



The Chartered Institute for IT  
Making IT good for society

**The British Computer Society**

**Annual Report and Consolidated Financial Statements**

**Year ended 31 August 2023**

Registered charity number 292786

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

# BCS, The Chartered Institute for IT

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# BCS, The Chartered Institute for IT

## OFFICERS, DISTINGUISHED FELLOWS AND EXECUTIVES

**PATRON:** HRH The Duke of Kent KG

### TRUSTEE BOARD (and Members of Council)

**President** – G Arnold FBCS

**Deputy President** – S Black OBE FBCS (to 10 July 2023)

**Immediate Past President** – M Prakash FBCS

#### Vice-Presidents

B Booth FBCS CITP  
D George MBE FBCS  
H Greenway MBCS  
A Irons FBCS CITP  
P Martynenko FBCS  
I Nath CITP CEng FBCS  
A Revell CITP CEng FBCS

**Chair of Council:** S Moore MBE CITP FBCS

#### Elected by Council:

S De Silva CITP FBCS  
J Davenport FBCS CITP  
J Stansfield MBCS (from 4 May 2023)  
Y Vershinin CEng FBCS

### MEMBERS OF COUNCIL

S Moore MBE CITP FBCS  
D Alvares CITP MBCS  
D Banger FBCS CITP  
R Bishop MBCS (from 15 March 2023)  
T Chung CITP CEng MBCS (from 15 March 2023)  
T Clark FBCS CITP  
N Clarke CEng FBCS  
N Danino MBCS CITP (from 15 March 2023)  
J Davenport FBCS CITP  
S De Silva CITP FBCS  
S Ghallab MBCS  
J Hogan CITP FBCS  
C Houston-Brown MBCS  
C Jayne CITP FBCS (from 15 March 2023)  
N Martin MBCS

A Palmer FBCS  
K Roosen FBCS (from 15 March 2023)  
E Smith MBCS  
J Stansfield MBCS  
R Steenson FBCS  
L Stuart MBCS (from 15 March 2023)  
I Thompson CITP CEng HonFBCS  
J Uhomoihi FBCS CITP  
Y Vershinin FBCS CEng  
S Yang CEng MBCS (from 15 March 2023)  
Rashik Parmar MBE FBCS - Chief Executive Officer  
(from 1 October 2022)

### PAST PRESIDENTS

2022/23	M Prakash	1990/91	A R Rousell
2021/22	J Higgins CBE	1989/90	Dame Stephanie Shirley CH DBE FREng
2020/21	R George OBE	1988/89	B W Oakley CBE†
2019/20	M S K Grant	1987/88	E P Morris TD
2018/19	C Rees	1986/87	Sir John Fairclough†
2017/18	P Martynenko	1985/86	R A McLaughlin
2016/17	R J Long CB	1984/85	E S Page
2015/16	J Creese	1983/84	D Firnberg
2014/15	E A Bacon	1982/83	HRH The Duke of Kent KG
2013/14	R Marshall	1981/82	P D Hall OBE †
2012/13	R J Harvey	1980/81	F J Hooper †
2011/12	M J Norton FREng	1979/80	J L Bogod †
2009/11	E A Sparrow	1978/79	F H Sumner †
2008/09	A W Pollard	1977/78	P A Samet †
2007/08	R H A Burnett	1976/77	G A Fisher
2006/07	Sir Nigel Shadbolt FRS FREng	1975/76	C P H Marks †
2005/06	C E Hughes	1974/75	E L Willey †
2004/05	D Morriss	1973/74	R L Barrington
2003/04	Dame Wendy Hall DBE FRS FREng	1972/73	G J Morris
2002/03	J L Iverson†	1971/72	A S Douglas CBE†
2001/02	N G McMullen †	1970/71	A d'Agapeyeff OBE†
2000/01	A J P Macdonald CB †	1969/70	The Earl of Halsbury†
1999/00	D F Hartley	1968/69	B Z de Ferranti†
1998/99	I C Ritchie CBE FRSE FREng	1967/68	S Gill†
1997/98	Sir Brian Jenkins GBE	1966/67	The Earl Mountbatten of Burma KG PC OM†
1996/97	R J McQuaker†	1965/66	Sir Maurice Banks †
1995/96	G W Robinson CBE FREng	1963/65	Sir Edward Playfair KCB†
1994/95	D W Mann	1962/63	R L Michaelson†
1993/94	J P Leighfield CBE	1961/62	D W Hooper †
1992/93	R G Johnson	1960/61	F Yates CBE†
1991/92	S C T Matheson CB	1957/60	Sir Maurice Wilkes FRS FREng†

†deceased

### EXECUTIVES

**Group Chief Executive** – R Parmar MBE FBCS (from 1 October 2022)

**Chief Operating Officer** – R Deri FCA MBCS

**Managing Director – Education and Public Benefit** –  
J Adamson MBE CITP FBCS

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

**Managing Director – Institute** – H Porter MBCS

**Executive Director – Brand** - C Harris CITP MBCS

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

**Director of Group Finance** - W Franklin CGMA MBCS

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

**Director – IT and Operations** – W McNeil FBCS (to 24 February 2023)

**Director – Policy** - W Mitchell OBE CITP FBCS (to 10 March 2023)

### 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 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 Turksi †  
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

# BCS, The Chartered Institute for IT

## PRESIDENT'S MESSAGE

Over the last twelve months two topics spring to mind as being most discussed for our industry and professions, namely, technology based skills and AI. Businesses and organisations have had to respond to the ongoing challenges and opportunities that these bring. This means that BCS, The Chartered Institute for IT has a more significant role than ever, so it is an honour to serve as the President of the Institute. I am privileged to be part of the important role the Institute is playing in providing frameworks to our members to progress their professional careers. I am confident that the focus on our four strategic goals shown below continue to guide the efforts of our staff and dedicated volunteers to help us make IT good for society.

We welcomed Rashik Parmar during this year as our new CEO and I join the Trustee Board in wishing him well as we accelerate our focus on our 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 them gain the skills, expertise and connections they need to develop their career, shape the digital future and most importantly, be recognised as trusted professionals.
- **Inspiration:** We influence, develop and support 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 underpin 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 ethically created and managed digital technologies to play their part in tackling climate change and environmental challenges.

As I look back on our accomplishments over the past year, I want to express my gratitude to the incredible BCS colleagues, the dedicated leaders of our Boards and Committees, and the hundreds of volunteers who have contributed to our mission. It's been a year of great significance, with thousands of our members eagerly attending hybrid meetings with many preferring to return to in-person meetings. I've had the privilege of meeting many of these members and listening to their inspiring stories of how BCS has played a pivotal role in shaping their careers. I extend my deepest appreciation to all our members for their sustained input and unwavering belief in our purpose and their trust in our capacity to drive positive change in the world of IT, making it truly beneficial for society.

The impact of the newly established Influence Board and Fellows Technical Advisory Group (F-TAG) has been unmistakable as BCS considered viewpoints have gained significant traction among the media, government, leaders and stakeholders. I'm delighted to report that 87,660 individuals were awarded a GCSE in computer science, marking it as the fastest growing STEM subject. Notably, female students in the field of Computer Science continue to outperform their male counterparts, with an impressive 29.9% achieving grades of A/7 and above, compared to 22.9% of male students. While these achievements are encouraging, we recognise that there is still much work to be done to enhance the diversity within our profession, and this remains a top priority for our organisation.

It's truly heartening to see the dedication of leading technologists who are committed to making IT a force for good in society. I want to express my sincere gratitude for the difference you are making in the world. Thank you for your unwavering support and dedication to our cause.

