

UNITED KINGDOM EXPLOSION LIAISON GROUP

Trustees Annual Report 2017-18

A. Aims, Purposes, Objectives and Activities

The United Kingdom Explosion Liaison Group (UKELG) is a technical subject interest group and was established in 1982. Its aim is to provide a UK forum for presenting, debating and disseminating the recent developments in science and technology concerning explosions and their effects, thereby improving the safety of the public and workers in industry.

The main way that UKELG achieves its aim is by organising Discussion Meetings to provide a forum for the discussion of relevant technical issues and an opportunity for networking. These are one day events, held at scientific and research establishments in the U.K. Typically, two meetings are held per year. These are organised on a voluntary basis, usually by Committee members. Approximately every five years, we hold a “two days over three” Anniversary Meeting instead of two one-day meetings. Our last conference was the 58th Meeting to celebrate 35 years of UKELG, held from the 19th to 21st September 2017 at DNV GL’s site at Spadeadam. Details of meetings are sent to a list of about 200 contacts by email (compliant with new General Data Protection Regulation) and are available on the UKELG website <http://ukelg.ps.ic.ac.uk/>

Attendees usually include people from academia, industry, consultancies and regulatory bodies. We welcome and encourage speakers and attendees from outside the UK because our Discussion Meetings are enhanced by their expertise and all of the attendees benefit from the wider networking opportunities.

UKELG actively encourages the presentation of recent research and results, especially work in progress. So as not to inhibit informal contributions and discussion, the proceedings of Discussion Meetings are not published. However, speakers are invited to have their presentations put on the UKELG website, although some choose not to.

B. Public Benefit Statement

When planning and running UKELG’s activities for the year, the trustees of UKELG have considered the Charity Commission’s guidance on public benefit. The main public benefits are the education and training that attendees gain from the Discussion Meetings. There are also potential safety and environmental benefits arising from the practical application of this knowledge.

UKELG Discussion Meetings are open to anyone on payment of an appropriate fee to cover the running costs. Students and delegates who are financially unsupported by an employer, such as the retired or unwaged, are charged 50% of the meeting registration fee and a payment of up to £30 can be offered towards their travelling expenses, if agreed in advance with the Secretary. Members of the public who are unable to pay the fee can access an archive of papers from past meetings on the UKELG website.

C. Achievements and Performance

Committee Meetings

Three Committee meetings were held, on 10th May 2017, 22nd November 2017 and 8th February 2018 at the Mechanical Engineering Department, University of Birmingham, thanks to the kind permission of Professor Shepherd. Standing items for discussion were a review of previous

Discussion Meetings, planning future Discussion Meetings, reviewing finances, Committee membership, UKELG website activity and links with other organisations.

58th meeting to celebrate 35 years of UKELG “at DNV-GL site at Spadeadam(Cumbria) 19-21st September 2017

This meeting had 53 delegates. The feedback was very positive and was clearly a very successful meeting and thanks to DNV and Dan Allason in particular were warmly expressed. Financially, it was reported that there was a deficit of about £700, and that DNV absorbed this, for which they were sincerely thanked. The Committee hosted a reception drinks and £958 were spent on concessions

Future Discussion Meetings

The following meetings are provisionally planned:

- The 59th Discussion Meeting will be held at Warwick University the 26th April 2018 on Modelling Practical Explosion Scenarios.
- The 60th Meeting is planned to be a three-day event probably in Cardiff in September 2018, A suggested title for the meeting was seen as “Progress in Explosion science and Technology, modelling, and research.”

International Student Travel Grant

The invitation to apply for the 2017/2018 award was sent out in August 2017. Sadly no applications were received by the closing date of 31st December 2017. The academic members of the Committee will be encouraged to publicise this in 2017-18 and review the award.

Trustees' Liability and Risk Assessment

The liability of trustees in the event of a rare but foreseeable incident giving rise to losses of life, property or other losses and not covered by our Public Liability Insurance (PLI) was discussed at the Annual General Meeting on 15th June 2016. Subsequently the Secretary and Treasurer collated a list of potential scenarios which the Secretary then developed into a risk assessment. This was reviewed by the Committee at the meeting on 23rd November 2016. One conclusion from this process was that, if it appears that the author of a Discussion Meeting presentation may not have Professional Indemnity Insurance (PII), the author should be asked to confirm his or her PII. In the highly unlikely event that there is no PII, withdrawal of the presentation should be referred to the Committee. Subsequently, David Price began making enquiries regarding whether Officers and Directors Liability Insurance could be available to trustees to limit their liability.

