FRINA

Date Elected/Appointed

Date Elected/Appointed

Vice Presidents

2017 A Marsh	2019 A K Dev*
2018 T Allan	2019 D Molyneux*
2019 Dr D Aldwinckle	2019 I K A P Utama*
2019 C De Marco*	2019 J K Paik*
2019 A Subahani *	2019 P Krishnankutty*

* Regional Vice Presidents

Date Elected

Date elected

Fellows

2017 P L Coley	2018 B Y W Lau
2017 R Cripps	2018 J Frier
2017 C L Savage	2018 D N Monioudis
2017 D Vassalos	2018 M d'Amico
2017 C S P Hunter	2019 R Gehling
2017 P G Wrobel	2019 H Karanassos
2017 R A Shenoi	

Members

2017 P Crossland	2018 Y Sarac-Williams
2017 J Whitlam	2019 D Viner
2017 I D Grant	2019 R Blazejczyk

Associate-Members

2017 L Santini	2018 M H Ghaemi
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President of the Australian Division

2016 M Renilson +

President of the New Zealand Division

2018 C Stimson +

Chairmen of Standing Committees

R Cripps (Maritime Innovation Committee)
 A Baines (Maritime Safety Committee)+
 T Strang (Maritime Environment Committee) +
 E Pang (IMO Committee) +
 F H Spencer (Disciplinary Committee) +
 N Overfield (Publications Committee)
 C Savage (Membership Committee) +
 N Atkins (Professional Affairs Committee)

+ Ex officio members

Chief Executive

T Blakeley

Auditors

haysmacintyre

Bankers

The Royal Bank of Scotland

Investment Advisors

PruM&G Investment Management Ltd

President

The Board and Council record their grateful thanks to Professor R Birmingham for the service he has rendered to the Institution as its President and as Chairman of the Board of Trustees during the year.

Staff

The Board and Council record their grateful thanks to the Chief Executive and the Secretariat staff for their dedication to the work of the Institution during the year.

STANDING COMMITTEES

The Council thanks the chairmen and members of the Institution's standing committees for the time and effort which they devote to the work of the Institution.

Membership Committee

The Committee met five times during the year to consider applications for membership and registration with the Engineering Council UK. A number of new members joined the Committee during the year.

Disciplinary Committee

No allegations of improper professional conduct by members were received during the year.

IMO Committee

In 2019, members of the Committee contributed over 240 days (or around 1900 hours) to IMO meetings, industry meetings, correspondence groups and preparing submissions. A member of the IMO staff joined the Committee as the IMO liaison member.

The Committee participated in the following Committees and Sub-Committee:

- Ship Design and Construction (SDC) 6
- Ship Systems and Equipment (SSE) 6
- Intersessional Working Group on Greenhouse Gas (ISWG-GHG) 5
- Marine Environmental Protection Committee (MEPC) 74
- Maritime Safety Committee (MSC) 101
- Implementation of IMO Instruments (III) 6
- Intersessional Working Group on Greenhouse Gas (ISWG-GHG) 6
- Council 122
- Assembly 31

Committee members participated in 10 correspondence groups, and submitted or co-sponsored 7 papers, one of which was accompanied by a lunchtime presentation to MEPC 74. Out of these, 3 were authored by RINA.

The Committee continued to engage widely with flag states and NGOs at the IMO, but also through the Industry Lifeboat Group coordinated by ICS which consists of all the shipowner organisations, but also a number of flag states individually. The Institution is also a strategic partner of the IMO UNDP Glo-Fouling project and is looking to organise a workshop on niche areas in support of the project in 2020.

The major achievements of the Committee in 2019 were:

- Continuing the work on minimum space for survival craft seating, culminating in a co-sponsored submission with the Cruise Line International Association which had previously expressed reservations

- Helping to secure a new agenda item and working group at MSC 102 and 103 on domestic ferry safety, despite some opposition from developed countries
- A wider recognition that the Institution acts as a respected, honest and impartial technical voice at the IMO

Publications Committee

The Committee met 4 times during the year to determine the award of Medals and Prizes for papers published in the Transactions, and to consider how it should respond to actions placed on the Committee arising from the Strategic Review, including the extension of its responsibilities to include the exercise of greater oversight of the quality of the Institution's publications and events to ensure they continue to maintain the Institution's high standards. The Committee's Terms of Reference have been revised to reflect this wider responsibility.

