



The Chartered Institute for IT
Making IT good for society

The British Computer Society

Annual Report and Consolidated Financial Statements

Year ended 31 August 2022

Registered charity number 292786

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

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OFFICERS, DISTINGUISHED FELLOWS AND EXECUTIVES

PATRON: HRH The Duke of Kent KG

TRUSTEE BOARD (and Members of Council)

President – M Prakash FBCS

Deputy President – G Arnold FBCS

Immediate Past President – J Higgins CBE FBCS

Vice-Presidents

B Booth FBCS CITP

K Farndon FBCS FEDIPldgPra (to 16 March 2022)

Y Gallagher FBCS (to 6 October 2021)

H Greenway MBCS (from 16 March 2022)

A Irons FBCS CITP

P Martynenko FBCS (from 8 June 2022)

I Nath CITP CEng FBCS

A Revell CITP CEng FBCS

Chair of Council: S Moore MBE CITP FBCS (from 5 May 2022)

Elected by Council:

P Clarendon MBCS (to 16 March 2022)

S De Silva CITP FBCS

J Davenport FBCS CITP (from 5 May 2022)

D Donaghy CEng MBCS CITP (to 16 March 2022)

S Moore MBE CITP FBCS

C Smythe CITP CEng FBCS

Y Vershinin CEng FBCS (from 5 May 2022)

EXECUTIVES

Group Chief Executive – R Parmar 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 FBCS

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

S Moore MBE CITP FBCS

D Alvares CITP MBCS

D Banger FBCS CITP (from 16 March 2022)

T Clark FBCS CITP (from 16 March 2022)

N Clarke CEng FBCS (from 16 March 2022)

T Crick MBE FBCS CEng

J Davenport FBCS CITP

S De Silva CITP FBCS

D Donaghy CITP MBCS CEng (to 16 March 2022)

I Dryden MBCS (to 16 March 2022)

S Ghallab MBCS

J Hogan CITP FBCS

C Houston-Brown MBCS (from 16 March 2022)

L Keighley FBCS CITP CEng

K Kuganathan MBCS CITP

G Lefman CEng FBCS (to 16 March 2022)

N Martin MBCS (from 16 March 2022)

A Palmer FBCS

L Parry MBCS

L Senanayake CEng FBCS CITP

E Smith RITTech MBCS

C Smythe CITP CEng FBCS

J Stansfield MBCS (from 16 March 2022)

R Steenson FBCS

K Streater FBCS CITP (to 16 March 2022)

I Thompson CITP CEng HonFBCS

J Uhomoihi FBCS CITP

Y Vershinin FBCS CEng

R Parmar FBCS - Chief Executive (from 1 October 2022)

R Deri MBCS - Group Finance Director

P Fletcher FBCS – Chief Executive (to 31 December 2021)

PAST PRESIDENTS

2021/22 J Higgins CBE

2020/21 R George OBE

2019/20 M S K Grant

2018/19 C Rees

2017/18 P Martynenko

2016/17 R J Long CB

2015/16 J Creese

2014/15 E A Bacon

2013/14 R Marshall

2012/13 R J Harvey

2011/12 M J Norton FREng

2009/11 E A Sparrow

2008/09 A W Pollard

2007/08 R H A Burnett

2006/07 Sir Nigel Shadbolt FRS FREng

2005/06 C E Hughes

2004/05 D Morriss

2003/04 Dame Wendy Hall DBE FRS FREng

2002/03 J L Ivinson†

2001/02 N G McMullen †

2000/01 A J P Macdonald CB †

1999/00 D F Hartley

1998/99 I C Ritchie CBE FRSE FREng

1997/98 Sir Brian Jenkins GBE

1996/97 R J McQuaker†

1995/96 G W Robinson CBE FREng

1994/95 D W Mann

1993/94 J P Leighfield CBE

1992/93 R G Johnson

1991/92 S C T Matheson CB

1990/91 A R Rousell

1989/90 Dame Stephanie Shirley CH DBE FREng

1988/89 B W Oakley CBE†

1987/88 E P Morris TD

1986/87 Sir John Fairclough†

1985/86 R A McLaughlin

1984/85 E S Page

1983/84 D Firberg

1982/83 HRH The Duke of Kent KG

1981/82 P D Hall OBE †

1980/81 F J Hooper †

1979/80 J L Bogod †

1978/79 F H Sumner †

1977/78 P A Samet †

1976/77 G A Fisher

1975/76 C P H Marks †

1974/75 E L Willey †

1973/74 R L Barrington

1972/73 G J Morris

1971/72 A S Douglas CBE†

1970/71 A d'Agapeyeff OBE†

1969/70 The Earl of Halsbury†

1968/69 B Z de Ferranti†

1967/68 S Gill†

1966/67 The Earl Mountbatten of Burma KG PC OM†

1965/66 Sir Maurice Banks †

1963/65 Sir Edward Playfair KCB†

1962/63 R L Michaelson†

1961/62 D W Hooper †

1960/61 F Yates CBE†

1957/60 Sir Maurice Wilkes FRS FREng†

†deceased

DISTINGUISHED FELLOWS

R Ozzie

Dame Stephanie Shirley CH, DBE, FREng

S Wilson CBE FRS FREng

E Upton CBE FREng

S Peyton Jones FRS

M Lane Fox, Baroness Lane-Fox of Soho CBE

Dame Wendy Hall DBE FRS FREng

S Furber CBE FRS FREng

H Hauser KBE FRS FREng

W East CBE FRS FREng

V Cerf

S McNealy

P T Kirstein † CBE FREng

D Deutsch FRS

Sir Tim Berners-Lee OM KBE FRS FREng

W H Gates III KBE

F P Brookes FREng

R Wilmot OBE

Wladyslaw M Turcki †

A J Robin E Milner †

I M Barron CBE

D E Knuth

G M Amdahl

Sir C Antony Hoare FRS FREng

C W Bachman †

Lord Bowden †

D W Davies †

I L Auerbach †

J H Wilkinson †

T Kilburn †

A P Ershov †

Sir Maurice Wilkes †

G M Hopper †

C Strachey †

E W Dijkstra †

†deceased

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PRESIDENT'S MESSAGE

Over the past year we have seen momentous environment, economic, technological and security challenges. To say that the year has been tough across all parts of our society would be an understatement, as businesses and organisations have moved from an intense focus on responding to the pandemic emergency to creating and embedding new and remote ways of working, dealing with massive supply chain issues, and developing environmental plans. As President of the Institute, I am delighted with how IT professionals and the Digital community have embraced being a key strategic transformation enabler across industries.

Our CEO Paul Fletcher left the organisation last December and I would like to record our thanks for his leadership over the last seven years. I also pay tribute to Rob Deri who stepped up as interim CEO and to the executive team for leading the organisation through a period of significant change.

It is with great pleasure that I welcome Rashik Parmar who joined us as BCS's new CEO on 1st October 2022 from a distinguished career with IBM. I join the Trustee Board in wishing him well as we accelerate our focus on four strategic goals:

- **Membership:** We promote and support the growing and diverse community of IT and digital professionals committed to making IT good for society by helping professionals gain the skills, expertise and connections they need to develop their career, shape the digital future and be recognised as trusted professionals.
- **Inspiration:** We influence and develop computing education in all its forms to improve opportunities for young people, society and the economy, and create a diverse talent pipeline, inspiring significantly more careers in IT and digital roles.
- **Progression:** We assess and support career progression through certifications, continuous professional development and registrations, and provide opportunities for learning and development to support people's careers and raise standards of competence in our profession.
- **Influence:** We campaign 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.

