



The Chartered Institute for IT  
Making IT good for society

**The British Computer Society**

**Annual Report and Consolidated Financial Statements**

**Year ended 31 August 2021**

Registered charity number 292786

**BCS, The Chartered Institute for IT is the business name of The British Computer Society**

# BCS, The Chartered Institute for IT

## Index

	Page
<b>OFFICERS, DISTINGUISHED FELLOWS AND EXECUTIVE TEAM.....</b>	<b>1</b>
<b>PRESIDENT'S MESSAGE.....</b>	<b>2</b>
<b>GROUP CHIEF EXECUTIVE'S REPORT .....</b>	<b>3</b>
<b>TRUSTEES REPORT .....</b>	<b>5</b>
1. THE INSTITUTE'S OBJECTIVES	5
2. THE FUTURE OF THE INSTITUTE – <i>Making IT Good for Society</i>	5
3. ACTIVITY REPORTS	6
4. FINANCIAL REVIEW (including policy statements)	10
5. STRUCTURE, GOVERNANCE AND MANAGEMENT	14
<b>STATEMENT OF TRUSTEES' RESPONSIBILITIES .....</b>	<b>17</b>
<b>INDEPENDENT AUDITOR'S REPORT .....</b>	<b>18</b>
<b>CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES.....</b>	<b>21</b>
<b>BALANCE SHEETS .....</b>	<b>22</b>
<b>CONSOLIDATED CASH FLOW STATEMENT.....</b>	<b>23</b>
<b>INSTITUTE STATEMENT OF CHANGES IN RESERVES.....</b>	<b>24</b>
<b>NOTES.....</b>	<b>25</b>

# BCS, The Chartered Institute for IT

OFFICERS, DISTINGUISHED FELLOWS AND EXECUTIVES

PATRON: HRH The Duke of Kent KG

## TRUSTEE BOARD (and Members of Council)

**President** – J Higgins CBE FBCS

**Deputy President** – M Prakash FBCS

**Immediate Past President** – R George OBE FBCS CITP

### Vice-Presidents

G Arnold FBCS  
B Booth FBCS CITP  
K Farndon FBCS FEDIPLdgPra  
Y Gallagher FBCS  
A Irons FBCS CITP  
I Nath CITP CEng FBCS  
A Revell CITP CEng FBCS

### Chair of Council:

P Clarendon MBCS

### Elected by Council:

S De Silva CITP FBCS  
D Donaghy CEng MBCS CITP (from 6 May 2021)  
S Moore MBE CITP FBCS (from 6 May 2021)  
C Smythe CITP CEng FBCS  
K Streater FBCS CITP (to 6 May 2021)  
I Thompson CITP CEng HonFBCS (to 6 May 2021)

## EXECUTIVES

**Group Chief Executive** - P Fletcher FBCS

**Group Finance Director** – R Deri FCA MBCS

**Director – Education** – J Adamson CITP MBCS

**Director – Marketing** - C Harris CITP MBCS

**Director – IT and Operations** – W McNeil MBCS

**Director – Policy** - W Mitchell OBE CITP FBCS

**Director - Membership** – H Porter AMBCS

**Director – External Affairs** - A Thilthorpe FBCS

**Director of Finance** - W Franklin ACMA CGMA

**Director of Products  
and Services** – C Cumberworth MBCS

**Managing Director, BCS Learning & Development Limited** – L Ireland MBCS

## MEMBERS OF COUNCIL

P Clarendon MBCS	S Moore MBE CITP FBCS
D Alvares CITP MBCS	A Palmer FBCS
T Crick MBE FBCS CEng	L Parry MBCS
J Davenport FBCS CITP	L Senanayake CEng FBCS CITP
S De Silva CITP FBCS	E Smith RITTech MBCS
D Donaghy CITP MBCS CEng	C Smythe CITP CEng FBCS
I Dryden MBCS	R Steenson FBCS
P Fletcher FBCS - Chief Executive	K Streater FBCS CITP
S Ghallab MBCS	I Thompson CITP CEng HonFBCS
J Hogan CITP FBCS	J Uhomoihi FBCS CITP
L Keighley FBCS CITP CEng	Y Vershinin FBCS
K Kuganathan MBCS CITP	A Williamson CEng FBCS CITP
G Lefman CEng FBCS	

## PAST PRESIDENTS

2020/21	R George OBE	1988/89	B W Oakley CBE†
2019/20	M S K Grant	1987/88	E P Morris TD
2018/19	C Rees	1986/87	Sir John Fairclough†
2017/18	P Martynenko	1985/86	R A McLaughlin
2016/17	R J Long CB	1984/85	E S Page
2015/16	J Creese	1983/84	D Firnberg
2014/15	E A Bacon	1982/83	HRH The Duke of Kent KG
2013/14	R Marshall	1981/82	P D Hall OBE †
2012/13	R J Harvey	1980/81	F J Hooper †
2011/12	M J Norton FREng	1979/80	J L Bogod †
2009/11	E A Sparrow	1978/79	F H Sumner †
2008/09	A W Pollard	1977/78	P A Samet †
2007/08	R H A Burnett	1976/77	G A Fisher
2006/07	Sir Nigel Shadbolt FRS FREng	1975/76	C P H Marks †
2005/06	C E Hughes	1974/75	E L Willey †
2004/05	D Morriss	1973/74	R L Barrington
2003/04	Dame Wendy Hall DBE FRS FREng	1972/73	G J Morris
2002/03	J L Ivinson†	1971/72	A S Douglas CBE†
2001/02	N G McMullen †	1970/71	A d'Agapeyeff OBE†
2000/01	A J P Macdonald CB	1969/70	The Earl of Halsbury†
1999/00	D F Hartley	1968/69	B Z de Ferranti†
1998/99	I C Ritchie CBE FRSE FREng	1967/68	S Gill†
1997/98	Sir Brian Jenkins GBE	1966/67	The Earl Mountbatten of Burma KG PC OM†
1996/97	R J McQuaker†		
1995/96	G W Robinson CBE FREng	1965/66	Sir Maurice Banks †
1994/95	D W Mann	1963/65	Sir Edward Playfair KCB†
1993/94	J P Leighfield CBE	1962/63	R L Michaelson†
1992/93	R G Johnson	1961/62	D W Hooper †
1991/92	S C T Matheson CB	1960/61	F Yates CBE†
1990/91	A R Rousell	1957/60	Sir Maurice Wilkes FRS FREng†
1989/90	Dame Stephanie Shirley CH DBE FREng		†deceased

## DISTINGUISHED FELLOWS

S Wilson CBE FRS FREng	Sir Tim Berners-Lee OM KBE FRS FREng	Lord Bowden †
E Upton CBE FREng	W H Gates III KBE	D W Davies †
S Peyton Jones FRS	F P Brookes FREng	I L Auerbach †
M Lane Fox, Baroness Lane-Fox of Soho CBE	R Wilmot OBE	J H Wilkinson †
Dame Wendy Hall DBE FRS FREng	Wladyslaw M Turski †	T Kilburn †
S Furber CBE FRS FREng	A J Robin E Milner †	A P Ershov †
H Hauser KBE FRS FREng	I M Barron CBE	Sir Maurice Wilkes †
W East CBE FRS FREng	D E Knuth	G M Hopper †
V Cerf	G M Amdahl	C Strachey †
S McNealy	Sir C Antony Hoare FRS FREng	E W Dijkstra †
P T Kirstein † CBE FREng	C W Bachman †	†deceased
D Deutsch FRS		

# BCS, The Chartered Institute for IT

## PRESIDENT'S MESSAGE

BCS's CEO Paul Fletcher and his team have done a remarkable job navigating progress through the final 12 months of our last three-year plan. They have coped well with the challenging times forced upon us all by the pandemic. In parallel over recent months Paul and his team have worked closely with the Trustee Board to prepare a new strategy to guide us for the next three years.

The result of this strategic plan, and the primary measure of its success, must be to stabilise then increase membership numbers. The Trustee Board is clear and united in our aim - we must both retain and recruit more members. As Paul notes in his report, membership now stands at just over 57,000. Our goal is 70,000 by the end of 2024.

To achieve this we must both execute well and offer clear benefits to a diverse and inclusive membership. And we must make those benefits attractive to, and easy to access by that wide range of people who are today making IT good for society and who want to be recognised as competent, ethical and accountable professionals.

I believe the BCS has never had a more important place in society than it has today. Information and digital technologies are increasingly pervasive; there are very few people whose lives aren't affected by, if not dependent on them. At the same time trust in technology and technology providers is falling. Government recognises this and continues to ask for BCS's help to address the problem. Three recent separate national strategies, for AI, data and innovation each refer to the importance of rebuilding public trust, if our economy and society is to reap the rewards on offer. Membership of a professional body, having a chartered status and demonstrating a commitment to the highest standards of competence and ethical behaviour will become increasingly important ways of re-assuring the public and rebuilding this trust. But there is one thing that would accelerate this; customers and employers should ask their staff – how can you prove you're a professional?

You will hear more about the other three pillars of the strategy in the weeks and months ahead. Inspiration: working to improve computing education; progression: supporting career progression through continuous professional development and influence: have our expert opinions listened to on the big digital issues of the day. Although we will continue to respond to digital issues as they arise, our strategic focus will be on four major themes. Campaigning for the professionalism at the heart of our purpose, helping to eradicate digital poverty, increasing diversity, inclusion and equity throughout our profession, and maximising the opportunity for digital technologies to play their part in tackling climate change and environmental challenges.

My personal focus has been this influence pillar and I'm pleased with the progress we have made this year in raising our public profile. We have ambitious plans to improve further. Many members have told me they are proud to be part of an organisation that adds expert value to the public debate. It's pleasing to hear our voice heard more and see us making a bigger impact.

It genuinely is a team effort at BCS and we will work together to make ourselves a better team. Deputy President Mayank Prakash and Past President Rebecca George OBE have worked closely with me, the Vice-Presidents and the Council leaders to develop this strategy. Trustee Board, Council and members of the boards and committees have all been involved. We're getting better at engaging the leaders and members of our 52 specialist groups and 42 branches but creating a sense of one team behind a common purpose takes time and commitment. Our community of volunteers and members will continue to play important roles working with BCS staff to make this three-year strategy a success.

We have a plan. But there's much detailed work to do and we would welcome opinions and suggestions to help make it a reality. Please do get in touch. [President@bcs.uk](mailto:President@bcs.uk)

**John Higgins CBE FBCS**  
**President 2021-22**  
**24 November 2021**

# BCS, The Chartered Institute for IT

## GROUP CHIEF EXECUTIVE'S REPORT

In writing my report of the year to 31<sup>st</sup> August 2021 the coronavirus pandemic continues to have profound implications on our personal and professional lives. I am pleased that BCS has been able to navigate this challenging period and to minimise any adverse impact on our members, volunteers, partners and staff.

### **Finance**

2021 marked the third year of our three-year operational plan to transform BCS into an organisation fit for the future. It is pleasing to report that, despite the challenges, the Group achieved an overall financial surplus before tax of £655k. Our trading subsidiary, BCS Learning & Development Limited delivered a net profit before tax of £297k (2020: £300k) with revenues of £12,953k (2020: £12,743k), which is another strong achievement given the challenging trading conditions experienced again this year.

### **COVID-19**

Throughout the year the staff team have worked tirelessly from home and agilely. Our events, governance meetings and member group activities have all been delivered remotely. This has been an accelerated learning experience, and we are looking to embed the positive elements of that learning into our ongoing practices. We have made modest use of the Government's job retention scheme to protect capability and I am proud that we have avoided any redundancies as a result of the pandemic.

### **Learning and Development**

Our commercial activity continues to develop. Over 24,000 people have now registered for BCS Digital Apprenticeship assessment broadening the pipeline of tech talent ready for the workforce, and more than 65,000 individual exams across many levels have been delivered in the last year. Some of our markets have been severely impacted due to the pandemic, particularly sales into the UK education sector where schools have understandably faced other pressures, and international sitting of examinations where test centres have been closed for periods of time under local lockdown measures. In the year we have brought new products to market including EDSQ, Smart Digital, Robotics and the Digital Modular Programme and these will position us favourably as the restrictions are lifted and the economy recovers.