**Gillian Arnold FBCS**  
**President 2023-24**  
**29 November 2023**

# BCS, The Chartered Institute for IT

## GROUP CHIEF EXECUTIVE'S REPORT

The Group has continued to make positive progress across its' KPIs thanks to the dedication of staff and volunteers. Overall group financial performance before the amortisation of goodwill improved year on year. Our trading subsidiary, BCS Learning & Development Limited delivered a net profit before tax of £1,093k compared to £613k last year with revenues increasing by 15.5% to £14,868k (2022: £12,876k), which is another strong achievement given the challenging trading conditions experienced again this year.

### **Members**

Our commitment to membership and engagement has yielded excellent results. Our total membership has grown by 10%, reaching 70,863 members, compared to 63,969 in 2022. This upward trajectory is especially heartening when we consider the remarkable growth in student membership, which now stands at an impressive 17,568. These students are the future of our profession, and their inclusion is a source of great promise.

The establishment of the Community Support Committee has played a pivotal role in fostering a culture of knowledge sharing among all our specialist and member groups. This collaborative effort has significantly enhanced their efficiency, effectiveness, and overall impact. This remarkable synergy is evident in the 371 events organised by our dedicated pool of over 800 volunteers. These events have collectively enriched the expertise across 143 distinct groups spanning our branches, specialist groups, 11 international sections and student chapters.

Our relevance and value is further solidified by the growing membership from leading organisations such as KPMG, DWP, and the Royal Navy. Their partnership underscores our positive standing within the industry.

The launch of the first BCS Hub in Wales marks a significant step towards enhanced regional engagement. This endeavor lays the foundation for future growth and positions us as a dynamic and forward-thinking entity in the ever-evolving landscape of our industry.

### **Progression**

The introduction of BCS Discover, a leading digital learning experience, has rapidly gained popularity among our members. In addition, the launch of our new personal development planning tools empowers professionals to craft their own education plans, helping them actualise their ambitions and unlock their full potential, leveraging the wealth of content available directly from BCS and through our esteemed partners.

Our emphasis on learning and development is a cornerstone for career progression, and it stands as a catalyst for elevating competency standards in our profession. We rigorously assess and recognise talent at every level, offering a diverse array of qualifications, professional registrations, content, and skills frameworks. This year over 8,700 new people registered for BCS Digital apprenticeships, significantly expanding the pipeline of tech talent ready to contribute to the workforce.

Our examinations continued to be popular and we have delivered some form of exam, assessment or registration to over 80,000 people in the past year across our expanding portfolio. These include professional certifications, apprenticeship assessments, knowledge modules and vocational exams, demonstrating our commitment to advancing professional competency and knowledge in the tech industry.

### **Influencing**

In the past year, our influence in the key areas of professionalism, diversity, net zero, and bridging the digital divide has been championed by our Influence Board with support from our Fellows Technical Advisory Group. BCS Leaders found themselves in high demand throughout the year, as policymakers, advisors, and the media sought their expertise on a wide array of topics, including AI, Online Safety, Responsible Computing, Computing Education, and the latest advancements in the computing field.

One achievement worth highlighting is our open letter to the UK government and industry. This letter emphasised that AI is a transformative force for good, dispelling the notion that it poses an existential threat to humanity. The response to this message has been overwhelmingly positive and resonated strongly with our stakeholders.

### **Inspiring**

As highlighted in the President's message, BCS is thrilled to witness the remarkable growth of computer science as the fastest-growing STEM subject. The increasing influx of talent eager to join our profession is a promising trend. Our commitment remains steadfast in enhancing the quality and relevance of computing education in

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

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

schools. Through our Computing at Schools and Barefoot programs, we've had a substantial impact, reaching an impressive 3.3 million children.

BCS Leaders are actively engaged in various government taskforces and committees, consistently contributing their expertise to shape pivotal discussions. A noteworthy illustration of this is our provision of oral evidence to the House of Lords Select Committee on Education for 11-16 year olds. This exemplifies our unwavering dedication to moulding the educational landscape and advocating for the critical importance of digital literacy.

### **Outlook**

As we look ahead, society presents us with a unique opportunity to harness the next phase of digitalisation, leveraging AI and Quantum computing to address systemic challenges and create a better society for all. Establishing a robust pipeline of talent into our profession and elevating the competency, ethics, diversity, and accountability of every IT professional are paramount to achieving success. In these transformative times, it's clear that society depends on a resolute BCS, The Chartered Institute for IT. We are deeply honoured to serve and play our part in our mission to make IT a driving force for the betterment of society.

**R Parmar FBCS  
Group Chief Executive  
29 November 2023**

# BCS, The Chartered Institute for IT

## TRUSTEES' REPORT

The Trustees' Report covers the activity of the Institute for the year ended 31 August 2023.

### 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 2023 and 2022 is shown below:

	Number of Members	
	2023	2022
Fellows	3,360	3,351
Members	41,551	31,637
Associate members	6,357	10,079
Students	17,568	16,590
Affiliates	2,027	2,312
	<hr/>	<hr/>
	70,863	63,969
	<hr/>	<hr/>

### 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.

## TRUSTEES' REPORT (continued)

### 3. ACTIVITY REPORTS

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

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

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

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

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

#### **BCS Membership:**

This year, our primary emphasis has been on enhancing the educational benefits for students enrolled in academic membership programs, achieved through the creation of a series of digitally badged workshops. As the number of academic members increase, we have undertaken the task of optimising our engagement framework ahead of the new academic year. Student members on an academic membership scheme comprise 45% of our student membership base. Notably, student members now comprise a quarter of the total BCS membership.

#### **Academic Accreditation:**

BCS accredits more than 600 courses including degree and masters level programmes across Computing, Engineering, Science from Digital Media, IT, Games design, Robotics, Computer Science, Data Science, Cyber Security, AI, Blockchain and financial technologies. Work continued this year to implement process improvements to fulfil recommendations from the steering committee for post-Shadbolt Academic Accreditation.

#### **Computer Science Academics programme:**

The Academic specialist interest group continued to provide a structure for the new to CS Lecturers support programme. The programme includes CPD, resources and a community of professional practice.

#### **BCS School Curriculum and Assessment Committee:**

Over the past 12 months the committee has published several discussion papers including Digital Literacy for all, and Reforming England's KS4 computing qualifications, and continued to work with Ofqual to explore grading severity in GCSE Computer Science in England. The committee's advice on computing curriculum and assessment matters continues to be sought by DfE. Committees to focus on the unique challenges in the devolved nations, BCS Scottish Computing Education Committee and BCS Northern Ireland Computing Education Committee convened stakeholders to explore challenges and opportunities to improve access to computing education in each locale.

#### **Computing at School:**

We continued to grow engagement through the Computing at School network across the UK with 375 Communities and 463 Community Leaders, an increase of 5% on previous year, saw 1,614 new member registrations and a significant increase in the total number of resource downloads, up by 94%, evidence that our support offer continues to resonate with classroom practitioners and subject leaders.

#### **National Centre for Computing Education:**

The programme entered phase 2, since starting BCS has certified more than 6,200 teachers.

#### **BCS Foundation/My Digital Future:**

This year saw the creation of the BCS Foundation, an incorporated charitable organisation dedicated to creating a future where every young person can thrive in our digital world. The work of the Foundation will be to break down barriers and ensure all young people, no matter their background, have the same opportunities to develop



# BCS, The Chartered Institute for IT

## TRUSTEES' REPORT (continued)

their digital skills with the recognition that an IT career is one of the most powerful catalysts for social mobility. We are currently piloting the flagship programme, My Digital Future, which supports students from underrepresented groups with access to BCS membership, 1:1 coaching, skills support, employer engagement and funding, to help them pursue their aspirations in tech.