Discussion Meeting Overhead and Support for Students and Unsupported Delegates

At the Annual General Meeting on 15th June 2016, it was decided to continue to keep the Discussion Meeting overhead at £10 per delegate for 2015-16 (minimum delegate fee of £40), and to continue with our current levels of support for students and financially unsupported delegates (half price delegate fee and up to £30 towards travel expenses). This was because our total funds of £9,046.26 at the end of 2015-16 were 6% above the top end of our RPI adjusted reserves target of £7,467 to £8,533 (for further information, see the Reserves Policy in Annex 2). These items will be reviewed at each Annual General Meeting.

Travel Expenses Subsidy for Financially Unsupported Overseas Speakers

This was maintained at up to £200 per speaker per meeting. It was used once in 2016-17 to provide £200 of support for Jerry Havens, a keynote speaker at the 55th Discussion Meeting on 26th April 2016 who had travelled from the US. At the Annual General Meeting on 15th June 2016, it was agreed that this subsidy could be awarded by the treasurer without consulting the Committee. Amounts above

this limit need to be agreed in advance of the Discussion Meeting by email consultation of the Committee members.

Audit of Accounts

Auditing is not required by the Charity Commission for an annual income of up to £25,000. However, in 2013-14 some Committee members felt that it would be reassuring for the Treasurer if an annual audit was done, in view of the amount of total funds held. Following previous examples, the 2016-17 accounts were audited by Kevin-Hughes, Treasurer of the British Section of the Combustion Institute on 25th April 2018. It was recommended that:

1. The form summarising Discussion Meeting takings is signed by two independent Committee members before the takings are handed to the Treasurer. This is done whenever it is practicable. However, this can sometimes be difficult in practice;
2. A Committee member other than the Treasurer signs the expenses form to reimburse the Treasurer for BACS transfer payments of catering invoices etc. Also the Committee agreed that, so far as possible, cheque payments to Committee members should not be countersigned by the recipient. This was recognised as best practice and will be applied when practicable.

Website

The Secretary, Roger Santon, maintains the UKELG website <http://ukelg.ps.ic.ac.uk/> which contains information on UKELG, forthcoming Discussion Meetings and an archive of papers from previous meetings. Statcounter is used to provide website usage statistics, and typically recorded 1 to 3 visits per day.

UKELG Archive

The Secretary maintains an archive which contains hard copies of all of the Discussion Meeting programmes, minutes of recent Committee meetings and miscellaneous documents. A complete electronic version is not practicable since many of the documents are on the website and are in HTML format only.

D. Financial Review

UKELG is required by the Charity Commission to produce accounts in a “receipts and payments” format (Ref 1). The UKELG accounts for 2017-18 are shown in Annex 1. Key financial information is summarised in the table below, and figures for 2015-16 and 2016-17 are included for comparison.

	2017-18	2016-17	2015-16	2017-18 change from 2016-17
Income	£2.23	£4,464.72	£3,083.82	-99%
Expenditure	£2,978.87	£3,321.10	£2,414.16	-10%
Total funds transferred to next financial year	£7,213.24	£10,189.88	£9,046.26	-29%

The main source of income for UKELG is always the Discussion Meeting delegate fees. The only meeting to fall within the 2017-18 did not generate any profit

The main expenditures in 2017-18 were:

- 57th Discussion Meeting outgoings - catering and room hire
- Committee meeting expenses - travel expenses for those Committee members unable to claim these elsewhere, and provision of a modest working lunch;

- an annual Honorarium for the upkeep of the UKELG website, paid to Roger Santon;
- The annual public liability insurance premium.
- Concession to travel to 58th Meeting
- Reception drinks in the 58th Meeting

Committee meeting expenses were 13% lower than 2016-17 (£678.24 versus £785.93), although the average cost per attendee increased.

The charity's assets were solely cash. The charity had no liabilities.

The majority of UKELG's reserves are held in a deposit account which pays a relatively low rate of interest. Our reserves policy is given in Annex 2. UKELG's reserves are now 10% below the minimum 2017-18 RPI adjusted target range of £8,090-£9,245 (see Annex 2). This is a combined effect of inflation and a decrease in income from 2016-17.

Further information on UKELG's reserves, income and expenditure since 2001-2 is given in Ref 4.