### **External Influence**

2021 has been a year when our external influence activities have developed strongly making BCS one of the "go to" commentators on technology and its' impact on society. We have been involved in the development of the National AI strategy through the Office for Artificial Intelligence and DCMS. We have harnessed expertise within our communities to offer analysis on topics including the Post Office Horizon IT scandal, the challenges of identity verification on social media platforms and the NHS' plans for patient data. Our approach to insight is data led and informed by the views of our members and specialist groups.

### **Membership**

At the end of the year our total membership stood at 57,625 which is a 2% reduction on the previous year. The pandemic put pressure on gaining and retaining individual members, but our organisational membership has grown by 10% to 11,850. In the year, we added new member deals on products, revamped our mentoring system and developed a marketing campaign based on the theme 'shape the future'. We have facilitated new pathways into membership and developed an early careers offer to welcome members from more diverse backgrounds and ensure we cater for professionals from the broadening scope of IT, computing and digital roles.

### **Education**

We are now in the 3<sup>rd</sup> year of the National Centre for Computing Education contract and the performance indicators continue to be delivered. In the year we offered 107 bursaries for new computing teachers. Our grassroots network 'Computing at School' went from strength to strength delivering 887 events to 33,587 attendees. We continue to attract funding from other partners to support our outreach activity in education.

# **BCS, The Chartered Institute for IT**

## **GROUP CHIEF EXECUTIVE'S REPORT** (continued)

### **Strategy and Outlook**

During the year we carried out a thorough review and established a new strategy for the period 2021 to 2024. You can read more about this in the President's address and the focus on the staff team is directed at bringing this to fruition. We created a balanced plan for the 2022 financial year and we commence the year with cautious optimism. We hope to see continued opening up of activities as the vaccine roll out reaches further maturity. I sincerely thank all our members, volunteers, partners and staff for their ongoing support of BCS.

**Paul Fletcher FBCS**  
**Group Chief Executive**  
**24 November 2021**

# BCS, The Chartered Institute for IT

## TRUSTEES' REPORT

The Trustees' Report covers the activity of the Institute for the year ended 31 August 2021.

### 1. THE INSTITUTE'S OBJECTIVES

The Institute is incorporated by Royal Charter and is a Registered Charity (number 292786). Its objectives are prescribed by the Royal Charter and the main objective is 'to promote the study and practice of computing and to advance the knowledge and education therein for the benefit of the public'. It serves three main constituencies: IT professionals, employers of IT professionals and society at large. Its governing documents are the Royal Charter, Bye-laws and Regulations.

#### Delivering Public Benefit

The Institute delivers the objectives of its Royal Charter to provide public benefit through substantial programmes of activities under the direction of its Trustees, Boards and volunteer communities, facilitated by the Institute and its members. The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to guidance published by the Charities Commission. The scope of our activities is described in Section 3 below and all are primarily aimed at benefiting the public at large.

The Institute's membership at 31 August 2021 and 2020 is shown below:

	Number of Members	
	2021	2020
Fellows	3,293	3,123
Members	31,160	33,127
Associate members	8,542	10,003
Companions	-	6
Students	12,230	10,312
Affiliates	2,400	2,263
	<u>57,625</u>	<u>58,834</u>

### 2. THE FUTURE OF THE INSTITUTE - *Making IT Good for Society*

The Institute was created in 1957 to bring together those that work in the field of computing and to educate and inform others for the public benefit. We have made great strides since then and the Institute has evolved continually to meet the ever-changing world we serve. Our work can be summarised into five areas:

- Supporting careers – we provide professional development pathways and opportunities
- Sharing expertise – we inspire innovation through knowledge sharing and collaboration
- Improving education – we empower people of all ages with the right computing skills and understanding
- Influencing practice - we work with industry and education to shape policy and practice
- Driving standards - we raise the levels of professionalism and performance across IT

We live in an increasingly IT - dependent society and technology lies behind almost everything we do. Well over a million people work directly in information technology in the UK alone and computer science lies behind almost everything that happens in society today. To support not only these knowledge workers but a growing IT-enabled society, our activities and capabilities must become even more pertinent to our members and volunteers, as well as the academic community, industry, government and the wider public. Our overriding purpose is defined as "making IT good for society" which unites the many and varied activities carried out by the organisation.

# BCS, The Chartered Institute for IT

## TRUSTEES' REPORT (continued)

### 3. ACTIVITY REPORTS

An overview of the key activities of the Institute is included in the President's Message and Group Chief Executive's Report on pages 2 to 4.

A summary of the activities and achievements of each individual Board during this period is described by the respective Vice-Presidents and Chairs below.

#### **BCS Academy of Computing**

**Vice-President & Chair: Alastair Irons**

The BCS Academy of Computing ('Academy') is a collaborative partnership between BCS, CPHC (the Council for Professors and Heads of Computing) and UKCRC (the UK Computing Research Committee) and its purpose is to advance the creation, study and application of knowledge in computing. Computing at School (CAS) and the BCS School Curriculum and Assessment Committee are major parts of the Academy.

**BCS Membership:** This year we have continued to focus on the membership experience for educationalists in all phases, including specific programmes which target the HE student and academic communities, and school/college computer science teachers.

**Steering Committee for post-Shadbolt Academic Accreditation Review:** We have concluded an in depth, fundamental review of BCS Academic Accreditation, which has provided recommendations for reforms to ensure accreditation properly validates university graduates have the academic expertise, skills, and competencies necessary to embark on a professional career in IT, in a way that is valued by employers and students. The review included conducting national surveys of the public and of academics, roundtables with employers, and built on the earlier work done in the Shadbolt Review. Work is now underway to plan and implement those recommendations.

**Computer Science Academics programme:** We have created a network to support academics who are new to computer science, a BCS "specialist interest group" has been established to provide a structure for the support programme. The programme includes CPD, resources and a community of professional practice.

**BCS School Curriculum and Assessment Committee:** Over the past 12 months the committee has responded to several Ofqual consultations on examinations arrangements during the pandemic. It has established working groups developing 'white papers' on digital literacy, future directions for school age qualifications, and encouraging students from a more diverse range of backgrounds to study computing and completed a landscape review of computing across the UK. The committee's advice on computing curriculum and assessment matters continues to be sought by DfE.

New committees have been established to focus on the unique challenges in the devolved nations; the BCS Scottish Computing Education Committee and the BCS Northern Ireland Computing Education Committee are in place with plans to form a Welsh committee in the year ahead.

**Computing at School:** We have continued to grow engagement through the Computing at School network in England with the NCCE and beyond across the UK. 358 Active Communities, an increase of 14% on previous year; 440 Active Community Leaders, an increase of 11% on previous year; 4124 new registrations in the last 12 months, an increase of 11% compared to previous year; 837 Community Meetings; 15,433 attendees; 72% of the total attendance at CAS Community Meetings was by teachers at state-maintained schools in England. CAS has continued to provide relevant, timely support to teachers during a time of great uncertainty and challenge. Meetings have continued to take place virtually, and the content of meetings continues to include a broad range of topics such as digital skills and remote teaching. The CAS Leadership Coaching Academy was introduced to provide specific coaching to computing teachers. The programme includes support for those able to volunteer as coaches and matches those coaches to teachers who are keen to be supported. This year 49 coaches have been trained and they have supported more than 100 coaching sessions.

**National Centre for Computing Education:** We have completed the second full year of delivery for the National Centre for Computing Education and have a wide range of CPD, resources and support in place for teachers across the country. Key achievements include: 32,000 teachers have engaged, from over 18,000 English



# BCS, The Chartered Institute for IT

## TRUSTEES' REPORT (continued)

schools, over 12,500 teachers have benefited from CPD, 350 Computing at School communities are supporting 34 Computing Hubs to engaged teachers locally. We have secured a total of £800,000 industry donations supporting teachers to access essential CPD.

Despite positive progress, significant challenges exist. Too few young people go on to study a computing qualification at key stage 4 and 5, in particular there are significantly less females and students from under-represented groups accessing the qualifications. Our aim remains to ensure every student in a state-maintained school or college in England can access a high quality computing education qualification at every key stage; our ambition is to triple the number of students leaving school with a computing qualification.

We continue to work in partnership with BT and Barefoot has now reached more than 85,000 teachers. New resources were released including cyber behaviours, early years computing and pedagogy guidance. The programming workshop has proved to be very popular and now forms the majority of workshops sessions taking place.

Increasing capacity in computing science teaching in Scotland: This CPD programme and associated accreditation aims to upskill primary teachers and teachers involved in Broad General Education (BGE) in secondary schools to teach S1 – S3 level Computing Science. This increased capacity will help to place that expertise where it is most needed and backfill the gaps where existing specialist teachers are needed to focus on S4 teaching the national qualifications. The programme has been funded by Microsoft with policy support from Education Scotland. BCS, The Chartered Institute for IT is managing the programme and The University of the Highlands and Islands (UHI) is leading on the development and delivery of the CPD courses. BCS is providing a certification framework and standard. The standard aligns with existing BCS certification for teachers. 11 teachers have completed the award, 3 are retaking a module and a further 8 will gain an additional teaching qualification at end of this term.

BCS Initial Teacher Training Scholarships: The DfE awarded BCS a 3-year grant to run teaching scholarships for trainee computing teachers for the period 2018/21, where each scholarship is worth up to £28,000 and is tax free. The scheme is now in its 7th year and this year saw scholarships awarded to 107 applicants. Scholars receive ongoing support and development including a range of CPD, resources and mentoring.

### **Community Board**

### **Vice-President & Chair: Alastair Revell**

The Community Board has responsibility for the strategic oversight of the Institute's Member Group Community as well as all aspects of its membership, including applications, recruitment, retention, member benefits and communications.

The Board's aims are broadly:

- to establish and maintain a clear strategy for the Member Group Community that clearly aligns with the Institute's purpose and strategic objectives;
- to manage all the groups that report to it, ensuring that all the Member Group Community activities meet the objects of the Royal Charter;
- to develop and maintain policies, procedures and services to grow and sustain the BCS membership and its community, both within the United Kingdom and internationally;
- to develop BCS volunteers working within the Member Group Community to improve its overall effectiveness;
- to build a powerful community that goes beyond IT that can help the Institute achieve its purpose, while assisting IT practitioners meet meaningful standards that deliver results and inspiring debate around IT as well as fostering learning for the good of society;
- to act as a champion for BCS membership and the whole Member Group Community; and
- to provide effective, responsive and focused support, encouragement and guidance for the entire Member Group Community.

The COVID-19 pandemic has continued to impact on how the BCS Community operates. Our Member Groups have continued to deliver an engaging programme of events via online means. These events are important as they offer our members significant development and learning opportunities.

# BCS, The Chartered Institute for IT

## TRUSTEES' REPORT (continued)

We held online conventions during the year to explore how the BCS Community should emerge from the pandemic and to explore what our post-pandemic world might look like. As a result, we are convinced that our geographic groups (branches and international sections) need to focus more on bringing local IT professionals together while our specialist groups need to reach out to much wider, global audiences.

The continuing transformation of the BCS Community is a testament to the dedication and passion of our volunteers and the staff that support them. We remain committed to ensuring we deliver a programme of activity that is available to members regardless of whether the format is physical or online.

We anticipate groups will start running physical events during the course of next year and we are cognisant of the fresh challenges we will face in delivering hybrid events with both physical and remote attendees forming the audiences.

A lot of work has gone into supporting the development of the Institute's strategy, which will cover the next three years. The Board is responsible for membership, which will be a central feature of the new strategy and will demand more focus on developing the value proposition around membership.

The Community Board has also been considering its governance structures as it contemplates how best to grow and sustain membership as well as support the BCS Community as we begin to return to some semblance of normality. It will start to implement changes to these structures over the next year.