### **Barefoot:**

This has now reached more than 88,000 teachers with over 12,000 new teachers registering this year. We have now reached 81% of primary schools in the UK and reached over 3,300,000 children. The Early Years workshop has proved to be extremely popular and now forms most workshop sessions taking place. And thanks to our partnership with Ciena we have now reached 67% of Primary schools in Northern Ireland.

### **BCS Initial Teacher Training Scholarships:**

The DfE awarded BCS a 3-year grant to run teaching scholarships for trainee computing teachers until 2025/26 academic year, where each scholarship is currently worth up to £28,000 and is tax free. This year saw scholarships awarded to 87 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 focuses on strategy and governance. It oversees the work of six reporting bodies that focus on specific areas of membership, community and organisations: Community Support Committee (CSC), Finance Committee, Fellowship Committee, Health and Care Executive (HCE), Early Careers Executive (ECE) and the Fellows Technical Advisory Group (F-TAG). There were 82 appointed volunteers working in these Community Governance bodies at the end of the financial year, with approximately a 68% to 32% male-to-female ratio. The Board additionally has a working group exploring the Institute's membership.

The Board focuses much of its activities on the membership pillar of the Institute's strategy. The Institute saw 11% growth in membership in the fiscal year. Just under three-quarters of those joining the Institute are now under 40, which is helping to drive down the average age of our membership (42 at year-end). The Institute exceeded its individual membership target by around 7%. Some 16% of our membership is based outside of the United Kingdom, with strong growth seen in Sri Lanka, Nigeria, Greece, Mauritius and the USA.

The Board is responsible for 143 Member Groups in our worldwide Community, which organised 371 events during 2022/23. Just under 800 volunteer IT professionals run these groups. The Member Group community comprises some 43 branches, 53 specialist groups, 11 international sections and 36 student chapters, which successfully run virtual, hybrid and in-person activities.

CSC and the Finance Committee are largely responsible for managing the vibrant Member Group Community, which supports the membership pillar in terms of sustaining and growing our membership. HCE focusses on the important sector of health and care, providing influence and membership outcomes. ECE focuses on membership, inspiration and progression for early career professionals. The newly constituted Fellowship Committee aims at empowering Fellows and providing a sense of collegiality within the Fellowship aimed at work in all four strategic pillars. F-TAG has had a profound impact on the Institute's influence pillar. It also plays an important role in leveraging community expertise in pursuit of influence, progression and inspiration outcomes.

### **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 (CITP) and Registered IT Technician standards
- to oversee the rules for the admission of members to BCS

## TRUSTEES' REPORT (continued)

- to oversee the award of CITP, RITTech, Fellowship and registrations licensed from other bodies, such as the Engineering Council and the Federation of Informatics Professionals in health and care.

The following three examples highlight RSC's work and contributions to achieving the strategic objectives of BCS around membership and career progression:

- Following changes made to the criteria for admission to the MBCS Professional grade, RSC approved the development of a streamlined CITP route for existing MBCS Members. The main amendment to the process was the replacement of an interview with a CITP Review Panel who adjudicate the final outcome for all CITP applications. This new route saw an increase in applications, from a total of 247 applications received in FY 21/22 to 698 applications received in FY 22/23: a 280% increase. Due to the success of this route, this was approved in July 2023 as the main route to achieving CITP for new and existing BCS members.
- Since the launch of the new Fellow criteria in May 2022, the new criteria have been well received and have led to an increase in applications. As part of an ongoing review of the process, it was identified that a single supporter would be just as effective as two supporters in endorsing the content of an application, and that widening the supporter options - BCS Fellow, work-related, or Fellow of another membership body – would be more inclusive. In August 2023, the RSC approved changes to the supporter requirement, the nomination route and also approved an assessment rubric to enhance the quality of assessments. These changes will improve the applicant experience and improve processing times while upholding the standard.
- BCS, through RSC, is a founding member of the Alliance for Data Science Professionals (AfDSP) who aim to professionalise data science. Since the launch of two data science professional standards in July 2022, the RSC have approved the ability for successful Advanced Data Science Professionals (ADSPs) to achieve CITP. The five successful ADSPs have all taken up the offer and been subsequently dual awarded CITP and ADSP.

The RSC continues to evaluate the digital profession's registrations landscape and plays a key role in steering the development of the BCS professional registrations portfolio as new standards are introduced.

### **Influence Board**

**Vice-President & Chair: Danielle George**

This was the first full year of the new Influence Board since its members were appointed and its terms of reference approved at the July 2022 meeting of Trustee Board. It is focussed 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.

In its first full year, the Board has been particularly focussed on opportunities for increased influence and impact across four major themes of influence:

## 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.

During the year a large focus of the Institute's influencing work has related to Artificial Intelligence (AI) brought on by the accelerated adoption of generative AI technologies in particular. Collaborating closely with the Institute's Fellows Technical Advisory Group (F-TAG) the Institute has led many important pieces of thought leadership including our paper "Helping AI grow up without pressing pause" which argued that a pause in the development of AI was not the most practical way to manage the risks of AI development. In this, and many other pieces of thought leadership through the year, the Institute has championed its message that we need competent, ethical, and accountable professionals designing and building these technologies, supported by professional registration.

Our follow-on open letter to UK government and industry pressed that AI is not an existential threat to humanity; it will be a transformative force for good if we get critical decisions about its development and use

right. We argued that the UK can help lead the way in setting professional and technical standards in AI roles, supported by a robust code of conduct, international collaboration, and fully resourced regulation.

Throughout the year the Institute has also responded to many consultations from government and other bodies on critical issues such as computing education, AI regulation, digital skills, and digital health. Our influence included hosting roundtables with government and other political parties on these topics and other emerging computing technologies and advancements.

In the coming year, the Board will continue its focus on where the Institute can best impact the four themes of influence. It will continue to explore opportunities for the Institute to shape the evolving landscapes of AI, underscore the transformative power and role of digital in vital sectors like Health & Care and Education, and establish the Institute's positions in emerging domains like Quantum Computing.

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

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

The Risk Audit and Finance Committee (RAFC) is chaired by the Vice-President Finance Ben Booth and provides oversight to the Trustee Board of the Group's financial and non-financial risk and control systems. The principal objectives of the 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 continues to be on membership numbers and initiatives taken to gain and retain members.

### **BCS Council**

**Chair: Sharon Moore MBE FBCS CITP**

Council is a representative body of the membership and exists to provide advice from the perspective of the membership on direction, 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.

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

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. Council welcomed 11 new members elected by our Regional and Specialist Groups and from our Professional, International and Young Professionals constituencies at our 2023 AGM, and thanked those who had completed their service.

During the past year Council has made recommendations to Academy Board regarding sustainability and inclusion, and has delivered a report detailing the important and emerging Trends in Technology to Trustee Board. It has also begun a series on accelerating change in Inclusion, which will continue into the next annual period.

### **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 subsidiary 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, our work in education and public benefit as well as influencing and policy.

BCS aims to achieve a sustainable balance between activities that bear a net cost and activities that generate an income. It actively manages its' portfolio of activities and develops products and services to ensure financial stability.

