



ANNUAL REPORT 2017



INSTITUTE OF THE
MOTOR INDUSTRY

www.theimi.org.uk



CONTENTS

NOTICE OF ANNUAL GENERAL MEETING	3
CHAIRMAN'S STATEMENT	4
THE BOARD 2016/17	5
GROUP STRATEGIC REPORT:	
CHIEF EXECUTIVE OFFICER'S REPORT	6
CHIEF FINANCIAL OFFICER'S REPORT	8
DIRECTORS' REPORT	14
INDEPENDENT AUDITOR'S REPORT	15
FINANCIAL STATEMENTS	16
NOTES TO THE FINANCIAL STATEMENTS	20



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN

That an Ordinary General Meeting (being the ninety sixth Annual General Meeting of the Institute) will be held at 'Fanshaws', Brickendon, Hertford on Wednesday 1 November 2017 at 2.00 pm.

AGENDA

1. Apologies for absence
2. Minutes of the Annual General Meeting of 2 November 2016
3. Installation of President – 2017/2018
4. Installation of Vice Presidents – 2017/2018
5. Installation of Honorary Treasurer – 2017/2018
6. Declaration of Directors
7. Revenue Account and Balance Sheet of the Institute for the year ended 31 March 2017 and the Auditor's Report
8. Annual Report for the year ended 31 March 2017
9. Appointment of Auditors
10. Special Resolution to amend the Articles of Association
11. Any other business

by Order of the Board

S James, Chief Financial Officer

4th August 2017

'Fanshaws' Brickendon, Hertford, SG13 8PQ

The Institute's Articles of Association 15.1 provides: on a vote on a resolution at a General Meeting on a show of hands or on a poll, every Corporate Member present in person or by proxy has one vote.

Article of Association 16.1 provides: a "proxy notice" (as defined in Model Article 31(1)) and any authentication of it demanded by the Board Members must be received at an address specified by the Institute in the proxy notice not less than 48 hours before the time for holding the meeting or adjourned meeting at which the proxy appointed pursuant to the proxy notice proposes to vote; and any proxy notice received at such address less than 48 hours before the time for holding the meeting or adjourned meeting shall be invalid.

Please confirm attendance, or request a proxy notice, to:

Simon James, Chief Financial Officer, c/o Ann Stillion,
IMI, Fanshaws, Brickendon, Hertford SG13 8PQ, or email ceooffice@theimi.org.uk

Lunch will be available from 1.00 pm, with the Group Board in attendance.



CHAIRMAN'S STATEMENT

"The development and facilitation of professional standards is critical in our fast moving industry. The IMI, as the industry's professional body, is best placed to make this happen."

It is my privilege as Chair of the IMI to once again acknowledge the high standard of work that has been carried out by the team at the Institute and outstanding achievements throughout the past year.

These are interesting times, in more ways than one, most particularly for our sector. This year has been a transformative year for apprenticeship provision with the government embarking on a programme of extensive reforms including changes to funding. With the introduction of a levy on larger employers and with the new apprenticeship standards being rolled

out too, the IMI has been busy working with involved parties across the sector to ensure that the most is gained from these reforms and that the transition could be as smooth as possible.

It is not just in apprenticeships that we have seen profound change. Last year the DVSA announced that it would be introducing new annual training requirements for all MOT testers and managers, together with mandatory tests. In the months that followed, thanks to huge amounts of hard work from all involved, the IMI and its Approved Centre network across the UK have become market leaders in

providing the new MOT training and assessment solution.

The changes represent a positive move for an industry where investment in training is crucial. As we face some of the most profound technical changes to have affected our industry in over 100 years, with new electric and hybrid drivetrains, as well as a plethora of autonomous technologies, there is an urgent need to develop new skills, competencies and professional standards, meaning that the work of the IMI, as the industry's professional body is more imperative than ever.

The IMI embarked upon a new strategy 3 years ago, refocusing on its principal role as the industry's professional body and a members' organisation. In support of this the awarding and accreditation activities remain paramount and continue to support the Institute's growth both in the UK and overseas.

I am pleased to report that the year under review saw the IMI overachieve against its strategic goals and a revised strategic plan covering the next three years has been unanimously approved by the Board.

In an unregulated industry the IMI continues to play a vital role in recognizing the achievements of those who strive to attain and continuously maintain the highest professional standards. We are a "not for profit" organization but are entirely self supporting and I am delighted to say that strong commercial direction and keen financial management saw the IMI complete the past year in very good shape.