### **Organisation and Employers Board**

**Vice-President & Chair: Yvonne Gallagher**

The Board's main objectives are to:

- Champion the involvement of organisations, especially those that employ IT professionals, in the Institute's purpose of making IT good for society.
- Promote the IT profession and relevant standards to organisations with the ambition that this profession is valued and respected for excellence, rigour creativity and innovation for the benefit of all in society.
- Ensure the risk of all activities undertaken to promote the IT profession is recognised and with appropriate mitigation.

The Board has set up the following workstreams, aligned to BCS purpose and their objectives. The Board is committed to increasing the number of new organisation members in the Private and Public sectors. We have our focus on how we can help to support the activities to reduce attrition and increase membership. We are awaiting the new BCS strategy plan to see the sequence and priorities across the BCS, not just those of the membership team, so we can better target our messages and activities. The Board is undertaking the:

- Creation of the Fellows Technical Advisory Group (F-TAG)
  - to create of a knowledge hub for the exchange of ideas, innovation and guidance on emerging technologies and techniques.
  - to promote the insight and prestige of BCS Fellowship, advance professionalism and increase the value of BCS Membership.
  - to produce thought leadership on issues where BCS can make original contributions to advancing the profile and competitiveness of 'UK Plc'.
- Use of the F-TAG group to showcase and encourage new Organisations into BCS membership

### **Society Board**

**Vice-President & Chair: Kathy Farndon**

The Society Board was established in August 2017. The Society Board remit is:

- To ensure that our policies, strategies and media relations are topical, effective, impactful and coordinated with our wider business strategy.
- To help BCS establish and maintain a voice in public debate on a range of issues of relevance to making IT good for Society.
- To oversee policies and procedures developed to facilitate effective external relations, particularly with media, Government and other opinion formers, and to include in this process where possible a representative spectrum of members.

# BCS, The Chartered Institute for IT

## TRUSTEES' REPORT (continued)

- Where necessary to propose and help establish good working relationships with external bodies likely to be helpful in realising our aims.
- To ensure that the Boards activities support BCS's strategic objectives in line with the objectives of our Royal Charter.

Through the efforts of the Society Board BCS has continued to be able to respond to key initiatives and consultations. These include, but are not limited to:

- Paper on the presumption of the accuracy of computers in light of the recent Post Office systems issue.
- Significant contribution to the National AI strategy.
- Contribution to the CDEI consultation on role of privacy enhancing technology.

The Society medal, a new annual award, was won in its inaugural year by Ms Elizabeth Denham CBE, the Information Commissioner and we are delighted that we are continuing to work with the ICO and are building strong working relationships with the ICO team. The criteria for this year's award are very topical and is for someone making a strong contribution to the GreenIT agenda which will certainly contribute to helping to make IT good for Society. The focus moving forward will be to strongly support the overarching BCS strategy and the Influence pillar in particular.

### **Registration and Standards Committee**

**Chair: Paul Martynenko**

The purpose and key responsibilities of the Registration and Standards Committee (RSC) are to oversee the regulation of the BCS Chartered IT Professional and Registered IT Technician standards and admission of members to BCS and award of CITP, CEng/IEng, RITTech and FedIP registration. During the past year the Committee has discharged its governance responsibilities supported by member panels. It has evaluated specialist areas of practice to identify the need to promote membership and professional registration in support of BCS's strategic objectives. Opportunities to gain profession registration continue to be fostered through agreements recognising qualifications and certifications assuring competence against the BCS Chartered IT Professional and Registered IT Technician standards and licensing other membership bodies with IT professional members.

The project to professionalise data science has made significant progress. Started by members of RSC in late 2019 the expanded group of professional societies, government bodies and industry members became the 'Alliance for Data Science Professionals' in July 2021. The Alliance is defining the standards needed to ensure an ethical and well-governed approach so the public, organisations and governments can have confidence in how their data is used. Details of the announcement can be found at <https://www.bcs.org/more/about-us/press-office/press-releases/alliance-formed-to-create-new-professional-standards-for-data-science/> and of the memorandum of understanding which governs the alliance at <https://www.bcs.org/media/7536/alliance-data-science-mou.pdf>

### **Risk Audit and Finance Committee**

**Vice-President Finance & Chair: Ben Booth**

The principal objectives of the Risk Audit and Finance Committee (RAFC) are to:

- Provide additional assurance on the quality and reliability of the financial information used by Trustee Board and the Boards of BCS subsidiaries, and the financial statements issued by the Institute and its subsidiaries.
- Review the policies and procedures operated for both financial and non-financial risk management and internal control; and
- Oversee all BCS Group internal and external audit activities, including the engagement of the external auditor to supply audit and non-audit services to the institute and its subsidiaries.

In order to fulfil its obligations and responsibilities to Trustee Board, RAFC held four scheduled meetings during the year. RAFC provided assurance on the financial information provided and reviewed the audit report provided by Haysmacintyre LLP. The business plans for the BCS and BCS Learning and Development Limited were scrutinised and recommended as appropriate. RAFC conducted a review of the risk register and at each meeting received a status update on major risks, recommending that Trustee Board also regularly review major risks.

# BCS, The Chartered Institute for IT

## TRUSTEES' REPORT (continued)

A key focus during the year was to assure the measures taken by the executive teams of the BCS and BCS Learning and Development Limited to mitigate business risk caused by the Covid-19 pandemic. A second area of focus was the issue of falling membership numbers and initiatives taken to gain and retain members.

### **BCS Council**

**Chair: Paula Clarendon**

Council is a representative body of the membership which exists to provide advice from the perspective of the membership on strategy and budget to the Trustee Board and the other Boards of the Institute. Another key responsibility is to elect the honorary officers of the Institute.

Council represents a collective body of wisdom that can be consulted for the benefit of the Institute. It consists of members elected from various constituencies from the membership, and the senior officers of the Institute.

During the COVID-19 pandemic all Council meetings took place online. The meeting structure was changed to be more engaging and to focus on debating topical issues. Council governance training was also held online for new and existing members. In 2021, lunchtime training and briefing sessions were introduced to develop knowledge and understanding in key strategic areas. The training was designed to enhance the collective wisdom of members, so Council can effectively fulfil its advisory role across all business areas. This has enabled Council to contribute to the Institute's strategy beyond the Strategy Day held in January.

## **4. FINANCIAL REVIEW (including policy statements)**

BCS carries out a number of diverse activities in order to fulfil its charitable objectives. Revenues come from a combination of fee-charging, grant funding and a contribution from the trading subsidiaries and joint venture. This allows BCS to carry out a range of activities including funding member groups, events and activities, the provision of resources and content often without charge as well our work in education and policy.

During the period, the Group operating activities had net income after tax of £620k (2020: £42k). Total Group revenues were maintained at £22.0m (2020: £22.0m) as the impact of the pandemic continued into 2020/21.

A summary of the key highlights are noted in the Group Chief Executive's Report on page 3.

BCS Learning & Development Limited (BCS L&D) finished the year with a surplus of £297k before tax (2020: £300k). Income has increased by 1.6% in the year to £12,953k (2020: £12,743k) due mainly to the continued growth in the Digital Apprenticeship market and the development of our own skills development platform, built around the SFIAplus framework. Apprenticeship revenue has increased to £7,263k (2020: £6,981k) and Skills Assurance revenue has increased to £872k (2020: £477k). The company has maintained its position as the leading name in the delivery of Digital Apprenticeship standards and end point assessments.

In addition to operating activity, there was an increase during the year in restricted funds of £83k (2020: £291k) reflecting an increase in grant income received, which is outlined in note 16 to the financial statements.

### **Remuneration of Key Management Personnel**

The key management consist of the Trustees, the Group Chief Executive, BCS Learning & Development Managing Director and members of both Institute and L&D executive teams who regularly attend Board meetings.

In addition to the main boards and committees listed on page 15, BCS also has a Nominations Committee (members of which are responsible for nominating people for key roles, public honour and distinguished fellowship) and a Remuneration Committee.

The Remuneration Committee is made up from current Trustees plus members appointed by Trustee Board. The committee has responsibility for agreeing the pay and remuneration of Executives and has access to external professional advice including benchmarking and market trends.

BCS's policy is that no member of Trustee Board is remunerated for their services as a Trustee; see page 34.

# BCS, The Chartered Institute for IT

## TRUSTEES' REPORT (continued)

### **Investment Policy**

The Institute holds a proportion of surplus cash as bank deposits and does not invest in higher risk equity investments. During the year the Institute has invested a further £1m in funds with CCLA who manage investments for charities, religious organisations and the public sector. The Trustees adopted this approach, given both the short and medium term requirements for the use of these funds, and the current economic volatility and uncertainties and to balance long term returns and security.

### **Reserves Policy**

The consolidated total reserves of the Institute are represented by general and restricted funds. The basis of the restricted fund is described in note 16 of the financial statements.

As at 31 August 2021 BCS's reserves and net assets were £8,595k (2020: £7,975k), the increase reflecting the net income mentioned above.

The reserves policy is designed to ensure that the organisation has sufficient liquidity to manage the effects of any reduction in revenues from one or more business units, or from the potential effects of an economic downturn. Primarily this would allow a managed reduction in expenditure should the need arise, in order that costs and revenues can be brought into line. The Institute operates the policy of maintaining the self-financing nature of its core activities and the retention of adequate accumulated general funds to ensure efficient operations and provide financial stability for future development.

The current level of consolidated reserves which consists of the general funds represents approximately four months' operating costs which is within the three-to-nine-month target range monitored on an annual basis. The consolidated reserves in 2021 is £8,595k (2020: £7,975k). The level of free reserves (i.e excluding intangible and illiquid fixed assets) is £4,612k (2020 £3,593k), and cash plus liquid investments is at £9,366k (2020: £7,972). The Trustees consider that these levels of reserves are sufficient to reengineer the activities of the organisation in managing a sustained downturn in revenues.

### **Risk Management Policy**

The Trustee Board is responsible for the management of risks faced by the Institute and has an established and continuous process for identifying, evaluating and managing the principal risks. Detailed reviews of the effectiveness of the control environment for both financial and non-financial risks are delegated to all Boards and in particular the Group Risk Audit and Finance Committee (RAFC), who are assisted by the Senior Staff Management team. The risk management strategy includes the maintenance and regular review of the risk register which identifies strategic and operational risks. Additionally, a formal review of the risk management processes of the Institute is undertaken on an annual basis.

The key controls of the Institute include:

- Formal structure and agendas for Trustee Board, Council, Boards and Committees governed in line with detailed terms of reference
- Specific support to the Trustees from the Risk Audit and Finance Committee
- Comprehensive business planning, budgeting and management accounting
- Established organisational structure and lines of reporting, including rigorous performance management
- Formal written policies including delegated approval and authorisation procedures.

Through the risk management process of the Institute, the Trustees are satisfied that action is being taken to mitigate the major risks identified where necessary. It is recognised that systems can only provide reasonable assurance that major risks have been adequately managed. The recent pandemic highlighted the importance of effective risk management and it tested our risk management framework. It was recognised by the Board as a key risk and that the ongoing impact may compromise finances. The government furlough scheme was used to ensure employees could be retained whilst revenues were impacted during the lockdown, and to balance costs with reduced income.

# BCS, The Chartered Institute for IT

## TRUSTEES' REPORT (continued)

The most significant risks faced by the Institute are shown in the following table.

