

The IET Trustees'

Annual Report and Accounts 2021

Year ended | 31 December 2021





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Introduction

from the President and Chief Executive and Secretary

The continuing COVID-19 pandemic in 2021 meant that we had to adapt many of the IET's 150th anniversary plans to ensure our celebratory events could remain inclusive and open for everyone. Notwithstanding COVID-19 changing many of the plans from real to virtual, we were absolutely delighted to be able to mark this impressive milestone in a variety of fun, informative and innovative ways around the world.

In fact, because so many celebratory events were held virtually, we succeeded in engaging a larger audience and extending our global reach. As the last 150 years of engineering achievements have proved, human ingenuity can overcome seemingly impossible challenges...

Our Strategy 2030

We are of course immensely proud that the IET has inspired, informed and influenced the global engineering community for more than 150 years. But we are not resting on our laurels.

To continue meeting the evolving needs of current and future engineers and technicians we have to keep adapting and improving our Institution, our services and how we deliver them. We must remain focused, be alive to new technology and put the interests of our members and key audiences at the heart of everything we do, so that we remain relevant to industry, academia, society and our profession.

We are applying a strategic approach to guide the IET's journey through to 2030 and beyond through the IET Strategy 2030. This approach offers coherence and ensures we are agile and continue to impact positively on our profession and society.

Five strategic themes

The new IET Strategy 2030 is built around five strategic themes that span our various activities. They provide a framework for our solutions, enabling us to build strong propositions and bring together everything we do.

A renewed focus on **engineering excellence** is ensuring that we promote the importance of professionalism and high standards in engineering and set a fine example. Our second strategic theme, **skills, learning and**

networks, reflects our commitment to inspire and support engineers to sustain their professional development, knowledge and abilities throughout their career.

Further, we want the IET to become a leading provider of workplace solutions, with world class **research solutions** including information, intelligence and analytics tools. Our teams will continue to use **thought leadership and policy** to build public trust in engineering and raise its profile at regional, national and international levels.

And **education**, because the world needs more engineers and technicians. As the leading professional engineering institution, we recognise our responsibility to excite young people about STEM at an early age; present engineering and technology as an attractive and limitless career option; and encourage young people to maximise their opportunity of making a difference to the world as an engineer or technician.

Looking to the future with confidence

The power to deliver on all these themes will come from our entire institution – members, volunteers and staff – working together as one team. Across our collaborative work, the world needs us to address two pressing societal challenges: **sustainability and climate change**, and **digital future**. Our profession can make a difference.

Neither of us will be 'at the helm' when next year's annual report is produced. However, based on the positivity, openness and professionalism we both experienced across the IET and within the wider engineering and technology community throughout 2021, we are confident there will be plenty of excellent progress to report.



A handwritten signature in black ink that reads "Julian A Young".

Air Marshal Sir
Julian Young KBE CB
FREng CEng FIET, IET
President



A handwritten signature in black ink that reads "Nigel Fine".

Nigel Fine BSc MBA
CEng FIET, FICE, Chief
Executive and Secretary

Celebrating our anniversary year

We marked our 150th anniversary throughout 2021, and it was certainly a year to remember!

We trace our rich history back to the foundation of the Society of Telegraph Engineers, which held its first meeting in London in May of 1871.

Although the world of engineering and technology has changed radically since the 19th Century, one thing that still connects us with our history is our support for the engineers and technicians who continue to solve many of the challenges facing society across the globe – making an ongoing difference to the world around us.

Today, we span a broad and growing set of disciplines but still maintain the goals from our humble beginnings. Knowledge sharing underpins everything we do – whether fuelling innovation or inspiring the next generation.