Adrian Smith
Chairman

THE BOARD 2016/17

A J S SMITH
CHAIRMAN

S NASH
CHIEF EXECUTIVE OFFICER

S JAMES
CHIEF FINANCIAL OFFICER

K L WOOLLEY
CHIEF OPERATING OFFICER
Appointed 4 May 2016

T MURPHY
D R LOCKHART
A J TOMSETT
S MARTINDALE
K FINN
A DAVIES
M A CRANDON
R SINEY
G BRADDOCK
M ROGERS
A SIMMS
Appointed 3 May 2017

Registered Office
Fanshaws
Brickendon
Hertford
Hertfordshire
SG13 8PQ

Registered Number
00225180



GROUP STRATEGIC REPORT CHIEF EXECUTIVE OFFICER'S REPORT

Steve Nash looks back at the achievements for the year compared with stated Business Objectives and summarises a successful year for the IMI

The 3 Year Financial Plan 2015 - 17 anticipated a return to surplus in 2017/18, a target which we have achieved a year earlier than planned through astute financial management and effective exploitation of commercial opportunities that had not existed when the Financial Plan was formulated.

The Business Objectives for 2016/17 were achieved as follows:

- An earlier than expected return to bottom line surplus due to income growth and tight control of expenditure, in line with the 3 Year Plan
- Income targets exceeded with particular successes generated by our MOT eLearning products and through strategic international relationships for example in South Africa
- High levels of compliance achieved with the appropriate regulators (Ofqual, SQA, CCEA, Qualifications Wales) throughout the year
- Development and delivery of realigned operating processes & procedures, governance, resources and culture, achieving successful implementation of the new operating model and improved ways of working
- Raised awareness of automotive careers opportunities and progression routes through IMI careers information and guidance (CIAG) products and resources, reaching 171,000 individuals during the year
- Continuation of the design and delivery of a completely revised IT and web infrastructure, with new systems and products designed to support the delivery of our business strategy. The Board have approved extension of this investment into the 2017/18 financial year
- Further development of our market intelligence capabilities to identify and report on new opportunities

and threats to inform the strategic direction of the business during the year

- Realigned existing and developed new products in line with the IMI's common purpose, ensuring a consistent market led, quality approach to design, development, launch and evaluation in order to position our product portfolio as a world leader. This was exemplified by the IMI's market leading MOT annual assessment and continuing professional development (CPD) solutions to satisfy DVSA

requirement for its c.60,000 MOT Testers in the UK

- Development and implementation of the Board approved new membership business model
- Development and implementation of IMI Professional Standards for six job role families, in conjunction with the creation of new membership entry routes and review of existing entry routes. Investment in the IT and web infrastructure, systems and products to support delivery of its Business Objectives

FUTURE PLANS

The Board approved a new 3 Year Strategy and Financial Plan which will take the IMI forward to its Centenary Year in 2020 and ensure its continued relevance and success. The following Ambition and Business Objectives for 2017/18 have been agreed.

IMI AMBITION - To raise standards and public confidence in the Automotive Industry by growing Membership and Professional Registration.

BUSINESS OBJECTIVES



FOCUSING ON OUR CUSTOMERS

Grow our customer insight and reduce customer effort



DIVERSIFYING OUR BUSINESS

Increase our income from non-regulated products and services



INFLUENCING & LOBBYING

Improve our policy capability and capacity



INNOVATING SKILLS SOLUTIONS

Expand our range of customer-led products and services



DRIVING OUR PEOPLE

Develop our skills and people to create and thrive in a leadership culture that embraces autonomy and ownership



GROWING INTERNATIONALLY

Be profitable in our four key growth markets

Steve Nash
Chief Executive Officer



GROUP STRATEGIC REPORT CHIEF FINANCIAL OFFICER'S REPORT

PERFORMANCE

Growth in Turnover was again strong year on year delivering £9.8m, up 19.9% on 2015/16 of £8.2m. Costs were also kept under control during the year with £9.0m of expenditure in line with 2015/16 despite the increase in Turnover. Overall the organisation delivered a Profit after tax of £1.1m, a positive variance of £2.1m on 2015/16, when the organisation made a Loss after taxation of £1.0m; the final position was £1.3m favourable to the budgeted shortfall of £0.2m.

This exceptionally strong trading performance, helped by the international projects and eLearning MOT products, has afforded the organisation the opportunity to rebuild its reserves as well as support continued investment required to deliver its Business Objectives.

A number of finance initiatives have been undertaken and delivered which have also contributed to this performance as well as helping to offset the capital cost of investment in IT systems. Irrecoverable VAT has

been minimised, Research and Development Tax Credits utilised, and the capitalization of IT systems and web development optimised. Additionally, the long term investment strategy has delivered investment income of £136k in the year compared with £10k in 2015/16.