Description	Action Taken
The risk of the COVID-19 pandemic compromising the Institute's financial viability	<ul style="list-style-type: none"> <li>The Institute has in place a business continuity system, and this was implemented in March 2020 in response to the COVID-19 lockdown. Financial plans have been adapted accordingly to take account of revenue impacts ensuring that the Institute remains sustainable, and our reserves policy is maintained. Systems developed to deliver remote proctoring of exams, all key systems are cloud based and all staff can work remotely. We have adapted key events and put platforms in place to allow virtual delivery.</li> </ul>
BCS Learning & Development Limited suffers a material decline in net profit resulting in a reduction in gift aid to the Institute	<ul style="list-style-type: none"> <li>Business planning gives focus on new product development to diversify income streams</li> <li>Detailed business plans developed by individual business units, budgets regularly reviewed, forecast produced, and analysed</li> </ul>
Financial sustainability of the Institute's activities	<ul style="list-style-type: none"> <li>Longer term source of extra income is a priority and detailed in the business plan</li> <li>Annual budget planning</li> <li>Strategy and business planning with Trustee Board, Council and Executive teams with regular ongoing reviews are carried out</li> </ul>
High complexity across the organisation requires robust governance processes	<ul style="list-style-type: none"> <li>Terms of Reference defined for each committee</li> <li>Board effectiveness survey being completed and reviewed annually</li> <li>New organisational structure reduces complexity and improves the decision-making and governance processes</li> </ul>
Processes and systems are not fitting business needs nor offer sufficient protection for a business continuity occurrence	<ul style="list-style-type: none"> <li>Business continuity procedures have been well developed and BCS is certified against BCM standard ISO 22301</li> <li>All major systems are cloud based</li> </ul>
Information security threats such as cyber attacks, non-compliance with data protection regulations or systems failures including increased risks from remote working	<p>Comprehensive reviews are regularly carried out and presented to Risk, Audit and Finance committee. Programme includes:</p> <ul style="list-style-type: none"> <li>ISO27001 (Information Security) accreditation</li> <li>ISO22301 – (Business Continuity Planning)</li> <li>Cyber Essentials Plus Certification</li> <li>Microsoft Secure Score</li> </ul> <p>We have several security products in place protecting and alerting against network and system intrusion and alerting 24x7 on any suspicious activity. We protect our email environment against phishing, spam, malicious payloads and have a firewall protecting our web applications from malicious activity, protecting our web presence from DDOS and system attacks, and rate limiting against brute force system attacks from malicious actors</p> <ul style="list-style-type: none"> <li>We regularly carry out phishing and ransomware simulations and have a comprehensive set of training materials for staff</li> </ul>

# BCS, The Chartered Institute for IT

## TRUSTEES' REPORT (continued)

Risk of reduced income through decline in paid membership	<ul style="list-style-type: none"><li>• Membership consultation carried out to inform strategy and investment.</li></ul> Project underway to align standards, products and services and create meaningful membership propositions
---	---

### People with Disabilities

It is the policy of the Institute to encourage the employment and development of suitable people with disabilities. No unnecessary limitations are placed on the type of work that they perform, and the policy ensures that in appropriate cases consideration is given to modifications to equipment or premises and to adjustments in working practices. Full and fair consideration will be given to applicants with disabilities for employment and existing employees who become disabled will have the opportunity to retrain if necessary and continue in employment.

### Employee Involvement

The Institute is committed to informing and consulting with its employees. Periodic internal staff communication events raise awareness of the financial and economic factors which the charity faces. There is also an annual staff satisfaction survey.

The Institute's aim is to fit the qualifications, aptitude and ability of all members of staff and applicants for employment to the appropriate job and to provide equal opportunity regardless of gender, religion and ethnic origin.

### Modern Slavery Act 2015 Statement

This statement is made pursuant to section 54 of the Modern Slavery Act 2015 and sets out the steps that BCS, The Chartered Institute for IT (and its subsidiaries) has taken and continues to take to ensure that modern slavery or human trafficking is not taking place within our business or supply chain.

Modern slavery encompasses slavery, servitude, human trafficking and forced labour. BCS has a zero-tolerance approach to any form of modern slavery and is committed to acting ethically and with integrity and transparency in all business dealings. BCS has, in the last 12 months, introduced more effective systems and controls to safeguard against any form of modern slavery taking place within our business or our supply chain.

BCS is a professional body and a charity with a Royal Charter. Our purpose is to Make IT Good for Society.

BCS operates a number of internal policies to ensure that we are conducting business in an ethical and transparent manner. These include:

**Anti-slavery policy:** This policy sets out the organisation's stance on modern slavery and explains how employees can identify any instances of this and where they can go for help.

**Recruitment policy:** We operate a robust recruitment policy, including conducting eligibility to work in the UK checks for all employees to safeguard against human trafficking or individuals being forced to work against their will.

**Whistleblowing policy:** We operate a whistleblowing policy so that all employees know that they can raise concerns about how colleagues are being treated, or practices within our business or supply chain, without fear of reprisals.

**Code of conduct:** This code explains the manner in which we behave as an organisation and how we expect our employees, members and suppliers to act.

**Supplier policy:** BCS has a supplier policy and maintains a preferred supplier list. We conduct due diligence on all suppliers before allowing them to become a preferred supplier. We have introduced new terms which apply to all of our suppliers and where suppliers have not agreed to them, we have removed them from our preferred suppliers list. These terms are detailed below.

# BCS, The Chartered Institute for IT

## TRUSTEES' REPORT (continued)

In addition to the above, as part of our contract with suppliers, we require that they confirm to us that:

1. They have taken steps to eradicate modern slavery within their business
2. They hold their own suppliers to account over modern slavery
3. (For UK based suppliers) They pay their employees at least the national minimum wage / national living wage (as appropriate)
4. (For international suppliers) They pay their employees any prevailing minimum wage applicable within their country of operations
5. We may terminate the contract at any time should any instances of modern slavery come to light.

Our Anti-slavery policy forms part of our contract with all suppliers and they are required to confirm that no part of their business operation contradicts this policy.

We have trained all of our employees so that they understand the signs of modern slavery and we have outlined to them the steps they should take if they suspect that it is taking place within our supply chain. All new staff receive this training during our induction process.

## **5. STRUCTURE, GOVERNANCE AND MANAGEMENT**

A list of the members of the Trustee Board, all of whom are the Trustees of the Institute, is included on page 1.

The constitution of Trustee Board is:

- President
- Deputy President
- Immediate Past President
- Up to nine Vice-Presidents
- Chair of Council
- Four elected members of Council

Council provides support to the Trustee Board in an advisory capacity and elects Honorary Officers. Trustees are elected to office by Council itself in accordance with the Bye-laws. On election, Trustees are provided with both guidance on the structure of the Institute, and duties of Trustees, through induction training. More formal training events for all Trustees are held throughout the year as necessary. Trustees are precluded from receiving remuneration from the Institute except when acting as examiner for professional exams.

Trustee Board delegates much of the strategic work of the Institute's key activities to Boards and Committees. Each Board is normally chaired by a Vice-President, and also includes a senior member of HQ staff appointed by the Group Chief Executive. The Boards adopt and progress programmes of work in their respective areas to meet the Institute objectives.



# BCS, The Chartered Institute for IT

## TRUSTEES' REPORT (continued)

Attendance at the six Trustee Board meetings during the year was as follows:

Trustee	Attendance	
	Eligible	Present
John Higgins	6	6
Mayank Prakash	3	2
Rebecca George	6	6
Michael Grant	3	3
Gillian Arnold	6	5
Ben Booth	6	6
Indranil Nath	6	6
Alastair Revell	6	6
Paula Clarendon	6	6
Sam De Silva	6	6
Kevin Streater	4	4
Iain Thompson	4	4
Yvonne Gallagher	6	6
Alastair Irons	6	6
Kathy Farndon	6	6
Colin Smythe	6	6
Dave Donaghy	2	2
Sharon Moore	2	2

In addition, there were two electronic meetings of the Trustee Board

### **Key Boards and Committees of Trustee Board**

Part of the strategic imperative is for BCS to become substantially more outward-facing beyond the sector. This is driven by the changing context for IT; the increasing pivot towards social impact and people, and the resulting need for broader, multi-disciplinary engagement.

<b>BCS Academy of Computing</b>	Promote the creation, study and application of knowledge in computing in collaboration with other key bodies
<b>Community Board</b>	Provide strategic oversight of all aspects of BCS membership, including application, recruitment, retention, member benefits and communications
<b>Organisation and Employers Board</b>	Champion the involvement of the IT profession and promote the value, innovation, excellence, rigour and creativity of IT for the benefit of society as a whole
<b>Society Board</b>	Ensure societal activities are effective, impactful, and strategic, and champion BCS in civil society. Commission and review procedures, policies & services to facilitate effective external relations and help develop partnerships around societal goals
<b>Registration and Standards Committee</b>	Exercise the responsibilities of BCS as the regulator for standards developed by BCS for professionals employed in the IT profession
<b>Risk Audit and Finance Committee</b>	Oversee all internal and external audit processes and risk management. Provide additional assurance on the quality and reliability of financial information

The Executive Management team is detailed on page 1.

# BCS, The Chartered Institute for IT

## **TRUSTEES' REPORT** (continued)

The administration of the Institute is undertaken by a full-time executive staff based at the registered office in Swindon. Although the Institute's operations have a full-time staff, as mentioned in the President's Message, the Institute benefits from the significant input and contribution of its Honorary Officers and volunteers. However, it is not considered practical to include an estimate of this time due to the nature and variety of the contribution by volunteers to the various Boards, Committees and Member Groups.

The Institute also maintains offices in London, which are used primarily for meetings.

The AGM was held in March 2021 and the following business was conducted:

- Adoption of the Trustees' Report and the Financial Statements for the year ended 31 August 2020.
- Reappointment of Haysmacintyre LLP as auditors.

### **Bankers**

Lloyds Bank Plc in Barnwood 1, Barnett Way, Gloucester GL4 3RL

### **Legal Advisers**

Charles Russell Speechlys Solicitors of 5 Fleet Place, London EC4M 7RD

### **Auditors**

Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG

### **Registered Office**

The registered office of the Institute is 3 Newbridge Square, Swindon, Wiltshire, SN1 1BY

### **Relationships with Related Parties**

Relationships with related parties are detailed in note 20 and note 21 to the financial statements.

### **Disclosure of information to auditor**

The Trustees who held office at the date of approval of this Trustees' Report confirm that, so far as they are each aware, there is no relevant audit information of which the auditor is unaware; and each Trustee has taken all steps that he/she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

# BCS, The Chartered Institute for IT

## TRUSTEES' REPORT (continued)

### **Statement of Trustees' responsibilities in respect of the Trustees' Annual Report and the Financial Statements**

Under the Royal Charter and Bye-laws of the charity and charity law, the Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year. The Trustees have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The Group and charity's financial statements are required by law to give a true and fair view of the state of affairs of the Group and the charity and of the group's excess of expenditure over income for that period.

In preparing these financial statements, generally accepted accounting practice entails that the Trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the Royal Charter and Bye-laws, subject to any material departures disclosed and explained in the financial statements; and
- assess the group and the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charity or to cease operations or have no realistic alternative but to do so.

The Trustees are required to act in accordance with the Royal Charter and Bye-laws of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board

**John Higgins CBE FBCS**  
**Chair of Trustee Board**  
**24 November 2021**

# BCS, The Chartered Institute for IT

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BRITISH COMPUTER SOCIETY

### Opinion

We have audited the financial statements of The British Computer Society for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Institute Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 August 2021 and of the group's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the charity's Royal Charter, which requires it to follow the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

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

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

# BCS, The Chartered Institute for IT

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BRITISH COMPUTER SOCIETY (continued)

### Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 17 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Charity's Royal Charter which requires it to follow the Companies Act 2006, corporation tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Inspecting correspondence with regulators and tax authorities;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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

# BCS, The Chartered Institute for IT

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BRITISH COMPUTER SOCIETY (continued)

### Use of our report

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

.....  
Haysmacintyre LLP  
Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: .....

