



Annual Review 2006

Incorporating the annual report and accounts of
the Institution of Chemical Engineers

IChemE

heart of the process

1957–2007//////

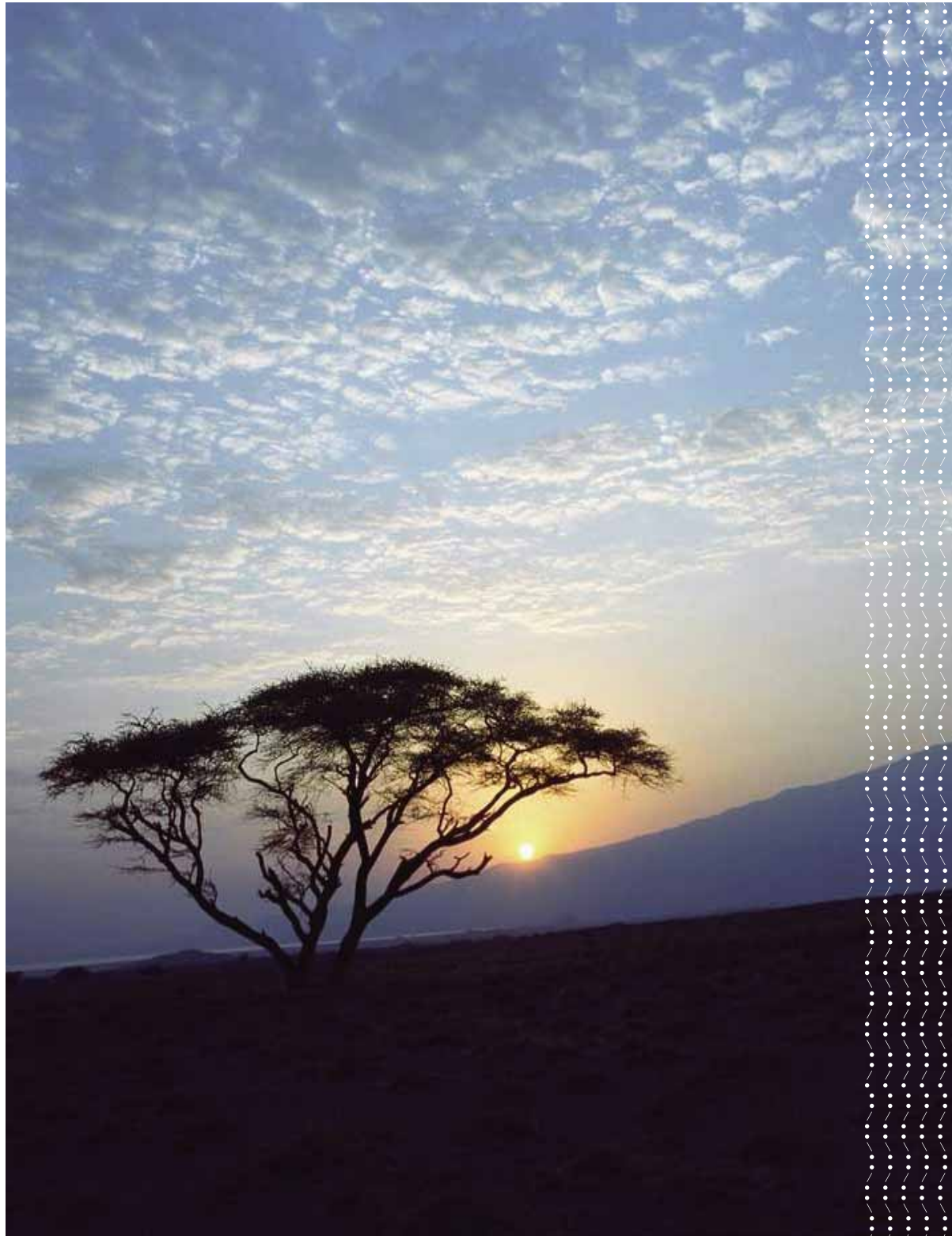
Jubilee of the Royal Charter



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We are at the heart of the
process community, opening
up new horizons in pursuit of
solutions for a sustainable future



A Profession without Boundaries

The need for chemical engineers to reach across boundaries and collaborate with other scientists, policy makers, and society at large becomes progressively more important as the challenges facing our planet become more complex. By transforming chemical engineering into what I call a 'boundaryless profession', we can share our knowledge and deploy our skills to solve many of these challenges.

But in order for society to take our profession seriously and value the role that chemical engineers play, we must actively communicate the fundamental message that chemical engineering is part of the solution – otherwise we run the risk of being positioned as part of the problem. To achieve this, we need to engage in a responsible, scientifically grounded debate with the wider public. And we must talk in a language that people can understand; otherwise our ambition to influence policy makers will come to nothing.

IChemE's Technical Roadmap marks a significant step forward in realising this goal. The Roadmap clarifies the Institution's position on the measures required to achieve sustainable solutions to global challenges in areas where chemical engineering is an essential component of success. IChemE is already acting on many of the Roadmap's findings as we prepare to celebrate the 50th Anniversary of receiving our Royal Charter.

The challenges we face are global, and chemical engineers are engaged in the quest for solutions around the world. Geographical boundaries are becoming increasingly irrelevant and IChemE is expanding its global reach in order to support its members. We have seen our biggest membership growth since 1999; reaching a record high at just over 27,000. The formal establishment of IChemE in Malaysia has been a major development for the Institution. The new Kuala Lumpur office provides better support for membership activities and facilitates the professional development of our members in that region. Elsewhere in Asia, discussions are continuing with leading Chinese universities and the first accreditation visits are planned in 2007, opening up new horizons for the Institution.