Professional Affairs Committee

The Committee met on three occasions during the course of the year during which the following significant progress was made and actions taken:

- Implemented revised processes and procedures to comply with The Engineering Council's (EngC) requirement for mandatory monitoring of CPD records;
- Included those recommendations of the Strategic Review related to Equality, Diversity and Inclusivity (ED&I) within the scope of the existing ED&I Working Group. The draft response to the Board has been prepared and will be discussed and endorsed at the next PAC meeting in February 2020;
- Participated in a range of EngC sessions related to PAC areas of activity. These have included Professional Development Forum, Assessor Assessment, The Engineering Assessment Board and Engineering Ethics;(
- The accreditation of the BSc (Ship Science), MEng (Ship Science) and MSc (Maritime Engineering) academic programmes at the University of Southampton
- The accreditation of Initial Professional Development (IPD) programmes for Frazer-Nash, Lloyd's Register and BAe Systems (Submarines);
- Made final comments on EngC's controlling documents including UK-Spec;
- Recruited four additional members to the PAC. These new members are from both industrial and academic backgrounds and include two international based individuals. The new academic members significantly strengthen PAC's resource available for academic accreditation;
- Undertaken a detailed review of the PAC Terms of Reference;
- Undertook the Internal Audit primarily related to the operation of membership applications. No significant issues were identified.

Challenges for the forthcoming year include training of assessors (CPD monitoring, academic accreditations, etc), PAC succession planning and implementation of ED&I recommendations.

Maritime Safety Committee

The Maritime Safety Committee met three times during the year, during which it addressed maritime safety issues, liaising with the IMO Committee and the Maritime Innovation Committee.

A successful Safety Techniques Workshop and Seminar, conducted by members of the Committee was run in during the year. It is intended that this will become a regular feature on the Events programme.

Over the forthcoming year, the Committee aims to extend its membership to be more representative of the Institution's international membership.

Maritime Innovation Committee

The Maritime Innovation Committee met three times during the year. It has continued to discuss and identify the innovative and emerging technologies will have an impact on the industry, the profession and the Institution across all sectors in the immediate future and long term.

The Committee has identified the following key technologies:

- Design and Manufacturing
- Materials and Coatings
- Hydrodynamics and Propulsors
- Power Generation and Energy Management
- Operations, Maintenance and Training
- Maritime Safety & the Protection of the Maritime Environment
- Autonomy, Data, Digital and Cyber
- Business and Economics
- Education, Research & Professional Development

Each technology is considered by a separate Working Groups.

All the Information collated by the Committee to date has been posted on the Institution's website. Updated version of the information will be posted at regular intervals throughout the year.

The Committee has identified topics where academia could undertake specific research work, provide industry with development ideas and topics for future conferences.

The Committee is now looking at the different ways of disseminating the information produced to the wider membership and maritime community, and it is planned to produce a series of papers on specific topics of interest and hold workshops/seminars/webinars.

Maritime Environment Committee

During 2019, the Maritime Environmental Committee met 4 times to review issues related to the environment and continued to develop its remit and scope. The guidance document "*Design For The Maritime Environment*" - *Environmental Considerations in the Design of Marine Vessels and Structures* was approved by Council and published on the RINA website. Over the year the Committee has continued to update and develop the guidance and will shortly be submitting an updated document for approval

by Council that will have graphics and other improvements to enhance its effectiveness as a guidance document.

With the continued societal interest in all things environmental, and the regulatory approaches that the industry faces, the Committee and its members have spent considerable time in providing support to the IMO Committee in matters related to environment and in particular around the approach to GHG reductions and the short term measures that are expected to be taken by shipping. In addition the Committee has been actively looking into how it can better support the wider membership on all matters environmental and create greater visibility to the work of engineers.