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# BCS, The Chartered Institute for IT

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 August 2021

	Notes	General Fund £000	Restricted Fund £000	Total 2021 £000	Total 2020 £000
<b>Income and endowments from:</b>					
<b>Charitable activities:</b>					
Membership and Other Professional Programmes	4 (a)	6,203	1,820	8,023	8,229
Qualifications and Examination Programmes	4 (b)	12,304	-	12,304	12,234
Publications	4 (c)	768	-	768	745
		<u>19,275</u>	<u>1,820</u>	<u>21,095</u>	<u>21,208</u>
<b>Other income</b>	6 (b)	856	-	856	724
<b>Investments</b>	8	51	-	51	69
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total income and endowments</b>		<u>20,182</u>	<u>1,820</u>	<u>22,002</u>	<u>22,001</u>
<b>Expenditure on:</b>					
<b>Charitable activities</b>					
Membership and Other Professional Programmes	4 (a)	7,110	1,737	8,847	8,931
Qualifications and Examination Programmes	4 (b)	11,975	-	11,975	12,154
Publications	4 (c)	659	-	659	630
Goodwill amortised	10 (b)	194	-	194	193
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total expenditure</b>		<u>19,938</u>	<u>1,737</u>	<u>21,675</u>	<u>21,908</u>
Net gains on investments	10 (c)	328	-	328	-
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net income before tax</b>	6 (a)	572	83	655	93
Tax	9	(35)	-	(35)	(51)
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net income for the year being net movement in funds</b>		<u>537</u>	<u>83</u>	<u>620</u>	<u>42</u>
<b>Reconciliation of funds</b>					
<b>Total funds brought forward</b>		<u>7,244</u>	<u>731</u>	<u>7,975</u>	<u>7,933</u>
<b>Total funds carried forward</b>	15	<u>7,781</u>	<u>814</u>	<u>8,595</u>	<u>7,975</u>

All results arose from continuing activities.

The Group has no recognised gains or losses other than the net movement in funds for the period.

The notes on pages 25 to 47 form part of these financial statements.

# BCS, The Chartered Institute for IT

## BALANCE SHEETS

at 31 August 2021

	Notes	Group 2021 £000	Institute £000	Group 2020 £000	Institute £000
<b>Fixed assets</b>					
<b>Intangible assets</b>					
Goodwill	10(b)	1,420	-	1,614	-
Other intangibles	10(b)	150	-	247	-
		<u>1,570</u>	<u>-</u>	<u>1,861</u>	<u>-</u>
Tangible assets	10(a)	1,598	1,598	1,789	1,789
Investments	10(c)	2,448	6,843	1	4,396
		<u>5,616</u>	<u>8,441</u>	<u>3,651</u>	<u>6,185</u>
<b>Current assets</b>					
Cash at bank – current holdings		5,919	5,183	4,845	4,262
– held on deposit		1,000	1,000	3,127	3,127
Total cash and cash equivalents		<u>6,919</u>	<u>6,183</u>	<u>7,972</u>	<u>7,389</u>
Debtors	11	3,253	2,213	2,897	2,168
		<u>10,172</u>	<u>8,396</u>	<u>10,869</u>	<u>9,557</u>
<b>Creditors:</b> amounts falling due within one year	12	<u>(6,946)</u>	<u>(5,322)</u>	<u>(6,298)</u>	<u>(4,907)</u>
<b>Net current assets</b>		<u>3,226</u>	<u>3,074</u>	<u>4,571</u>	<u>4,650</u>
<b>Total assets less current liabilities</b>		<u>8,842</u>	<u>11,515</u>	<u>8,222</u>	<u>10,835</u>
<b>Provisions for liabilities</b>	14	<u>(247)</u>	<u>(247)</u>	<u>(247)</u>	<u>(247)</u>
<b>Net assets</b>		<u>8,595</u>	<u>11,268</u>	<u>7,975</u>	<u>10,588</u>
<b>Funds</b>					
General (unrestricted) fund	16	7,781	10,454	7,244	9,857
Restricted fund	16	814	814	731	731
		<u>8,595</u>	<u>11,268</u>	<u>7,975</u>	<u>10,588</u>

As permitted by Section 408 of the Companies Act 2006, no separate Statement of Financial Activities has been presented for the Institute, however its net movement in funds for the year ending 31 August 2021 was £680k (2020: £357k) as seen in note 22.

The notes on pages 25 to 47 form part of these financial statements.

These financial statements were approved and authorised for use by Trustee Board on 24 November 2021 and signed on its behalf by:

**J Higgins**  
President: 2021-22

**B Booth**  
Vice-President Finance

**P Fletcher**  
Group Chief Executive



# BCS, The Chartered Institute for IT

## CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 August 2021

	Notes	2021		2020	
		£000	£000	£000	£000
<b>Cash flows from operating activities</b>					
Net Cash Flow from operating activities	(a)		1,234		745
<b>Cash flows from investing activities</b>					
Dividends, interest and rent from investments		51		69	
Increase in cash investments		(2,119)		-	
Acquisition of tangible fixed assets		(145)		(1,538)	
Acquisition of intangible fixed assets		(74)		(291)	
<b>Net cash used in investing activities</b>			<b>(2,287)</b>		<b>(1,760)</b>
Net decrease in cash and cash equivalents			<b>(1,053)</b>		<b>(1,015)</b>
Cash and cash equivalents at 1 September 2020			<b>7,972</b>		<b>8,987</b>
Cash and cash equivalents at 31 August 2021			<b>6,919</b>		<b>7,972</b>

- **Reconciliation of net income for the year to net cash flow from operating activities**

	2021	2020
	£000	£000
Net income for the reporting period (as per the statement of financial activities)	620	42
Adjustment for depreciation and amortisation charges	701	701
Gain on investments	(328)	-
Dividends, interest and rent from investments	(51)	(69)
Decrease/(increase) in debtors	(356)	162
Increase in creditors	648	60
Decrease in provisions	-	(151)
<b>Net cash flow from operating activities</b>	<b>1,234</b>	<b>745</b>

- **Reconciliation of net debt**

There is no debt other than cash.

# BCS, The Chartered Institute for IT

## INSTITUTE STATEMENT OF CHANGES IN RESERVES

	General Fund	Restricted Fund	Total Reserves
	£000	£000	£000
Balance at 1 September 2019	9,791	440	10,231
Net income for the period	66	291	357
<b>Balance at 31 August 2020</b>	<u>9,857</u>	<u>731</u>	<u>10,588</u>

	General Fund	Restricted Fund	Total Reserves
	£000	£000	£000
Balance at 1 September 2020	9,857	731	10,588
Net income for the period	597	83	680
<b>Balance at 31 August 2021</b>	<u>10,454</u>	<u>814</u>	<u>11,268</u>

# BCS, The Chartered Institute for IT

## NOTES *(forming part of the financial statements)*

### 1 Status of the Institute

The Institute is incorporated by Royal Charter and is a registered charity. The charity number is 292786 and its registered office is 3 Newbridge Square, Swindon, Wiltshire, SN1 1BY.

### 2 Accounting policies

The following accounting policies have been applied consistently in dealing with the items which are considered material in relation to the Institute's financial statements.

#### ***Basis of preparation***

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) - (Charities SORP FRS 102) and, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Bye-laws require the Institute to prepare financial statements in accordance with the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

#### ***Parent disclosure exemptions***

In preparing the separate financial statements of the parent charity, advantage has been taken of the following disclosure exemptions available in FRS102:

- No Statement of Cash Flows has been presented for the parent Charity;
- Disclosures in respect of the parent Charity's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole; and
- No disclosures have been given for the aggregate remuneration of the key management personnel of the parent Charity as their remuneration is included in the totals for the Group as a whole.

A separate statement of financial activities, or income and expenditure account, for the parent charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

#### ***Basis of consolidation***

The consolidated financial statements incorporate the accounts of the Institute and its subsidiaries, as detailed in Note 10, for the year ended 31 August 2021.

The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated statement of financial activities from the date of acquisition or up to the date of disposal. The results of the Institute and its subsidiaries are consolidated on a line by line basis.

An associate is an undertaking in which the Group has a long-term interest, usually from 20% to 50% of the equity voting rights, and over which it exercises significant influence. A joint venture is an undertaking in which the Group has a long-term interest and over which it exercises joint control. The Group's share of the profits less losses of associates and joint ventures is included in the consolidated statement of financial activities and its interest in their net assets is included in investments in the consolidated balance sheet.

The consolidated financial statements account for ITEXT Limited as a joint venture.

#### ***Public benefit entity***

The charity meets the definition of a public benefit entity under FRS 102.

# BCS, The Chartered Institute for IT

## NOTES (continued)

### ***Going concern***

After reviewing the Group and Institute's forecasts and projections, the Trustees consider that there are no material uncertainties about the Group and parent charity's ability to continue as a going concern, based on the anticipated continued success and growth in the apprenticeship market, the continuing recovery of the Professional Certifications and Digital Skills markets following the pandemic measures, and continued tight control of the Group cost base. The Trustees consider that the Group and Institute have adequate cash flows and liquid investments in order to meet their liabilities as they fall due for at least a year from the date of approval of these financial statements. The Trustees therefore continue to adopt the going concern basis in preparing the financial statements.

### ***Significant estimates and judgements***

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date or any judgements made that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period, save for the risk around the carrying value of the investment held in the Institute accounts and related goodwill held in the Group accounts, given the valuation of these assets relies on forecasts and the inherent uncertainty present in any forecast.

### ***Goodwill***

Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) arising on consolidation in respect of acquisitions is capitalised. Positive goodwill is amortised to nil by equal annual instalments over its estimated useful life, which ranges from two to twenty years based on the Trustees' assessment of useful economic life. The Group considers the useful economic life of the Activ Training goodwill acquired in 2008 to be twenty years and so is amortising accordingly.

### ***Fund accounting***

General funds comprise accumulated unrestricted surpluses and deficits on general funds and are available for use at the discretion of the Trustees in furtherance of the objects of the Institute.

Restricted funds are funds subject to specific instructions by the donor, but still within the objects of the Institute.

### ***Income***

Income is reported gross and the Statement of Financial Activities recognises all incoming resources receivable during the period after adjustments for any deferred income which are included in the balance sheet as a creditor.

Membership subscription income is accounted on a receivable basis and represents only that part of the subscription which relates to the financial year for which it is paid, the balance is included in deferred income in creditors on the balance sheet and released in the period to which it relates.

Life membership is accounted for on a receivable basis and released into the Statement of Financial Activities over ten years. The balance is included in creditors and carried forward to future years.

Income from Government and non-Government grants is recognised on a performance model basis.

Event income is recognised when the course or event is run. Income received in advance of the course or event dates is deferred and included in creditors on the balance sheet.

Income from financial investments is recognised as it is accrued.

Gift Aid income from the subsidiary BCS Learning & Development Ltd is recognised when the Gift Aid is legally due under the deed of covenant.

# BCS, The Chartered Institute for IT

## NOTES (continued)

The subsidiary company, BCS Learning & Development Limited (BCS L&D) provides goods and services and income from these is recognised when entitled.

Apprenticeship registration fees are recognised at the point of registering as an apprentice and is non-refundable. Apprenticeship end point assessments entitlement arises at the point of an apprentice registering through the gateway which is non-refundable.

Examinations income (excluding ECDL) is recognised when candidates sit examinations, and receipts in advance of examinations are deferred on the balance sheet. Consultancy is recognised when the service is provided. Publishing income is recognised when the goods are despatched.

The company receives income for ECDL from accredited centres at the time of purchasing registrations. The centre can assign candidates to those registrations at any point in time, and any unused registrations are non-refundable. Income is therefore recognised at the point of purchasing the registrations.

Investment income from the Joint Venture (ITEXT) is recognised in the Institute account as the value of Gift Aid received. In the Group accounts it is recognised in publications income.

### ***Expenditure***

Expenditure is shown gross and an accrual adjustment has been made for all known liabilities at the year end.

Charitable activities include expenditure associated with professional programmes, events, meetings and special projects and publications. The costs are incurred by the Institute, Specialist Groups and Branches and include both direct and indirect costs relating to these activities.

Direct costs are allocated on an actual basis to the relevant expense heading.

Governance costs include those costs incurred in the governance of the Institute and its assets and are primarily associated with constitutional and statutory requirements. Support costs and governance costs are reallocated to the relevant expense heading on the basis of staff numbers engaged in the relevant activity.

### ***Irrecoverable VAT***

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it is incurred.

### ***Debtors***

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

### ***Creditors***

Short term trade 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 costs using the effective interest method.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### ***Provisions for liabilities***

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

# BCS, The Chartered Institute for IT

## NOTES (continued)

### *Foreign Currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Financial Activities.

### *Research and Product Development*

Expenditure on research is written off to the profit and loss account in the year in which it is incurred.