The Board consider that the organisation will deliver in the coming year a budgeted surplus of £0.5m and allow further capital investment in the IT and web infrastructure, systems and products to support delivery of its Business Objectives.

RISK MANAGEMENT

The directors of IMI have a robust risk management policy and keep the IMI Group's activities under constant review, particularly with regard to any major risks. The risk management policy reflects the purpose and approach to risk management and the role of staff and senior management in identifying and reporting risk, and taking mitigating actions to reduce risk levels. There is an organisational risk register that identifies all known



strategic risks assigned to individual risk owners. The risk register includes mitigating actions to eliminate or reduce each risk and is reviewed monthly for effectiveness.

Risk owners are trained to identify risks, implement mitigating strategies and to deal with issues that arise. Risks which are considered to be high in impact are reported to the Group Board twice a year. Any interim significant high impact changes in risk levels are reported to the Group Board as they occur. A number of independent quality assurance committees for both IMI continue to function to ensure that the activities of the Group are closely monitored.

The principal risks as identified by the directors are:

- Loss of apprenticeship income as the new Trailblazer apprenticeship standards are introduced. To mitigate this risk, the IMI continues to ensure it is the preferred Awarding Organisation of choice for the sector by maintaining close engagement with employers and manufacturers and developing products in line with industry requirements.
- Non compliance with Data Protection legislation as a result of poor data controls. A number of measures have been adopted to mitigate this risk including communication of data policies and procedures to staff, creation of a data permission model and continuous improvement of data systems

TURNOVER FOR 2016/17

£9.8m

PROFIT AFTER TAX 2016/17

£1.1m

TURNOVER GROWTH FROM LAST YEAR

19.9%

BREXIT

It is our consideration that the result of the referendum and the subsequent invoking of Article 50 to leave the European Union will have little impact on the IMI in the short or medium term. The process to gain full agreement of exit terms could take at least two years and the UK will effectively remain an EU member up to that time.

The Executive team, in consultation with the Board, will consider and plan for any longer term risks as the full effects of Brexit become clearer, but there are no obvious challenges to our strategy. The UK is still our core market and our growth overseas is very largely outside of the EU.

SCOPE OF RESPONSIBILITY

The CEO has Board delegated responsibility for maintaining a sound system of internal control that supports the achievement of the IMI policies, aims and objectives as set out in the IMI Strategic Plan 2017 - 2020 and Financial Strategy whilst safeguarding the public funds and organisational assets, in accordance with the responsibilities assigned to the CEO in Managing Public Money.

The Group Board is chaired by a non-executive Director (Adrian Smith) and comprises of the organisation's CEO, two executive directors together with non-executive members. An Audit and Remuneration Committee of non-executive Directors supports the Group Board and Executive team through monitoring and reviewing the adequacy and effectiveness within the organisation of:

The IMI has been supported by the Group Board who are responsible for:

- Agreeing and signing off the organisation's strategies and enabling frameworks;
- Monitoring performance against annual business objectives and targets;
- Identifying the central activities required to support delivery of the corporate plan and approving the annual budget;
- Evaluating the impact of emerging issues or significant divergences from corporate and business objectives delivery.



Corporate governance arrangements



Processes for managing risks



Internal audit and related activity



Management responses to the recommendations resulting from internal audit work



CEO Statements on Internal Control



Financial Statements



THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the IMI policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control has been in place in IMI for the year ended 31 March 2017 and up to the date of the approval of the Annual Report and accounts, and accords with Treasury guidance.

REVIEW OF EFFECTIVENESS

The CEO has Board delegated responsibility for reviewing the effectiveness of the system of internal control. That review of the effectiveness of the system of internal control is informed by the Senior Management Team and other managers within the organisation, who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports.

The Group Board is the governing body of the organisation and carries responsibilities for setting IMI policy priorities and for promoting the efficient and effective use of staff and other resources whilst ensuring that it fulfils its aims and objectives.

The main responsibilities of the Group Board are as follows:

- It is entrusted with public funding and therefore has a particular duty to observe the highest standards of corporate governance. This includes ensuring and demonstrating integrity and objectivity in the transactions of the IMI and, wherever possible, following a policy of openness and transparency in the dissemination of decisions.
- It has a duty to enable the organisation to achieve its strategic aims. This responsibility includes considering and approving the organisation's final Strategic Plan and Business Objectives and resource deployment.
- It regularly monitors the performance of the organisation against its planned strategies and key performance indicators.
- The CEO is responsible to the UKCES for ensuring value for money, regularity and propriety in deploying all the organisation's resources. The Group Board's financial responsibilities include ensuring the solvency of the organisation and safeguarding its assets and receiving and approving the Annual Report and Accounts.
- It has oversight of the organisation's arrangements for internal and external audit, as well as ensuring the existence and integrity of financial and other control systems. This responsibility is delegated to the Audit and Remuneration Committee.