The Committee is currently supported by a core of very experienced and dedicated members but would benefit from a wider membership. The Committee invites any member who is passionate about the environment, believes that they can contribute to some of the most challenging issues of our time, and has some spare time to devote to this, to get in touch with the Committee so that it can benefit their passion and experience.

Benevolent Fund Committee

Limited financial assistance was given to members who found themselves in necessitous circumstances. The Council records its grateful thanks for the donations to the Benevolent Fund received during the year.

MEMBERSHIP

Members on the Roll at 31 December 2019 are shown below:

	Total
Hon Fellows	8
Fellows	1014
Members	3198
Associate Members	3260
Associate	325
Student Members	2315
Junior Members	118
Corporate Partners	93

Total	10331

Corporate Partners

The following companies were elected Corporate Partners in 2019, having demonstrated their commitment to achieving and maintaining high standards of professional competence amongst their engineers:

BLOM Maritime Pte. Ltd
Consult Maritime LLC
Newport Shipping UK LLP
Morson International

COOPERATION WITH OTHER ORGANISATIONS

The Engineering Council

The Institution continued to carry out its responsibilities as a Licensed and Nominated Body of the Engineering Council of the United Kingdom. A total of 2347 members were registered with the Engineering Council through the Institution, with 106 members being registered during the year.

RINA and IMarEST

The Institution continued to work closely with the IMarEST through joint branch and accreditation activities.

Agreements of Co-operation

The Institution continued to work with national professional institutions with common aims and objectives through its Agreements of Co-operation. An Agreement of Co-operation was signed with the Singapore Institution of Engineers.

The Council considers that these Agreements also serve to demonstrate the Institution's commitment to maintaining the professional standing and influence it derives from its international membership and activities.

International Maritime Organisation

The Institution has continued to make a significant contribution to improving safety at sea and the protection of the maritime environment through its work as an NGO at the International Maritime Organisation. The significance of this contribution is recognised by staff and members of the IMO, and is an important element of the public benefit which the Institution provides.

Confederation of European Maritime Technology Societies (CEMT)

The Council of CEMT met twice during the year. The Institution was represented by the Chief Executive, who is also the Chairman of the CEMT Council.

PUBLICATIONS

Journals

The Naval Architect, *Ship & Boat International*, *Ship Repair & Conversion Technology*, *Offshore Marine Technology* and *Warship Technology*, were published during the year, providing reports on technological development in all sectors of the maritime industry. *The Naval Architect* was again published in the Chinese language.

All journals published during the year were also published online.

eNewsletters

The eNewsletters *The Naval Architect eNews*, *Shiprepair & Maintenance eNews*, *Warship Technology eNews* and *Offshore*

Marine Technology eNews were published during the year. These eNewsletters are available free to all members of the global maritime community, and may be read online and through the eNewsletters App, launched during the year

Significant Ships and Significant Small Ships

The series were continued with the publication of *Significant Ships 2019* and *Significant Small Ships 2019*

Transactions

Transactions Part A – *International Journal of Maritime Engineering (IJME)* was published four times during the year. Transactions Part B – *International Journal of Small Craft Technology (IJSCT)*, was published once during the year.

Both the *IJME* and *IJSCT* were published in printed format, on CD-ROM and on the RINA website.

Digital Media

Extensive use was made of the Institution's social media groups on LinkedIn, Facebook, Instagram and Twitter, as well as the Institution's YouTube channel to communicate with the member of the Institution and global maritime community

CONFERENCES, COURSES AND EVENTS

Conferences and Courses

The following conferences and courses were organised or co-organised during 2019:

Power & Propulsion Alternatives for Ships
23 January 2019, London, UK

Design & Operation of Wind Farm Support & Vessels
27 February 2019, London, UK

Propellers & Impellers: Research, Design, Construction & Application
27-28 March 2019, London, UK

Contract Management for Ship Construction Repair & Design
3-5 April 2019, London, UK