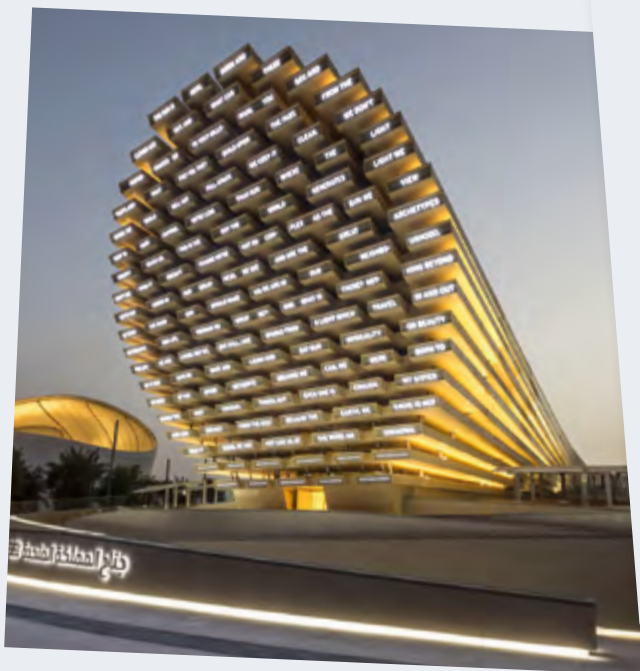
Our 150th anniversary gave us a fantastic opportunity to celebrate our rich history. We also took the opportunity to engage and inspire young people so that engineering and technology is seen as a force for good and key to solving many of the biggest challenges facing our world.



From inspirational talks and competitions to awards and exciting partnerships – we commemorated our rich history and the impact engineering and technology have on the world around us through a variety of celebrations with international members, volunteers, partners and friends.

It was also a fantastic opportunity to take STEM beyond our normal communities; sharing the possibilities it can offer with wider society and changing the narrative on what being an engineer really means.

As our celebrations come to a close, we hope that our anniversary will be the start of an ongoing conversation about the significant positive impact engineers and technicians make as together we **Engineer a Better World.**



The IET exhibited in the UK Pavilion at the Dubai Expo 2021



The IET and Fashion District Manufacturing Futures Prize

Our aims and objectives

For 150 years the IET has existed for the sole purpose of working to engineer a better world.

Our vision is...

...to "engineer a better world" and we seek to achieve this by pursuing our mission of "inspiring, informing and influencing the global engineering community to support technology innovation and meet the needs of society."

The IET's purpose is...

...to promote the general advancement of science, engineering and technology and to facilitate the exchange of information and ideas on these subjects amongst the members of the IET and otherwise."

Extract from the IET Royal Charter

Who do we work with?

The IET works hand in hand with a wide and varied group of stakeholders in order to deliver our vision and provide the support and knowledge frameworks that the engineering and technology community requires in order to fulfil its professional goals. These stakeholder and audiences fit broadly into four categories:



Industry

Both engineering organisations and non-engineering organisations that employ engineers and technicians are included in the industry segment. This includes micro-SMEs through to large multi-national companies.



Practitioner

Includes any practicing engineer or technician in addition to those students and apprentices who are on a pathway to becoming an engineer or technician.



Academia

This segment includes any recognised learning provider supplying qualifications to learners in their post compulsory education phase. This segment includes both the learner and the academic researcher, plus supporting roles including faculty and librarians.



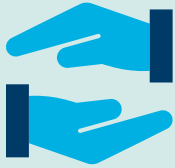
Society

This segment includes the general public; children, adults, parents, schoolteachers – anyone who is impacted by engineering and technology. Other professional engineering institutions and like-minded organisations are included. Government is also included within this segment.

By maintaining our focus on our audiences, the IET will remain relevant and effective in delivering the vision through our mission to inspire, inform and influence.

Our values

Our values are the way in which we work to achieve our mission and our purpose.