A photograph of two male mechanics in blue uniforms looking intently at the engine of a car. The background is slightly blurred, showing a workshop environment. A green diagonal graphic element is in the top right corner.

CORPORATE SOCIAL RESPONSIBILITY

Our continuing work supporting members and promoting the motor industry as a not for profit organisation demonstrates the importance we place on our social responsibility. This year we have continued to work on behalf of the automotive sector, together with the people we employ. The support we give our community locally and industry wide, as well as our efforts to care for the environment ensure that the IMI has a positive impact on society, the environment and the automotive sector.

SECTOR

We believe that professionalism and ethical working should be at the centre of how the sector operates and in this respect our work promoting the Professional Register to the sector and to consumers is key. We believe the technicians working on electric and hybrid vehicles should be licensed for their own and the public's safety and we continue to campaign with government to bring this about, with a broad range of automotive businesses including manufacturers,

franchised and independent dealers. To this end the CEO appeared in front of the Parliamentary Select Committee in March 2017. We recognise achievement of individuals and organisations at our Outstanding Achievers event as well as presenting awards at our Annual Dinner for those who make outstanding contributions to the sector and the work of the IMI.

PEOPLE

Once again we entered the Best Companies to Work For and were rated as "One to Watch" in the Sunday Times Top 100 Best Not For Profit Companies to Work For. The survey showed that managers are viewed as supportive and quick to respond if one of their team members is under pressure. Our staff rated us highly in the "My Team" and "My Company" categories. We involve staff in monthly communications meetings, which are recorded for those who work remotely, and hold an annual business plan sharing day together with separate team sessions throughout the year, so everyone knows what the



STAFF COMMENTS

"Open management style encourages discussion and creates a feeling of involvement for all staff. In my personal role I am given the freedom to develop the job remit as I see fit and my manager is very supportive."

"Everyone in the company helps each other. The support you get is outstanding and we all work together for the greater good."

objectives are and how they contribute to them. The staff on our Social Committee organise fun and charity events throughout the year. Training and development is key for our people, and we aim to support our staff in their career aims. This year we have introduced a volunteering policy, so staff can take up to two days off to carry out volunteering activities. We also have a staff recognition and appreciation scheme, where IMI staff can nominate colleagues for their effort and commitment.

ENVIRONMENT

We work in a way which is as environmentally friendly as possible, through careful purchasing, printing and recycling. No office waste goes to landfill but is recycled or re-used; our IT equipment is energy star rated and efficient; we maintain and cherish our Grade II listed head office building and support the local wildlife trust while maintaining our grounds as a "corridor for wildlife". Again this year we are making available the Annual Report to all our members

on the website, thereby saving printing, paper and distribution, and Member Association events are sent out via email rather than post. Our own fleet of company cars has green options and we provide free electric charging points at our head office.

COMMUNITY

As an organisation, we support BEN, the automotive charity, through payroll giving, supporting their Christmas event, we hold charity events to raise funds and it is the charity supported by the Annual Dinner raffle. As an organisation the IMI also donates to local community, charity and school events. Including all activities, the IMI and its staff contributed over £16,800 to charities last year, including two members of staff who ran the London Marathon for BEN.

Simon James
Chief Financial Officer

Steve Nash
Director

DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 March 2017.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under Company law the director must not approve the financial statements unless he is satisfied that he gives a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies for the Group's financial statements and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The principal activity of the Group during the year was that of a professional body, awarding body and Sector Skills Council.

LIMITED BY GUARANTEE

The company is limited by guarantee. In the case of a winding up, the current members of the Institute (approximately 12,170) are guarantors for an amount not exceeding £1 each.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,144,832 (2016 - loss £963,667).

The directors do not recommend the payment of a dividend.

DIRECTORS

The directors who served during the year:

A J S Smith
S Nash
S James
K L Woolley (appointed 4 May 2016)
T Murphy
L Stansfield (resigned 4 May 2016)
D R Lockhart
A J Tomsett
S Martindale
K Finn
A Davies
M A Crandon
R Siney
G Braddock
M Rogers

MATTERS COVERED IN THE STRATEGIC REPORT

The Directors have included a business review within the strategic report. Also included in the strategic report are details of future developments by the group, the principal risks and uncertainties and a review of the key performance indicators as assessed by the directors.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- So far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware; and
- The director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information

This report was approved by the board on 5 July 2017 and signed on its behalf.