Total revenue generated in the year to 31st August 2023 increased to £23,611k (2022: £22,246k) as we continue to see growth in several key areas. The net income before tax, amortisation of goodwill and losses on investments amounted to £621k. An impairment review was carried out on the remaining value of the goodwill arising from the acquisition of Activ Training Limited in 2008. which was being amortised over 20 years, and concluded that the carrying value should be fully amortised in the year in line with the guidance given in the Accounting Standard FRS 102. This resulted in a net expenditure before tax of £665k (2022: net expenditure £248k) with goodwill amortisation of £1,226k and losses on investments of £60k.

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

The subsidiary company BCS Learning & Development Limited (BCS L&D) finished the year with a surplus of £1,093k before tax (2022: £613k). Income has increased by 15% in the year to £14,868k (2022: £12,876k) due to the continued growth in the delivery of Apprenticeship assessments where revenue has increased to £8,405k (2022: £6,878k). Professional certification revenue has increased to £3,683k (2022: £3,130k) and Skills Assurance revenue has increased to £1,027k (2022: £908k). The company has maintained its position as the leading name in the delivery of digital apprenticeship standards and end point assessments.

In addition to operating activity, there was an increase during the year in restricted funds of £486k (2022: decrease £144k) reflecting an increase in grant income received, which is outlined in note 16 to the financial statements.

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

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

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

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

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

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

### **Investment Policy**

The Institute holds a proportion of surplus cash as bank deposits and does not invest in higher risk equity investments. The Institute also invests 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.

Equity markets remained volatile in the latest period as investors reacted to the uncertain and shifting outlook for growth, inflation and interest rates in developed markets and to a slowdown in the Chinese economy. Most other asset markets were also weak. The expectation of 'higher for longer' interest rates damaged valuations in government bonds, property and alternative assets such as clean energy. However there were better results from some specialist asset types including listed private equity. Over the last 12 months, the CCLA Fund returned 4.48%.

### **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 2023 BCS's reserves and net assets were £7,682k (2022: £8,347k), 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 (ie. general funds excluding intangible and illiquid fixed assets) is £4,970k (2022: £4,919k). 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 £8,163k (2022: £9,901k). The Trustees consider that these levels of reserves are sufficient to reengineer the activities of the organisation in managing a sustained downturn in revenues.

### **Risk Management Policy**

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

The key controls of the Institute include:

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

Through the risk management process of the Institute, the Trustees are satisfied that action is being taken to mitigate the major risks identified where necessary. It is recognised that systems can only provide reasonable assurance that major risks have been adequately managed. The recent pandemic highlighted the importance of effective risk management and it tested our risk management framework. It was recognised by the Board as a key risk and that the ongoing impact may compromise finances. The government furlough scheme was used to

## TRUSTEES' REPORT (continued)

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
Sustainability of the business model due to difficulty in predicting and planning for changes to political decisions, events or conditions that significantly affect the BCS future cash flows and profitability targets.	<ul style="list-style-type: none"> <li>• Well defined and embedded business strategy which focuses on the long term sustainability of BCS. Cost mitigation measures under constant review.</li> <li>• Diversification of products and services to reduce the reliance on a few products and/or services and a healthy surplus to help develop new products and services.</li> </ul>
Information security threats such as cyber attacks, non-compliance with data protection regulations or systems failures including increased risks from remote working.	<ul style="list-style-type: none"> <li>• Comprehensive reviews are regularly carried out and presented to Risk, Audit and Finance committee. Programme includes:                             <ul style="list-style-type: none"> <li>• ISO27001 (Information Security) accreditation</li> <li>• ISO22301 – (Business Continuity Planning)</li> <li>• Cyber Essentials Plus Certification</li> <li>• Microsoft Secure Score</li> </ul> </li> <li>• 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.</li> <li>• We regularly carry out phishing and ransomware simulations and have a comprehensive set of training materials for staff.</li> <li>• 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.</li> <li>• Policies and procedures in place regarding data protection and specialist roles in the staff team.</li> </ul>
Similar or better products and services offered by our competitors that affect BCS competitive advantage.	<ul style="list-style-type: none"> <li>• Product Roadmap covers product priorities for build, maintenance and review.</li> <li>• Continue to improve market intelligence to better understand our customers needs.</li> </ul>
Financial sustainability of the Institute's activities	<ul style="list-style-type: none"> <li>• Annual budget planning.</li> <li>• Strategy and business planning with Trustee Board, Council and Executive teams with regular ongoing reviews are carried out.</li> <li>• Well defined and embedded business strategy which focuses on the long term sustainability of BCS.</li> </ul>

## TRUSTEES' REPORT (continued)

<p>Dependency on small number of revenue sources.</p>	<ul style="list-style-type: none"> <li>• Creation of a roadmap which moves BCS away from the over-reliance on a small number of key qualifications.</li> <li>• Membership offering redesigned and approved by Trustee Board in order to support growth plans.</li> </ul>
<p>Risk of reduced income through decline in paid membership and ability to recruit members.</p>	<ul style="list-style-type: none"> <li>• Benefits have been improved and customised based on the needs of different groups and virtual engagement has been improved.</li> <li>• Membership campaigns have been initiated on social media to build awareness and convert new members.</li> <li>• Recruitment focus on student and early career members.</li> <li>• Paid membership is now connected with our products.</li> </ul>
<p>Business Continuity and Disaster Recovery.</p>	<ul style="list-style-type: none"> <li>• BCS maintains and regularly tests simulated scenarios alongside the ISO22301 accreditation – (Business Continuity Planning).</li> </ul>

### People with Disabilities

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

### Employee Involvement

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

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

### Modern Slavery Act 2015 Statement

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

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

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

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

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

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

## TRUSTEES' REPORT (continued)

**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.

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

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

The constitution of Trustee Board is:

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

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

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



# BCS, The Chartered Institute for IT

## TRUSTEES' REPORT (continued)

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

Trustee	Attendance	
	Eligible	Present
Mr Mayank Prakash FBCS	7	6
Prof Sue Black OBE FBCS	3	2
Dr Benjamin Booth FBCS CITP	7	7
Ms Gillian Arnold FBCS	7	7
Dr Indranil Nath CEng FBCS CITP	7	7
Eur Ing Alastair Revell CEng MBCS CITP	7	7
Dr Sam De Silva FBCS CITP	7	5
Mr John Higgins CBE FBCS	3	3
Professor Alastair Irons FBCS CITP	7	6
Dr Colin Smythe CEng FBCS CITP	3	3
Ms Sharon Moore MBE CITP MBCS	7	6
Mr Hugh Greenway MBCS	7	3
Prof James Davenport FBCS CITP	7	6
Eur Ing Dr Yuri Vershinin CEng FBCS	7	6
Mr. Paul Martynenko FBCS	7	7
Prof Danielle George MBE FBCS	4	2
Mx Jo Stansfield MBCS	3	3

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.

<b>BCS Academy of Computing</b>	Promote the creation, study and application of knowledge in computing in collaboration with other key bodies
<b>Community Board</b>	Provide strategic oversight of all aspects of BCS membership, including application, recruitment, retention, member benefits and communications
<b>Registration and Standards Committee</b>	Exercise the responsibilities of BCS as the regulator for standards developed by BCS for professionals employed in the IT profession
<b>Influence Board</b>	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.
<b>Risk Audit and Finance Committee</b>	Oversee all internal and external audit processes and risk management. Provide additional assurance on the quality and reliability of financial information

The Executive Management team is detailed on page 1.

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

# BCS, The Chartered Institute for IT

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

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 2023 and the following business was conducted:

- Adoption of the Trustees' Report and the Financial Statements for the year ended 31 August 2022.
- 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.