IChemE is also playing an important role in maintaining professional standards worldwide. For example, the new agreement between IChemE in Australia and Engineers Australia brings the two organisations together to accredit chemical engineering degree programmes; ensuring that the next generation of chemical engineers measures up against the requirements of the wider engineering profession as well as our own.

And yet if we don't reach out to young people, that future generation of chemical engineers stands in jeopardy. IChemE's *whynotchemeng* campaign has proved a major influencer in persuading more British youngsters to study the discipline. As a result, the UK course intake rose for the fifth consecutive year in 2006; a positive trend that heralded the launch of a new chemical engineering degree programme at the University of Aberdeen, in Scotland. This spells great news for the profession and plans are being developed to extend *whynotchemeng* to Australia and the Netherlands.

Ultimately, the Institution would not have achieved any of this without the vital contribution of the thousands of member volunteers who make it happen. IChemE exists to support and inspire its members. I believe that we do a good job, but we must never be complacent. A detailed assessment of the value associated with IChemE membership has delivered new proposals for further outreach and improved service to members. New arrangements for value delivery by the Institution's regional networks have been signed off and attention will turn to the role played by technical networks in the year ahead. There is still much to be done and the staff team with the energetic leadership of our new Chief Executive Officer Dr David Brown, will support our mission.

Fifty years ago IChemE received its Royal Charter. Fifty years on, the activities described in this Annual Review serve as a solid foundation for taking the Institution forward into the Jubilee year.



Greg Lewin
IChemE President 2006 – 2007

IChemE President Greg Lewin described his vision of a boundaryless profession



Reaching Up

Building on 50 years of success

During 2006, IChemE Council approved plans for a major project to raise the profile of chemical engineering. The 'Jubilee Initiative' was launched in preparation for the 50th Anniversary of the granting of the Institution's Royal Charter in 1957. The initiative incorporates a communications campaign that will create a stronger awareness of chemical engineering and the benefits it brings to society, with a legacy that will endure far beyond the Jubilee year for the Institution, its members and the discipline.

To increase the profile of chemical engineering, IChemE has planned a media relations campaign that will secure improved coverage for the profession. The programme will highlight the contribution and opinion of leading chemical engineers, innovation in the process industries and the important role played by the Institution in supporting the profession internationally. A 'Jubilee Report' setting out a chemical engineering response to pressing global challenges will be published in May 2007.

The initiative also brought a revamp of IChemE's corporate image and integrated branding for all products, activities and events. The Institution's new look was launched in December. A revised logo and unified design was rolled out across the range of IChemE's visual materials and literature.

Policy and influence

Council also recognized the need for IChemE to adopt sharper positions on global issues. An important element of the Jubilee Initiative will articulate IChemE's viewpoint and show how chemical engineers can develop shared solutions for the benefit of society.

To achieve this, IChemE launched a further project: 'A Technical Roadmap for 21st Century Chemical Engineering'. Led by Technical Vice-President, Ian Shott, and supported by essential contributions from the Institution's Subject Groups, the web-based exercise assessed the views of members worldwide on issues surrounding Sustainability & Sustainable Chemical Technology; Health, Safety, Environment & Public Perception of Risk; Energy; Food & Drink; Water; and Bioprocess & Biosystems Engineering. Over 1000 members registered to participate online. At CHEMECA in Auckland, Australasian members also put forward their views to shape the consultation process during the annual member forum.

The output comprises a set of position statements and accompanying action plans setting out the Institution's views in these important areas. The papers identify

strategies needed to achieve sustainable solutions to global challenges where chemical engineering is an essential component for success.

As IChemE seeks to extend its influence in the years ahead, the 'Roadmap' will form the foundations for engagement with governments and the public. It will shape IChemE's input into public policy-making and inform the Institution's media relations work during the Jubilee year and beyond.