Design & Operation of Passenger Ships
1 May 2019, London, UK

Design & Construction of Super & Mega Yachts
14-15 May 2019, Genoa, Italy

Basic Dry Dock Training Course
17-20 June, London, UK

Warship 2019: Multi-Role Vessels
25-26 June 2019, Bristol, UK

ICCAS 2019
24-26 September 2019, Rotterdam, Netherlands

Wind Propulsion
15-16 October 2019, London UK

Contract Management for Ship Construction & Repair & Design
23-25 October 2019, London UK

Marine Industry 4.0
5 November 2019, Rotterdam, Netherlands

International Conference on Ship & Offshore Technology
7-8 November 2019, Kharagpur, India

President's Invitation Lecture
7 November 2019, London, UK

Safety Techniques Workshop
19 November 2019, London, UK

Sponsored Student Places

The Council record their grateful thanks to the following companies who generously sponsored places for students at Institution conferences during the year.

BAE Systems
Lloyd's Register
ABS

Annual General Meeting

The Annual General Meeting was held on 11 April 2019 at the Institution's Headquarters, at which the following Resolution was passed:

Resolution: To re-elect haysmacintyre as Auditors until conclusion of the next Annual General Meeting

On completion of the AGM, a presentation was given by Dr Jo Stanley, FRHistS, visiting Senior Research Fellow at Liver John Moore's University, entitled *Women Pioneers in Naval Architecture*, in which she will describe the early female engineers and architects involved with ship design and construction.

Special General Meeting

A special General Meeting was held on 11 April 2019 at the Institution's Headquarters, at which the following Resolution was passed:

Resolution: "To make such amendments to the By Laws as are necessary to change the composition of the Council of the Institution to enable it to become more representative of the world-wide membership by reflecting geographic location as well as membership class and experience.

Annual Dinner

The Annual Dinner was held on 11 April 2019 at the Royal Lancaster London Hotel. The principal speaker was, Chairman Dr Cleopatra Doumbia-Henry, President of the World Maritime University, and the Reverend Andrew Wright, Secretary General of the Mission to Seafarers,

President's Invitation Lecture

The President, Professor Richard Birmingham, welcomed guests and members to the 2019 President's Invitation Lecture on 29 November at One Whitehall Place, when Simon Schofield, CTO, BAR Technologies Ltd, presented "21st Century

Americas Cup technologies and their trickle down to the wider maritime industry."

The President's Invitation Lecture was again sponsored by ABS, to whom the Institution is indebted for their support of this and other Institution activities.

Divisions, Sections and Branches

The Divisions, Branches and Sections provided a comprehensive programme of technical and social events during the year.

The Board of Trustees and the Council recognise the value which the membership places upon the activities of the Divisions, Sections and Branches, and record their thanks to those members who spend much time and effort in organising these activities.

INSTITUTION AWARDS

Medal of Distinction

The Institution's Medal of Distinction for papers published in the 2019 Transactions is awarded to the following:

P S Szulczewski for his paper *Dangers Arising From Application of the Probabilistic Method (as included in SOLAS 2009 Ch.II-1) to Measuring Level of Safety of Cargo Ships*

M S Yi, Professor J K Paik and C M Hyun for their paper *Full-scale measurements of welding-induced initial deflections and residual stresses in steel-stiffened plate structures*

S Ferauge, W Jacobs and K De Baere for their paper *"Liquefaction" and "Dynamic Separation"- different aspects of the same problem*

Council's Commendation

The Council commended the paper *The Sophistication Of Early Stage Design For Complex Vessels* by Professor D Andrews.

It was considered that this paper, which was a synthesis of his previously published research on ship design, was a seminal paper which sets the benchmark for ship designers looking to exploit new technology and techniques. As such, the paper was considered to be essential reading for all naval architects and marine engineers, and not just those working in concept design.