## **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

**Gillian Arnold FBCS  
Chair of Trustee Board  
29 November 2023**

# 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 2023 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 2023 and of the group's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the charity's Royal Charter, which requires it to follow the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

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

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

# BCS, The Chartered Institute for IT

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

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

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

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

### Responsibilities of trustees for the financial statements

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

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

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

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

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

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

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

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

# 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](http://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  
Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: .....

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

# BCS, The Chartered Institute for IT

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 August 2023

	Notes	General Fund £000	Restricted Fund £000	Total 2023 £000	Total 2022 £000
<b>Income and endowments from:</b>					
<b>Charitable activities:</b>					
Membership and Other Professional Programmes	4 (a)	6,266	1,931	8,197	8,844
Qualifications and Examination Programmes	4 (b)	14,307	-	14,307	12,355
Publications	4 (c)	824	-	824	810
		<u>21,397</u>	<u>1,931</u>	<u>23,328</u>	<u>22,009</u>
<b>Other income</b>	6 (b)	123	-	123	165
<b>Investments</b>	8	160	-	160	72
		<u>21,680</u>	<u>1,931</u>	<u>23,611</u>	<u>22,246</u>
<b>Expenditure on:</b>					
<b>Charitable activities</b>					
Membership and Other Professional Programmes	4 (a)	7,769	1,445	9,214	9,919
Qualifications and Examination Programmes	4 (b)	13,069	-	13,069	11,596
Publications	4 (c)	707	-	707	657
Goodwill amortised	10 (b)	1,226	-	1,226	194
		<u>22,771</u>	<u>1,445</u>	<u>24,216</u>	<u>22,366</u>
Net (losses)/gains on investments	10 (c)	(60)	-	(60)	(128)
<b>Net (expenditure)/income before tax</b>	6 (a)	<u>(1,151)</u>	<u>486</u>	<u>(665)</u>	<u>(248)</u>
Tax	9	-	-	-	-
<b>Net (expenditure)/income for the year being net movement in funds</b>		<u>(1,151)</u>	<u>486</u>	<u>(665)</u>	<u>(248)</u>
<b>Reconciliation of funds</b>					
<b>Total funds brought forward</b>		<u>7,677</u>	<u>670</u>	<u>8,347</u>	<u>8,595</u>
<b>Total funds carried forward</b>	15	<u>6,526</u>	<u>1,156</u>	<u>7,682</u>	<u>8,347</u>

All results arose from continuing activities.

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

The notes on pages 25 to 46 form part of these financial statements.

# BCS, The Chartered Institute for IT

## BALANCE SHEETS

at 31 August 2023

	Notes	Group 2023 £000	Institute 2023 £000	Group 2022 £000	Institute 2022 £000
<b>Fixed assets</b>					
<b>Intangible assets</b>					
Goodwill	10(b)	-	-	1,228	-
Other intangibles	10(b)	262	-	142	-
		<u>262</u>	<u>-</u>	<u>1,370</u>	<u>-</u>
Tangible assets	10(a)	1,293	1,293	1,388	1,388
Investments	10(c)	4,288	8,683	3,321	7,716
		<u>5,843</u>	<u>9,976</u>	<u>6,079</u>	<u>9,104</u>
<b>Current assets</b>					
Cash at bank – current holdings		2,876	2,636	5,580	4,658
– held on deposit		1,000	1,000	1,000	1,000
Total cash and cash equivalents		<u>3,876</u>	<u>3,636</u>	<u>6,580</u>	<u>5,658</u>
Debtors	11	5,202	3,441	3,314	2,172
		<u>9,078</u>	<u>7,077</u>	<u>9,894</u>	<u>7,830</u>
<b>Creditors:</b> amounts falling due within one year	12	<u>(6,973)</u>	<u>(5,213)</u>	<u>(7,379)</u>	<u>(5,651)</u>
<b>Net current assets</b>		<u>2,105</u>	<u>1,864</u>	<u>2,515</u>	<u>2,179</u>
<b>Total assets less current liabilities</b>		<u>7,948</u>	<u>11,840</u>	<u>8,594</u>	<u>11,283</u>
<b>Provisions for liabilities</b>	14	<u>(266)</u>	<u>(266)</u>	<u>(247)</u>	<u>(247)</u>
<b>Net assets</b>		<u>7,682</u>	<u>11,574</u>	<u>8,347</u>	<u>11,036</u>
<b>Funds</b>					
General (unrestricted) fund	16	6,526	10,418	7,677	10,366
Restricted fund	16	1,156	1,156	670	670
		<u>7,682</u>	<u>11,574</u>	<u>8,347</u>	<u>11,036</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 2023 was £538k (2022: negative £232k) as seen in note 22.

The notes on pages 25 to 46 form part of these financial statements.

These financial statements were approved and authorised for use by Trustee Board on 29 November 2023 and signed on its behalf by:

**G Arnold**  
President: 2023-24

**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 2023

	Notes	2023		2022	
		£000	£000	£000	£000
<b>Cash flows from operating activities</b>					
Net Cash Flow from operating activities	(a)		(1,345)		856
<b>Cash flows from investing activities</b>					
Dividends, interest and rent from investments		160		72	
Increase in cash investments		(1,027)		(1,001)	
Acquisition of tangible fixed assets		(238)		(124)	
Acquisition of intangible fixed assets		(254)		(142)	
<b>Net cash used in investing activities</b>			<b>(1,359)</b>		<b>(1,195)</b>
Net decrease in cash and cash equivalents			<b>(2,704)</b>		<b>(339)</b>
Cash and cash equivalents at 1 September 2022			<b>6,580</b>		<b>6,919</b>
Cash and cash equivalents at 31 August 2023			<b>3,876</b>		<b>6,580</b>

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

	2023	2022
	£000	£000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(665)	(248)
Adjustment for depreciation and amortisation charges	1,695	676
Loss on investments	60	128
Dividends, interest and rent from investments	(160)	(72)
Increase in debtors	(1,888)	(61)
(Decrease)/increase in creditors	(406)	433
Increase in provisions	19	-
<b>Net cash flow from operating activities</b>	<b>(1,345)</b>	<b>856</b>

- **Reconciliation of net debt**

There is no debt other than cash.

# BCS, The Chartered Institute for IT

## INSTITUTE STATEMENT OF CHANGES IN RESERVES

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

	General Fund	Restricted Fund	Total Reserves
	£000	£000	£000
Balance at 1 September 2022	10,366	670	11,036
Net surplus for the period	52	486	538
<b>Balance at 31 August 2023</b>	<u>10,418</u>	<u>1,156</u>	<u>11,574</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 2023.