Engaging with stakeholders

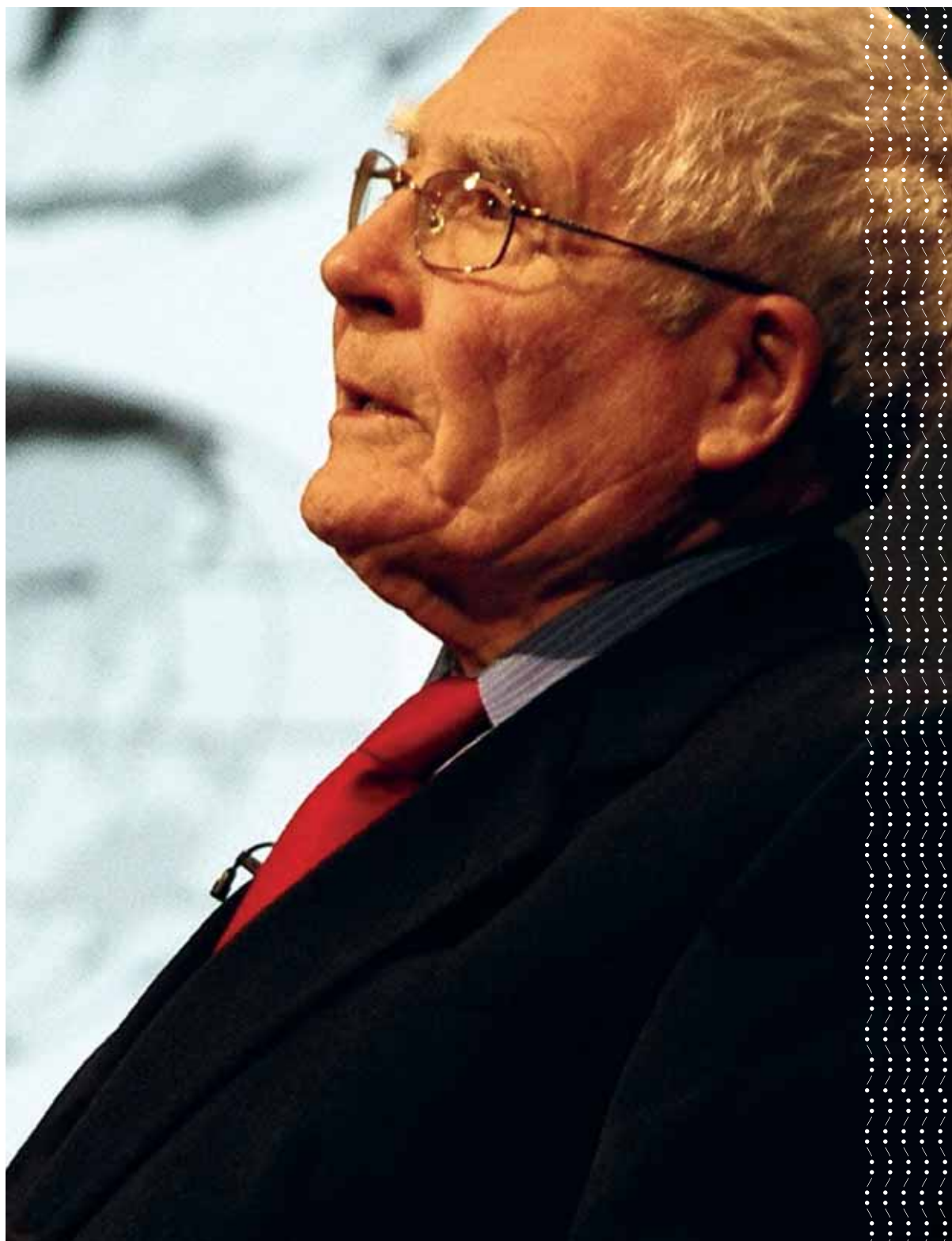
The Jubilee Initiative also focuses on developing productive relationships with external stakeholders in the wider science and technology community. During 2006, the Institution hosted a series of activities, as a basis for further collaboration.

At London's County Hall and in the Park Hyatt in Melbourne, IChemE President, Greg Lewin, addressed invited audiences of industrialists and opinion formers. He called upon the profession to promote its role as 'providers of shared solutions'. Lewin also delivered a speech at the Parliament House in New South Wales, to members and guests from industry and academia, on the difficulties and solutions surrounding the provision of clean water within an Australian context.

Leading lights from chemistry and chemical engineering engaged in two days of intensive speed networking during the year. In June, Professor Ed Cussler, from the University of Minnesota, brought his inimitable sense of humour to Birmingham for a lively session on sustainable product design. Keith Carpenter took time out from Singapore's A-Star, in December, to report on the latest developments in South East Asia's burgeoning bio-fuels economy. Important associations were created between chemists and chemical engineers during the events, staged in conjunction with the Engineering and Physical Sciences Research Council and the Royal Society of Chemistry.

IChemE also worked with prominent figures in science and technology. The Institution invited the celebrated environmentalist and Gaia theorist, Professor James Lovelock, to deliver the 5th John Collier Memorial Lecture in November. Over 200 opinion formers gathered in London to hear Lovelock's analysis of the planet's ecosystem from a systems based perspective. The event attracted widespread publicity, securing coverage in newspapers around the world. Education Vice-President, Professor Colin Grant, presented Lovelock with the Collier Medal and reinforced the message that chemical engineers will continue to work with others in search of solutions to combat climate change.

Celebrated environmentalist
James Lovelock applied systems
thinking to the challenge
of climate change



Reaching Far and Wide

Expanding the global network

IChemE's membership reached an all time high of over 27,000 members in more than 100 nations, reflecting the health of the profession globally and serving to emphasise the value of the chartered chemical engineer benchmark.

In July, the inauguration of the Malaysian branch brought a major milestone in IChemE's history. Greg Lewin gave a thoughtful speech on the state of the profession to an audience of almost 100 senior engineers. Following the launch, IChemE established a new board - with Professor Mohd Ali Hashim in the chair - and welcomed all members of the local Institutusi Jurutera Kimia Malaysia into membership. Later in the year, the branch opened a new Kuala Lumpur office, staged a major presence at the 11th Asia Pacific Chemical Engineering Congress, established links with key industry figures and visited key university departments. These exciting developments provided a springboard for further development in 2007.

Also in the fast lane, IChemE in Australia relocated to new premises in Melbourne's central business district during October, providing improved facilities for members. IChemE's new Chief Executive Officer, Dr David Brown, remarked, "I see the move as a great step forward and this new facility provides a terrific base for engaging with the Australian chemical engineering and business community." Elsewhere in the southern hemisphere, Brown's predecessor, Dr Trevor Evans, delivered a swansong plenary address to the Inter-American Confederation Conference in Buenos Aires.

Sharing knowledge worldwide

As the Institution expands internationally, the demand for continuing professional development grows with it. IChemE's existing training courses proved as popular as ever in 2006 and opportunities to expand the portfolio in 2007 were identified. Global training provision presents new challenges and, in a new development, exploratory discussions took place with the American Institute of Chemical Engineering, looking at possibilities for delivering joint programmes in developing countries.