Our future financial aims, reserves policy and how these will affect the management of our finances will be discussed at the Annual General Meeting in May 2018.

E. Structure, Governance, Management and Administrative Information

UKELG is not a membership charity. It is managed and administered by a committee which usually meets two or three times a year, as described in Section C. Committee decisions are made in the best interests of the purposes of the charity and are usually made by consensus, although Committee members can vote if agreement cannot be reached (in practice this situation is extremely rare). The honorary officers (Chair, Secretary and Treasurer) and other members of the Committee are the trustees of the charity.

Trustees are usually recruited following a suggestion from a Committee member, taking into account that the Committee needs to be balanced in terms of technical background, other relevant experience, age and employment sectors (academia, industry, regulatory bodies etc.). The Committee reviews the membership of the Committee at each Committee meeting and agrees on potential new members to be approached. The trustees of UKELG in 2017-18 were:

Daniel Allason, DNV GL, Spadeadam
 Dr Mike Bilio, Health and Safety Laboratory, Buxton (from February 2018)
 Dr Graham Atkinson, Health and Safety Laboratory, Buxton
 Prof Phil Bowen, Cardiff University
 Prof Geoff Chamberlain
 Prof Hans Michels, Imperial College London - Chair
 Dr Salvador Navarro-Martinez, Imperial College - Treasurer
 Dr Roth Phylactou, Leeds University
 Mr David Price, Gexcon UK
 Dr David Pritchard (until November 2017)
 Mr Roger Santon – Secretary
 Prof Vincent Tam, DNV GL and Warwick University
 Prof Jennifer Wen, Warwick University

UKELG is an unincorporated association, governed by a constitution originally adopted on 19th January 2000. The constitution was updated in 2011-12 to reflect the charity's current operating practice. Further amendments were made in 2013-14 at the request of the Charity Commission, to define the payment made to maintain the UKELG website. The revised constitution was subsequently adopted at the Committee meeting on 23rd September 2013.

UKELG's registered charity number is 1080033. Since April 2007, UKELG has no longer been required to register with the Charity Commission because its annual gross income (i.e. total receipts – Ref 2) is usually below £5,000 (the threshold prior to this was £1,000 – Ref 3). The charity remains registered in order to benefit from Charity Commission guidance and oversight.

The correspondence address for UKELG is:

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SW7 2AZ

F. References

1. "Charities and public benefit", Charity Commission, January 2008, p.1: http://www.charity-commission.gov.uk/Charity_requirements_guidance/Charity_essentials/Public_benefit/public_benefit.aspx
2. "Charity reporting and accounting: the essentials", CC15b, Charity Commission, April 2009, p.6: <http://www.charity-commission.gov.uk/Publications/cc15b.aspx>
3. Charity Commission News 27, January 2008, p.12.
4. "UKELG total funds at end of financial year, income and expenditure" spreadsheet in "UKELG Accounts Workbook", 14th April 2017.