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 continued growth in the Professional Certifications market, 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

	Notes	General Fund £000	Restricted Fund £000	Total 2022 £000
<b>Income and endowments from:</b>				
<b>Charitable activities:</b>				
Membership and Other Professional Programmes	4 (a)	6,758	2,086	8,844
Qualifications and Examination Programmes	4 (b)	12,355	-	12,355
Publications	4 (c)	810	-	810
		<u>19,923</u>	<u>2,086</u>	<u>22,009</u>
<b>Other income</b>	6 (b)	165	-	165
<b>Investments</b>	8	72	-	72
		<u>20,160</u>	<u>2,086</u>	<u>22,246</u>
<b>Total income and endowments</b>				
<b>Expenditure on:</b>				
<b>Charitable activities</b>				
Membership and Other Professional Programmes	4 (a)	7,689	2,230	9,919
Qualifications and Examination Programmes	4 (b)	11,596	-	11,596
Publications	4 (c)	657	-	657
Goodwill amortised	10 (b)	194	-	194
		<u>20,136</u>	<u>2,230</u>	<u>22,366</u>
<b>Total expenditure</b>		<u>20,136</u>	<u>2,230</u>	<u>22,366</u>
Net gains on investments		(128)	-	(128)
		<u>(104)</u>	<u>(144)</u>	<u>(248)</u>
<b>Net income before tax</b>	6 (a)	(104)	(144)	(248)
Tax	9	-	-	-
<b>Net income for the year being net movement in funds</b>		<u>(104)</u>	<u>(144)</u>	<u>(248)</u>
<b>Reconciliation of funds</b>				
<b>Total funds brought forward</b>		<u>7,781</u>	<u>814</u>	<u>8,595</u>
<b>Total funds carried forward</b>	16	<u>7,677</u>	<u>670</u>	<u>8,347</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) 2023	Surplus/ (deficit) 2022
	£000	£000	£000	£000	£000	£000	£000	£000
<b>4 (a) Membership and Other Professional Programmes</b>								
Membership Member Groups	5,688	2,504	(619)	1,886	486	4,257	1,431	1,894
BCS Academy /Education	101	160	266	102	30	558	(457)	(517)
Corporate Events /Marketing	339	922	(390)	459	66	1,057	(718)	(602)
	138	1,041	35	637	184	1,897	(1,759)	(1,706)
	<u>6,266</u>	<u>4,627</u>	<u>(708)</u>	<u>3,084</u>	<u>766</u>	<u>7,769</u>	<u>(1,503)</u>	<u>(931)</u>
Grants	1,931	280	1,165	-	-	1,445	486	(144)
	<u>8,197</u>	<u>4,907</u>	<u>457</u>	<u>3,084</u>	<u>766</u>	<u>9,214</u>	<u>(1,017)</u>	<u>(1,075)</u>
<b>4 (b) Qualifications and Examination Programmes</b>	<u>14,307</u>	<u>2,936</u>	<u>6,435</u>	<u>3,698</u>	<u>-</u>	<u>13,069</u>	<u>1,238</u>	<u>759</u>
<b>4 (c) Publications</b>								
Journals and books	824	180	237	290	-	707	118	153
	<u>824</u>	<u>180</u>	<u>237</u>	<u>290</u>	<u>-</u>	<u>707</u>	<u>118</u>	<u>153</u>
<b>4 (d) Goodwill amortised</b>	<u>-</u>	<u>-</u>	<u>1,226</u>	<u>-</u>	<u>-</u>	<u>1,226</u>	<u>(1,226)</u>	<u>(194)</u>
<b>4 (e) Support and governance costs</b>								
Support costs (note 5)	-	3,533	3,539	(7,072)	-			
Governance costs (note 5)	-	446	320	-	(766)			
	<u>-</u>	<u>3,979</u>	<u>3,859</u>	<u>(7,072)</u>	<u>(766)</u>			
<b>Total expenditure 2023</b>		<u>12,002</u>	<u>12,214</u>					
Total expenditure 2022		<u>11,381</u>	<u>10,985</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) 2022
	£000	£000	£000	£000	£000	£000	£000
<b>4 (a) Membership and Other Professional Programmes</b>							
Membership	5,936	2,096	(82)	1,651	377	4,042	1,894
Member Groups	66	183	196	162	42	583	(517)
BCS Academy /Education	616	283	189	704	42	1,218	(602)
Corporate Events /Marketing	140	972	57	650	167	1,846	(1,706)
	<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>
Grants	2,086	703	1,527	-	-	2,230	(144)
	<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>
<b>4 (b) Qualifications and Examination Programmes</b>	<u>12,355</u>	<u>3,155</u>	<u>4,990</u>	<u>3,451</u>	<u>-</u>	<u>11,596</u>	<u>759</u>
<b>4 (c) Publications</b>							
Journals and books	810	163	229	265	-	657	153
	<u>810</u>	<u>163</u>	<u>229</u>	<u>265</u>	<u>-</u>	<u>657</u>	<u>153</u>
<b>4 (d) Goodwill amortised</b>	<u>-</u>	<u>-</u>	<u>194</u>	<u>-</u>	<u>-</u>	<u>194</u>	<u>(194)</u>
<b>4 (e) Support and governance costs</b>							
Support costs (note 5)	-	3,410	3,473	(6,883)	-		
Governance costs (note 5)	-	416	212	-	(628)		
	<u>-</u>	<u>3,826</u>	<u>3,685</u>	<u>(6,883)</u>	<u>(628)</u>		
<b>Total expenditure 2022</b>		<u>11,381</u>	<u>10,985</u>				

# BCS, The Chartered Institute for IT

## NOTES (continued)

Membership income comprises:

	<b>2023</b>	2022
	<b>£000</b>	£000
<b>Membership Subscriptions:</b>		
Subscriptions received during the year	<b>5,567</b>	5,607
Adjustments for subscriptions received in advance	<b>(59)</b>	147
	<hr/>	<hr/>
Net subscription income	<b>5,508</b>	5,754
Engineering Council	<b>148</b>	135
Other	<b>32</b>	47
	<hr/>	<hr/>
	<b>5,688</b>	5,936
	<hr/>	<hr/>

## 5 Support Costs Allocation

	<b>Staff</b>	<b>Direct</b>	<b>2023</b>	2022
	<b>Costs</b>	<b>Costs</b>	<b>Total</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
IT	<b>1,267</b>	<b>1,170</b>	<b>2,437</b>	2,253
Finance & Administration, HR	<b>860</b>	<b>789</b>	<b>1,649</b>	1,704
Premises	<b>195</b>	<b>992</b>	<b>1,187</b>	1,153
Offices Supplies and Equipment	-	<b>63</b>	<b>63</b>	68
Depreciation & Amortisation	-	<b>467</b>	<b>467</b>	483
Secretariat & Legal	<b>346</b>	<b>246</b>	<b>592</b>	458
General and Administration	<b>1,311</b>	<b>132</b>	<b>1,443</b>	1,392
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>3,979</b>	<b>3,859</b>	<b>7,838</b>	7,511
Allocation to individual Charitable Activities	<b>(3,533)</b>	<b>(3,539)</b>	<b>(7,072)</b>	(6,883)
Governance costs allocated to individual Charitable Activities	<b>(446)</b>	<b>(320)</b>	<b>(766)</b>	(628)
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>(3,979)</b>	<b>(3,859)</b>	<b>(7,838)</b>	(7,511)
<b>Governance costs comprise:</b>				
Secretariat	<b>346</b>	<b>246</b>	<b>592</b>	458
Audit	-	<b>50</b>	<b>50</b>	43
Governance legal costs	-	<b>15</b>	<b>15</b>	22
Apportionment of Directorate	<b>100</b>	<b>9</b>	<b>109</b>	105
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>446</b>	<b>320</b>	<b>766</b>	628
	<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	2022 Total £000
IT	1,211	1,042	2,253
Finance & Administration, HR	953	751	1,704
Premises	175	978	1,153
Offices Supplies and Equipment	-	68	68
Depreciation & Amortisation	-	483	483
Secretariat & Legal	331	127	458
General and Administration	1,156	236	1,392
	<u>3,826</u>	<u>3,685</u>	<u>7,511</u>
Allocation to individual Charitable Activities	(3,410)	(3,473)	(6,883)
Governance costs allocated to individual Charitable Activities	(416)	(212)	(628)
	<u>(3,826)</u>	<u>(3,685)</u>	<u>(7,511)</u>

#### **Governance costs comprise:**

Secretariat	331	127	458
Audit	-	43	43
Governance legal costs	-	22	22
Apportionment of Directorate	85	20	105
	<u>416</u>	<u>212</u>	<u>628</u>