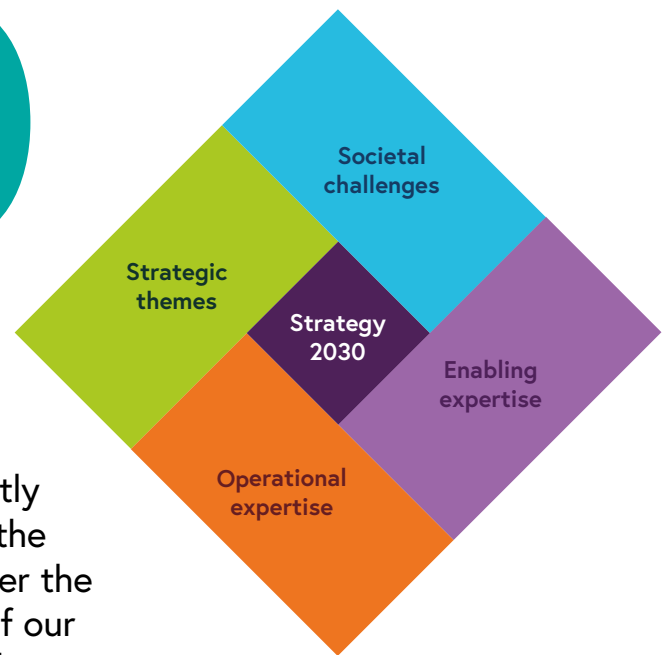
We work with integrity, operating professionally and ethically to gain trust. We must be open and honest with each other and respect everyone, valuing each other's contribution. In the 21st Century, this focus on integrity also extends to valuing the work of subject matter experts and communicating their findings to the public in a manner that is easy to understand and, importantly, trust.

We work with excellence, to deliver the highest level of service and satisfaction, using agile methods and seeking innovative solutions to add value. Our goal is to continually improve and adopt best practices for the good of engineering and technology communities across the globe.



We promote and encourage teamwork. Despite the many challenges presented by the COVID-19 pandemic, the IET recognises that we must continue to work together and encourage talented individuals working in our teams and in our volunteer communities. More than ever, we must be collaborative both within the IET and externally, with our remit to partner with other likeminded organisations and optimise out respective outcomes.

IET Strategy 2030



As the role that engineering and technology plays in society has developed and changed over the last 150 years, so too has the role of the IET. To this end we recently launched Strategy 2030 which will address the ways in which the IET will need to evolve over the next 10 years to meet the changing needs of our stakeholder members and society in general.

In order to carry our success through to 2030, the IET will work to maintain our relevance to our global audiences of: industry, practitioners, academia and society. The Strategy focuses on:



How we connect what we do in the IET to create unique value propositions for our audiences (Strategic Themes)



How we communicate with society and support engineers and technicians in dealing with major societal world challenges (Societal Challenges)

Our Strategy is informed by our operating expertise and is created and overseen by our main Boards: Knowledge Services and Solutions, Membership and Professional Development, and Volunteer Engagement. Their responsibilities are to deliver the IET's portfolio of products, services and solutions that support delivery of the IET Strategy 2030.

Our activities in resource management, people (volunteers and work colleagues), digital and engagement provide our enabling expertise and our effective working across the whole IET is delivered through our shared values.

Strategic themes

Through understanding the needs of our audiences and aligning these around specific themes, we can consolidate these activities to create compelling offers and deliver strategic success. Our strategic themes are as follows...

Engineering excellence

Professionalism is the foundation on which the IET and its predecessors were built. We continue to strive to ensure that practitioners have the competencies to deliver safe and reliable technology to fulfil the needs of society. Disciplines are evolving as fast as technology itself. By understanding these new disciplines and the competencies they require, we can continue to meet the needs of the practitioner, industry, and therefore the society of the future.

The essentials of engineering excellence are:

- a strong focus on professionalism;
- being a role model amongst our peers;
- talking to society about the importance and meaning of professionalism in engineering,
- supporting industry and practitioners to achieve the highest standards.

This strategic theme reflects IET research and survey findings that explored the expectations of our industry stakeholders and our members. These expectations coalesced on supporting competence and ethics, leadership for best practice and having an impact on society through the promotion of engineering.

2030 ambition

We champion excellence in engineering, from the professionalism of our members to the trusted knowledge we share.





Skills, learning and networks

Supporting engineers and technicians to continue learning and developing their skills throughout their career and connecting them to their peers is core to the IET's purpose and activities.