Product development expenditure is capitalised only where there is a clearly defined project, the expenditure is separately identifiable, the outcome of the project can be assessed with reasonable certainty, aggregate costs are expected to be exceeded by related future sales and adequate resources exist to enable the project to be completed. This development expenditure is written off to the profit and loss account over a two year period from the date of completion of the project.

### *Taxation*

The Institute, as a registered charity, is exempt from taxation on its income and gains falling within section 505 of the Income and Corporation Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the period.

The Profits of the non-charitable subsidiaries are normally gift aided to the parent Charity and any profit remaining is subject to a taxation charge. The charge or credit for taxation is based on the result for the period. Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102.

### *Operating leases*

The cost of operating leases is charged to the Statement of Financial Activities over the period to which they relate.

### *Fixed Assets and depreciation*

Tangible fixed assets are stated at cost less accumulated depreciation. The de-minimus capitalisation limit is £500. A provision is made for depreciation at a rate based on the estimated useful life of each class of asset. The rates currently in use are as follows:

Office and computer equipment	–	25% - 33% per annum on cost
Fixtures & fittings	–	10% per annum on cost
Short leasehold improvements	–	over the period of the lease

### *Investments*

Investments in subsidiary, associate and joint venture undertakings are carried in the balance sheet of the Institute at cost, less any provisions for diminution in value. Joint venture undertakings are recognised in the Group accounts using the equity method. The original investment is initially recognised in cost adjusted for the Group's share of the profit/loss and reduced by the value of distributions received.

Listed investments are measured at fair value based on bid value.

### *Pensions*

The Institute operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Institute in an independently administered fund. The amount charged to the Statement of Financial Activities represents the contributions payable to the scheme in respect of the accounting period.

# BCS, The Chartered Institute for IT

## NOTES (continued)

### 3 Detailed comparatives for the consolidated statement of financial activities

	<i>Notes</i>	<b>General Fund £000</b>	<b>Restricted Fund £000</b>	<b>Total 2020 £000</b>
<b>Income and endowments from:</b>				
<b>Charitable activities:</b>				
Membership and Other Professional Programmes	4 (a)	6,481	1,748	8,229
Qualifications and Examination Programmes	4 (b)	12,234	-	12,234
Publications	4 (c)	745	-	745
		<u>19,460</u>	<u>1,748</u>	<u>21,208</u>
<b>Other income</b>	6 (b)	724	-	724
<b>Investments</b>	8	69	-	69
		<u>20,253</u>	<u>1,748</u>	<u>22,001</u>
<b>Expenditure on:</b>				
<b>Charitable activities</b>				
Membership and Other Professional Programmes	4 (a)	7,474	1,457	8,931
Qualifications and Examination Programmes	4 (b)	12,154	-	12,154
Publications	4 (c)	630	-	630
Goodwill amortised	10 (b)	193	-	193
		<u>20,451</u>	<u>1,457</u>	<u>21,908</u>
<b>Total expenditure</b>		<u>20,451</u>	<u>1,457</u>	<u>21,908</u>
<b>Net income before tax</b>	6 (a)	(198)	291	93
Tax	9	(51)	-	(51)
<b>Net income for the year being net movement in funds</b>		<u>(249)</u>	291	<u>42</u>
<b>Reconciliation of funds</b>				
<b>Total funds brought forward</b>		<u>7,493</u>	<u>440</u>	<u>7,933</u>
<b>Total funds carried forward</b>	16	<u>7,244</u>	<u>731</u>	<u>7,975</u>

# BCS, The Chartered Institute for IT

## NOTES (continued)

### 4 Charitable Income and expenditure

	Income	Staff costs	Other direct costs	Support Costs	Governance Costs	Charitable expenditure	Surplus/ (deficit) 2021	Surplus/ (deficit) 2020
	£000	£000	£000	£000	£000	£000	£000	£000
<b>4 (a) Membership and Other Professional Programmes</b>								
Membership	5,633	1,901	(263)	1,583	417	3,638	1,995	2,267
Member Groups	44	149	199	144	43	535	(491)	(608)
BCS Academy /Education	386	265	179	649	42	1,135	(749)	(666)
Corporate Events /Marketing	140	1,112	(211)	696	205	1,802	(1,662)	(1,987)
	<u>6,203</u>	<u>3,427</u>	<u>(96)</u>	<u>3,072</u>	<u>707</u>	<u>7,110</u>	<u>(907)</u>	<u>(994)</u>
Grants	1,820	807	930	-	-	1,737	83	291
	<u>8,023</u>	<u>4,234</u>	<u>834</u>	<u>3,072</u>	<u>707</u>	<u>8,847</u>	<u>(824)</u>	<u>(703)</u>
<b>4 (b) Qualifications and Examination Programmes</b>	<u>12,304</u>	<u>3,011</u>	<u>5,433</u>	<u>3,531</u>	<u>-</u>	<u>11,975</u>	<u>329</u>	<u>80</u>
<b>4 (c) Publications</b>								
Journals and books	768	175	202	282	-	659	109	115
	<u>768</u>	<u>175</u>	<u>202</u>	<u>282</u>	<u>-</u>	<u>659</u>	<u>109</u>	<u>115</u>
<b>4 (d) Goodwill amortised</b>	<u>-</u>	<u>-</u>	<u>194</u>	<u>-</u>	<u>-</u>	<u>194</u>	<u>(194)</u>	<u>(193)</u>
<b>4 (e) Support and governance costs</b>								
Support costs (note 5)	-	3,507	3,378	(6,885)	-			
Governance costs (note 5)	-	476	231	-	707			
	<u>-</u>	<u>3,983</u>	<u>3,609</u>	<u>(6,885)</u>	<u>707</u>			
<b>Total expenditure 2021</b>		<u>11,403</u>	<u>10,272</u>					
Total expenditure 2020		<u>11,263</u>	<u>10,645</u>					



# BCS, The Chartered Institute for IT

## NOTES (continued)

### 4 Detailed comparatives for charitable income and expenditure

	Income	Staff costs	Other direct costs	Support Costs	Governance Costs	Charitable expenditure	Surplus/ (deficit) 2020
	£000	£000	£000	£000	£000	£000	£000
<b>4 (a) Membership and Other Professional Programmes</b>							
Membership	6,011	1,958	(253)	1,631	408	3,744	2,267
Member Groups	86	171	385	107	31	694	(608)
BCS Academy /Education	275	287	(122)	722	54	941	(666)
Corporate Events /Marketing	109	1,145	(14)	748	216	2,095	(1,987)
	<u>6,481</u>	<u>3,561</u>	<u>(4)</u>	<u>3,208</u>	<u>709</u>	<u>7,474</u>	<u>(994)</u>
Grants	1,748	650	807	-	-	1,457	291
	<u>8,229</u>	<u>4,211</u>	<u>803</u>	<u>3,208</u>	<u>709</u>	<u>8,931</u>	<u>(703)</u>
<b>4 (b) Qualifications and Examination Programmes</b>	<u>12,234</u>	<u>2,738</u>	<u>5,958</u>	<u>3,458</u>	<u>-</u>	<u>12,154</u>	<u>80</u>
<b>4 (c) Publications</b>							
Journals and books	745	140	196	294	-	630	115
	<u>745</u>	<u>140</u>	<u>196</u>	<u>294</u>	<u>-</u>	<u>630</u>	<u>115</u>
<b>4 (d) Goodwill amortised</b>	<u>-</u>	<u>-</u>	<u>193</u>	<u>-</u>	<u>-</u>	<u>193</u>	<u>(193)</u>
<b>4 (e) Support and governance costs</b>							
Support costs (note 5)	-	3,707	3,253	(6,960)	-		
Governance costs (note 5)	-	467	242	-	(709)		
	<u>-</u>	<u>4,174</u>	<u>3,495</u>	<u>(6,960)</u>	<u>(709)</u>		
<b>Total expenditure 2020</b>		<u>11,263</u>	<u>10,645</u>				

# BCS, The Chartered Institute for IT

## NOTES (continued)

Membership income comprises:

	2021 £000	2020 £000
<b>Membership Subscriptions:</b>		
Subscriptions received during the year	5,234	5,396
Adjustments for subscriptions received in advance	176	324
	<u>5,410</u>	<u>5,720</u>
Net subscription income		
Engineering Council	143	161
Other	80	130
	<u>5,633</u>	<u>6,011</u>

## 5 Support Costs Allocation

	Staff Costs £000	Direct Costs £000	2021 Total £000	2020 Total £000
IT	1,288	1,242	2,530	2,486
Finance & Administration, HR	939	747	1,686	1,437
Premises	167	795	962	1,115
Offices Supplies and Equipment	-	69	69	82
Depreciation & Amortisation	-	507	507	508
Secretariat & Legal	391	154	545	508
General and Administration	1,198	95	1,293	1,533
	<u>3,983</u>	<u>3,609</u>	<u>7,592</u>	<u>7,669</u>
Allocation to individual Charitable Activities	(3,507)	(3,378)	(6,885)	(6,960)
Governance costs allocated to individual Charitable Activities	(476)	(231)	(707)	(709)
	<u>(3,983)</u>	<u>(3,609)</u>	<u>(7,592)</u>	<u>(7,669)</u>
<b>Governance costs comprise:</b>				
Secretariat	391	154	545	508
Audit	-	39	39	40
Governance legal costs	-	35	35	50
Apportionment of Directorate	85	3	88	111
	<u>476</u>	<u>231</u>	<u>707</u>	<u>709</u>

Cost allocation includes an element of judgement and the Institute has had to consider the cost benefit of detailed calculations and record keeping. To ensure full cost recovery on projects the charity adopts a policy of allocating costs to the respective cost headings through the period. This allocation includes support costs where they are directly attributable. Therefore, the allocation of costs shown are a best estimate of the support costs.

The above total support costs have been allocated to individual charitable activities on the basis of staff numbers engaged in the relevant activity as shown in note 4.

# BCS, The Chartered Institute for IT

## NOTES (continued)

### 5 Detailed comparison of support costs allocation

	Staff Costs £000	Direct Costs £000	2020 Total £000
IT	1,271	1,215	2,486
Finance & Administration, HR	926	511	1,437
Premises	207	908	1,115
Offices Supplies and Equipment	-	82	82
Depreciation & Amortisation	-	508	508
Secretariat & Legal	365	143	508
General and Administration	1,405	128	1,533
	<u>4,174</u>	<u>3,495</u>	<u>7,669</u>
Allocation to individual Charitable Activities	(3,707)	(3,253)	(6,960)
Governance costs allocated to individual Charitable Activities	(467)	(242)	(709)
	<u>(4,174)</u>	<u>(3,495)</u>	<u>(7,669)</u>
<b>Governance costs comprise:</b>			
Secretariat	365	143	508
Audit	-	40	40
Governance legal costs	-	50	50
Apportionment of Directorate	102	9	111
	<u>467</u>	<u>242</u>	<u>709</u>

### 6 (a) Net income

	2021 £000	2020 £000
<b>Net income is stated after charging:</b>		
Audit of these financial statements	24	24
Amounts receivable by the auditor and its associates in respect of:		
Audit of financial statements of subsidiaries pursuant to legislation	15	16
Other services relating to taxation	10	15
All other services	-	-
Depreciation and other amounts written off owned tangible fixed assets	336	378
Amortisation of intangible assets	171	130
Amortisation of goodwill	194	193
Hire of assets under operating leases	504	525
<b>and after crediting:</b>		
Rent receivable	(20)	(34)

# BCS, The Chartered Institute for IT

## NOTES (continued)

### 6 (b) Other income

	2021 £000	2020 £000
Miscellaneous income	159	409
Government Grants	697	315
	856	724

### 7 Staff numbers and costs

The average number of persons employed by the Group during the year was 244 (2020: 245). The aggregate payroll costs of these persons were as follows:

	2021 £000	2020 £000
Wages and salaries	9,804	9,769
Redundancy and ex-gratia payments	68	23
Social security costs	1,045	1,000
Pension costs (see note 20)	486	471
	11,403	11,263

The termination benefits are for both redundancy and termination and were all settled during the year.

