

AGM minutes

THE INSTITUTION OF CHEMICAL ENGINEERS

Minutes of the Ninety Fourth Annual General Meeting

The NINETY FOURTH Annual General Meeting of The Institution of Chemical Engineers was held at the Edinburgh International Conference Centre, Edinburgh on Tuesday 24 May 2016.

PRESENT:

Dr A Jamieson OBE(President) in the Chair, Professor J P K Seville (Deputy President), Mr K J Rivers (Honorary Treasurer), and 41 other Voting members of the Institution.

APOLOGIES for absence were received from 30 members.

NOTICE:

The President welcomed everyone to the Ninety Fourth Annual General Meeting, declared a quorum present and the meeting open. The Chief Executive read the notice convening the meeting and the reply received to the Message of Loyalty sent to Her Majesty on behalf of all members.

DEATHS:

Members stood in silence for one minute as a mark of respect for those members whose deaths had been recorded during the period 30 April 2015 to 1 May 2016.

MINUTES:

The President proposed that the minutes of the Ninety Third Annual General Meeting held on 26 May 2015 and published in the April 2016 issue of The Chemical Engineer, should be adopted. This was approved by the members present and the minutes were duly signed by the President as a true and correct record of the meeting.

Dr D J Brown (Chief Executive) presented the Annual Report of Council for the year ended 31 December 2015, as published in the Annual Review.

In introducing the Annual Review, the Chief Executive reported that 2015 had not been an easy year as the uptake of services that IChemE provides had been severely affected by the cutbacks that the fall in oil prices had caused many companies to make. As a result the uptake of training courses, conference places, sponsorship and advertising had been greatly reduced. Despite this, membership at the end of the year had exceeded 44,000, and particularly pleasing was the increase in elections to Chartered membership, particularly in Australia and the UK, as well as a steady uptake of the Professional Process Safety Engineer qualification. Three new journals had also been introduced, while the income and impact factors relating to our established journals had increased.

Internationally, there had been new or increased member group activity in Trinidad & Tobago, Canada and the Netherlands, and also some excellent work by Senior Ambassadors in Thailand, Nigeria and the east coast of Malaysia. Partnerships with colleagues in Europe, North America, Australia and New Zealand had been strengthened. The IChemE Safety Centre and Energy Centre were making good progress, and palm oil processing had been added to the suite of Special Interest Groups.

In closing Dr Brown announced that he would be stepping down in July after almost ten years but was gratified to be leaving the Institution some 75% larger than when he joined it, working more in collaboration around the world, making a stronger impact for the profession, more interdisciplinary and far more global in its membership and outlook.

Dr Jamieson thanked Dr Brown for his presentation and invited Mr Rivers to present the Annual Accounts. Mr Rivers read out the opinion of the Auditors and also gave a brief overview of the accounts.

For the first time in 12 years the Institution had posted a deficit of £789k, which compared to a surplus of £344k in 2014, with overall income having fallen from £8.5 million to £7.4 million. A large proportion of this drop was due to the severe impact felt by the Institution as the fall in oil price caused companies to cut their discretionary spend on training, conference attendance etc, but the decline in advertising revenue has also been a factor as a result of moves from print to virtual publications. However, Council had decided that although there would be a reduction in their discretionary spend, this should not prejudice the long-term strategic aims of the Institution.

A deficit budget of £500k was being projected for 2016 and although the first period had proved to be more challenging than anticipated, it was felt that the current unrestricted reserves held by the Institution (£4.3 million) were more than adequate to weather the current cyclical downturn.

The President then invited comments or questions from the members present.

Past President, Mr Ian Shott (Fellow) was quite alarmed at the deficit recorded during 2015 and also that projected for 2016 but the President assured him that there had been an intensive series of discussions between the Finance & Investment Committee and the management team at Rugby and the committee was confident that the management had in place responses to the deficit which were aimed at both enhancing revenue and addressing the costs, which may result in some reduction in personnel but would not damage the long-term aims of IChemE.