As the pace of emerging new technology increases, maintaining and updating skills is a key challenge both to individual practitioners and to employers in industry. Those audiences look to Professional Engineering Institutions (PEIs) like the IET for support in meeting these needs.

Through this theme, our ambition over the next ten years is to become the most engaging and relevant PEI to all engineers and technicians globally, using the latest technologies to create an immersive, inclusive and enriching experience.

We will also work to engage with engineers and technicians beyond our core membership, expanding our reach and ultimately increasing membership through demonstration of value to the wider engineering community.

2030 ambition

Our value is recognised by a membership of 200,000 with a global engineering/technician digital audience of 1,000,000.





Research solutions

The IET provides workflow solutions to the global science and technology research community, ranging from journal and book publications (digital), library and archives, to indexing and analytics for scientific and technical literature.

As the global research community moves towards an Open Access model (which makes research information available to readers at no cost), in 2020 the IET strategically positioned itself to take advantage of this shift, through a partnership with multinational publishing company Wiley to produce and distribute all IET journals as Open Access.

From this position, the IET will expand further quality content across the spectrum of Engineering and Technology subjects, incorporate more commercial and government research into its current academic research focus and move away from being known as a "publisher" to become a workflow solution provider, by building on the success of Inspec Analytics and moving further into analytic services.

2030 ambition

We help the engineering and technology research communities to solve world problems through our role as a leading provider of best-in-class information, intelligence and analytics tools.





Thought leadership and policy

Public trust in the professional engineer and technician, the regulatory environment and the right conditions to enable innovation are all required to facilitate the engineering and technology solutions that will solve world problems both today and tomorrow.

Through promoting the profile of our members and volunteers and focusing on key issues within our Societal Challenges (see below) and the needs of the profession, we can have a greater impact as the leading evidence-based voice of engineering and technology.

Via this theme we will explore how the IET is currently positioned as a facilitator in the innovation landscape and acknowledge that there is more work to do in understanding where we can make the most impact in the future.

2030
ambition

Our influence is seen in society every day.





Education

The future health of the engineering profession is dependent upon children being aware of, and interested in, STEM topics. That interest needs to be maintained throughout their education to the point where they can choose to advance their own STEM knowledge through further and higher education. It is also important that all children believe that an engineering career is possible for them, regardless of background.

In order to fully support the engineering profession, the IET must contribute to ensuring that there are a sufficient number of engineers and technicians achieving quality learning outcomes and pursuing occupations within engineering.

2030 ambition



We significantly increase the numbers of quality engineers and technicians entering the workforce.



Societal challenges

Inspired by the United Nations 17 Sustainable Development Goals, the European Union's Horizon 2020 Challenges and the UK's Industrial Strategy Grand Challenges, our five societal challenges are focussed where the engineering profession and the IET make the greatest impact.

Our five societal challenges are...



Sustainability and climate change

Supporting engineering innovation and adoption of technologies that will help society reach net zero.



Digital futures

Supporting practitioners in the deployment of emerging technologies and increasing societal confidence in their use.



Productive manufacturing

Championing digital innovation and sustainability in manufacturing.



People-centric infrastructure

Championing inclusive, resilient and sustainable infrastructure.

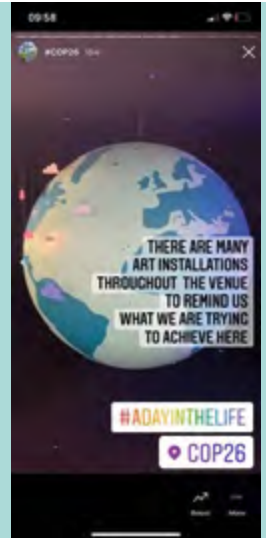


Healthy lives

Championing emerging technology in driving improved health and well-being outcomes.

Our Societal Challenges will focus our efforts in specific areas while providing direction and purpose for the IET. This means that we work across the institution to build compelling propositions across these challenges that support and meet the needs of our stakeholders and therefore society. This approach enables us to demonstrate and strengthen the IET's reputation and credibility to be a trusted and recognised authority on these topics, and a relevant professional home for engineers and technicians.