#### **Remuneration of Trustees**

No Trustees have received any form of remuneration for their services provided to the Institute or its subsidiary undertakings. During the year, nil Trustees (2020: 15) were reimbursed for expenses of £nil (2020: £14k) incurred for undertaking their duties and attending meetings on behalf of the Institute.

#### **Employees**

The number of employees whose emoluments for the period fell within each of the following bands is as follows:

	Total	2021 Institute	L&D	Total	2020 Institute	L&D
£280,000 – 289,999	1	1	-	1	1	-
£190,000 – 199,999	-	-	-	1	1	-
£180,000 – 189,999	-	-	-	1	-	1
£160,000 – 169,999	1	-	1	-	-	-
£150,000 – 159,999	1	1	-	-	-	-
£130,000 – 139,999	1	1	-	-	-	-
£120,000 – 129,999	-	-	-	3	2	1
£110,000 – 119,999	2	1	1	2	2	-
£100,000 – 109,999	4	4	-	2	1	1
£90,000 – 99,999	4	-	4	2	1	1
£80,000 – 89,999	2	-	2	4	1	3
£70,000 – 79,999	4	1	3	6	2	4
£60,000 – 69,999	10	8	2	5	3	2

The above analysis of emoluments excludes pension contributions of £156k (2020: £146k) in respect of 28 (2020: 25) employees.

# BCS, The Chartered Institute for IT

## NOTES (continued)

### *Key management personnel remuneration*

The total employee benefits including pension contributions of the key management personnel were £1,586k (2020: £1,641k).

### 8 Investment income

	<b>2021</b>	2020
	<b>£000</b>	£000
Interest receivable on bank balances	<u>51</u>	<u>69</u>

### 9 Taxation

Total tax expenses recognised in the statement of financial activities.

	<b>2021</b>	2020
	<b>£</b>	£
Current tax	-	-
Current tax on income for the period	-	-
Adjustment in respect of prior periods	-	(224)
	<u>-</u>	<u>(224)</u>
Total current tax	<u>-</u>	<u>(224)</u>

#### Deferred tax

Tax income related to incurred usable tax losses	<b>35</b>	51
Release asset due to refund in respect of prior year	-	224
	<u>-</u>	<u>275</u>

#### Total deferred tax

	<b>35</b>	275
	<u>-</u>	<u>51</u>

#### Total tax charge

	<b>35</b>	51
	<u>-</u>	<u>51</u>

	<b>2021</b>	2020
	<b>£</b>	£

Net income/(expenditure) before tax	<b>655</b>	93
-------------------------------------	------------	----

Current tax at 19% (2020: 19%)	<b>124</b>	18
--------------------------------	------------	----

Net (income)/expenditure not subject to corporation tax	<b>(92)</b>	39
---	-------------	----

Adjustments in respect of prior periods	-	(224)
---	---	-------

Losses carried back	-	224
---------------------	---	-----

Deferred tax not recognised	<b>3</b>	(6)
	<u>-</u>	<u>(6)</u>

Total tax included in statement of financial activities	<b>35</b>	51
	<u>-</u>	<u>51</u>

The £35k deferred tax asset as at 31 August 2020 arising in respect of incurred usable tax losses in BCS Learning & Development Ltd was calculated based on the rate of 19%, being the substantively enacted rate as at that date. No deferred tax asset is recognised as at 31 August 2021.

The Institute, as a registered charity is exempt from taxation on its income and gains falling within section 505 of the Income and Corporation Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. The tax in the period is in respect of tax relating to BCS Learning & Development Ltd.

# BCS, The Chartered Institute for IT

## NOTES (continued)

### 10 Fixed assets

#### (a) Tangible fixed assets:

<u>Group</u>	Short leasehold improvements £000	Office and computer equipment £000	Fixtures and fittings £000	Total £000
<b>Cost</b>				
At 1 September 2020	1,483	421	471	2,375
Additions	27	118	-	145
Disposals	-	(93)	(127)	(220)
<b>At 31 August 2021</b>	<b>1,510</b>	<b>446</b>	<b>344</b>	<b>2,300</b>
<b>Depreciation</b>				
At 1 September 2020	177	235	174	586
Charged for year	151	151	34	336
On disposals	-	(93)	(127)	(220)
<b>At 31 August 2021</b>	<b>328</b>	<b>293</b>	<b>81</b>	<b>702</b>
<b>Net book value</b>				
<b>At 31 August 2021</b>	<b>1,182</b>	<b>153</b>	<b>263</b>	<b>1,598</b>
At 31 August 2020	1,306	186	297	1,789
<b>Institute</b>				
	Short leasehold improvements £000	Office and computer equipment £000	Fixtures and fittings £000	Total £000
<b>Cost</b>				
At 1 September 2020	1,483	421	471	2,375
Additions	27	118	-	145
Disposals	-	(93)	(127)	(220)
<b>At 31 August 2021</b>	<b>1,510</b>	<b>446</b>	<b>344</b>	<b>2,300</b>
<b>Depreciation</b>				
At 1 September 2020	177	235	174	586
Charged for year	151	151	34	336
On disposals	-	(93)	(127)	(220)
<b>At 31 August 2021</b>	<b>328</b>	<b>293</b>	<b>81</b>	<b>702</b>
<b>Net book value</b>				
<b>At 31 August 2021</b>	<b>1,182</b>	<b>153</b>	<b>263</b>	<b>1,598</b>
At 31 August 2020	1,306	186	297	1,789

The fixed assets are held for charitable activities.

# BCS, The Chartered Institute for IT

## NOTES (continued)

### (b) Intangible fixed assets:

<u>Group</u>	Goodwill £000	Product Development £000	Total £000
<b>Cost</b>			
At 1 September 2020	4,452	1,334	5,786
Additions	-	74	74
<b>At 31 August 2021</b>	<b>4,452</b>	<b>1,408</b>	<b>5,860</b>
<b>Amortisation</b>			
At 1 September 2020	2,838	1,087	3,925
Charged in year	194	171	365
<b>At 31 August 2021</b>	<b>3,032</b>	<b>1,258</b>	<b>4,290</b>
<b>Net book value</b>			
<b>At 31 August 2021</b>	<b>1,420</b>	<b>150</b>	<b>1,570</b>
At 1 September 2020	1,614	247	1,861

### (c) Investments:

<u>Institute</u>	Shares in group undertaking £000	CCLA Ethical Fund £000	Participating interests £000	Total £000
At 1 September 2020	4,395	-	1	4,396
Additions	-	2,119	-	2,119
Unrealised gains in year	-	328	-	328
<b>At 31 August 2021</b>	<b>4,395</b>	<b>2,447</b>	<b>1</b>	<b>6,843</b>

The CCLA Ethical Fund comprises listed investments in unit funds.

The undertakings in which the Institute's interest at the period end is more than 20% are as follows:

	Company Registration	Country of Incorporation	Principal activity	Direct/ Indirect	Class and percentage of shares held
<b>Subsidiary undertakings</b>					
Activ Training Limited	03123597	England and Wales	Dormant	Direct	100% of ordinary shares
BCS Learning & Development Limited	01005485	England and Wales	Qualifications & Publications	Direct	100% of ordinary shares
Institute for the Management of Information Systems	01160852	England and Wales	Dormant	Direct	100% limited by guarantee

# BCS, The Chartered Institute for IT

## NOTES (continued)

BCS ITEXT Limited	02624911	England and Wales	Dormant	Direct	100% of ordinary shares
Information Systems Examination Board Limited	02474836	England and Wales	Dormant	Indirect	100% limited by guarantee
i-2-K Limited	04231899	England and Wales	Dormant	Direct	100% of ordinary shares
Communications Management Association	02238045	England and Wales	Dormant	Direct	100% limited by guarantee
Institute for Communications Arbitration and Forensics	04452710	England and Wales	Dormant	Indirect	100% limited by guarantee
ICAF Limited	04227423	England and Wales	Dormant	Indirect	100% of ordinary shares

The registered address of all the above entities is 3 Newbridge Square, Swindon, Wiltshire, SN1 1BY

### Associated undertakings – joint ventures

ITEXT Limited	02717318	England and Wales	Production of Publications	Direct	50% of ordinary shares & 100% of preference shares
---------------	----------	-------------------	----------------------------	--------	--

Registered Address: Oxford University Press, Great Clarendon Street, Oxford, OX2 6DP

Activ Educate Limited	06343657	England and Wales	E-learning Software	Indirect	50% of ordinary shares
-----------------------	----------	-------------------	---------------------	----------	------------------------

### Associated undertakings – associates

SFIA Foundation	04770377	England and Wales	Skills Framework	Direct	20% limited by guarantee
-----------------	----------	-------------------	------------------	--------	--------------------------

Registered Address: 5 Fleet Place, London, EC4M 7RD



# BCS, The Chartered Institute for IT

## NOTES (continued)

The Institute holds the following other investments:

	<b>Company Registration</b>	<b>Country of Incorporation</b>	<b>Principal Activity</b>	<b>Direct/ Indirect</b>	<b>Class and percentage shares held</b>
European Computer Driving Licence Foundation (ECDL-F)	259212	Ireland	IT Examinations Licensing Body	Direct	3% limited by guarantee
Registered Address: The Grange, Stillorgan Road, Blackrock, Co. Dublin					
Federation for Informatics Professionals (FED-IP)	10639143	England and Wales	Register and Standards	Direct	100% limited by guarantee

### Group

The amounts included in respect of joint ventures/associates comprise the following:

<b>Joint venture/associates</b>	<b>2021 £000</b>	<b>2020 £000</b>
Investment in joint venture:		
– share of gross assets	<b>3</b>	3
– share of gross liabilities	<b>(2)</b>	(2)
	<b>1</b>	1

### 11 Debtors

	<b>Group 2021 £000</b>	<b>Institute 2021 £000</b>	<b>Group 2020 £000</b>	<b>Institute 2020 £000</b>
Trade debtors	<b>2,244</b>	<b>235</b>	1,740	204
Prepayments and other debtors	<b>1,009</b>	<b>807</b>	1,122	936
Amounts owed by group undertakings	-	<b>1,171</b>	-	1,028
Deferred tax asset	-	-	35	-
	<b>3,253</b>	<b>2,213</b>	<b>2,897</b>	<b>2,168</b>

Amounts owed by group undertakings includes a £300k (2020: £500k) loan to BCS Learning & Development Limited which is repayable on demand and carries an interest rate of 4%. The remaining amount owed relates to the central costs recharge.

The deferred tax asset is in relation to unused tax losses in BCS Learning & Development Limited.

# BCS, The Chartered Institute for IT

## NOTES (continued)

### 12 Creditors

	<b>Group</b>	<b>Institute</b>	Group	Institute
	<b>2021</b>	<b>2021</b>	2020	2020
	<b>£000</b>	<b>£000</b>	£000	£000
Trade creditors	565	392	705	433
Other creditors	277	176	137	114
Other taxes and social security	221	221	107	107
Accruals	2,510	1,468	2,210	1,280
Deferred income (note 13)	3,373	3,065	3,139	2,973
Amounts owed to group undertakings	-	-	-	-
	<b>6,946</b>	<b>5,322</b>	<b>6,298</b>	<b>4,907</b>

### 13 Deferred income

Deferred income comprises advance income for extended membership periods including life membership, sales of consultancy, training and examinations for which the relevant service income has yet to be earned at the year end.

#### Group

	Events Income £000	Life Membership £000	Annual Membership £000	Academy Income £000	Exams Income £000	Consultancy and Training £000	Total £000
Balance at 1 September 2020	21	167	2,560	222	102	67	3,139
Amounts released to incoming resources	(21)	(32)	(2,452)	(118)	(102)	(67)	(2,792)
Amount deferred in year	56	47	2,610	-	229	84	3,026
<b>Balance at 31 August 2021</b>	<b>56</b>	<b>182</b>	<b>2,718</b>	<b>104</b>	<b>229</b>	<b>84</b>	<b>3,373</b>

#### Institute

	Events Income £000	Life Membership £000	Annual Membership £000	Academy Income £000	Exams Income £000	Consultancy and Training £000	Total £000
Balance at 1 September 2020	21	167	2,560	222	-	3	2,973
Amounts released to incoming resources	(21)	(32)	(2,452)	(118)	-	(3)	(2,626)
Amount deferred in year	56	47	2,610	-	-	5	2,718
<b>Balance at 31 August 2021</b>	<b>56</b>	<b>182</b>	<b>2,718</b>	<b>104</b>	<b>-</b>	<b>5</b>	<b>3,065</b>

# BCS, The Chartered Institute for IT

## NOTES (continued)

### 14 Provisions for liabilities

<u>Group and Institute</u>	Dilapidation Provision £000
Balance at 1 September 2020	247
Increase in provision	-
Reversed during the year	-
	<hr/>
<b>Balance at 31 August 2021</b>	<b>247</b>
	<hr/>

The dilapidation provision relates to the leasehold properties held by the Institute and is the Trustees best estimate of the cost of the work which it is required to perform either during or at the end of the lease.