Steve Nash
Director

INDEPENDENT AUDITOR'S REPORT

We have audited the financial statements of The Institute of The Motor Industry for the year ended 31 March 2017, which comprises the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows 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 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 company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the statement of directors' responsibilities, the directors 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2017 and of the groups profit 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 Companies Act 2006

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and directors' report have been prepared in accordance with applicable legal requirements

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit

Malcolm Thixton

(Senior statutory auditor)

For and on behalf of BDO LLP, Statutory auditor
Southampton, United Kingdom

5 July 2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 31 March 2017

	Note	2017 £	2016 £
Turnover	3	9,785,993	8,160,770
Cost of sales		(2,310,283)	(2,416,816)
Gross profit		7,475,710	5,743,954
Administrative expenses		(6,741,564)	(6,722,375)
Operating profit/(loss)	4	734,146	(978,421)
Income from fixed assets investments		14,111	-
Profit on disposal of fixed asset investments		19,070	-
Interest receivable and similar income		7,837	4,855
Changes in fair value of investments		110,285	-
Profit/(loss) before taxation		885,449	(973,566)
Taxation on profit/(loss)	7	259,383	9,899
Profit/(loss) for the year		1,144,832	(963,667)
Total comprehensive income for the year attributable to:			
Members of the parent Company		1,144,832	(963,667)
		1,144,832	(963,667)

There was no other comprehensive income for 2017 (2016:£NIL).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2017

	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Intangible assets	8		1,682,553		1,147,460
Tangible assets	9		512,107		495,655
Investments	10		1,022,434		588,225
			3,217,094		2,231,340
Current assets					
Stocks	11	8,113		10,196	
Debtors	12	1,970,192		1,238,037	
Cash at bank and in hand		3,059,393		3,216,782	
		5,037,698		4,465,015	
Current liabilities					
Creditors: amounts falling due within one year	13	(1,651,879)		(1,238,274)	
Net current assets			3,385,819		3,226,741
Net assets			6,602,913		5,458,081
Capital and reserves					
Other reserves	15		27,598		27,598
Profit and loss account	15		6,575,315		5,430,483
Equity attributable to owners of the parent Company			6,602,913		5,458,081

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 July 2017

Steve Nash
Director

The notes on pages 20-31 form part of these financial statements

COMPANY STATEMENT OF FINANCIAL POSITION

As at 31 March 2017

	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Intangible assets	8		1,682,553		1,147,460
Tangible assets	9		512,107		495,655
Investments	10		1,522,434		1,088,225
			3,717,094		2,731,340
Current assets					
Stocks	11	8,113		10,196	
Debtors	12	1,970,192		1,238,037	
Cash at bank and in hand		3,059,193		3,216,582	
		5,037,498		4,464,815	
Current liabilities					
Creditors: amounts falling due within one year	13	(8,771,605)		(8,358,000)	
Net current liabilities			(3,734,107)		(3,893,185)
Net liabilities			(17,013)		(1,161,845)
Capital and reserves					
Other reserves	15		27,598		27,598
Profit and loss account	15		(44,611)		(1,189,443)
			(17,013)		(1,161,845)

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The profit after tax of the parent Company for the year was £1,144,832 (2016 - loss £2,429,798).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 July 2017.

Steve Nash

Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 March 2017

	Educational Prize Fund £	Profit and Loss Account £	Equity Attributable to owners of parent Company £	Total Equity £
At 1 April 2016	27,598	5,430,483	5,458,081	5,458,081
Comprehensive income for the year				
Profit for the year	-	1,144,832	1,144,832	1,144,832
Total comprehensive income for the year	-	1,144,832	1,144,832	1,144,832
At 31 March 2017	27,598	6,575,315	6,602,913	6,602,913

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 March 2016

	Educational Prize Fund £	Profit and Loss Account £	Equity Attributable to owners of parent company £	Total Equity £
At 1 April 2015	27,598	6,394,150	6,421,748	6,421,748
Comprehensive income for the year				
Loss for the year	-	(963,667)	(963,667)	(963,667)
Total comprehensive income for the year	-	(963,667)	(963,667)	(963,667)
At 31 March 2016	27,598	5,430,483	5,458,081	5,458,081

COMPANY STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 March 2017

	Educational Prize Fund £	Profit and Loss Account £	Total Equity £
At 1 April 2016	27,598	(1,189,443)	(1,161,845)
Comprehensive income for the year			
Profit for the year	-	1,144,832	1,144,832
Total comprehensive income for the year	-	1,144,832	1,144,832
At 31 March 2017	27,598	(44,611)	(17,013)