As I reflect on our achievements over the year, I would like to begin by expressing my thanks to Deputy President Gillian Arnold and the Council leaders who have helped me enormously, and shown such skill and dedication in further developing our strategy as well as steering the organisation through unprecedented change including selection of our new CEO.

My thanks to BCS colleagues, leaders of our Boards and Committees, and the many volunteers for their hard work and dedication - we have made impressive progress in our business goals especially in membership growth and our influence on topics ranging from changes to Britain's GDPR rules to the Online Safety Bill. Past President John Higgins has made a lasting contribution by leading the setup of our Influence Board. Our success is a testament to these efforts resulting in remarkable progress against the backdrop of a difficult operating environment with ongoing COVID-19 restrictions and geopolitical stresses. BCS colleagues continue to team up with the Chairs, leaders and members of our 52 specialist groups and 42 branches who play important roles in bringing our strategy to life. The way BCS supports members around the world to achieve more together and to learn from each other is critical as design thinking, robotics and machine learning are changing every role and business. I want to thank all of our members for their belief in our purpose and trust in our ability to help make IT good for society.

During the year BCS continued to actively support the development of computing education particularly through Computing at School and Barefoot initiatives, this year more than 81,000 young people took GCSE computer science. Computer science is now the fastest growing A Level, and 2022 saw over 15,500 young people achieving the qualification. This growth is also reflected in higher education, applications to study computing degrees rose by 13% - the biggest increase of any UK university subject, 24,900 students secured places on Computer Science degree courses this year. There has been 20% growth in accepted applications from women since 2019; a higher percentage increase than for another subject group listed by UCAS.

During the year BCS delivered a full programme of events and content for Pride and now has specialist member groups such as Pride, EMBRACE, Neurodiverse IT and Digital Divide who are all dedicated to the diverse nature of the information technology profession. We also partnered with CogX to offer our members access to the CogX

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PRESIDENT'S MESSAGE (continued)

Festival and led in the key debate on 'Building trust in transformation'; this followed from the YouGov survey where our members said that; 'Trust is what constrains us from exploring the potential of technology - if people don't put their trust in technology, then it cannot reach its full potential'.

I am proud that we reached out to the Ukrainian IT Association and have been able to offer valuable support to them. The way we work, interact, consume, and teach will be forever changed by recent events, and technology will play a fundamental part in supporting these seismic shifts. IT is central to our lives; to public services, our security, and our culture; it is at the heart of our family interactions and crucial for the professional life of many millions of professionals. That is why trust is essential and why BCS, The Chartered Institute for IT, as a professional body stands for the standards we need. Professionalism is a combination of three things – ethics, competence, and accountability. We need professional and trusted people to understand climate change and pandemic modelling, AI ethical experts, as well as teachers to help the next generation learn digital skills necessary for future careers. We need professional and trusted people to understand climate change and pandemic modelling, AI ethical experts, as well as teachers to help the next generation learn digital skills necessary for future careers. Increasingly we will work with other professional bodies and industrial partners, pioneering ways to achieve our goals, and I am delighted that as a founding member of the Alliance for Data Science Professionals (AfDSP) we jointly celebrated the certification of the first Advanced Data Scientists at the Royal Society in July.

I am confident our new CEO Rashik Parmar will partner with growing members to progress professional careers and influence governments on sustainability, security and privacy. I am grateful for the many voluntary contributions which inspire more young people, especially women, to build on record breaking growth of A Level Computer Science and Computing Science degree courses.

It is heartening to see leading technologists care about making IT good for society. Thank you for making a difference.



Mayank Prakash FBCS
President 2022-23
30 November 2022

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GROUP CHIEF EXECUTIVE'S REPORT

The challenges of the last two years are well known, and the extraordinary situation was amplified into 2023 with the events in Ukraine and the corresponding supply chain and economic impacts. For many businesses and organisations this has meant unpredictability with varying degrees of hardship, and above all a continuing focus on digital transition. We are proud of the way IT workers have adapted and driven change over the past 2 years; the way our members and the wider profession has responded with positivity is amazing to see - minimising the impact of the pandemic and deploying solutions at pace to keep people and businesses connected, public services and organisations running effectively, people working at home safely and helping transform the way people live and work in a way that was not predicted a few years ago. Exactly how this new normal continues to evolve remains to be seen, but skilled IT professionals will certainly be at the heart of this evolution.

Against this backdrop we are pleased to report that the Group has continued to make positive progress across its' range of activities especially in implementing hybrid working arrangements for staff as well as new ways of working and meetings. Financially we had a positive Net Cash Flow from operating activities of £856k and the net income for the year was £74k before amortising Goodwill of £(194)k and net loss on investments of £(128)k. Our trading subsidiary, BCS Learning & Development Limited delivered a net profit before tax of £613k (2021: £297k) with revenues of £12,876k (2021: £12,953k), which is another strong achievement given the challenging trading conditions experienced again this year.

Members

Our strategic focus on members and engagement resulted in our total membership growing by 11% to 63,969 (2021: 57,625), arresting 8 years of decline. We now have over 50 active specialist interest groups where members share discussion, ideas and enthusiasm for their chosen subject as well as access insight and expertise. Groups ranging from Software Testing, Law, Health and Care, information security, BCS Women and Green IT, have been joined by newly created groups which renew our relevance, including BCS Pride, Embrace and Digital Divide.

Together with over 60 UK and International branches we are increasingly able to offer members a professional and friendly platform to share knowledge and experiences, debate ideas, grow networks and raise profiles. We launched the BCS library card for members, which provides access to the full BCS eBooks library and we have also seen an increase in member benefits usage – Springboard and the mentoring network in particular, driven by a segmented approach we are taking to member communications.

It is our job to demonstrate to IT workers why we are relevant and make clear the benefits of joining and staying with the Institute and we have introduced a range of changes to make membership more inclusive and relevant. A new broader set of Fellowship criteria now covers the breadth and diversity of the modern profession – with a focus on active contribution, leadership achievement and impact. We want our MBCS community to be the go-to place for every tech professional who's looking to develop their skills and go further in their career; and we are repositioning the Associate Membership grade to support early-career practitioners who are training in the workplace.

Progression

We believe that providing opportunities for learning and development to support people's career progression will help raise standards of competence in our profession, and we assess and recognise talent at every level through a diverse range of qualifications, professional registrations, content and skills frameworks. Over [20,000] people have now registered for BCS Digital Apprenticeships broadening the pipeline of tech talent ready for the workforce, and more than 69,000 exams (Professional Certifications, Vocational Exams, Knowledge Modules) have been delivered in the last year. A range of new certifications including AI, DevOps, Agile and Business Analysis have now been launched, along with RoleModelplus - our new skills audit platform. We are proud of the work we do through our professional development programmes but we must look to build on that success with new, relevant courses especially with a dynamic CPD programme.

Influencing

In July 2022 we formed a new Influence Board to focus on how BCS most effectively speaks to industry, academics, practitioners, and government through our strategic objectives. There is representation on the board from a variety of organisations such as OpenUK, Google and Coding Black Females with the aim of tackling the

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GROUP CHIEF EXECUTIVE'S REPORT (continued)

big issues facing our digital lives, connecting industry, education and government to shape and bring about impactful change on society and our profession.