Jeom Kee Paik Prize

The Jeom Kee Paik Prize for the best paper on the subject of structures published by an author under the age of 35 in the 2019 Transactions is awarded to T Li for his paper *Mathematical Model And Analytical Solution For The Vibration Of Inclined Fluid-Transporting Submarine Pipelines*

W H C Nicholas Prize

The W H C Nicholas Prize for the best paper on a design related topic published by an author under the age of 35 in the 2019 Transactions is awarded to I Almallah for his paper *High-speed wave-piercing catamaran global loads determined by FEA and sea trials*

Wakeham Prize

The Wakeham Prize for the best general paper published in the 2019 Transactions by an author under the age of 35 was awarded to C Delen for his paper *Telfer's Geosim Method Revisited By CFD*.

Samuel Baxter Prize

The Samuel Baxter Prize for the best paper on the subject of safety published by an author under the age of 35 in the 2019 Transactions is awarded to R Fiskin for his paper *Deterministic-Based Ship Anti-Collision Route Optimization With Web-Based Application*

Austin Farrar Prize

The Austin Farrar Prize for the best paper published in the 2019 Transactions by an author under the age of 35 on the subject of small craft is awarded to A Dashtimanesh, M Habibiasl and A Ghassemzadeh for their paper *Development of a Mathematical Model for Performance Prediction of Planing Catamaran in Calm Water*

Calder Prize

The Calder Prize for the best paper published in the 2019 Transactions by an author under the age of 35 on the subject of small or high-speed craft is awarded to S Hajizadeh, M Fathi Kazerooni and A Mohammadi for their paper *Ranse Simulation Of Stepped Planing Hull Hydrodynamic Performance In Calm Water And Waves*

David Goodrich Award

The David Goodrich Prize for the best paper presented at the 2019 Warships Conference was awarded to H Cole and J Alvarez for their paper *Standardisation of Naval Containerised Modules – Enabling interoperability across NATO*.

Student Awards

Student Awards in recognition of their achievement were presented to students at 24 universities.

The Institution is grateful to the following organisations and companies for their support of the Awards:

BAE Systems
Bureau Verita
d'Amico Società di Navigazione
Greek Shipping Cooperative Committee
Keppel Shipyard
Lloyd's Register
Defence, Science & Technology Group

RINA – QinetiQ Maritime Innovation Award

The 2018 Maritime Innovation Award is presented to NAUTY-CRAFT Ltd for its Marine Suspension System which provides an innovative approach to improving the ride, handling, comfort and safety of marine vessels. This novel System decouples the hulls and superstructure of a vessel to provide an improved ride using a passive suspension system.

The Award was announced and presented at the 2019 Annual Dinner

MEMBERS DECEASED DURING THE YEAR

FRINA

J Gerritsma J	C Woodhead
A G Spyrou	E D Vuyk
J D Hearnshaw	B L Robson
A E Potts	J A Hedley
R T Williams	R L Wheeler
P G Martin	J L Millar
D Anthony Leale	J B Hadler
H W Melrose	D Capaitzis

R I Price

MRINA

R J Garratt	T Hall
J Wills	A J Renfrew
T Corin	D G Rice
C P Chan	J M Olausson
J Sacharin	K J Wellings
R E Riley	D M Allison
S Jerfa	C A Kinloch
R M Davis	D H Swift
J Grinstead	M G Savage

AssocRINA

J Lines
D W Simmonds



Royal Institution of Naval Architects

FINANCIAL STATEMENTS FOR THE PERIOD ENDING 30 SEPTEMBER 2019

FINANCIAL REVIEW AND RESERVES POLICY

Income (Restricted and Unrestricted) in 2018/19 was £2.14m compared with £2.12m in 2017/18. Expenditure (Restricted and Unrestricted) in 2018/19 was £2.15m, compared to £2.06m in 2017/18.

Net deficit in 2018/19 before investment gains was £18k, compared with £66k in 2017/18. The operating deficit in the Unrestricted Fund in 2018/19 was £59.5k compared with an operating surplus of £19k in 2017/18. The operating surplus in the Restricted Fund in 2018/19 was £41k, compared with an operating surplus of £46k in 2017/18.