Olivia Carpenter-Lomax, Chair of the IET's Energy Sector Exec Committee, took us right into the action of COP26, where experts discussed the environmental impact of the transport sector, and how these issues can best be addressed.



The IET at COP26

It is our responsibility to represent and amplify the voice of our community, where engineering and technology has a significant role to play in engineering a better world, and in 2021 we were able to take our message to one of the largest conferences in the world.

Being awarded **United Nations Framework Convention on Climate Change admitted Non-Governmental Organisation observer status** allowed us to send a delegation of four observers to each week of the COP26 in Glasgow in November 2021.

We engaged with UK Government in the two years running up to the COP to represent the voice of the engineering and technology community. Throughout 2021 this engagement was particularly focused on promoting engineering skills for the green economy. Our COP26 work saw us take part in a range of events and initiatives while partnered with key organisations, to highlight the importance of engineering and technology as part of the climate solution.



Our task was to advance understanding of the challenges, the solutions and inspire action. To address this so far, we have:

- Understood and published the public perception of climate change and the implications for engineering and technology in the UK in our Green Preferences Survey focused on the engineering and technology skills required to achieve net -zero through our 2020 Green Skills Survey, and promoted our dedicated IET Academy courses for net-zero, based on these results
- Become an authoritative voice for the key engineering and technology solutions and challenges with our IET Guide to Net-Zero Technology; and promoted the innovation opportunities available to those targeting net-zero emissions, which has been shared with relevant press and policy makers
- Partnered with London Climate Action Week, National Grid for the COP26 Youth Engineering Conference, amplifying our voice among key stakeholders, including young engineers around the world
- Been a founding member of the Professional Bodies Climate Action Charter, demonstrating our commitment to sustainability throughout the profession.

The IET is shaping the agenda with a programme of powerful thought leadership and engagement. This work is ongoing, and we are committed to representing the voice of the engineering and technology community in our fight against climate change.

The digitalisation challenge

The unfolding age of digitalisation will affect every aspect of modern life and influence societies today and into the future. From digitally connected products and services to smart cities and factories, digitalisation is becoming increasingly accessible and less cost prohibitive, and will transform the way we all live and work.

Cyber security plays an increasingly important role in the work of our members and indeed in the ability of all of us to conduct our personal and professional lives in a digitally enabled society.

The UK Government's Cyber Security Strategy sets out to make the UK the safest place to live and work online, and as a member of the Cyber Security Alliance, we were instrumental in the foundation of the UK Cyber Security Council.

From 2019 to 2021 the IET acted as the lead contracting Alliance partner, leading the project to form the Council, seconding three members of staff to the formation project, and putting forward staff and volunteers to lead and participate in working groups as part of the formation project. Beyond the lifespan of the project, the IET continues to support secondments of staff to work within the Council as it becomes established.

In recognition of this involvement, the UK Cyber Security Council has awarded Founding Member status to the IET. This recognises our contribution to the significant achievement of the Council's formation early in 2021 and signals our commitment to work alongside the Council and increase both accreditation and professional development support for the cyber security profession in the future.



Our operational activity

The main activities undertaken by the charity to deliver against its strategy and which form the basis of reporting are as follows:

- **Knowledge sharing** activities to gather and distribute scholarly and professional content through a variety of physical and online channels to a global audience, drawing on the unique strengths of its membership and communities.
- **Membership and Professional Development** activities which focus on the career-long professional development and professional registration of individuals.
- **Education, Policy and Awareness** activities which seek to engage young people and the wider public with the roles played by engineering, technology and science in enhancing people's lives; as well as informing Government policy formulation.

Our activities are overseen by three volunteer-led Boards responsible for Knowledge Services and Solutions, Volunteer Engagement, and Membership and Professional Development. These Boards, which report directly to the Charity's Board of Trustees, meet regularly throughout the year and reflect the collaboration of IET staff and volunteers. We also control a number of subsidiaries which enable our international operations and the trading activities which fall outside of our primary purpose.