During 2022, we made appearances at roundtables and parliamentary committees and BCS was referenced by name in several published government policy documents from the National AI Strategy to the UK Digital Strategy. With the support of our members we were also able to respond to key consultations on regulation in cyber security and data governance, stressing the importance of ethical practice and ensuring a diverse pipeline of skilled professionals.


Our commitment to publishing original research on key issues in the profession is growing our reputation and impact, with our work on the underrepresentation of women in the sector, and on the extent of the IT skills gap in industry, being quoted across national media and reaching policy makers. We can also be proud of our Memorandum of Understanding, signed with the IT Ukraine Association, which is just one part of our commitment to support and promote the message that the country's IT sector remains open for business.

Inspiring

As mentioned in the Presidents message, BCS continues to support and invest in the development of computing education. Computing at Schools has supported 43,525 teachers, academics and others passionate about computing education since its inception and our Barefoot programme has reached 102,711 teachers in the UK to date.

Outlook

The cost-of-living crisis and surge in inflation is likely to impact all demographic groups over the next year especially coupled with forecasts of low levels of economic growth. This will have significant implications for our members and the wider IT community, and we know that skilled IT and Digital professionals are in short supply; this together with greater public expectation of professional standards means that BCS is as relevant as ever. With an increasing focus on professionalism, we will continue to support our members and work with partners and Government on major policy initiatives. We firmly believe that BCS remains more relevant than ever before. We could not do this without the help and dedication of our employees and volunteers, and we thank them all for continuously displaying a wonderful enthusiasm and passion.



R Parmar FBCS and R Deri FCA MBCS
Group Chief Executive and Chief Operating Officer
30 November 2022

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TRUSTEES' REPORT

The Trustees' Report covers the activity of the Institute for the year ended 31 August 2022.

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 2022 and 2021 is shown below:

	Number of Members	
	2022	2021
Fellows	3,351	3,293
Members	31,637	31,160
Associate members	10,079	8,542
Companions	-	-
Students	16,590	12,230
Affiliates	2,312	2,400
	<u>63,969</u>	<u>57,625</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.

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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 5.

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.

Steering Committee for post-Shadbolt Academic Accreditation Review: Following an in depth, fundamental review of BCS Academic Accreditation, recommendations for reforms have been built into a programme of change. The programme will 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. Implementation is underway with Accreditation now recognised as a key BCS product, and the development of a clear value proposition for students, HEIs, and academics.

The Higher Education Community of Practice specialist group for Computer Science Academics: A BCS Special Interest Group has evolved from a project initiated by BCS Academy Board. The objective of the group is to develop and support a community of practice for early and mid-career computer scientists engaged in education and research in UK Universities. The group aims to facilitate academics to share and learn from best educational practice within the sector. A support programme includes CPD, resources and a community of professional practice.

Devolved Nations Groups: The objective has been to establish a computing group for each of the devolved nations. Groups have been established in Scotland and Northern Ireland and progress is being made to finalise a group for Wales. In Scotland and Northern Ireland the make-up of the groups includes colleagues from schools, FE, HE, private education providers and industry as well as the BCS.

Relationship with IFIP: In recent years the BCS relationship with IFIP has been a little dormant. The BCS were invited to participate in the IFIP 60th Anniversary Celebrations in 2021 and this proved to be a catalyst for the BCS to reengage with IFIP. The BCS now has representation on the IFIP Board, the General Assembly and the Member Society Association.

BCS School Curriculum and Assessment Committee: Over the past 12 months the committee has continued to develop working group-led '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 published a landscape review of computing across the UK. The committee's advice on computing curriculum and assessment matters continues to be sought by DfE.

Devolved Nations Committees: Over the past 12 months the committees continue 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 underway.

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. 367 Active Communities, an increase of 16% on previous year; 470 Active Community Leaders, an increase of 7% on previous year; 2,670 new registrations in the last 12 months; 482 Community Meetings; with 4,724 attendees..

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TRUSTEES' REPORT (continued)

CAS has continued to provide relevant, timely support to teachers, meetings have continued to take place virtually with some return to face-to-face, and the content of meetings continues to include a broad range of topics such as digital skills. The CAS Leadership Coaching Academy was introduced to provide specific coaching to computing teachers, part of the NCCE (below). 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 45 active coaches have provided coaching sessions to 45 teachers.

National Centre for Computing Education (NCCE): We have completed the third full year of delivery and have a wide range of CPD, resources and support in place for teachers across the country. Key achievements include: 12,000 primary teachers are engaged with their certified CPD journey, 18,000 secondary teachers are engaged with their certified CPD journey, with 4,700 of them having achieved the Certificate in Computer Science Subject Knowledge. The Computing Quality Framework and Mark were launched, there are 1,681 schools registered, 33 have achieved the mark.

Despite continued progress, significant challenges continue to 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.

Barefoot: Barefoot has now reached more than 100,000 teachers. New resources were released including the Commonwealth Games, Game on! Which have a focus on diversity and inclusion and getting started with the micro:bit resources. An new early years workshop has been added to the existing computational thinking and programming workshops.

BCS Initial Teacher Training Scholarships: BCS Initial Teacher Training Scholarships: The DfE awarded BCS a 3 year extension to continue to run teaching scholarships for trainee computing teachers until 2024, with BCS support for scholars running until 2026, where each scholarship is worth up to £26,000 and is tax free. The scheme is now in its 8th year and this year saw scholarships awarded to 60 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 all aspects of individual and organisational membership, including applications, recruitment, retention, member benefits and communications; the Member Group Community; and the Institute's engagement with organisations, particularly employers.

The Board aims broadly:

- to ensure BCS membership meets the needs of the growing and diverse IT profession by advising the directors and staff on the value proposition and to support the Institute's growth and retention strategies for individual and organisational membership, providing appropriate focus on each.
- to maintain clear and inclusive individual and organisational membership structures.
- to establish and maintain a clear strategy for the development of the Member Group Community while maintaining appropriate policies, procedures, and services to grow and sustain it and its volunteers; and to provide members, volunteers and Member Groups with encouragement and guidance through effective, responsive, and focused support.
- to manage the committees, executives, Member Groups and other bodies reporting to it, ensuring that Community Governance activities meet the objects of the Royal Charter.
- to champion Member Groups both inside and outside the Institute as well as to promote individual and organisational membership of the Institute; and to engage organisations, especially those that employ IT professionals, in the Institute's purpose of making IT good for society.
- to promote the IT profession and relevant professional standards to organisations and wider society with the ambition that the profession is valued and respected for excellence, rigour, creativity, and innovation for the benefit of all.

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TRUSTEES' REPORT (continued)

- to ensure the Institute's activities enhance the knowledge and understanding of organisations and individuals of emerging technologies and techniques in technology.
- to ensure the risks arising from all activities undertaken by it to promote the IT profession are recognised and appropriately mitigated in accordance with the Institute's Risk Management Framework.

The Board has oversight of and is supported by:

- Community Support Committee
- Finance Committee
- Fellowship Committee
- Health and Care Executive (HCE)
- Early Careers Executive (ECE)
- Fellows Technical Advisory Group (F-TAG)

During the year, Trustee Board expanded the Board's remit to include organisational membership and the Institute's engagement with organisations, particularly employers as a consequence of the new corporate strategy. The Board also took responsibility for the Fellows Technical Advisory Group (F-TAG).