COMPANY STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 March 2016

	Educational Prize Fund £	Profit and Loss Account £	Total Equity £
At 1 April 2015	27,598	1,240,355	1,267,953
Comprehensive income for the year			
Loss for the year	-	(2,429,798)	(2,429,798)
Total comprehensive income for the year	-	(2,429,798)	(2,429,798)
At 31 March 2016	27,598	(1,189,443)	(1,161,845)

The notes on pages 20-31 form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended 31 March 2017

	2017 £	2016 £
Cash flows from operating activities		
Profit for the financial year	1,144,832	(963,667)
Adjustments for:		
Amortisation of intangible assets	172,372	55,146
Depreciation of tangible assets	56,512	108,469
Decrease/(increase) in stocks	2,083	(2,124)
Interest received	(7,837)	(4,855)
Taxation credit	(259,383)	(9,899)
Increase in debtors	(486,360)	(185,458)
Increase in creditors	413,606	4,687
Fair value gains recognised in profit and loss	(110,285)	-
Dividends received	(14,111)	-
Corporation tax received	13,588	10,135
Profit on disposal of investments	(19,070)	-
Net cash generated from/(used in) operating activities	905,947	(987,566)
Cash flows from investing activities		
Purchase of intangible fixed assets	(707,466)	(368,048)
Purchase of tangible fixed assets	(72,964)	(43,489)
Purchase of listed investments	(426,278)	(588,225)
Sale of listed investments	121,424	-
Interest received	7,837	4,855
Dividends received	14,111	-
Net cash used in investing activities	(1,063,336)	(994,907)
Net increase/(decrease) in cash and cash equivalents	(157,389)	(1,982,473)
Cash and cash equivalents at beginning of year	3,216,782	5,199,255
Cash and cash equivalents at the end of the year	3,059,393	3,216,782
Cash and cash equivalents at the end of the year comprise		
Cash at bank and in hand	3,059,393	3,216,782
	3,059,393	3,216,782

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 March 2017

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The Institute of the Motor Industry is a company limited by guarantee and incorporated in England and Wales under the Companies Act. The address of the registered office is given on the contents page and details of the principal activities are given in the strategic report.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 April 2015.

1.3 Turnover

Turnover represents amounts receivable in respect of membership, examination, registration and centre

fees receivable during the year in accordance with applicable accounting standards. Income is recognised on an accruals basis.

1.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Income Statement over its useful economic life.

Estimates of the useful economic life of goodwill are based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The expected useful economic life of software development costs are estimated based on business plans which set out the period over which the asset is expected to generate economic benefits.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

The estimated useful lives range as follows:

Software development costs	7 years
Goodwill	12 years

1.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 March 2017

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, except for freehold property, using the following methods.

Depreciation is provided on the following basis:

Motor vehicles	25% reducing balance
Fixtures and Fittings	10%-33% per annum
Computer equipment	33% on cost

Freehold property has not been depreciated as the directors consider that the residual value of the property is so high, that any depreciation charged would be annually and cumulatively immaterial.

1.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in listed company shares are remeasured to market value at each Statement of Financial Position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

1.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly

liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

1.10 Financial assets

Financial assets, other than investments, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

1.11 Financial liabilities

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

1.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.13 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Consolidated Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income. Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 March 2017

1. ACCOUNTING POLICIES - CONTINUED

1.14 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

1.15 Leased assets: the Group as lessee

Assets obtained under hire purchase contract and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.16 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

1.17 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

1.18 Interest income

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

1.19 Taxation

Tax is recognised in the Consolidated Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Tax refunds in respect of research and development claims are recognised on receipt due to the uncertainty relating to the success of the claim.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 March 2017

- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the group as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the group's tangible and intangible fixed assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future performance of the asset and where it is the component of a larger cash generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

Tangible fixed assets (see note 9)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account.

Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Intangible fixed assets (see note 8)

Intangible fixed assets are amortised over their useful lives taking into account the time over which the intangible asset will provide benefit to the company. In assessing the life of the intangible the directors consider market conditions and the current benefit provided to the company.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 March 2017

3. TURNOVER

An analysis of turnover by class of business is as follows:

	2017 £	2016 £
Fees - Awarding body	5,323,485	5,220,237
Professional body	909,596	908,064
Other income	3,552,912	2,032,469
	9,785,993	8,160,770

Analysis of turnover by country of destination:

	2017 £	2016 £
United Kingdom	9,487,568	7,996,315
Rest of the world	298,425	164,455
	9,785,993	8,160,770

4. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	56,512	55,146
Amortisation of intangible assets, including goodwill	172,372	108,469
Fees payable to the Group's auditor and its associates for the audit of the company's annual accounts	20,600	20,000
Fees payable to the Group's auditors and its associates for other services to the group:		
- Taxation compliance services	5,000	8,750
- Taxation advisory services	32,050	-
- Other non-audit services	34,581	32,750
Exchange differences	(7,603)	658
Defined contribution pension cost	337,487	355,202
Payments under operating leases	95,327	132,432

Amounts paid to the company's auditor in respect of services to the company, other than the audit of the company's financial statements have not been disclosed as the information is required instead to be disclosed on a consolidated basis.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 March 2017

5. EMPLOYEES

Staff costs, including directors' remuneration, were as follows:

	2017 £	2016 £
Wages and Salaries	3,952,398	4,104,221
Social security costs	506,872	424,179
Cost of defined contribution scheme	337,487	355,202
	4,796,757	4,883,602

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	2016 No.
Office and management	108	109
Directors	3	3
	111	112

6. DIRECTORS' REMUNERATION

	2017 £	2016 £
Directors' emoluments	498,769	433,916
Company contributions to defined contribution pension schemes	17,963	53,316
	516,732	487,232

During the year retirement benefits were accruing to 3 directors (2016 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £240,932 (2016 - £232,932).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £Nil (2016 - £Nil).

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 March 2017

7. TAXATION

	2017 £	2016 £
Corporation Tax		
Adjustments in respect of previous periods	(259,383)	(9,899)
	(259,383)	(9,899)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016 higher than) the standard rate of corporation tax in the UK of 20% (2016 - 20%).
The differences are explained below:

	2017 £	2016 £
Profit/(loss) on ordinary activities before tax	885,449	(973,566)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	177,090	(194,713)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,717	13
Capital allowances for year in excess of depreciation	-	2,104
Adjustments to tax charge in respect of prior periods	(259,383)	(9,899)
Non taxable income	(291,706)	(108,844)
Unrelieved tax losses carried forward	-	301,440
Other permanent differences	1,859	-
Deferred tax not recognised	109,040	-
Total tax charge for the year	(259,383)	(9,899)

Factors that may affect future tax charges

The Institute of the Motor Industry has unutilised tax losses carried forward of £4,827,000 (2016 - £3,945,000) available for carry forward against future trading profits of the Institute of the Motor Industry. The group has an unprovided deferred tax asset of £628,000 (2016 - £710,000) in respect of these losses carried forward. The deferred tax asset has not been recognised due to the uncertain timing of their reversal.

The group is exploring the opportunity to make a further research and development claim in respect of its development expenditure. A successful claim will impact the future tax charge.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 March 2017

8. INTANGIBLE ASSETS GROUP AND COMPANY

	Software Development Costs £	Goodwill £	Total £
Cost			
At 1 April 2016	773,609	550,000	1,323,609
Additions	707,465	-	707,465
At 31 March 2017	1,481,074	550,000	2,031,074
Amortisation			
At 1 April 2016	84,483	91,666	176,149
Charge for the year	126,539	45,833	172,372
At 31 March 2017	211,022	137,499	348,521
Net book value			
At 31 March 2017	1,270,052	412,501	1,682,553
At 31 March 2016	689,126	458,334	1,147,460

9. TANGIBLE FIXED ASSETS GROUP AND COMPANY

	Freehold Property £	Motor Vehicles £	Fixtures & Fittings £	Computer Equipment £	Total £
Cost					
At 1 April 2016	396,653	19,037	984,734	310,687	1,711,111
Additions	-	-	8,736	64,228	72,964
At 31 March 2017	396,653	19,037	993,470	374,915	1,784,075
Depreciation					
At 1 April 2016	-	17,273	936,913	261,270	1,215,456
Charge for the year	-	441	15,838	40,233	56,512
At 31 March 2017	-	17,714	952,751	301,503	1,271,968
Net book value					
At 31 March 2017	396,653	1,323	40,719	73,412	512,107
At 31 March 2016	396,653	1,764	47,821	49,417	495,655

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 March 2017

10. FIXED ASSET INVESTMENTS GROUP

	Listed Investments £
Cost or valuation	
At 1 April 2016	588,225
Additions	426,278
Disposals	(102,354)
Revaluations	110,285
At 31 March 2017	1,022,434
Net Book Value	
At 31 March 2017	1,022,434
At 31 March 2016	588,225

Subsidiary Undertakings

The following were subsidiary undertakings of the Company

Name	Class of Shares	Holding	Principal Activity
IMI Awards Limited	Ordinary Shares	100%	Dormant
Motor Industry Management Limited	Ordinary Shares	100%	Dormant
The College of the Motor Industry Limited	Ordinary Shares	100%	Dormant

The above subsidiaries share a registered office address with the company, which can be found on the contents page.