### 6 (a) Net income

	2023 £000	2022 £000
<b>Net income is stated after charging:</b>		
Audit of these financial statements	31	27
Amounts receivable by the auditor and its associates in respect of:		
Audit of financial statements of subsidiaries pursuant to legislation	19	16
Other services relating to taxation	5	10
All other services	-	-
Depreciation and other amounts written off owned tangible fixed assets	333	333
Amortisation of intangible assets	134	150
Amortisation of goodwill	1,226	194
Hire of assets under operating leases	478	496
<b>and after crediting:</b>		
Rent receivable	(20)	(20)

# BCS, The Chartered Institute for IT

## NOTES (continued)

### 6 (b) Other income

	2023 £000	2022 £000
Miscellaneous income	123	165
Government Grants	-	-
	<u>123</u>	<u>165</u>

### 7 Staff numbers and costs

The average number of persons employed by the Group during the year was 246 (2022: 252). The aggregate payroll costs of these persons were as follows:

	2023 £000	2022 £000
Wages and salaries	10,326	9,864
Redundancy and ex-gratia payments	92	4
Social security costs	1,033	1,001
Pension costs (see note 20)	551	512
	<u>12,002</u>	<u>11,381</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, 11 Trustees (2022: 14) were reimbursed for expenses of £10k (2022: £8k) 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:

	2023			2022		
	Total	Institute	L&D	Total	Institute	L&D
£230,000 – 239,999	-	-	-	1	1	-
£220,000 – 229,999	1	1	-	-	-	-
£190,000 – 199,999	1	1	-	-	-	-
£170,000 – 179,999	2	1	1	-	-	-
£160,000 – 169,999	1	1	-	1	-	1
£140,000 – 149,999	-	-	-	1	1	-
£130,000 – 139,999	2	1	1	-	-	-
£120,000 – 129,999	2	2	-	-	-	-
£110,000 – 119,999	1	-	1	7	5	2
£100,000 – 109,999	1	-	1	1	-	1
£90,000 – 99,999	1	-	1	2	2	-
£80,000 – 89,999	4	3	1	1	-	1
£70,000 – 79,999	4	2	2	3	2	1
£60,000 – 69,999	13	9	4	10	7	3

The above analysis of emoluments excludes pension contributions of £184k (2022: £149k) in respect of 33 (2022: 26) employees.

# BCS, The Chartered Institute for IT

## NOTES (continued)

### *Key management personnel remuneration*

The total employee benefits including pension contributions of the key management personnel were £1,521k (2022: £1,519k).

### 8 Investment income

	<b>2023</b> <b>£000</b>	2022 £000
Interest receivable on bank balances	<u>160</u>	<u>72</u>

### 9 Taxation

Total tax expenses recognised in the statement of financial activities.

	<b>2023</b> <b>£000</b>	2022 £000
Current tax	-	-
Current tax on income for the period	-	-
	<u>-</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Tax income related to incurred usable tax losses	-	-
	<u>-</u>	<u>-</u>
Total deferred tax	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Total tax charge	<u>-</u>	<u>-</u>

	<b>2023</b> <b>£000</b>	2022 £000
<b>Reconciliation of effective tax rate</b>		
Net income/(expenditure) before tax	<b>(665)</b>	(248)
Current tax at 19% (2022: 19%)	<b>(126)</b>	(47)
Net (income)/expenditure not subject to corporation tax	<b>126</b>	47
Adjustments in respect of prior periods	-	-
Losses carried back	-	-
Deferred tax not recognised	-	-
	<u>-</u>	<u>-</u>
Total tax included in statement of financial activities	<u>-</u>	<u>-</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 (2022: £nil).

# BCS, The Chartered Institute for IT

## NOTES (continued)

### 10 Fixed assets

#### (a) Tangible fixed assets:

<u>Group &amp; Institute</u>	Short leasehold improvements £000	Office and computer equipment £000	Fixtures and fittings £000	Total £000
<b>Cost</b>				
At 1 September 2022	1,532	440	344	2,316
Additions	19	198	21	238
Disposals	-	(220)	-	(220)
<b>At 31 August 2023</b>	<b>1,551</b>	<b>418</b>	<b>365</b>	<b>2,334</b>
<b>Depreciation</b>				
At 1 September 2022	480	333	115	928
Charged for year	155	142	36	333
On disposals	-	(220)	-	(220)
<b>At 31 August 2023</b>	<b>635</b>	<b>255</b>	<b>151</b>	<b>1,041</b>
<b>Net book value</b>				
<b>At 31 August 2023</b>	<b>916</b>	<b>163</b>	<b>214</b>	<b>1,293</b>
At 31 August 2022	1,052	107	229	1,388

The fixed assets are held for charitable activities.

#### (b) Intangible fixed assets:

<u>Group</u>	Goodwill £000	Product Development £000	Total £000
<b>Cost</b>			
At 1 September 2022	4,452	1,550	6,002
Additions	-	254	254
<b>At 31 August 2023</b>	<b>4,452</b>	<b>1,804</b>	<b>6,256</b>
<b>Amortisation</b>			
At 1 September 2022	3,226	1,408	4,634
Charged in year	1,226	134	1,360
<b>At 31 August 2023</b>	<b>4,452</b>	<b>1,542</b>	<b>5,994</b>
<b>Net book value</b>			
<b>At 31 August 2023</b>	<b>-</b>	<b>262</b>	<b>262</b>
At 1 September 2022	1,226	142	1,368

# 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 2022	4,395	2,319	1,001	1	7,716
Additions	-	-	1,027	-	1,027
Unrealised losses in year	-	(60)	-	-	(60)
<b>At 31 August 2023</b>	<b>4,395</b>	<b>2,259</b>	<b>2,028</b>	<b>1</b>	<b>8,683</b>

The CCLA Ethical Fund comprises listed investments in unit funds.

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

	Company Registration	Country of Incorporation	Principal activity	Direct/ Indirect	Class and percentage of shares held
<b>Subsidiary undertakings</b>					
Activ Training Limited	03123597	England and Wales	Dormant	Direct	100% of ordinary shares
BCS Learning & Development Limited	01005485	England and Wales	Qualifications & Publications	Direct	100% of ordinary shares
Institute for the Management of Information Systems	01160852	England and Wales	Dormant	Direct	100% limited by guarantee
BCS 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
The BCS Foundation	01202785	England and Wales	Education and Training	Direct	100% limited by Guarantee

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>	2023 £000	2022 £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

	<b>Group 2023 £000</b>	<b>Institute 2023 £000</b>	Group 2022 £000	Institute 2022 £000
Trade debtors	2,783	788	1,987	388
Prepayments and other debtors	2,419	789	1,327	837
Amounts owed by group undertakings	-	1,864	-	947
	<u>5,202</u>	<u>3,441</u>	<u>3,314</u>	<u>2,172</u>