The re-organisation enables the Board to fully address the BCS membership proposition to individuals and employers. Its activities are focussed on the new strategy's membership pillar to grow and sustain membership by developing the value of membership while sustaining it through the Institute's vibrant Member Group Community.

As part of its new responsibilities, the Board has established a working party to explore how it can deliver increased value to employers.

The Board innovated its approach during the year to managing the vast programme of events that the Institute delivers through its Member Groups. It introduced the concept of the 'Community Year' with events to signal its start and end, focussing on collective planning at the beginning and on celebration at its close. The Institute is justly proud of its vibrant Member Group Community and the Board is producing an Annual Impact Report to celebrate the work of its volunteers in *Making IT Good for Society*.

The Member Group Community faces challenges as it emerges from the COVID-19 pandemic and starts to return to offering physical events again with the cost of living crisis affecting everyone. The Board has continued to hold online conventions, bringing the Institute's dedicated volunteers together. It is committed to supporting its Specialist Groups reach more global audiences while encouraging its Branches to reach out to IT Practitioners in their local communities and seek novel ways of *Making IT Good for Society* locally.

Importantly, the Board has restructured its operational support for the Member Group Community by introducing the Community Support Committee, which will help groups navigate the challenges ahead. The Finance Committee has continued to work hard in supporting groups deliver their programmes in a very dynamic and challenging period, as spending patterns have fluctuated and budgets have come under intense pressure.

The Board has approved and seen a number of new groups start to flourish, including Pride, Embrace and NeurodiverseIT, reflecting the Institute's commitment to inclusion and diversity within the profession. It has encouraged increased engagement of Specialist Groups by the Institute in developing policy with a number of groups making substantial contributions in various ways.

Both the Health and Care Executive (HCE) and the Early Career Executive (ECE) continued to drive forward the Board's agenda in these important areas during 2021/22.

The Board worked closely with the Membership Director during the year in reviewing the membership criteria that culminated in Trustee Board adopting revised criteria that separates professionalism (membership) from competence (professional registration). These important changes keep BCS membership inclusive and relevant in a rapidly evolving industry. A consequence of these profound changes has led to the introduction of the new Fellowship Committee to review admissions to Fellowship and to promote a sense of collegiality amongst BCS

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TRUSTEES' REPORT (continued)

Fellows, which will complement the work of F-TAG. As a result, the Board expects the significance of BCS Fellows, as leaders and role models, to grow.

The Board is encouraged to see membership start to grow again, but recognises there is considerable work to be done to achieve the Institute's ambitions.

The Board is still working through the consequences of assuming its new responsibilities, but is acutely aware of the opportunities that lie ahead and looks forward to harnessing the synergies that will result from the changes.

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, the admission of members to BCS, and the award of CITP, CEng/IEng, RITTech and FEDIP registration. During the past year, the Committee discharged its governance responsibilities supported by member panels.

The following are 3 examples of RSC's work and its contribution to the strategic objectives of BCS during the year:

- To correct the misalignment between BCS registration related [policies](#) and Trustee Board regulations, a new policy was created to establish requirements for admission to BCS professional registers and membership. A review of the revalidation policy for RITTech and CITP was successfully conducted ensuring consistency between both registrations.
- To support the proposed membership criteria changes, members of the RSC led the development of the new [Fellowship criteria and assessment process](#) which were released in May 2022.
- BCS, through RSC, is a founding member of the Alliance for Data Science Professionals ([AfDSP](#)) who aim to professionalise data science. In July AfDSP [released](#) two new standards – Data Science Professional and Advanced Data Science Professional. Three professional members of BCS were awarded the advanced level at the launch event at the [Royal Society on 12 July](#).

Influence Board

Immediate Past President & Chair: John Higgins

The Influence Board is a new Board in our governance structure. Its members were appointed and its terms of reference approved at the July 2022 meeting of Trustee Board. It has been created to focus on how BCS effectively influences in support of its strategic objectives. The Board looks at how the Institute identifies and tackles the big issues facing our digital lives and to make sure the Institute is connecting industry, education and government to shape and bring about impactful change on society and our profession.

The Board aims broadly:

- to ensure that the Institute's influencing plans, activity, measures and outputs are of high quality and aligned to the Institute's strategic objectives
- to horizon scan and monitor and review the external landscape to ensure the focus of our strategy and priority themes of influence are suitably aligned
- to support and engage in effective external relations activity and the development of strategically important policies, position statements, thought leadership content and broader influencing output; ensuring activity is effective and impactful
- to encourage and enable member input and engagement to the Institute's influencing work and its specific themes of focus, directly and/or through other BCS groups
- use personal industry knowledge and networks to contribute to communications outputs such as thought leadership, papers, blogs, podcasts, short videos etc.

As a new Board, it has initially tasked itself with identifying opportunities for increased influence and impact across four major themes of influence:

BCS, The Chartered Institute for IT

TRUSTEES' REPORT (continued)

- Professionalism: Our digital lives should be in the hands of competent, ethical and accountable professionals
- Diversity and Inclusion: Greater diversity and inclusion in the IT profession benefit society
- Digital Divide: The digital divide is a modern measure of inequality; it can be closed by access to skills as well as technology
- Net Zero: The world will achieve net zero more rapidly with support of digital and data technologies

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 three 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 these major risks.

A key focus was the issue of falling membership numbers and initiatives taken to gain and retain members. The committee also closely monitored 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.

BCS Council

Chair: Sharon Moore MBE

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 and experience 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 year 2021-2022 we transitioned from fully online meetings to hybrid Council meetings with in-person and online access available. Further briefings were held to inform on events in industry that serve to justify the four themes on which BCS has focus and to identify opportunities for Council to advise on strategy. Council members were then fully engaged in the joint strategy event with Trustee Board. Towards the end of the year, Council sought to more effectively capture the value it brings. To this end, the structure of Council meetings was adapted to include working sessions to enable members to formulate and capture recommendations to the Institute and its Boards.

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.

BCS, The Chartered Institute for IT

TRUSTEES' REPORT (continued)

During the period, the Group operating activities had net expenditure after tax of (£248k) (2021: Net income £620k). Total Group revenues increased marginally to £22.2m (2021: £22.0m) as recovery from the pandemic continued into 2021/22.

A summary of the key highlights are noted in the Group Chief Executive's Report on page 4.

BCS Learning & Development Limited (BCS L&D) finished the year with a surplus of £613k before tax (2021: £297k). Income has decreased by 0.6% in the year to £12,876k (2021: £12,953k) due mainly to the slow recovery in the digital skills market and the expected levelling off of apprenticeship revenue after a number of years of significant growth, as the market was established. Professional certification revenue has increased to £3,130k (2021: £2,877k) and skills assurance revenue has increased to £908k (2021: £872k). 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 a decrease during the year in restricted funds of £144k (2021: Increase £83k) 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 17, 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 35.

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 2022 BCS's reserves and net assets were £8,347k (2021: £8,595k), the decrease 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 level of free reserves (i.e general funds excluding intangible and illiquid fixed assets) is £4,919k (2021 £4,612k). This represents approximately four months' operational and administration costs which is within the four-to-six-month target range monitored on an annual basis. Further, cash plus liquid investments is at £9,901k (2021: £9,366). The Trustees consider that these levels of reserves are sufficient to reengineer the activities of the organisation in managing a sustained downturn in revenues.