The total value of the Institution's funds (Unrestricted, Restricted and Endowment) at 30 Sep 2019 was £10.14m compared with £10.15m at 30 Sep 2018. The value of the Unrestricted Fund (investments, cash, fixed assets) was £8.24m at 30 Sep 2019 compared with £8.25m at 30 Sep 2018. The value of Restricted Funds was £249k at 30 Sep 2019, compared with £251k at 30 Sep 2018. The value of Endowment Funds (investments) was £1.66m at 30 Sep 2019 compared with £1.65m at 30 Sep 2018. The total value of the Institution's investments was £4.46m at 30 Sep 2019 compared with £4.45m at 30 Sep 2018.

Investment policy and performance

In accordance with authority enabled by the Order of the Charity Commissioners for England and Wales, dated 1 Nov 2002 and issued under Section 26 of the Charities Act 1993, the Trustees have sought and gained approval to use a 'Total Return' policy with regard to the Endowment Funds. However such policy has not currently been implemented.

The investment powers of the Board of Trustees are set out in the Royal Charter and By Laws, copies of which are available from the Chief Executive at RINA Headquarters. Under the terms of those powers, management of the investment portfolio has been delegated to PruM&G Investment Management Ltd.

The Board of Trustees reviewed its investment policy, and confirmed that it remains the purpose of the Investment Portfolio to provide the Institution with income whilst maintaining the value of capital in real terms. As such the investment aim is to generate a minimum total return in excess of inflation (UK RPI).

The Board of Trustees reviewed the performance of its Investment Portfolio, which achieved an increase in dividend distribution of 5.1% on the previous year, and significantly exceeded RPI inflation. A gain of 8.4% in total return terms was also achieved, which exceeded the 7.5% return from the FTSE All-Share Index over the same period. The Board considered that the performance of the Investment Portfolio was satisfactory.

No changes to the investment policy were made as a result of the reviews.

Reserves Policy

The charity's free reserves (unrestricted funds less designated funds and tangible fixed assets) stood at £2.82m as at 30 September 2019. The Board of Trustees' policy is to maintain minimum cash reserves at the level of 3 months/£250,000 forward operating costs, and to consider reserves in excess of this level for investment..

Restricted Funds

The Board of Trustees' policy is to use all dividend income from Restricted Funds to assist and enable the continuing academic and professional development of members. The Board has extended this policy to include both undergraduate and post graduate members.

Risk Management

Operational and financial risks facing the Institution are listed in the Risk Register which is routinely reviewed and revised by the Trustees. Policies and procedures have been established to mitigate any risks identified during these reviews. Compliance with these policies and procedures is monitored by routine Internal Audit and Self Assessment.

The principal risk is considered to be the negative impact of the depressed global maritime industry on the Institution's income from its conferences and publications, affecting the Institution's ability to maintain the current level of its activities and services to members. The Board routinely reviews cashflow, income and expenditure in both short and long term to manage financial risk.

Remuneration of key personnel

The remuneration of senior members of the Secretariat is reviewed and changes approved annually by the Trustees.

Fundraising

The Institute does not carry out any active fundraising, nor does it engage with any third party or professional fundraisers, and therefore has not signed up to any fundraising standards. There have been no complaints received during the year (2018: none). Complaints are considered by the Board or by independent non Board members as appropriate.

STATEMENT OF THE BOARD OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Institution's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Board of Trustees should follow best practice and:

- select suitable accounting policies and apply them consistently;
- make judgements 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 a going concern basis unless it is inappropriate to presume that the Institution will continue in operation.

The Board of Trustees is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Institution and which enable them to ascertain the financial position of the Institution and which enable them to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the Institution and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

Annual Accounts

The accounts which follow are the full statutory accounts of the Institution and should be read in conjunction with the Annual Report of the Board of Trustees.