### 12 Creditors

	<b>Group 2023 £000</b>	<b>Institute 2023 £000</b>	Group 2022 £000	Institute 2022 £000
Trade creditors	434	178	738	473
Other creditors	278	182	271	178
Other taxes and social security	139	139	210	210
Accruals	2,527	1,346	2,865	1,764
Deferred income (note 13)	3,595	3,368	3,295	3,026
Amounts owed to group undertakings	-	-	-	-
	<u>6,973</u>	<u>5,213</u>	<u>7,379</u>	<u>5,651</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 2022	31	204	2,750	20	139	151	3,295
Amounts released to incoming resources	(31)	(38)	(2,688)	(20)	(139)	(151)	(3,067)
Amount deferred in year	34	29	3,051	2	137	114	3,367
	<u>34</u>	<u>195</u>	<u>3,113</u>	<u>2</u>	<u>137</u>	<u>114</u>	<u>3,595</u>
<b>Balance at 31 August 2023</b>	<u>34</u>	<u>195</u>	<u>3,113</u>	<u>2</u>	<u>137</u>	<u>114</u>	<u>3,595</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 2022	30	204	2,750	20	-	22	3,026
Amounts released to incoming resources	(30)	(38)	(2,688)	(20)	-	(22)	(2,798)
Amount deferred in year	34	29	3,051	2	-	24	3,140
<b>Balance at 31 August 2023</b>	<b>34</b>	<b>195</b>	<b>3,113</b>	<b>2</b>	<b>-</b>	<b>24</b>	<b>3,368</b>

### 14 Provisions for liabilities

<u>Group and Institute</u>	Dilapidation Provision £000
Balance at 1 September 2022	247
Increase in provision	19
Reversed during the year	-
<b>Balance at 31 August 2023</b>	<b>266</b>

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 2023 £
Fixed assets	1,555	-	1,555
Investments	4,288	-	4,288
Net current assets	949	1,156	2,105
Non-current liabilities	(266)	-	(266)
<b>Net assets at the end of the year</b>	<b>6,526</b>	<b>1,156</b>	<b>7,682</b>

#### Detailed comparison of 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)
<b>Net assets at the end of the year</b>	<b>7,677</b>	<b>670</b>	<b>8,347</b>

# BCS, The Chartered Institute for IT

## NOTES (continued)

### 16 Funds

<b><i>Group</i></b>	2022 £000	Income £000	Expenditure £000	Transfer £000	Gains/(losses) £000	2023 £000
General Fund	7,677	21,680	(22,771)	-	(60)	<b>6,526</b>
Restricted Fund						
- Scotland Computing at Schools	1	-	-	-	-	<b>1</b>
- Computing at Schools	-	556	(128)	-	-	<b>428</b>
- Barefoot Computing	112	53	(58)	-	-	<b>107</b>
- Scholarship Scheme	-	165	(165)	-	-	<b>-</b>
- Quantum	39	-	-	-	-	<b>39</b>
- Gatsby Foundation	-	365	(363)	-	-	<b>2</b>
- Microsoft Creative Computing	65	-	(5)	-	-	<b>60</b>
- National Centre for Computing Excellence	-	665	(653)	-	-	<b>12</b>
- Bursary	31	33	(11)	-	-	<b>53</b>
- IMIS Fund	370	-	-	-	-	<b>370</b>
- Earsketch	17	3	(8)	-	-	<b>12</b>
- Train The Teacher	-	23	(23)	-	-	<b>-</b>
- Nuffield	35	30	(26)	-	-	<b>39</b>
- Teals	-	38	(5)	-	-	<b>33</b>
	670	1,931	(1,445)	-	-	<b>1,156</b>
Total Funds	8,347	23,611	(24,216)	-	(60)	<b>7,682</b>

# BCS, The Chartered Institute for IT

## NOTES (continued)

	2022	Income	Expenditure	Transfer	Gains/(losses)	2023
	£000	£000	£000	£000	£000	£000
<b><u>Institute</u></b>						
General Fund	10,366	7,880	(7,768)	-	(60)	<b>10,418</b>
Restricted Fund						
- Scotland Computing at Schools	1	-	-	-	-	<b>1</b>
- Computing at Schools	-	556	(128)	-	-	<b>428</b>
- Barefoot Computing	112	53	(58)	-	-	<b>107</b>
- Scholarship Scheme	-	165	(165)	-	-	-
- Quantum	39	-	-	-	-	<b>39</b>
- Gatsby Foundation	-	365	(363)	-	-	<b>2</b>
- Microsoft Creative Computing	65	-	(5)	-	-	<b>60</b>
- National Centre for Computing Excellence	-	665	(653)	-	-	<b>12</b>
- Bursary	31	33	(11)	-	-	<b>53</b>
- IMIS Fund	370	-	-	-	-	<b>370</b>
- Earsketch	17	3	(8)	-	-	<b>12</b>
- Train The Teacher	-	23	(23)	-	-	-
- Nuffield	35	30	(26)	-	-	<b>39</b>
- Teals	-	38	(5)	-	-	<b>33</b>
	670	1,931	(1,445)	-	-	<b>1,156</b>
Total Funds	11,036	9,811	(9,213)	-	(60)	<b>11,574</b>

The restricted fund relates to the grants received under the Scotland Computing at Schools, Computing at Schools, 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, Nuffield and Teals.

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

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

# BCS, The Chartered Institute for IT

## NOTES (continued)

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

## 17 Operating leases

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

	2023 Land & Buildings £000	2022 Land & Buildings £000
Within 1 year	<b>496</b>	496
Within 2 to 5 years inclusive	<b>1,978</b>	1,980
After more than 5 years	<b>651</b>	1,109
	<b>3,125</b>	3,585

## 18 Capital commitments

There were no capital commitments at 31 August 2022 and 2023.

# BCS, The Chartered Institute for IT

## 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 £551k (2022: £512k). 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 £265k (2022: £272k) being the covenanted 50% share of the pre-tax profits of ITEXT Limited and £20k (2022: £20k) rental income;
- ii) The Institute purchased publications of £149k (2022: £147k) from ITEXT Limited.
- iii) The balance outstanding at 31 August 2023 was nil (2022: £nil).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties in either the current or prior years.

### 21 Operating results of subsidiary undertaking

#### **BCS Learning & Development Limited**

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

	<b>2023</b>	2022
	<b>£000</b>	£000
<b>Summary profit and loss account</b>		
Turnover	<b>14,868</b>	12,876
Cost of sales and administrative expenses	<b>(13,775)</b>	(12,254)
Interest paid	-	(9)
	<hr/>	<hr/>
Net profit before tax	<b>1,093</b>	613
Tax on profit	-	-
	<hr/>	<hr/>
Net profit after tax	<b>1,093</b>	613

The amount of gift aid to the Institute in 2022/23 was £1,069k (2021/22 £437k).

# BCS, The Chartered Institute for IT

## NOTES (continued)

	<b>2023</b>	2022
	<b>£000</b>	£000
The assets and liabilities of the subsidiary were:		
Fixed Assets	<b>262</b>	142
Current assets	<b>3,849</b>	2,996
Creditors: amounts falling due within one year	<b>(3,648)</b>	(2,675)
	<hr/>	<hr/>
Total net (liabilities)/assets	<b>463</b>	463
	<hr/>	<hr/>
Aggregate share capital and reserves	<b>463</b>	463
	<hr/>	<hr/>

## 22 Financial activities of the charity

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

	<b>2023</b>	2022
	<b>£000</b>	£000
Gross income	<b>9,592</b>	9,606
Total unrestricted expenditure on charitable activities	<b>(7,769)</b>	(7,690)
Restricted fund expenditure	<b>(1,445)</b>	(2,230)
Investment income	<b>160</b>	82
	<hr/>	<hr/>
<b>Net income</b>	<b>538</b>	(232)
Total funds brought forward	<b>11,036</b>	11,268
	<hr/>	<hr/>
<b>Total funds carried forward</b>	<b>11,574</b>	11,036
	<hr/>	<hr/>
<b>Represented by:</b>		
General fund	<b>10,418</b>	10,366
Restricted fund	<b>1,156</b>	670
	<hr/>	<hr/>
	<b>11,574</b>	11,036
	<hr/>	<hr/>