BCS, The Chartered Institute for IT

TRUSTEES' REPORT (continued)

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.

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

Description	Action Taken
Volatility of economy due to the war in Ukraine, economic downturn and COVID-19 and its impact on BCS and its staff (staff flight and salary pressures)	<ul style="list-style-type: none"> • Cash flow actively managed by the Executive Team and overseen by Trustee Board. • Cost mitigation measures under constant review.
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"> • Business planning gives focus on new product development to diversify income streams • Product Roadmap covers product priorities for build, maintenance and review • Detailed business plans developed by individual business units, budgets regularly reviewed, forecast produced, and analysed
Financial sustainability of the Institute's activities	<ul style="list-style-type: none"> • Longer term source of extra income is a priority and detailed in the business plan • Annual budget planning • Strategy and business planning with Trustee Board, Council and Executive teams with regular ongoing reviews are carried out • Well defined and embedded business strategy which focuses on the long term sustainability of BCS
High complexity across the organisation requires robust governance processes	<ul style="list-style-type: none"> • Terms of Reference defined for each committee • Board effectiveness survey being completed and reviewed annually • New organisational structure reduces complexity and improves the decision-making and governance processes

BCS, The Chartered Institute for IT

TRUSTEES' REPORT (continued)

<p>Information security threats such as cyber attacks, non-compliance with data protection regulations or systems failures including increased risks from remote working</p>	<p>Comprehensive reviews are regularly carried out and presented to Risk, Audit and Finance committee. Programme includes:</p> <ul style="list-style-type: none"> • ISO27001 (Information Security) accreditation • ISO22301 – (Business Continuity Planning) • Cyber Essentials Plus Certification • Microsoft Secure Score <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"> • We regularly carry out phishing and ransomware simulations and have a comprehensive set of training materials for staff • Security product implemented that mitigates the spread of malware across networks/devices by isolating and disconnecting end user devices that are identified as compromised/infected.
<p>Risk of reduced income through decline in paid membership</p>	<ul style="list-style-type: none"> • The criteria for membership has been changed to open it up to more professional members and the Fellowship criteria has also been broadened. Benefits have been improved and customised based on the needs of different groups • Membership campaigns have been initiated on social media to build awareness and convert new members <p>Paid membership is now connected with our products.</p>

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.

BCS, The Chartered Institute for IT

TRUSTEES' REPORT (continued)

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.

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.

BCS, The Chartered Institute for IT

TRUSTEES' REPORT (continued)

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.

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

Trustee	Attendance	
	Eligible	Present
Rebecca George	4	4
Mayank Prakash	9	9
Ben Booth	9	8
Gillian Arnold	9	9
Indranil Nath	9	9
Alastair Revell	9	9
Sam De Silva	9	7
Paula Clarendon	4	4
John Higgins	9	9
Yvonne Gallagher	1	0
Kathy Farndon	4	1
Alastair Irons	9	5
Colin Smythe	9	7
Dave Donaghy	4	4
Sharon Moore	9	7
Hugh Greenway	5	3
James Davenport	4	4

In addition, there was one electronic meeting 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.

BCS, The Chartered Institute for IT

TRUSTEES' REPORT (continued)

BCS Academy of Computing	Promote the creation, study and application of knowledge in computing in collaboration with other key bodies
Community Board	Provide strategic oversight of all aspects of BCS membership, including application, recruitment, retention, member benefits and communications
Registration and Standards Committee	Exercise the responsibilities of BCS as the regulator for standards developed by BCS for professionals employed in the IT profession
Influence Board	Focused on how BCS effectively influences in support of its strategic objectives, ensuring BCS is connecting stakeholders to shape and bring about impactful change on society and our profession.
Risk Audit and Finance Committee	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.

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, 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 2022 and the following business was conducted:

- Adoption of the Trustees' Report and the Financial Statements for the year ended 31 August 2021.
- 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



Mayank Prakash FBCS
Chair of Trustee Board
30 November 2022

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 2022 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 2022 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 18 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

BCS, The Chartered Institute for IT

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or noncompliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our auditor's report.

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

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Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 15th December 2022
.....

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 2022

	Notes	General Fund £000	Restricted Fund £000	Total 2022 £000	Total 2021 £000
Income and endowments from:					
Charitable activities:					
Membership and Other Professional Programmes	4 (a)	6,758	2,086	8,844	8,023
Qualifications and Examination Programmes	4 (b)	12,355	-	12,355	12,304
Publications	4 (c)	810	-	810	768
		<u>19,923</u>	<u>2,086</u>	<u>22,009</u>	<u>21,095</u>
Other income	6 (b)	165	-	165	856
Investments	8	72	-	72	51
		<u>20,160</u>	<u>2,086</u>	<u>22,246</u>	<u>22,002</u>
Expenditure on:					
Charitable activities					
Membership and Other Professional Programmes	4 (a)	7,689	2,230	9,919	8,847
Qualifications and Examination Programmes	4 (b)	11,596	-	11,596	11,975
Publications	4 (c)	657	-	657	659
Goodwill amortised	10 (b)	194	-	194	194
		<u>20,136</u>	<u>2,230</u>	<u>22,366</u>	<u>21,675</u>
Net (losses)/gains on investments	10 (c)	(128)	-	(128)	328
Net (expenditure)/income before tax	6 (a)	(104)	(144)	(248)	655
Tax	9	-	-	-	(35)
Net (expenditure)/income for the year being net movement in funds		<u>(104)</u>	<u>(144)</u>	<u>(248)</u>	<u>620</u>
Reconciliation of funds					
Total funds brought forward		<u>7,781</u>	<u>814</u>	<u>8,595</u>	<u>7,975</u>
Total funds carried forward	15	<u>7,677</u>	<u>670</u>	<u>8,347</u>	<u>8,595</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 26 to 47 form part of these financial statements.

BCS, The Chartered Institute for IT

BALANCE SHEETS

at 31 August 2022

	Notes	Group 2022 £000	Institute 2022 £000	Group 2021 £000	Institute 2021 £000
Fixed assets					
Intangible assets					
Goodwill	10(b)	1,228	-	1,420	-
Other intangibles	10(b)	142	-	150	-
		<u>1,370</u>	<u>-</u>	<u>1,570</u>	<u>-</u>
Tangible assets	10(a)	1,388	1,388	1,598	1,598
Investments	10(c)	3,321	7,716	2,448	6,843
		<u>6,079</u>	<u>9,104</u>	<u>5,616</u>	<u>8,441</u>
Current assets					
Cash at bank – current holdings		5,580	4,658	5,919	5,183
– held on deposit		1,000	1,000	1,000	1,000
Total cash and cash equivalents		<u>6,580</u>	<u>5,658</u>	<u>6,919</u>	<u>6,183</u>
Debtors	11	3,314	2,172	3,253	2,213
		<u>9,894</u>	<u>7,830</u>	<u>10,172</u>	<u>8,396</u>
Creditors: amounts falling due within one year	12	<u>(7,379)</u>	<u>(5,651)</u>	<u>(6,946)</u>	<u>(5,322)</u>
Net current assets		<u>2,515</u>	<u>2,179</u>	<u>3,226</u>	<u>3,074</u>
Total assets less current liabilities		<u>8,594</u>	<u>11,283</u>	<u>8,842</u>	<u>11,515</u>
Provisions for liabilities	14	<u>(247)</u>	<u>(247)</u>	<u>(247)</u>	<u>(247)</u>
Net assets		<u>8,347</u>	<u>11,036</u>	<u>8,595</u>	<u>11,268</u>
Funds					
General (unrestricted) fund	16	7,677	10,366	7,781	10,454
Restricted fund	16	670	670	814	814
		<u>8,347</u>	<u>11,036</u>	<u>8,595</u>	<u>11,268</u>

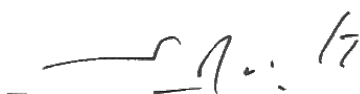
As permitted by Section 408 of the Companies Act 2006, no separate Statement of Financial Activities has been presented for the Institute, however its net movement in funds for the year ending 31 August 2022 was (£232k) (2021: £680k) as seen in note 22.