In responding to Dr Colin Pritchard (Fellow), who asked what proportion of IChemE's assets were currently held in oil and gas, the President reported that, although he was unable to give a specific percentage, IChemE's reserves were held in restricted and unrestricted funds. The restricted funds consisted primarily of the legacy left by Professor Sydney Andrew which had to be used for activities as defined in Professor Andrew's will; while the unrestricted funds were invested with two different fund managers in line with the Institution's prudent investment policy, which remained to achieve long-term capital growth with income.

From a personal viewpoint, Mr Jim Hatfield (Chartered Member) questioned the need for the Institution to be carrying out any commercial activities and the Chief Executive replied that it was common practice for charitable organisations such as IChemE to offer commercial activities through trading subsidiaries. The Institution offers services which are considered to be of benefit to both IChemE members and the industries they serve. The President added that IChemE was a broad church with young members who have different desires and values from those of older generations and the Institution had to appeal across a wide spectrum in order to fulfil its mission of advancing chemical engineering worldwide. He wished to reassure Mr Hatfield, and other members present, that neither Council nor the executive team would do anything to put the Institution at risk. The Honorary Treasurer added that having diverse sources of income meant that membership subscriptions could be kept at a much lower level during cyclical and business environment changes such as those we were experiencing at the present time.

There being no further questions from the meeting the Honorary Treasurer proposed the adoption of the accounts and this proposal was carried unanimously by members present.

On behalf of the Council and the wider membership, the President then took the opportunity to offer some words of appreciation for Dr Brown, who would be stepping down as Chief Executive in mid July after nearly ten years in the role.

The President highlighted in particular the rapid growth in IChemE's global membership and its increased activity and visibility around the world, together with the introduction of the concept of a formal industry partnership with IChemE where companies that are committed to professional development, to high quality graduate training and to nurturing the pipeline of future talent have become Corporate Partners, all of which could be attributed to Dr Brown's drive. In addition he had strengthened IChemE's relationships with academia, the research community and partner organisations around the world, and had been an articulate voice for chemical engineering and for science, technology, engineering and mathematics in general on issues such as investment in university education, research funding and the importance of skilled migration to economic success in the process industries.

ELECTION OF HONORARY OFFICERS AND COUNCIL:

PRESIDENT: Professor J P K Seville; DEPUTY PRESIDENT: Mr J McGagh; HONORARY TREASURER: Mr K J Rivers; PAST PRESIDENT: Dr A Jamieson OBE; ORDINARY MEMBER OF COUNCIL: Mr S F Harrow

APPOINTMENT OF AUDITORS:

Mr Rivers advised that it was good practice for organisations to review auditors from time to time and that a tendering exercise had, therefore, been carried out. Having received presentations from four companies it had been decided to re-appoint BDO LLP as the Institution's auditors. Mr Rivers then proposed that the remuneration of the Auditors for the year beginning immediately after the AGM should not exceed £25,500 for the consolidated accounts of the charity, and a further AUS\$10,000 for the Australian charity. The motion was seconded by Professor Maitland and, following a show of hands, carried unanimously.

Finally, Mr Rivers expressed his appreciation to IChemE's Finance Director, Ms Joanne Downham, and her team for producing the accounts and getting a clean bill of health from the auditors.

FORMAL HANDOVER:

Dr Jamieson then handed over the Chain of Office to Professor Seville and congratulated him on becoming IChemE's 76th President.

ANNOUNCEMENTS:

It was announced that IChemE would, in due course, be moving out of its Portland Place offices and sharing London accommodation with the Institution of Mechanical Engineers. This would give access to the IMechE's excellent facilities and, through co-location with the IMechE and IMarEST, would provide opportunity for greater co-operation between the organisations.

IChemE and IMechE had also agreed to work together in SE Asia, working out of IChemE's office in Kuala Lumpur, and out of the IMarEST office in Singapore.

VOTE OF THANKS:

The President, Professor J P K Seville, called on Professor Richard Darton who proposed a vote of thanks to the retiring President and members of Council.

CLOSURE:

There being no further competent business the President, Professor Seville, declared the meeting closed at 15:10