Several communities previously seen as being beyond IChemE's reach benefited from the Institution's participation in the Programme for the Enhancement of Research Information. The new arrangement commenced in September offering free access to six IChemE serial publications in over 40 countries worldwide. Within 24 hours of release, institutions in Cuba, Madagascar, Nepal, Rwanda, Tanzania and Uganda had signed up to the programme. A further 50 countries can take advantage of vastly reduced subscription rates and enjoy affordable access to research published by the Institution.

Education outreach

Educators in Europe have been getting to grips with the Bologna Declaration since 1999. The process aims to make courses more competitive and more attractive for European students and for those from other continents. IChemE continued to play a leading role in government consultations on Bologna and other higher education matters, including participation in The European Network for Accreditation of Engineering Education.

IChemE's accreditation scheme recognises excellence in chemical engineering education and ensures a high standard of qualified young entrants for the profession. The Institution continued to make progress with the worldwide accreditation of university degrees. A comprehensive international effort saw visits to six Malaysian chemical engineering departments and discussions continued with leading Chinese universities, paving the way for accreditation visits in 2007.

The *whynotchemeng* careers campaign has been a major driving force behind the significant increase in undergraduate intake to chemical and process engineering courses in the UK. October 2006 saw over 1300 students accepting places on first degree courses, marking a 40% increase since the campaign's launch in 2001. David Brown's arrival prompted a reassessment of the campaign and several new initiatives are planned for 2007, including new resources for primary school pupils. The Institution's Jubilee year will also see the launch of an international version of the *whynotchemeng* website and discussions on the establishment of school ambassador networks in Australia and the Netherlands.

The launch of IChemE
in Malaysia brought
a major milestone in
the Institution's history



Reaching Out

Publishing advances

Keeping abreast of the latest advances in process innovation is a central feature of professional development. To this end, the Institution developed its publishing activities to deliver a wider range of information during the year.

In May, the highly regarded IChemE *Transactions* saw a new addition in the shape of *Education for Chemical Engineers*, the fourth product in a range of journals endorsed by the European Federation of Chemical Engineering. The online journal has a high profile editorial board, led by the University of Melbourne's Professor David Shallcross.

IChemE also took advantage of web-based platforms in August to make over 8000 research papers available online via the Google Scholar search-engine.

In August, the Institution joined forces with the leading science publisher, Elsevier, signing an agreement to distribute titles under its Butterworth-Heinemann imprint. The arrangement gives the Institution access to a powerful international publishing platform with an added bonus for members who can now purchase any Elsevier title at a 15% discount. The new partnership enables the Institution to better meet the needs of authors and readers in industry and academia. Three titles were published in 2006 and seven more are in the pipeline for 2007.

IChemE's monthly news and business publication *tce* continued to provide a strong link between individual members, the Institution and the wider process community. With Claudia Flavell-White in the editor's hot seat, *tce* continued to score highly amongst members thanks to a lively mix of industry news, technical features and in-depth interviews. Record advertising revenue reinforced the magazine's position as a leading process sector title and in a new development, part of the magazine print-run was outsourced to Malaysia. Members in the South East Asia and Australasian regions now benefit from receiving *tce* within five days of publication.

Building local networks

Branches and centres in the UK continued to provide active networks for local members. Highlights included the East Pennine Centre's seminar on practical aspects of process safety in April, which drew 60 delegates; whilst the Aberdeen Centre's one-day seminar on multiphase flow in June saw an audience of more than 70. These were just two examples of well attended local events delivered almost entirely by volunteers, a pattern reflected further afield in a series of meetings run by the Australian State Groups and by the Singapore Branch of IChemE.

Council recognises however that value delivery can vary from region to region. A task-group, led by ICI's Andrew Haslett, made further progress on a project to enhance the value associated with membership. The group also reviewed membership fees, with a focus on retaining members who are in the early stages of their careers. Lower, tiered rates for Associates and Affiliates in the first two years of membership were introduced for 2007.

Regional Forum Chair, Dr Kevin Wall, received the findings of a survey of UK and Irish members alongside detailed feedback from branch officers in a move to identify how local activities might be improved. A clearer role for regional groups emerged and a framework was agreed to provide enhanced local programmes with full support from IChemE headquarters. 2007 will see a review of geographical coverage of regional groups in the UK and Ireland and the rollout of the project to international groups.

Relationships with the academic community were strengthened with the help of the 'icheme on campus' campaign and another milestone was passed with student membership topping 4000 for the first time. Academic 'drop-in' sessions were piloted at several institutions and online presentations allowed IChemE to reach individual members around the world. Presentations on what to expect after graduation guided many final year students in the UK, Ireland and Australia towards their first steps on the career ladder. In 2007 IChemE will form closer ties with accredited departments in Malaysia and Europe.