The notes on pages 26 to 47 form part of these financial statements.

These financial statements were approved and authorised for use by Trustee Board on 30 November 2022 and signed on its behalf by:



M Prakash
President: 2022-23



B Booth
Vice-President Finance



R Parmar
Group Chief Executive

BCS, The Chartered Institute for IT

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 August 2022

	Notes	2022		2021	
		£000	£000	£000	£000
Cash flows from operating activities					
Net Cash Flow from operating activities	(a)		856		1,234
Cash flows from investing activities					
Dividends, interest and rent from investments		72		51	
Increase in cash investments		(1,001)		(2,119)	
Acquisition of tangible fixed assets		(124)		(145)	
Acquisition of intangible fixed assets		(142)		(74)	
Net cash used in investing activities			(1,195)		(2,287)
Net decrease in cash and cash equivalents			(339)		(1,053)
Cash and cash equivalents at 1 September 2021			6,919		7,972
Cash and cash equivalents at 31 August 2022			6,580		6,919

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

	2022	2021
	£000	£000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(248)	620
Adjustment for depreciation and amortisation charges	676	701
Loss/(gain) on investments	128	(328)
Dividends, interest and rent from investments	(72)	(51)
Decrease/(increase) in debtors	(61)	(356)
Increase in creditors	433	648
Decrease in provisions	-	-
Net cash flow from operating activities	856	1,234

- **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 2020	9,857	731	10,588
Net surplus for the period	597	83	680
Balance at 31 August 2021	<u>10,454</u>	<u>814</u>	<u>11,268</u>

	General Fund	Restricted Fund	Total Reserves
	£000	£000	£000
Balance at 1 September 2021	10,454	814	11,268
Net surplus/(deficit) for the period	(88)	(144)	(232)
Balance at 31 August 2022	<u>10,366</u>	<u>670</u>	<u>11,036</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 2022.

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>	General Fund £000	Restricted Fund £000	Total 2021 £000
Income and endowments from:				
Charitable activities:				
Membership and Other Professional Programmes	4 (a)	6,203	1,820	8,023
Qualifications and Examination Programmes	4 (b)	12,304	-	12,304
Publications	4 (c)	768	-	768
		<u>19,275</u>	<u>1,820</u>	<u>21,095</u>
Other income	6 (b)	856	-	856
Investments	8	51	-	51
		<u>20,182</u>	<u>1,820</u>	<u>22,002</u>
Expenditure on:				
Charitable activities				
Membership and Other Professional Programmes	4 (a)	7,110	1,737	8,847
Qualifications and Examination Programmes	4 (b)	11,975	-	11,975
Publications	4 (c)	659	-	659
Goodwill amortised	10 (b)	194	-	194
		<u>19,938</u>	<u>1,737</u>	<u>21,675</u>
Total expenditure		<u>19,938</u>	<u>1,737</u>	<u>21,675</u>
Net gains on investments		328	-	328
		<u>572</u>	<u>83</u>	<u>655</u>
Net income before tax	6 (a)	572	83	655
Tax	9	(35)	-	(35)
		<u>537</u>	<u>83</u>	<u>620</u>
Net income for the year being net movement in funds		<u>537</u>	<u>83</u>	<u>620</u>
Reconciliation of funds				
Total funds brought forward		<u>7,244</u>	<u>731</u>	<u>7,975</u>
Total funds carried forward	16	<u>7,781</u>	<u>814</u>	<u>8,595</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) 2022	Surplus/ (deficit) 2021
	£000	£000	£000	£000	£000	£000	£000	£000
4 (a) Membership and Other Professional Programmes								
Membership	5,936	2,096	(82)	1,651	377	4,042	1,894	1,995
Member	66	183	196	162	42	583	(517)	(491)
Groups								
BCS Academy /Education	616	283	189	704	42	1,218	(602)	(749)
Corporate Events	140	972	57	650	167	1,846	(1,706)	(1,662)
/Marketing								
	<u>6,758</u>	<u>3,534</u>	<u>360</u>	<u>3,167</u>	<u>628</u>	<u>7,689</u>	<u>(931)</u>	<u>(907)</u>
Grants	2,086	703	1,527	-	-	2,230	(144)	83
	<u>8,844</u>	<u>4,237</u>	<u>1,887</u>	<u>3,167</u>	<u>628</u>	<u>9,919</u>	<u>(1,075)</u>	<u>(824)</u>
4 (b) Qualifications and Examination Programmes	12,355	3,155	4,990	3,451	-	11,596	759	329
4 (c) Publications								
Journals and books	810	163	229	265	-	657	153	109
	<u>810</u>	<u>163</u>	<u>229</u>	<u>265</u>	<u>-</u>	<u>657</u>	<u>153</u>	<u>109</u>
4 (d) Goodwill amortised	-	-	194	-	-	194	(194)	(194)
4 (e) Support and governance costs	-	3,410	3,473	(6,883)	-			
Support costs (note 5)	-	416	212	-	(628)			
Governance costs (note 5)								
	<u>-</u>	<u>3,826</u>	<u>3,685</u>	<u>(6,883)</u>	<u>(628)</u>			
Total expenditure 2022		<u>11,381</u>	<u>10,985</u>					
Total expenditure 2021		<u>11,403</u>	<u>10,272</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) 2021
	£000	£000	£000	£000	£000	£000	£000
4 (a) Membership and Other Professional Programmes							
Membership	5,633	1,901	(263)	1,583	417	3,638	1,995
Member Groups	44	149	199	144	43	535	(491)
BCS Academy /Education	386	265	179	649	42	1,135	(749)
Corporate Events /Marketing	140	1,112	(211)	696	205	1,802	(1,662)
	<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>
Grants	1,820	807	930	-	-	1,737	83
	<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>
4 (b) Qualifications and Examination Programmes	<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>
4 (c) Publications							
Journals and books	768	175	202	282	-	659	109
	<u>768</u>	<u>175</u>	<u>202</u>	<u>282</u>	<u>-</u>	<u>659</u>	<u>109</u>
4 (d) Goodwill amortised	<u>-</u>	<u>-</u>	<u>194</u>	<u>-</u>	<u>-</u>	<u>194</u>	<u>(194)</u>
4 (e) Support and governance costs							
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>		
Total expenditure 2021		<u>11,403</u>	<u>10,272</u>				

BCS, The Chartered Institute for IT

NOTES (continued)

Membership income comprises:

	2022	2021
	£000	£000
Membership Subscriptions:		
Subscriptions received during the year	5,607	5,234
Adjustments for subscriptions received in advance	147	176
	<hr/>	<hr/>
Net subscription income	5,754	5,410
Engineering Council	135	143
Other	47	80
	<hr/>	<hr/>
	5,936	5,633
	<hr/>	<hr/>