The IET derives a suite of key performance indicators from our Strategic Framework. These metrics are reported on under the relevant areas of operational activity within this document.

Volunteering

The IET's volunteer community is an essential component of the IET team.

With over 40 different volunteering roles and types of engagement across the work that we deliver, the sheer breadth of skills, experience and knowledge that our volunteers provide enables the Institution to pursue and achieve a wide range of goals. As a result, we help our members to adapt to and stay ahead of the dynamic world of engineering and technology.

Our volunteering roles include;

- Mentoring the next generation of engineers, technicians and technology professionals
- Working within the governance of the institution
- School and university engagement
- Advising the Institution on policy and responses to UK Government
- The peer review of content for the IET's journal portfolio
- The assessment of apprenticeships and the accreditation of professional registration schemes
- Undertaking Professional Registration interviews
- The review of standards documentation
- Supporting the continuing professional development of IET members

Not only were our volunteers instrumental in helping us adapt to the challenges posed by COVID-19, but they have also been the driving force across our global activity portfolio.

Building a Volunteer Engagement Strategy

Following a consultation exercise with our volunteer communities, we started work in 2021 to create a Volunteer Engagement Strategy. This work identified five key principles which define our commitment to our volunteer base and will form the basis of our full Volunteer Engagement Strategy, which we will launch in 2022. Those principles are;

1. Provide a global Volunteering Home for Life.

This includes learning and development opportunities; succession planning for volunteer roles; setting out a pathway to governance; creating a community; and celebrating success.

2. Provide the right opportunities for new volunteers and volunteer-facing staff, to help grow our reach in-depth and breadth.

This is about effective 'One Team' working between volunteers and staff; enabling volunteers to develop and grow; engaging more young

professionals to provide volunteering opportunities for younger age groups; and making employers appreciate the mutual benefits of volunteering.

3. Raise the profile of our volunteers and volunteer-facing staff to their peers and other stakeholders.

Our volunteers don't necessarily want recognition, but they do want to understand the impact of their efforts beyond their own area, so we will publish more success stories, share them more widely and reward outstanding volunteer contribution.

4. Be a recognised leader in volunteering management.

We're introducing a consistent approach to volunteering across our various departments; every volunteer will have a nominated staff member, and we hope to gain accreditation for investing in volunteers.

5. Provide the tools for volunteers to understand and be committed to our strategies and societal challenges.

We'll be developing new ways to help all our volunteers understand how their role links in to the wider IET strategy and benefits society.

Volunteering with the IET can be a life-changing experience and an opportunity for the engineering and technology community to come together and make a positive impact. If you can help us achieve our mission, please contact volunteer@theiet.org regardless of your career stage or background.

Volunteer profile

Thilini Wasundara

An early-career volunteer, Thilini Wasundara demonstrates an impressive and extensive commitment to promoting the IET and its core values. An on-campus event in 2015 sparked Thilini's interest in the IET and she became a STEM Ambassador. From there she joined the Young Professionals (YP) section of the IET Sri Lanka Local Network after graduating. She was appointed Assistant Secretary in 2019 and made such an impact that she was recognised as the IET YP Sri Lanka Outstanding Executive Committee Member of the Year.





FIRST® LEGO® League final 2021

Fundraising and development

The IET Futures Fund has the goal of supporting the next generation of engineers by raising charitable donations to increase the reach and impact of our programmes for children and those taking their first steps towards a career in engineering and technology.

Throughout the disruption to schools caused by the coronavirus pandemic our innovative STEM education programmes have continued to evolve and inspire new audiences at home around the world and at schools in the UK. Our scholarships and bursaries have offered vital support to students and apprentices at a time of great uncertainty and economic hardship. We have shown this year that our programmes are not only scalable but flexible and responsive.

We are grateful for the steadfast support of our funding partners in helping us to achieve so much.

FIRST® LEGO® League tournaments and Faraday Challenge Days for children continued to take place virtually and in-school with online support provided during the year. We were delighted to return to in-person delivery in UK schools from September 2021, abiding by all current COVID-19 safety measures.