Author: Salvador Navarro-Martinez

Date: 24 April 2018

SHEET 2 United Kingdom Explosion Liaison Group Final Accounts for 1st April 2017 to 31st March 2018 24th April 2018 (to be approved AGM 10th May) Red text = not paid yet					
SECTION A: RECEIPTS AND PAYMENTS					
RECEIPTS			PAYMENTS		
Committee Meeting 1/3/17					
Birmingham University			H James travel expenses (note 1)	£65.30	
SUB-TOTAL		£0.00	SUB-TOTAL		£65.30
57th Discussion Meeting 30/3/17					
"Explosion Hazards of Power Generation"					
Attendance fees (£1220 appeared in 2016-17 Accounts)	£0.00		Catering (note 2)	£482.94	
Imperial College London			R Santon (financially unsupported delegate) contribution towards travel expenses (note 3)	£30.00	
SUB-TOTAL		£0.00	SUB-TOTAL		£512.94
Committee Meeting 10/5/17					
Birmingham University			Lunch and refreshments	£93.05	
			H James travel expenses (notes 4,5) Cheque 45	£29.30	
			R Santon travel expenses (notes 5, 6). Cheque 44	£15.40	
SUB-TOTAL		£0.00	SUB-TOTAL		£137.75
Committee Meeting 22/11/2017					
Birmingham University			Cheque 50 Travel expenses (V Tam)	£81.25	
			Cheque 51 Travel expenses (D Pritchard)	£23.45	
			Cheque 52 (Lunch and Refreshments University)	£75.84	
			Travel expenses R Santon (£40 + £39.15)	£79.15	
SUB-TOTAL					£259.69
Committee Meeting 8/2/2018					
Birmingham University			Cheque 56 Travel expenses (V Tam)	£85.30	
			Cheque 57 (Lunch and Refreshments University)	£110.00	
			Travel Expenses R Santon (49.5+36)	£85.50	
SUB-TOTAL					£280.80
35th Anniversary Meeting 10/10-12/10/17					
Spadeadam (organised by DNV)			Comitee Drinks Reception 10/10/2017 (note 9)	£238.90	
			Attendance Support Geoff Chamberlain. Cheque 47	£180.00	
			Attendance Support Joe Lacy, Rodger Munt. Cheque 48	£360.00	
			Attendance Support Jonathan Puttock, Cheque 49	£180.00	
SUB-TOTAL		£0.00	SUB-TOTAL		£958.90
Sundries					
			Cash box for Discussion Meeting takings (notes 4, 7)	£4.49	
			Flowers for auditor (note 4)	£11.00	
			R Santon annual website Honorarium paid 28/6/17 (note 6)	£300.00	
			H James travel expenses (travel to London) Cheque 46	£164.00	
			Present for Helen (note 9)	£200.00	
			UKELG public liability insurance renewal (note 9)	£84.00	
SUNDRIES RECEIPTS SUB-TOTAL		£0.00	SUNDRIES PAYMENTS SUB-TOTAL		£763.49
Interest					
NatWest Business Reserve Account (note 8)		£2.23			
TOTAL RECEIPTS		£2.23	TOTAL PAYMENTS		£2,978.87
SURPLUS TO DATE		N/A	LOSS TO DATE		-£2,976.64
SECTION B: CASH ASSETS AT START OF FINANCIAL YEAR					
NatWest Business Reserve account 31/3/17 (statement 31)	£8,699.81				
NatWest Current account 31/3/17 (statement 21)	£1,490.07		1460.07		
CASH ASSETS AT START OF FINANCIAL YEAR		£10,189.88			
LOSS TO DATE (FROM SECTION A)		-£2,976.64			
CLOSING BALANCE		£7,213.24			
SECTION C: STATEMENT OF ASSETS AND LIABILITIES AT THE END OF THE PERIOD					
NatWest Business Reserve account 31/3/18 (statement 43)	£8,702.04		Liabilities (red) carried forward	£687.55	
NatWest Current account 31/3/18 (statement 29)	£38.75		Prevention overdraft (note 11)	£840.00	
Liabilities carried forward		£1,527.55			
TOTAL CASH FUNDS (should agree with Closing Balance in Section B at end of Year)		£7,213.24			
NOTES					
1. Cheque no. 40 issued 28/3/17 and was cashed on 11/4/17.					
2. Invoice was received 9/5/17.					
3. Cheque no. 41 issued 28/3/17 and was cashed on 5/4/17.					
4. Total of £29.30 + £4.49 + £11.00 = £44.79 paid in one cheque no. 45.					
5. Outward leg of journey not claimed. Cost was refunded to Committee member by train operator due to delay.					
6. Total of £15.40 + £300.00 = £315.40 paid in one cheque no. 44.					
7. First used at Discussion Meeting 30/3/17.					
8. Interest paid 7p/8p monthly (before november) 30/39p (after)					
9 Not yet paid £200 to pay to Roger Stanton and £84.00 to Salvador Navarro (insurance) + 238.90 (drinks) = £322.90					
11. Treasurer to put £540 (16/10/17) + £300 (3/12/17) in account to prevent overdraft					
Salvador Navarro					
Honorary Treasurer					

Annex 2: Reserves Policy

Background

The Charity Commission defines reserves as that part of a charity's unrestricted income funds that is freely available to spend (Ref 1). UKELG is a small charity, so a formal financial risk management process and a sophisticated reserves policy are not appropriate. A proportionate approach has been taken to UKELG's reserves management, in line with Charity Commission guidance (Refs 2 to 4).