Company

	Investments in subsidiary companies £	Listed Investments £	Total £
Cost or valuation			
At 1 April 2016	500,000	588,225	1,088,225
Additions	-	426,278	426,278
Disposals	-	(102,354)	(102,354)
Revaluations	-	110,285	110,285
At 31 March 2017	500,000	1,022,434	1,522,434
Net book value			
At 31 March 2017	500,000	1,022,434	1,522,434
At 31 March 2016	500,000	588,225	1,088,225

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 March 2017

11. STOCKS

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Finished goods and good for resale	8,113	10,196	8,113	10,196

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Stock recognised in cost of sales during the year as an expense was £2,083 (2016 - £Nil).

12. DEBTORS

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade debtors	1,439,730	786,966	1,439,730	786,966
Other debtors	302,913	114,729	302,913	114,729
Prepayments and accrued income	227,549	336,342	227,549	336,342
	1,970,192	1,238,037	1,970,192	1,238,037

The impairment loss recognised in the group statement of comprehensive income for the year in respect of bad and doubtful trade debtors was £4,109 (2016 - £13,037). The impairment loss recognised in the company statement of comprehensive income for the year in respect of bad and doubtful trade debtors was £4,109 (2016 - £21,438).

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade creditors	524,943	243,318	524,943	243,318
Amounts owed to group undertakings	-	-	7,013,586	7,013,586
Taxation and social security	313,398	201,271	313,398	201,271
Other creditors	115,193	97,892	115,193	97,892
Accruals and deferred income	698,345	695,793	804,485	801,933
	1,651,879	1,238,274	8,771,605	8,358,000

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 March 2017

14. FINANCIAL INSTRUMENTS

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Financial assets measured at fair value through profit or loss	1,022,434	588,225	1,022,434	588,225
Financial assets that are equity instruments measured at cost less impairment	-	-	500,000	500,000
Financial assets that are debt instruments measure at amortised cost	4,556,241	4,118,477	4,556,041	4,118,277
	5,578,675	4,706,702	6,078,475	5,206,502
Financial liabilities measured at amortised cost	(1,338,481)	(1,037,003)	(8,458,207)	(8,156,729)
	(1,338,481)	(1,037,003)	(8,458,207)	(8,156,729)

Financial assets measured at amortised cost comprise cash, trade and other debtors.

Financial Liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, other creditors, accruals and deferred income.

15. RESERVES

Educational Prize Fund

This reserve represents bequests received by the Institute, which are to be distributed as specific awards. Upon issue of an appropriate award a transfer is made from the reserve to the profit and loss account, until the fund is fully utilised.

Profit and loss account

This reserve represents the accumulated profits and losses, less dividends paid and other adjustments.

15. PENSION COMMITMENTS

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £344,207 (2016 - £355,202). Contributions totalling £27,955 (2016 - £63,011) were payable to the fund at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 March 2017

17. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2017 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Net later than 1 year	50,289	95,327	50,289	95,327
Later than 1 year and not later than 5 years	29,355	84,455	29,355	84,455
Total	79,644	179,782	79,644	179,782

18. RELATED PARTY TRANSACTIONS

During the year the Institute made sales within the following entities, with directors in common. No sales were made in the prior year.

Name	2017 £
Scottish Motor Trade Association	84,341
Autologic Diagnostics Limited	2,198
Norton Way Motors Limited	1,728
RMI S&C and Retail Motor Industry	185,463

During the year the Institute paid rents amounting to £4,256 (2016 - £4,135) to Scottish Motor Trade Association, a company of which A Smith is a director.

At the reporting date £Nil (2016 - £4,583) was outstanding from S James, a director during the period. The amount outstanding is in relation to a loan £5,000 made during 2016.

At the reporting date £277 (2016 - £Nil) was outstanding from K L Woolley, a director during the period.

Key management personnel include all directors and a number of senior management across the group who together have authority and responsibility for planning, directing and controlling the activities of the group. The total compensation paid to key management personnel for services provided to the group was £1,348,991 (2016 - £1,088,939).

19. CONTROLLING PARTY

The company is controlled by its members, and as such has no ultimate controlling party.



imi@theimi.org.uk
www.theimi.org.uk
+44 (0) 1992 511 521

The Institute of the Motor Industry
Fanshaws, Brickendon
Hertford, SG13 8PG