Innovation and achievement

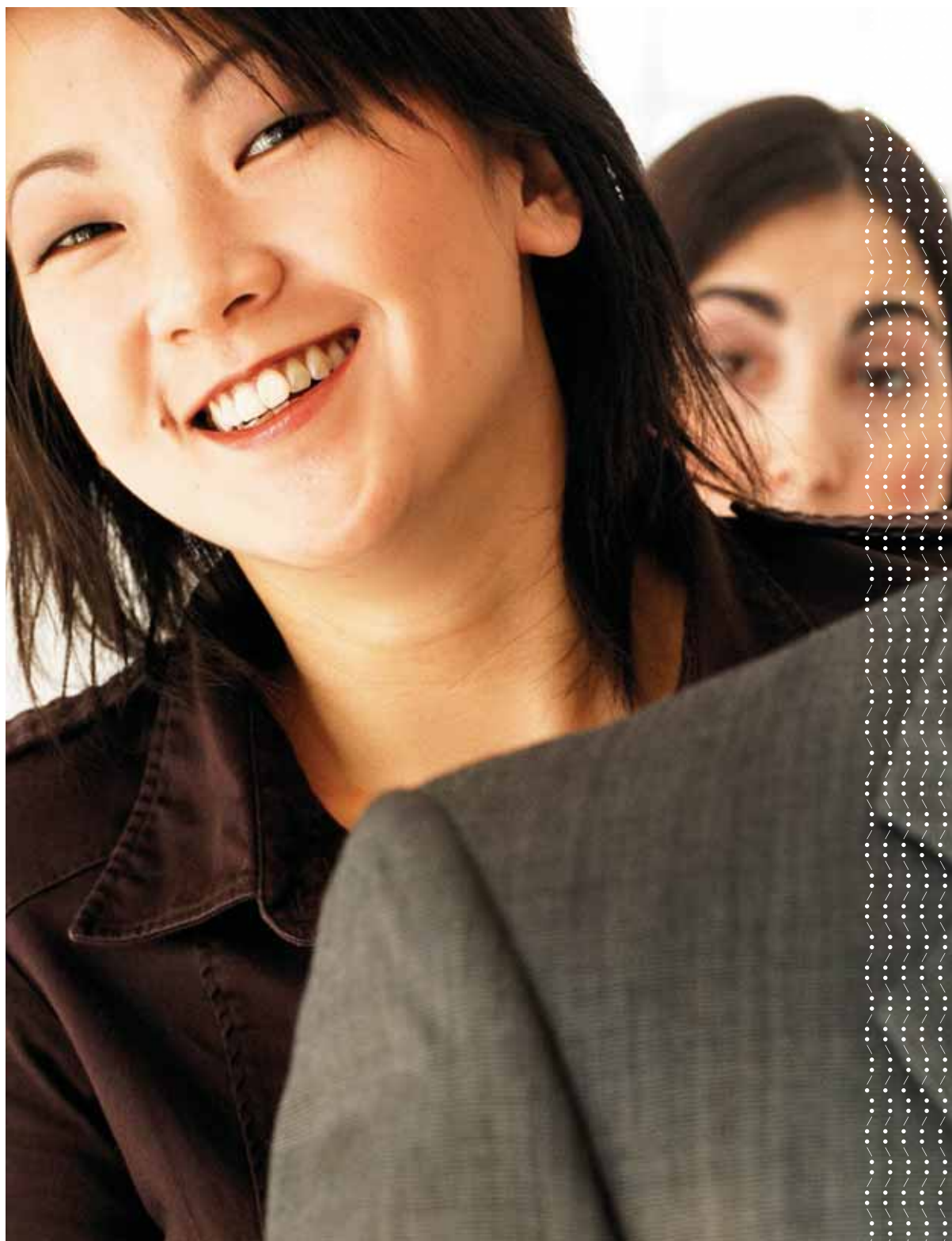


Influence through participation



A platform for new ideas

IChemE implemented measures to retain members in the early stages of their careers



Reaching Higher

Guiding professional development

IChemE's 2006 Salary Survey showed that average salaries for chartered chemical engineers in the UK and Ireland had topped £53,000, confirming that continuing professional development (CPD) pays dividends. Throughout 2006, IChemE's Get Chartered campaign continued to support increasing numbers of candidates working towards chartered status with over 50 workshops held in the UK, Ireland and Australia, and a further 20 virtual sessions held online for the benefit of IChemE members worldwide.

2007 will see strengthened support for IChemE mentors with the launch of a new set of guidelines and a mentoring CPD toolkit. Graduates will benefit from an improved CPD toolkit, which provides a more structured path towards chartered status. The Institution will also offer intensive Get Chartered report writing sessions facilitated by IChemE assessors. This new service will enable candidates to write their Competence and Commitment Report - often seen as a major hurdle on the route to chartership - in just one sitting.

Celebrating process industry achievement

In October, over 400 process industry professionals and leading figures from the science and engineering establishment gathered at London's Banqueting House to recognise a host of innovative technologies at the 2006 IChemE Awards. Popular UK science broadcaster Adam Hart-Davis hosted the event and presented trophies to winners across 12 categories. The contest attracted 45 nominations from 15 countries. BP's Algerian carbon capture and storage took top honours, securing the Entec medal. Pfizer's new route to produce Pregablin won the other major prize, the Astra Zeneca Award for Green Chemistry and Engineering.

Honorary Fellowships were awarded to Sir Nicholas Stern, for his internationally acclaimed review on the economics of climate change, and to former UK Science Minister, Lord David Sainsbury, in recognition

of his exceptional support for science, technology and innovation in the UK. The retiring Chief Executive Officer, Dr Trevor Evans, also received an Honorary Fellowship upon stepping down after 33 years service to IChemE, and the profession.