UKELG's Reserves

UKELG's reserves are kept in an instant access deposit account, with the facility for same day transfer to the charity's current account. It is important that our reserves are held in an instant access account, so that they are available to meet an urgent need. The reserves were originally built up many years ago from surplus funds. Until 2011-12, they had remained at roughly the same level of £5,000 to £6,000 for at least the previous ten years, although in real terms they had fallen in value by 23% from 2002 to 2011. With this in mind, in 2011-12 we set a target to increase our reserves to the 2002 levels of £7,000 to £8,000 (£7,430 to £8,490, adjusted for RPI) by the end of 2014-15, to bring them back into line with the 2002 level and to enable us to better cope with any foreseeable financial emergencies. The main way that we increased our reserves was by raising the overhead on the Discussion Meeting fee from £5 to £10 per delegate. It was estimated that this would eliminate the 2010-11 deficit over two years and ensure that we were in a stable financial position with good reserves by the end of 2014-15. By the end of 2014-15, we had achieved our target due to hard work organising successful Discussion Meetings and also due to the generous support of some of our meeting hosts. Our reserves were £8,376.60 which was close to the top of the RPI adjusted range (1.3% below the upper target level).

Since then, have agreed at the Annual General Meetings in June 2015 and June 2016 to retain our RPI adjusted target range for our reserves. Our reserves were £9,046.26 at the end of 2015-16 (6% above our upper target level), and £10,189.88 at the end of 2016-17 (16% above our upper target level). The reserves at the end of 2017-18 are £7,213.24 (10% below our target level). Further details are given in the table below:

	2015-16	2016-17	2017-18
Reserves at end of financial year	£9,046.26	£10,189.88	£7,213.24
RPI adjusted reserves target	£7,467 to £8,533	£7,675 to £8,771	£8,090-£9,245
Reserves as a percentage outside target	+6%	+16%	-10%

The spring 2018 Discussion Meeting will fall within the 2018-19 financial year and the reserve position is not expected to increase during 2018-2019 as three-day meetings are generally not very profitable. Inflation was also higher, therefore our the reserves target increased.

Why Reserves Are Needed and Appropriate Level of Reserves

We trustees are conservative and risk-averse in our approach to managing UKELG's financial risks. In our opinion, holding reserves is necessary in the charity's best interests, to meet possible future financial emergencies. There are four main foreseeable situations where reserves may be needed:

- to pay upfront costs associated with Discussion Meetings, such as a deposit for facilities hire, or occasional costs for overseas speakers, both of which can be several hundred pounds;
- every five years or so, UKELG organises a residential "two days over three" Anniversary Meeting. There are typically 40 to 70 attendees at a cost of roughly £200 to £250 per head, giving an approximate maximum expenditure of £14,000 to £17,500. If due to unforeseen

circumstances the meeting had to be cancelled and attendee fees refunded, UKELG could still have to pay a substantial deposit. The trustees consider that a reserve of roughly 50 to 60% of the maximum expenditure, i.e. £7,000 to £10,500, is sufficient to cover this situation;

- to support joint meetings with other organisations with similar aims to UKELG. We may need to match the other organisation's cost structure for meeting fees, which may require a subsidy;
- for costs associated with winding up the charity, should that ever become necessary.

In 2017-18, UKELG's generate practically no-income, due to the extraordinary circumstances that the Spring meeting expenditure fall into the 2016-17 and 35th meeting was a loss (including concessions and welcome drinks). Previous years had a-reserves to income ratio of approximately 3:1. This compares to an average ratio in 2003 (the only year for which information is available) of about 3:1 for large charities and 8:1 for medium-sized charities (no data is available for small charities) (Ref 4).

Arrangements for Monitoring and Review

The Treasurer reviews the reserves on an ongoing basis. The trustees review the reserves at Committee meetings (usually held two or three times a year), with more detailed discussion at the Annual General Meeting during the Treasurer's financial review. If the reserves temporarily fall below £4,500 (i.e. significantly below the typical minimum of £5,000 held between 2001-2 and 2011-12), with no prospect of them being replenished by forthcoming meeting attendance fees, the Treasurer would inform the trustees in writing so that appropriate action could be taken. This situation has not arisen to date.

References for Annex 2

- 1 "Charities and Reserves", CC19, Charity Commission, June 2010, pp.18-19.
- 2 "Small Charities and Reserves", RS5, Charity Commission, June 2003.
- 3 "Beyond Reserves – How Charities Can Make their Reserves Work Harder", ACEVO, Charity Finance Group and the Institute of Fundraising, 2012.
- 4 "Charity Reserves – Key Findings", RS3a, Charity Commission, March 2003, p.5.

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