Auditors

haysmacintyre have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

Opinion

We have audited the financial statements of the Royal Institution of Naval Architects for the year ended 30 September 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2019 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of trustees for the financial statements

The trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Board of Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP Statutory Auditors

SUMMARY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEP 2019

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2019 £	Total 2018 £
Income and expenditure					
Income and endowments from:					
Charitable Activities					
Membership	864,228	-	-	864,228	847,296
Events	376,085	-	-	376,085	252,052
Publications	640,451	-	-	640,451	783,063
Donations and legacies	-	593	-	593	586
Investment income	155,348	99,859	-	255,207	240,456
Total income and endowments	<u>2,036,112</u>	<u>100,452</u>	<u>-</u>	<u>2,136,564</u>	<u>2,123,453</u>
Expenditure on:					
Charitable Activities					
Membership	659,653	57,869	-	717,522	667,699
Events	494,926	540	-	495,466	371,233
Publications	941,074	919	-	941,993	1,019,020
Total expenditure	<u>2,095,653</u>	<u>59,328</u>	<u>-</u>	<u>2,154,981</u>	<u>2,057,952</u>
Net income before investment gains/losses	(59,541)	41,124	-	(18,417)	65,501
Gain/(loss) on investment assets	3,388	-	2,781	6,169	(66,254)
Net income before transfers	<u>(56,153)</u>	<u>41,124</u>	<u>2,781</u>	<u>(12,248)</u>	<u>(753)</u>
Transfers between funds	43,000	(43,000)	-	-	-
Net movement in funds	<u>(13,153)</u>	<u>(1,876)</u>	<u>2,781</u>	<u>(12,248)</u>	<u>(753)</u>
Reconciliation of funds					
Total funds brought forward	<u>8,251,113</u>	<u>250,886</u>	<u>1,652,758</u>	<u>10,154,757</u>	<u>10,155,510</u>
Total funds carried forward	<u>£8,237,960</u>	<u>£249,010</u>	<u>£1,655,539</u>	<u>£10,142,509</u>	<u>£10,154,757</u>

All amounts relate to continuing activities.

BALANCE SHEET AS AT 30 SEPTEMBER 2019

	2019		2018	
	£	£	£	£
FIXED ASSETS				
Tangible assets		5,416,520		5,427,270
Investments		4,457,980		4,451,811
		<u>9,874,500</u>		<u>9,879,081</u>
CURRENT ASSETS				
Debtors	223,304		205,143	
Cash at bank and in hand	441,804		464,316	
	<u>665,108</u>		<u>669,459</u>	
CREDITORS: amounts falling due within one year	(397,099)		(393,783)	
NET CURRENT ASSETS		<u>268,009</u>		<u>275,676</u>
NET ASSETS		<u>£10,142,509</u>		<u>£10,154,757</u>
CHARITY FUNDS				
Unrestricted funds				
General funds		8,237,960		8,251,113
Restricted		249,010		250,886
Endowment		1,655,539		1,652,758
		<u>£10,142,509</u>		<u>£10,154,757</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 22 January 2020 and signed on their behalf by:

J Frier
Trustee

STATEMENT OF CASHFLOWS FOR THE YEAR ENDING 30 SEPTEMBER 2019

	2019 £	2019 £	2018 £	2018 £
Operating activities				
Net income before investment gains	(18,417)		65,501	
Depreciation	92,907		85,286	
Impairment of fixed assets	11,843		-	
Investment income	(255,207)		(240,456)	
(Increase)/decrease in debtors	(18,161)		35,802	
Increase in creditors	3,316		53,878	
	<u> </u>		<u> </u>	
Net cash from operating activities		(183,719)		11
Investing activities				
Purchase of tangible fixed assets	(94,000)		(39,723)	
Purchase of investments	-		(280,000)	
Investment income	255,207		240,456	
	<u> </u>		<u> </u>	
Net cash from investing activities		161,207		(79,267)
Movement in cash and cash equivalents		(22,512)		(79,256)
Cash and cash equivalents at 1 October 2018		464,316		543,572
		<u> </u>		<u> </u>
Cash and cash equivalents at 30 September 2019		£441,804		£464,316
		<u> </u>		<u> </u>
Cash and cash equivalents comprise				
Cash at bank		£441,804		£464,316
		<u> </u>		<u> </u>
Analysis of changes in net debt	Balance at		Other	Balance at
	1 Oct 2018	Cash flow	movements	30 Sep 2019
Cash at bank	£464,316	£(22,512)	£-	£441,804
	<u> </u>	<u> </u>	<u> </u>	<u> </u>