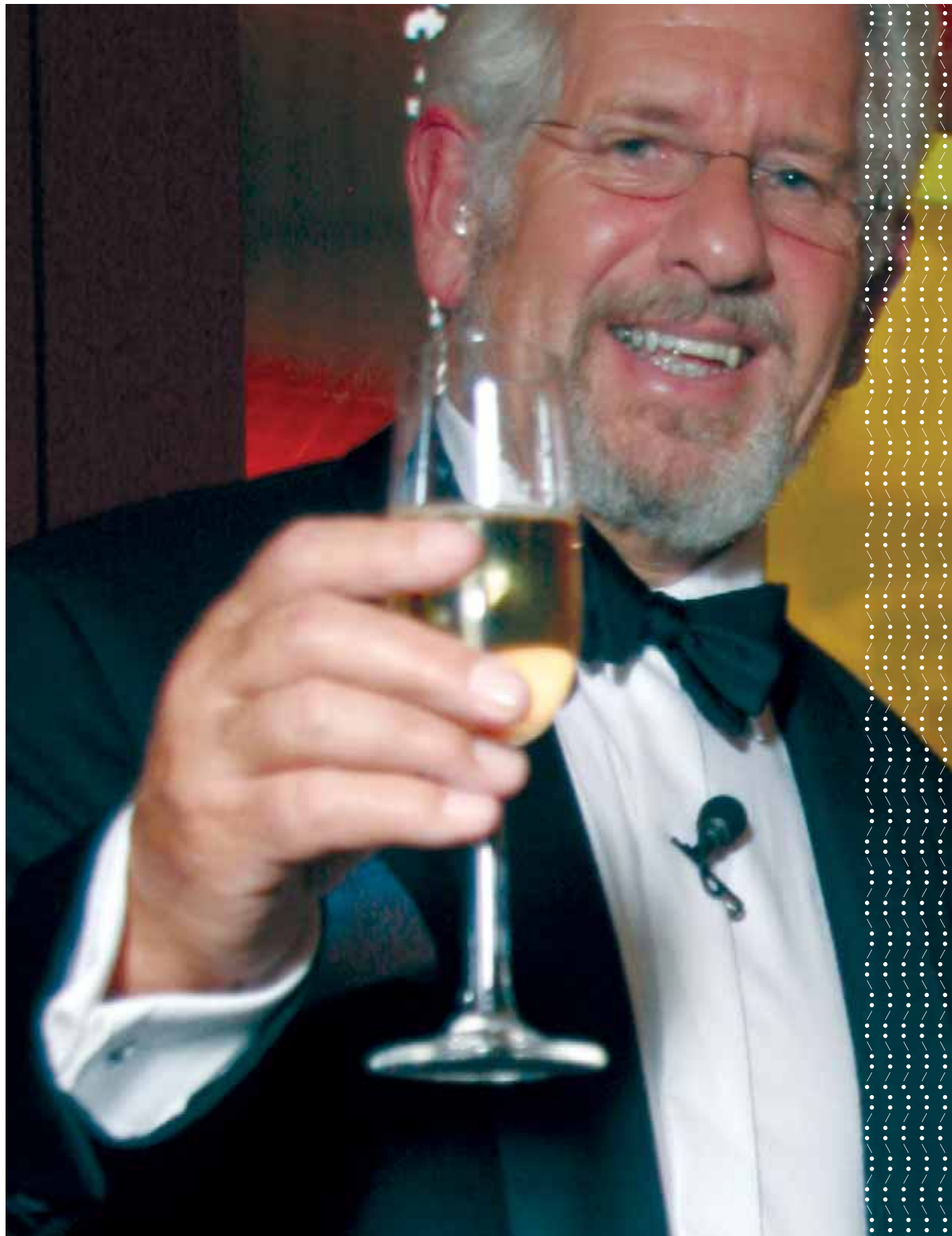
Driving innovation

Heightened concern over energy supplies and carbon emissions contributed to a record attendance at the 7th European Gasification Conference in April. An international line-up of speakers including Spain's José Bogas Gálvez, President of Elcogas, and Gary Steigel of the US Department of Energy addressed 250 delegates at the Hotel Rey Juan Carlos in Barcelona. The conference, led by the Institution's Energy Conversion Technology Subject Group, examined the latest developments in carbon sequestration. It also included a report on worldwide demonstration projects for underground coal gasification and an update on the progress of the first gasified coal to liquids project being undertaken in the USA by Shell, SASOL and others.

The Fluid Separations Subject Group masterminded the 8th Distillation and Absorption Conference, held at Imperial College, London, in September. Delegates gathered to discuss all aspects of technology in this field. BP Chief Scientist, Dr Steven Koonin, delivered the opening plenary to more than 200 visitors from 25 nations.

In addition to their involvement with major international conferences, IChemE Subject Groups organized 35 one-day seminars in 2006. Healthy attendances were reported at the Safety & Loss Prevention Subject Group's seminar, Human Factors in the Control Room. The Particle Technology Subject Group's session on milling and the Fluid Separations Subject Group's seminar on Turnarounds and Revamps in Separations Technology also attracted sizeable audiences. The Chemical Engineering Education Subject Group held three international two-day workshops, pulling in participants from Australia, New Zealand, Malaysia and Indonesia.

UK broadcaster Adam Hart-Davis
announced the 2006 IChemE
Award winners



Into a New Era

In this first Annual Review since I joined IChemE, I am delighted to report that the Institution is bigger, healthier and more influential than ever before. The credit for this goes in no small measure to my predecessor Trevor Evans who, as most readers will know, stepped down from the Chief Executive role last November after 30 years at the helm of the Institution. Trevor's commitment and dedication to chemical engineering have helped to create a sound platform for future growth, and as we come to the 50th Anniversary of our Royal Charter IChemE will continue to foster an environment where chemical engineers can deliver sustainable solutions to some of the biggest challenges facing humanity.

Among the many issues facing our profession, I believe the most important of all is the need for talented, young people who are truly excited by science and engineering. IChemE will play a vigorous role in initiating and supporting campaigns that inspire young people and school students with our passion for science, innovation and technology. This will attract the next generation of chemical, biochemical and process engineers who will tackle pressing concerns such as climate change and providing clean water for the benefit of society.