It is important for every child to have the experience of problem-solving through engineering and we were able to help thousands of children achieve that this year.

Our Diamond Jubilee Scholarships and Engineering Horizons Bursaries for undergraduates and apprentices have matured into well-established programmes.

Over 530 people were supported by one of these awards during 2021. In a year spent largely under lockdown, many award recipients described the isolation of studying online with health fears for themselves and their families. Our award helped them to focus on their studies, buy the equipment needed to study online, pay for transport, childcare or cut down their hours working to support themselves.

Many took part in IET Local Network events and STEM volunteering opportunities such as virtual judging of FIRST® LEGO® League tournaments and this gave them a sense of community.

Our 2021 graduate survey showed that 72% of those who graduated or completed their apprenticeship in 2021 were working or studying further in engineering and technology within a few months.



Young Women Engineer Award Finalists 2021

72%



of 2021 graduates from both Diamond Jubilee Scholarships and Engineering Horizons Bursaries are either employed in an **engineering or technology** role or studying further in an engineering or technology subject.

The success of these programmes in providing opportunities to a diverse group of people was highlighted when former Engineering Horizons Bursary recipient Ms Dilani Selvanathan was awarded the Mary George Memorial Prize for Apprentices at the 2021 Young Women Engineer of the Year Awards.

We are fortunate to work with a wide range of industry and charitable partners who share our goals and who, by funding our programmes, can better achieve their commitments to society, diversity, inclusion and social mobility.

From July 2018 we have been matching new donations to Faraday Challenge Days, FIRST® LEGO® League programmes, Diamond Jubilee Scholarships and Engineering Horizons Bursaries in celebration of our 150th anniversary.

The goal of £1 million was reached just before the official start to our anniversary year in October 2020 – and was extended by another £1 million.

By the end of 2021 the total match-funded since July 2018 stood at £1.95 million. We are delighted that individual members of the IET continue to support our initiatives with personal donations.

In 2021 individual donations were mainly received through Virgin Money Giving. With the closure of that service at the end of November we selected Enthuse as our new service provider. All online donations are allocated to the Futures Fund which are then distributed to the four programmes. Donors can choose to "Take Your Place" where their larger donation is recognised with a block or a block and seat plaque at IET London: Savoy Place. We are pleased to honour those who kindly leave a legacy to the IET with an engraved block, with the permission of family or executors. We receive donations from companies, charitable trusts and foundations, individuals and through legacies.



We would like to thank our donors in 2021, who included:

- Affinity Water
- Altran UK
- Arm
- Sir George Buckley FIET
- Belling Charitable Settlement
- BT
- Chemring Group plc
- Costain
- Cundall
- David Family Foundation
- DigitalXtra Fund
- Edgar Lee Foundation
- Engineers Trust
- ERA Foundation
- Exilarch's Foundation
- Ford Fund
- Ruth and Nigel Fine
- Gatwick Airport Community Trust
- GKN Automotive Innovation Centre
- Institute of Healthcare Engineering and Estate Management
- Ironmongers' Foundation
- Jack Petchey Foundation
- LEGO® Foundation
- Lloyd's Register Foundation
- Lujenna Educational Trust
- MacRobert Trust
- Manly Trust
- Motorola Solutions Foundation
- National Grid
- Network Rail
- Pamela & David Rollin Foundation
- Peter Jost Foundation
- Plextek
- R C Snelling Charitable Trust
- Reece Foundation
- Royal Commission for the Exhibition of 1851
- Sage Foundation
- Siemens
- Society of Motor Manufacturers and Traders Limited
- Science Foundation Ireland
- Spirax Sarco
- Stanley Black & Decker
- Synoptix

- TC Charitable Trust
- Thales
- Graham and Kathleen Tubbs
- Wates Family Enterprise Trust
- Professor and Mrs Weiss
- Whirlpool

Presidents Partnership

- Commodore Barry Brooks BSc(Eng) FCGI CEng FIET
- Professor Bob Cryan CBE DL FEng MBA DSc CEng FIET
- Mr Chris Earnshaw OBE FEng BSc CEng FIET
- Sir Alan Rudge CBE KB PhD FEng FRS CEng HonFIET
- Sir Robin Saxby FEng FRS BEng CEng HonFIET

We are also grateful to the many individual members who gave the Futures Fund and supported us through the Take Your Place option.