5 Support Costs Allocation

	Staff	Direct	2022	2021
	Costs	Costs	Total	Total
	£000	£000	£000	£000
IT	1,211	1,042	2,253	2,530
Finance & Administration, HR	953	751	1,704	1,686
Premises	175	978	1,153	962
Offices Supplies and Equipment	-	68	68	69
Depreciation & Amortisation	-	483	483	507
Secretariat & Legal	331	127	458	545
General and Administration	1,156	236	1,392	1,293
	<hr/>	<hr/>	<hr/>	<hr/>
	3,826	3,685	7,511	7,592
Allocation to individual Charitable Activities	(3,410)	(3,473)	(6,883)	(6,885)
Governance costs allocated to individual Charitable Activities	(416)	(212)	(628)	(707)
	<hr/>	<hr/>	<hr/>	<hr/>
	(3,826)	(3,685)	(7,511)	(7,592)
Governance costs comprise:				
Secretariat	331	127	458	545
Audit	-	43	43	39
Governance legal costs	-	22	22	35
Apportionment of Directorate	85	20	105	88
	<hr/>	<hr/>	<hr/>	<hr/>
	416	212	628	707
	<hr/>	<hr/>	<hr/>	<hr/>

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

6 (a) Net income

	2022 £000	2021 £000
Net income is stated after charging:		
Audit of these financial statements	27	24
Amounts receivable by the auditor and its associates in respect of:		
Audit of financial statements of subsidiaries pursuant to legislation	16	15
Other services relating to taxation	10	10
All other services	-	-
Depreciation and other amounts written off owned tangible fixed assets	333	336
Amortisation of intangible assets	150	171
Amortisation of goodwill	194	194
Hire of assets under operating leases	496	504
and after crediting:		
Rent receivable	(20)	(20)

BCS, The Chartered Institute for IT

NOTES (continued)

6 (b) Other income

	2022 £000	2021 £000
Miscellaneous income	165	159
Government Grants	-	697
	<u>165</u>	<u>856</u>

7 Staff numbers and costs

The average number of persons employed by the Group during the year was 252 (2021: 244). The aggregate payroll costs of these persons were as follows:

	2022 £000	2021 £000
Wages and salaries	9,864	9,804
Redundancy and ex-gratia payments	4	68
Social security costs	1,001	1,045
Pension costs (see note 20)	512	486
	<u>11,381</u>	<u>11,403</u>

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, 14 Trustees (2021: nil) were reimbursed for expenses of £8k (2021: £nil) 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	2022 Institute	L&D	Total	2021 Institute	L&D
£280,000 – 289,999	-	-	-	1	1	-
£230,000 – 239,999	1	1	-	-	-	-
£160,000 – 169,999	1	-	1	1	-	1
£150,000 – 159,999	-	-	-	1	1	-
£140,000 – 149,999	1	1	-	-	-	-
£130,000 – 139,999	-	-	-	1	1	-
£110,000 – 119,999	7	5	2	2	1	1
£100,000 – 109,999	1	1	1	4	4	-
£90,000 – 99,999	2	2	-	4	-	4
£80,000 – 89,999	1	-	1	2	-	2
£70,000 – 79,999	3	2	1	4	1	3
£60,000 – 69,999	10	7	3	10	8	2

The above analysis of emoluments excludes pension contributions of £149k (2021: £156k) in respect of 26 (2021: 28) employees.

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NOTES (continued)

Key management personnel remuneration

The total employee benefits including pension contributions of the key management personnel were £1,519k (2021: £1,586k).

8 Investment income

	2022 £000	2021 £000
Interest receivable on bank balances	<u>72</u>	<u>51</u>

9 Taxation

Total tax expenses recognised in the statement of financial activities.

	2022 £	2021 £
Current tax	-	-
Current tax on income for the period	-	-
	<u>-</u>	<u>-</u>
Total current tax	-	-
Deferred tax		
Tax income related to incurred usable tax losses	-	35
	<u>-</u>	<u>35</u>
Total deferred tax	-	35
	<u>-</u>	<u>35</u>
Total tax charge	-	35
	<u>-</u>	<u>35</u>
	2022 £	2021 £
Reconciliation of effective tax rate		
Net income/(expenditure) before tax	(248)	655
Current tax at 19% (2021: 19%)	(47)	124
Net (income)/expenditure not subject to corporation tax	47	(92)
Adjustments in respect of prior periods	-	-
Losses carried back	-	-
Deferred tax not recognised	-	3
	<u>-</u>	<u>35</u>
Total tax included in statement of financial activities	-	35
	<u>-</u>	<u>35</u>

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.

No tax is payable by its subsidiaries as any profits are gifted to the Charity.

There is no provided or unprovided deferred taxation for the period (2021: £35k). The deferred tax in 2021 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 & Institute</u>	Short leasehold improvements £000	Office and computer equipment £000	Fixtures and fittings £000	Total £000
Cost				
At 1 September 2021	1,510	446	344	2,300
Additions	22	101	-	123
Disposals	-	(107)	-	(107)
At 31 August 2022	1,532	440	344	2,316
Depreciation				
At 1 September 2021	328	293	81	702
Charged for year	152	147	34	333
On disposals	-	(107)	-	(107)
At 31 August 2022	480	333	115	928
Net book value				
At 31 August 2022	1,052	107	229	1,388
At 31 August 2021	1,182	153	263	1,598

The fixed assets are held for charitable activities.

(b) Intangible fixed assets:

<u>Group</u>	Goodwill £000	Product Development £000	Total £000
Cost			
At 1 September 2021	4,452	1,408	5,860
Additions	-	142	142
At 31 August 2022	4,452	1,550	6,002
Amortisation			
At 1 September 2021	3,032	1,258	4,290
Charged in year	194	150	344
At 31 August 2022	3,226	1,408	4,634
Net book value			
At 31 August 2022	1,226	142	1,368
At 1 September 2021	1,420	150	1,570

BCS, The Chartered Institute for IT

NOTES (continued)

(c) Investments:

<u>Institute</u>	Shares in group undertaking £000	CCLA Ethical Fund £000	Treasury Investment £000	Participating interests £000	Total £000
At 1 September 2021	4,395	2,447	-	1	6,843
Additions	-	-	1,001	-	1,001
Unrealised losses in year	-	(128)	-	-	(128)
At 31 August 2022	4,395	2,319	1,001	1	7,716

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
Subsidiary undertakings					
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 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

BCS, The Chartered Institute for IT

NOTES (continued)

ICAF Limited	04227423	England and Wales	Dormant	Indirect	100% of ordinary shares
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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
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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
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Associated undertakings – associates

SFIA Foundation	04770377	England and Wales	Skills Framework	Direct	20% limited by guarantee
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Registered Address: 5 Fleet Place, London, EC4M 7RD

The Institute holds the following other investments:

	Company Registration	Country of Incorporation	Principal Activity	Direct/ Indirect	Class and percentage shares held
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
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Group

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

<i>Joint venture/associates</i>	2022 £000	2021 £000
Investment in joint venture:		
– share of gross assets	3	3
– share of gross liabilities	(2)	(2)
	<u>1</u>	<u>1</u>

BCS, The Chartered Institute for IT

NOTES (continued)

11 Debtors

	Group 2022 £000	Institute 2022 £000	Group 2021 £000	Institute 2021 £000
Trade debtors	1,987	388	2,244	235
Prepayments and other debtors	1,327	837	1,009	807
Amounts owed by group undertakings	-	947	-	1,171
	<u>3,314</u>	<u>2,172</u>	<u>3,253</u>	<u>2,213</u>

Amounts owed by group undertakings includes a £nil (2021: £300k) 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 and gift aid.