Working together

I share Greg Lewin's belief that we must reach across disciplinary boundaries and collaborate with a wide range of partners to develop shared solutions for society. Real world problems are usually interdisciplinary in scope and in the skills needed to solve them. We're already a highly multidisciplinary community – encompassing a huge range of skills and knowledge across biochemical and biotech sectors, materials engineering, energy technology, food, beverage and utilities as well as upstream and downstream chemical products. Chemical engineering is arguably as near as engineering comes to science, giving our profession a pivotal role in the wider science, technology, engineering and mathematics (STEM) community. In the years ahead, we will collaborate more closely with our STEM partners on issues where we share common ground.

Links with industry and academia

We will continue to do what we can to bridge the gap between academia and industry, and stimulate the

knowledge, skills and investment needed for innovation. We will work more closely with companies across a range of sectors – including those outside traditional chemical engineering areas – to help professionals add value to their companies and industries, and to grow their skills and competencies in so doing. We will strengthen our links with universities, seeking to provide services beyond accreditation and to match learning outcomes with skills demands.

Engaging and influencing on behalf of the profession

If we want public support for chemical engineering solutions, we must engage with society and help them understand our work. IChemE will act as a powerful voice for our profession, and contribute to public debates surrounding scientific issues. In countries where we have a strong membership base, we will also seek to guide and advise government and public agencies on issues such as education, funding, R&D and investment.

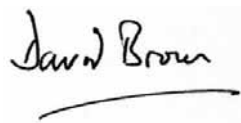
International development

Chemical engineering is a global profession, and IChemE is committed to helping its members deliver solutions to societies worldwide. Our new office in Kuala Lumpur is an example of this commitment. In 2007 and beyond, I want to expand IChemE's activities to support and secure the future of the profession in China, India and elsewhere.

Make it simple

If we are to deliver this vision, we must make our business processes simpler and quicker. Our members expect nothing less from a modern institution. I have already implemented a series of organisational changes that will improve our services to members. Over the next few years, we will enhance our range of web-based tools to help members communicate with each other and with the Institution's staff. We will also seek to reduce workload and costs both for universities and the Institution by rationalising accreditation procedures.

I look forward to building on IChemE's role at the heart of the process community and taking it forward through our Jubilee year and beyond.



David Brown
IChemE Chief Executive Officer

IChemE Chief Executive, Dr David Brown, arrived to find the Institution in good shape



Financial Results

The Institution performed well overall resulting in a positive financial outcome for 2006. Direct costs were contained within budget and this, together with the Institution's successful course and conference programme and the healthy performance of the sale of advertising space through the trading subsidiary, has resulted in a better than budgeted outcome.

Membership reached an all time record high, peaking at 27,000 members during the course of the year. 2006 saw the opening of the IChemE Malaysia Branch in Kuala Lumpur, which is a major milestone for the Institution and a step which it hopes will provide a platform for growth in the region.

Our relaunched schools initiative, *whynotchemeng*, continues to bear fruit with applications and enrolment increasing in UK universities. Further industrial and university support was received in 2006 and work began to explore how we internationalise the campaign effectively.

Investment performance

The Institution's balance sheet was strengthened by the increase in value of £385,000 on its investment assets. Council believes that the notional pension-funding deficit of £1,949,000 (2005: £1,850,000) calculated under Financial Reporting Standard 17 has no material effect on the Institution's cashflows in the short term, and in the longer term its effects are sustainable out of future income.

Balance sheets at 31 December 2006

	Group		Institution	
	2006 £000	2005 £000	2006 £000	2005 £000
Fixed assets				
Tangible assets	1,941	1,978	1,941	1,978
Investments	3,792	3,364	3,792	3,364
	5,733	5,342	5,733	5,342
Current assets				
Debtors	952	1,103	921	1,144
Cash at bank and in hand	1,199	863	1,104	694
	2,151	1,966	2,025	1,838
Creditors:				
Amounts falling due within one year	(2,134)	(2,021)	(2,008)	(1,893)
Net current assets/(liabilities)	17	(55)	17	(55)
Total Net Assets before pension deficit	5,750	5,287	5,750	5,287
Pension scheme funding deficit	(1,949)	(1,850)	(1,949)	(1,850)
Total Net Assets after pension deficit	3,801	3,437	3,801	3,437
Income funds				
Free reserves	5,713	5,239	5,713	5,239
Pension reserves	(1,949)	(1,850)	(1,949)	(1,850)
Unrestricted funds	3,764	3,389	3,764	3,389
Restricted income funds	37	48	37	48
	3,801	3,437	3,801	3,437



Publishing excellence



Intelligence and analysis



Setting rules minimising risk

Consolidated Statement of Financial Activities for the year ended 31 December 2006