### 15 Analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds 2021 £
Fixed assets	3,168	-	<b>3,168</b>
Investments	2,448	-	<b>2,448</b>
Net current assets	2,412	814	<b>3,226</b>
Non-current liabilities	(247)	-	<b>(247)</b>
	<hr/>	<hr/>	<hr/>
<b>Net assets at the end of the year</b>	<b>7,781</b>	<b>814</b>	<b>8,595</b>
	<hr/>	<hr/>	<hr/>

#### Detailed comparison of analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds 2020 £
Fixed assets	3,650	-	<b>3,650</b>
Investments	1	-	<b>1</b>
Net current assets	3,840	731	<b>4,571</b>
Non-current liabilities	(247)	-	<b>(247)</b>
	<hr/>	<hr/>	<hr/>
<b>Net assets at the end of the year</b>	<b>7,244</b>	<b>731</b>	<b>7,975</b>
	<hr/>	<hr/>	<hr/>

# BCS, The Chartered Institute for IT

## NOTES (continued)

### 16 Funds

<b><i>Group</i></b>	2020 £000	Income £000	Expenditure £000	Transfer £000	Gains/(losses) £000	2021 £000
General Fund	7,244	20,182	(19,973)	-	328	7,781
Restricted Fund						
- Network of Teaching Excellence	59	-	-	-	-	59
- Scotland Computing at Schools	15	-	-	-	-	15
- Computing at Schools	29	-	-	-	-	29
- Countdown to Computing	9	-	(3)	-	-	6
- Barefoot Computing	77	121	(26)	-	-	172
- Scholarship Scheme	44	131	(175)	-	-	-
- Quantum	42	-	(3)	-	-	39
- Gatsby Foundation	-	328	(328)	-	-	-
- Microsoft Creative Computing	84	-	(16)	-	-	68
- National Centre for Computing Excellence	-	1,012	(1,012)	-	-	-
- Bursary	2	50	(50)	-	-	2
- IMIS Fund	370	-	-	-	-	370
- Earsketch	-	20	(1)	-	-	19
- Train The Teacher	-	47	(45)	-	-	2
- Nuffield	-	111	(78)	-	-	33
	731	1,820	(1,737)	-	-	814
Total Funds	7,975	22,002	(21,710)	-	328	8,595

# BCS, The Chartered Institute for IT

## NOTES (continued)

	2020	Income	Expenditure	Transfer	Gains/(losses)	2021
	£000	£000	£000	£000	£000	£000
<b><u>Institute</u></b>						
General Fund	9,857	7,379	(7,110)	-	328	<b>10,454</b>
Restricted Fund						
- Network of Teaching Excellence	59	-	-	-	-	<b>59</b>
- Scotland Computing at Schools	15	-	-	-	-	<b>15</b>
- Computing at Schools	29	-	-	-	-	<b>29</b>
- Countdown to Computing	9	-	(3)	-	-	<b>6</b>
- Barefoot Computing	77	121	(26)	-	-	<b>172</b>
- Scholarship Scheme	44	131	(175)	-	-	-
- Quantum	42	-	(3)	-	-	<b>39</b>
- Gatsby Foundation	-	328	(328)	-	-	-
- Microsoft Creative Computing	84	-	(16)	-	-	<b>68</b>
- National Centre for Computing Excellence	-	1,012	(1,012)	-	-	-
- Bursary	2	50	(50)	-	-	<b>2</b>
- IMIS Fund	370	-	-	-	-	<b>370</b>
- Earsketch	-	20	(1)	-	-	<b>19</b>
- Train The Teacher	-	47	(45)	-	-	<b>2</b>
- Nuffield	-	111	(78)	-	-	<b>33</b>
	731	1,820	(1,737)	-	-	<b>814</b>
Total Funds	10,588	9,199	(8,847)	-	328	<b>11,268</b>

The restricted fund relates to the grants received under the Network of Teaching Excellence, Scotland Computing at Schools, Computing at Schools, Countdown to Computing, Barefoot Computing, Digital Education Scotland, Computer Science Teaching Scholarship, Quantum, Gatsby Foundation, Microsoft Creative Computing Schemes, National Centre for Computing Excellence, Bursary, Earsketch, Train The Teacher and Nuffield.

The assets of the Institute for the Management of Information Systems were transferred in 2019/20 to the British Computer Society as a restricted fund so that it can be used in furtherance of the IMIS charitable purposes, as the activity is within the BCS' charitable purposes.

# BCS, The Chartered Institute for IT

## NOTES (continued)

### Detailed comparatives for funds

	2019	Income	Expenditure	Transfer	Gains/(losses)	2020
	£000	£000	£000	£000	£000	£000
<b><u>Group</u></b>						
General Fund	7,493	20,233	(20,502)	-	-	<b>7,244</b>
<hr/>						
Restricted Fund						
- Network of Teaching Excellence	59	-	-	-	-	<b>59</b>
- Scotland Computing at Schools	40	-	(25)	-	-	<b>15</b>
- Computing at Schools	29	-	-	-	-	<b>29</b>
- Countdown to Computing	21	-	(12)	-	-	<b>9</b>
- Barefoot Computing	103	-	(26)	-	-	<b>77</b>
- Scholarship Scheme	28	161	(145)	-	-	<b>44</b>
- Quantum	67	-	(25)	-	-	<b>42</b>
- Gatsby Foundation	-	261	(261)	-	-	<b>-</b>
- Microsoft Creative Computing	93	-	(9)	-	-	<b>84</b>
- National Centre for Computing Excellence	-	953	(953)	-	-	<b>-</b>
- Bursary	-	3	(1)	-	-	<b>2</b>
- IMIS Fund	1	370	-	-	-	<b>370</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	440	1,748	(1,457)	-	-	<b>731</b>
<hr/>						
Total Funds	7,933	22,001	(21,959)	-	-	<b>7,975</b>
<hr/>						

# BCS, The Chartered Institute for IT

## NOTES (continued)

	2019	Income	Expenditure	Transfer	Gains/(losses)	2020
	£000	£000	£000	£000	£000	£000
<b><u>Institute</u></b>						
General Fund	9,791	7,540	(7,474)	-	-	<b>9,857</b>
Restricted Fund						
- Network of Teaching Excellence	59	-	-	-	-	<b>59</b>
- Scotland Computing at Schools	40	-	(25)	-	-	<b>15</b>
- Computing at Schools	29	-	-	-	-	<b>29</b>
- Countdown to Computing	21	-	(12)	-	-	<b>9</b>
- Barefoot Computing	103	-	(26)	-	-	<b>77</b>
- Scholarship Scheme	28	161	(145)	-	-	<b>44</b>
- Quantum	67	-	(25)	-	-	<b>42</b>
- Gatsby Foundation	-	261	(261)	-	-	<b>-</b>
- Microsoft Creative Computing	93	-	(9)	-	-	<b>84</b>
- National Centre for Computing Excellence	-	953	(953)	-	-	<b>-</b>
- Bursary	-	3	(1)	-	-	<b>2</b>
- IMIS Fund	1	370	-	-	-	<b>370</b>
	440	1,748	(1,457)	-	-	<b>731</b>
Total Funds	10,231	9,288	(8,931)	-	-	<b>10,588</b>

## 17 Operating leases

Non-cancellable operating lease rentals for the Group are payable as follows:

	2021 Land & Buildings £000	2020 Land & Buildings £000
Within 1 year	<b>384</b>	230
Within 2 to 5 years inclusive	<b>1,978</b>	1,867
After more than 5 years	<b>1,603</b>	2,098
	<b>3,965</b>	4,195

## 18 Capital commitments

There were no capital commitments at 31 August 2020 and 2021.

## 19 Pensions

The Group operates one pension scheme arranged through Standard Life. The scheme invests contributions individually in the name of each scheme member. Members receive individual valuations of their own fund on an annual basis.

# BCS, The Chartered Institute for IT

## NOTES (continued)

The Standard Life scheme is a defined contribution arrangement to which the member and the employer contribute 2 - 9% of scheme earnings. The Group recognises the cost of contributions when they fall due. The pension costs charge for the period represents contributions by the Institute to the fund and amount to £486k (2020: £471k). There are no outstanding or prepaid contributions at the balance sheet date.

### 20 Related party disclosures

The Institute has a 50% share in the joint venture ITEXT Limited and wholly owned subsidiaries BCS Learning & Development Limited and the Institute for the Management of Information Systems. The Group has taken advantage of the exemptions not to disclose any transactions with its wholly owned subsidiaries conferred by the FRS 102 reduced disclosure framework, on the grounds that the subsidiaries' results are included in the consolidated results of the Group.

The transactions between the Institute and ITEXT Limited, the joint venture referred to in note 10, are as follows:

- i) The Institute received income during the period of £292k (2020: £313k) being the covenanted 50% share of the pre-tax profits of ITEXT Limited and £20k (2020: £20k) rental income;
- ii) The Institute purchased publications of £142k (2020: £131k) from ITEXT Limited.
- iii) The balance outstanding at 31 August 2021 was nil (2020: £nil).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

### 21 Operating results of subsidiary undertaking

#### BCS Learning & Development Limited

The wholly-owned trading subsidiary BCS Learning & Development Limited (BCS L&D), which is incorporated in the United Kingdom, pays its profits to the Institute by gift aid. From 1 September 2012, BCS L&D undertakes qualifications and publications activities on behalf of the Institute. The Institute owns the entire issued share capital of fifty thousand ordinary shares of £1 each. A summary of the trading results is shown below:

	<b>2021</b>	2020
	<b>£000</b>	£000
<b>Summary profit and loss account</b>		
Turnover	<b>12,953</b>	12,743
Cost of sales and administrative expenses	<b>(12,634)</b>	(12,413)
Interest paid	<b>(22)</b>	(30)
Net profit before tax	<b>297</b>	300
Tax on profit	<b>(35)</b>	(51)
Net profit after tax	<b>262</b>	249

The amount of gift aid to the Institute in 2020/21 was £127k (2019/20 £nil).

The assets and liabilities of the subsidiary were:

Fixed Assets	<b>150</b>	247
Current assets	<b>2,931</b>	2,325
Creditors: amounts falling due within one year	<b>(2,794)</b>	(2,420)
Total net (liabilities)/assets	<b>287</b>	152
Aggregate share capital and reserves	<b>287</b>	152



# BCS, The Chartered Institute for IT

## NOTES (continued)

### 22 Financial activities of the charity

A summary of the financial activities undertaken by the Institute is set out below:

	<b>2021</b>	2020
	<b>£000</b>	£000
Gross income	<b>9,453</b>	9,189
Total unrestricted expenditure on charitable activities	<b>(7,110)</b>	(7,474)
Restricted fund expenditure	<b>(1,737)</b>	(1,457)
Investment income	<b>74</b>	99
	<hr/>	<hr/>
<b>Net income</b>	<b>680</b>	357
Total funds brought forward	<b>10,588</b>	10,231
	<hr/>	<hr/>
<b>Total funds carried forward</b>	<b>11,268</b>	10,588
	<hr/>	<hr/>
<b>Represented by:</b>		
General fund	<b>10,454</b>	9,857
Restricted fund	<b>814</b>	731
	<hr/>	<hr/>
	<b>11,268</b>	10,588
	<hr/>	<hr/>