12 Creditors

	Group 2022 £000	Institute 2022 £000	Group 2021 £000	Institute 2021 £000
Trade creditors	738	473	565	392
Other creditors	271	178	277	176
Other taxes and social security	210	210	221	221
Accruals	2,865	1,764	2,510	1,468
Deferred income (note 13)	3,295	3,026	3,373	3,065
Amounts owed to group undertakings	-	-	-	-
	<u>7,379</u>	<u>5,651</u>	<u>6,946</u>	<u>5,322</u>

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 2021	56	182	2,718	104	229	84	3,373
Amounts released to incoming resources	(56)	(42)	(2,645)	(84)	(229)	(84)	(3,140)
Amount deferred in year	31	64	2,677	-	139	151	3,062
	<u>31</u>	<u>204</u>	<u>2,750</u>	<u>20</u>	<u>139</u>	<u>151</u>	<u>3,295</u>
Balance at 31 August 2022	<u>31</u>	<u>204</u>	<u>2,750</u>	<u>20</u>	<u>139</u>	<u>151</u>	<u>3,295</u>

BCS, The Chartered Institute for IT

NOTES (continued)

<u>Institute</u>	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 2021	56	182	2,718	104	-	5	3,065
Amounts released to incoming resources	(56)	(42)	(2,645)	(84)	-	(5)	(2,832)
Amount deferred in year	30	64	2,677	-	-	22	2,793
Balance at 31 August 2022	30	204	2,750	20	-	22	3,026

14 Provisions for liabilities

<u>Group and Institute</u>	Dilapidation Provision £000
Balance at 1 September 2021	247
Increase in provision	-
Reversed during the year	-
Balance at 31 August 2022	247

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 2022 £
Fixed assets	2,758	-	2,758
Investments	3,321	-	3,321
Net current assets	1,845	670	2,515
Non-current liabilities	(247)	-	(247)
Net assets at the end of the year	7,677	670	8,347

Detailed comparison of analysis of group net assets between funds

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

BCS, The Chartered Institute for IT

NOTES (continued)

16 Funds

<i>Group</i>	2021 £000	Income £000	Expenditure £000	Transfer £000	Gains/(losses) £000	2022 £000
General Fund	7,781	20,161	(20,137)	-	(128)	7,677
Restricted Fund						
- Network of Teaching Excellence	59	-	(59)	-	-	-
- Scotland Computing at Schools	15	-	(14)	-	-	1
- Computing at Schools	29	-	(29)	-	-	-
- Countdown to Computing	6	-	(6)	-	-	-
- Barefoot Computing	172	53	(113)	-	-	112
- Scholarship Scheme	-	162	(162)	-	-	-
- Quantum	39	-	-	-	-	39
- Gatsby Foundation	-	406	(406)	-	-	-
- Microsoft Creative Computing	68	-	(3)	-	-	65
- National Centre for Computing Excellence	-	1,255	(1,255)	-	-	-
- Bursary	2	33	(4)	-	-	31
- IMIS Fund	370	-	-	-	-	370
- Earsketch	19	-	(2)	-	-	17
- Train The Teacher	2	69	(71)	-	-	-
- Nuffield	33	108	(106)	-	-	35
	814	2,086	(2,230)	-	-	670
Total Funds	8,595	22,247	(22,367)	-	(128)	8,347

BCS, The Chartered Institute for IT

NOTES (continued)

	2021	Income	Expenditure	Transfer	Gains/(losses)	2022
	£000	£000	£000	£000	£000	£000
<u>Institute</u>						
General Fund	10,454	7,730	(7,690)	-	(128)	10,366
Restricted Fund						
- Network of Teaching Excellence	59	-	(59)	-	-	-
- Scotland Computing at Schools	15	-	(14)	-	-	1
- Computing at Schools	29	-	(29)	-	-	-
- Countdown to Computing	9	-	(6)	-	-	-
- Barefoot Computing	172	53	(113)	-	-	112
- Scholarship Scheme	-	162	(162)	-	-	-
- Quantum	39	-	-	-	-	39
- Gatsby Foundation	-	406	(406)	-	-	-
- Microsoft Creative Computing	68	-	(3)	-	-	65
- National Centre for Computing Excellence	-	1,255	(1,255)	-	-	-
- Bursary	2	33	(4)	-	-	31
- IMIS Fund	370	-	-	-	-	370
- Earsketch	19	-	(2)	-	-	17
- Train The Teacher	2	69	(71)	-	-	-
- Nuffield	33	108	(106)	-	-	35
	814	2,086	(2,230)	-	-	670
Total Funds	11,268	9,816	(9,920)	-	(128)	11,036

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

	2020	Income	Expenditure	Transfer	Gains/(losses)	2021
<u>Group</u>	£000	£000	£000	£000	£000	£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	-	261	(261)	-	-	-
- 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
<u>Institute</u>						
General Fund	9,857	7,379	(7,110)	-	328	10,454
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	10,588	9,199	(8,847)	-	328	11,268

17 Operating leases

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

	2022 Land & Buildings £000	2021 Land & Buildings £000
Within 1 year	496	384
Within 2 to 5 years inclusive	1,980	1,978
After more than 5 years	1,109	1,603
	3,585	3,965

18 Capital commitments

There were no capital commitments at 31 August 2021 and 2022.

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NOTES (continued)

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.

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 £512k (2021: £486k). 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 £272k (2021: £292k) being the covenanted 50% share of the pre-tax profits of ITEXT Limited and £20k (2021: £20k) rental income;
- ii) The Institute purchased publications of £147k (2021: £142k) from ITEXT Limited.
- iii) The balance outstanding at 31 August 2022 was nil (2021: £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:

Summary profit and loss account	2022	2021
	£000	£000
Turnover	12,876	12,953
Cost of sales and administrative expenses	(12,254)	(12,634)
Interest paid	(9)	(22)
Net profit before tax	613	297
Tax on profit	-	(35)
Net profit after tax	613	262

The amount of gift aid to the Institute in 2021/22 was £437k (2020/21 £127k).

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NOTES (continued)

	2022	2021
	£000	£000
The assets and liabilities of the subsidiary were:		
Fixed Assets	142	150
Current assets	2,996	2,931
Creditors: amounts falling due within one year	(2,675)	(2,794)
	<hr/>	<hr/>
Total net (liabilities)/assets	463	287
	<hr/>	<hr/>
Aggregate share capital and reserves	463	287
	<hr/>	<hr/>

22 Financial activities of the charity

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

	2022	2021
	£000	£000
Gross income	9,606	9,453
Total unrestricted expenditure on charitable activities	(7,690)	(7,110)
Restricted fund expenditure	(2,230)	(1,737)
Investment income	82	74
	<hr/>	<hr/>
Net income	(232)	680
Total funds brought forward	11,268	10,588
	<hr/>	<hr/>
Total funds carried forward	11,036	11,268
	<hr/>	<hr/>
Represented by:		
General fund	10,366	10,454
Restricted fund	670	814
	<hr/>	<hr/>
	11,036	11,268
	<hr/>	<hr/>