	2006			2005		
	Unrestricted funds £000	Restricted funds £000	Total 2006 £000	Unrestricted funds £000	Restricted Funds £000	Total 2005 £000
INCOMING RESOURCES						
Incoming resources from generated funds:						
Donations	-	46	46	-	41	41
Activities for generating funds						
Trading income	1,126	-	1,126	1,376	-	1,376
Investment income	73	1	74	108	1	109
Incoming resources from charitable activities:						
Membership and Accreditation	1,856	-	1,856	1,765	-	1765
Publishing and Information Services	1,029	-	1,029	972	-	972
Events and Training Products	903	-	903	1,411	-	1,411
Networks	303	-	303	159	-	159
Co-operative Projects	256	-	256	247	-	247
Total Incoming Resources	5,546	47	5,593	6,038	42	6,080
RESOURCES EXPENDED						
Costs of generating funds:						
Trading activities	(249)	-	(249)	(316)	-	(316)
Charitable activities:						
Membership and Accreditation	(1,360)	-	(1,360)	(990)	-	(990)
Publishing and Information Services	(1,667)	-	(1,667)	(1,714)	-	(1,714)
Events and Training Products	(766)	(7)	(773)	(1,718)	-	(1,718)
Networks	(541)	-	(541)	(394)	-	(394)
Policy and Influence	(298)	(170)	(468)	(246)	(162)	(408)
Co-operative Projects	(256)	-	(256)	(247)	-	(247)
Governance costs:	(31)	-	(31)	(47)	-	(47)
	(4,919)	(177)	(5,096)	(5,356)	(162)	(5,518)
Total Resources Expended	(5,168)	(177)	(5,345)	(5,672)	(162)	(5,834)
Net incoming/(outgoing) resources before transfers	378	(130)	248	366	(120)	246
Transfers between funds	(119)	119	-	(129)	129	-
Net incoming/(outgoing) resources	259	(11)	248	237	9	246
Net gains on investment assets	385	-	385	314	-	314
Pension scheme curtailment gain	-	-	-	803	-	803
Pension scheme actuarial (losses)/gains	(269)	-	(269)	(836)	-	(836)
Net movement in funds	375	(11)	364	518	9	527
Fund balances brought forward at 1 January	3,389	48	3,437	2,871	39	2910
Fund balances carried forward at 31 December	3,764	37	3,801	3,389	48	3,437

The results relate to the continuing activities of the Institution

Council's statement on the summarised financial statements

These summarised financial statements are a summary of information extracted from the statutory Council's report and consolidated financial statements. They may not contain sufficient information to allow for a full understanding of the financial affairs of the Institution. For further information, the full consolidated financial statements, the auditors' report on those consolidated financial statements and the Council's report should be consulted. Copies of these can be obtained from the finance department at Rugby by email: jdownham@icheme.org

The consolidated financial statements were approved on 19 April 2007 and will be delivered in due course to the Charity Commission. The consolidated financial statements have been audited by a qualified auditor, BDO Stoy Hayward LLP, who gave an audit opinion that was unqualified and did not include a statement required under regulation 6 (2) (f) of The Charities (Accounts and Reports) Regulations 1995.

On behalf of the Council



Gordon Campbell, Honorary Treasurer
19 April 2007

Independent Auditors' statement to the Council of the Institution of Chemical Engineers
We have examined the summarised financial statements of the Council of the Institution of Chemical Engineers.

Respective responsibilities of trustees and auditors

The Council is responsible for preparing the summarised financial statements in accordance with applicable law. Our responsibility is to report to you our opinion on the consistency of the summarised financial statements with the full Council's report and consolidated financial statements. We also read the other information contained in the Annual Review and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summarised financial statements.

Our report has been prepared pursuant to the requirements of the Charities Act 1993 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Charities Act 1993 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of opinion

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

Opinion

In our opinion the summarised financial statements are consistent with the full Council's report and consolidated financial statements of the Institution of Chemical Engineers for the year ended 31 December 2006.

BDO Stoy Hayward LLP
Registered auditors
19 April 2007

Council Members and Directorate

Greg Lewin
 IChemE President; President, Shell Global Solutions

Raghunath Anant Mashelkar
 IChemE Deputy President;
 Former Director General, Council of Scientific
 and Industrial Research of India

John Archer
 IChemE Past President;
 Former Vice-Chancellor of Heriot-Watt University

Gordon Campbell
 IChemE Honorary Treasurer;
 Chairman, Babcock International Group

Colin Grant
 IChemE Vice-President (Education);
 Dean of Engineering, University of Strathclyde

Ian Shott
 IChemE Vice-President (Technical);
 Chairman, Excelsyn Group

Denis Dare
 IChemE Vice-President, Chairman of IChemE in Australia;
 Senior Advisor, Asia Pacific, Gaffney Cline & Associates

Mohd. Ali Hashim
 Chairman of IChemE in Malaysia;
 Professor of Chemical Engineering, University of Malaya

David Bogle
 Head of Graduate School, UCL

Helen Fennell
 Senior Process Engineer, Air Products

Andrew Haslett
 Director of Group Technology, ICI

Trish Melton
 Managing Director, MIME Solutions

Jonathan Seville
 Head of Chemical Engineering Department, University
 of Birmingham

Michael Simm
 Director of Process Engineering, Foster Wheeler Energy

Trevor Evans
 Chief Executive Officer, IChemE (to November 2006)

David Brown
 Chief Executive Officer, IChemE (from October 2006)

Eileen Lawson,
 Chief Operating Officer (to April 2006)

IChemE Directorate 2006
 In addition to the Chief Executive Officer and the
 Chief Operating Officer, the following members of staff
 served on the IChemE Directorate during the year:

Jan Althorp
 Executive Director, IChemE in Australia

Neil Atkinson
 Director, Membership Development & Services

Andy Furlong
 Director, Policy & Communication

Kate Harrison
 Director, Corporate Governance & Regions

Caroline Smith
 Director, Publications & Resources

Staff changes
 IChemE is recognised as an Investor in People. The total
 number of staff at IChemE's Rugby, London, Melbourne
 and Kuala Lumpur offices at the turn of the year stood
 at 63. In October, the staff team said farewell to
 Dr Trevor Evans, who retired after 33 years with the
 Institution. Ms Eileen Lawson departed in April 2006.



Three decades of service



Investing in people



Global future beckons

Advancing the discipline for the benefit
of society and supporting the professional
development of our members



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