Elizabeth Macharia, Product Application Engineer, Fundamentals

Fundraising statement

Section 162A of the Charities (Protection and Social Investment) Act 2016 requires charities of a certain size to make a statement regarding fundraising activities in their Annual Report.

The IET invests in the future of our sector by ensuring that our programmes for children, undergraduates and apprentices are offered each year. Alongside our investment we seek voluntary donations to enable us to increase the reach and impact of these programmes.

The IET's Development team works mainly with companies and charitable trusts and foundations which share our interests and would like to support one or more of the individual programmes. Alongside these we are fortunate to have the support of many individuals who can choose to fund an individual programme or all, through a donation to the Futures Fund.

The majority of personal donations are generated from direct mailing or email communications to our members. Individuals give mainly through an online platform registered with the Fundraising Regulator. Up to 30 November 2021 this was Virgin Money Giving. From 30 November the platform being used is Enthuse. These platforms enable us to receive and process donations and gift aid efficiently.

We do not use professional fundraisers or commercial participators to fundraise on our behalf.

The Institution of Engineering and Technology is registered with the Fundraising Regulator and complies with all the relevant standards set out in the Code of Fundraising Practice. This includes ensuring staff exhibit behaviour of a high standard when it comes to informing donors and treating people fairly, especially those who are vulnerable as defined by the code.

- We carry out due diligence on donations to our programmes.
- We have received no complaints in relation to fundraising activities.

Our Development Team reports to a Deputy President and the Chief Executive and Secretary, who along with the Executive team are directly responsible to the Board of Trustees. An Impact Report is submitted to the Board of Trustees each year and made publicly available to highlight the breadth and depth of the work.



Our achievements and performance

Knowledge sharing

Connect with our global community of engineering and technology specialists, share information and build expertise with trusted peers.

As one of the world's leading multidisciplinary Engineering and Technology Institutions, the IET is committed to providing our member communities with access to knowledge and innovation across a variety of media, giving individuals and organisations access to the knowledge they need in a timely fashion and in the format most appropriate to them.

In line with our mission and vision, we

- Facilitate the application of engineering and technology research to create sustainable impacts
- Deliver insight and intelligence to enable effective and innovative research
- Provide inspiring and up to date knowledge and learning
- Publish trusted standards to deliver safe and reliable solutions

Our knowledge solutions feature a suite of award-winning analytics tools, academic journals, dynamic

research communities, technical call-for-paper events, and online technical networks.

We are also the co-publishers of the Requirements for Electrical Installations: IET Wiring Regulations (BS 7671), which is currently in its 18th Edition.

Journals, books and ebooks

The IET's journal, book and ebook portfolio provides an indispensable resource for the engineering and technology community.

We provide researchers, professionals and students with access to the latest knowledge and innovation across an unparalleled range of subject areas, including traditional fields like Power Electronics, High Voltage engineering and robotics, all the way through to pioneering subject matter that will open the doors to innovative solutions, such as Blockchain applications, Biometrics and Artificial Intelligence.



During 2021, we published 65 new books spanning a wide range of subjects, including:

- Digital Tools and Methods to Support Healthy Ageing
- Shared Mobility and Automated Vehicles: Responding to Socio-Technical Changes and Pandemics
- Privacy by Design for the Internet of Things: Building Accountability and Security
- Utility-Scale Wind Turbines and Wind Farms
- Communication Technologies for Networked Smart Cities
- Optimal Design Exploiting 3D Printing and Metamaterials

As an Open Access Publisher, our database coverage and discoverability tools offer Authors a fast and reliable way to raise awareness of their work to a global audience.

In 2021 we published 4,796 papers and launched a new Journal called *IET Blockchain*.



Volunteer profile

Elaine Greig

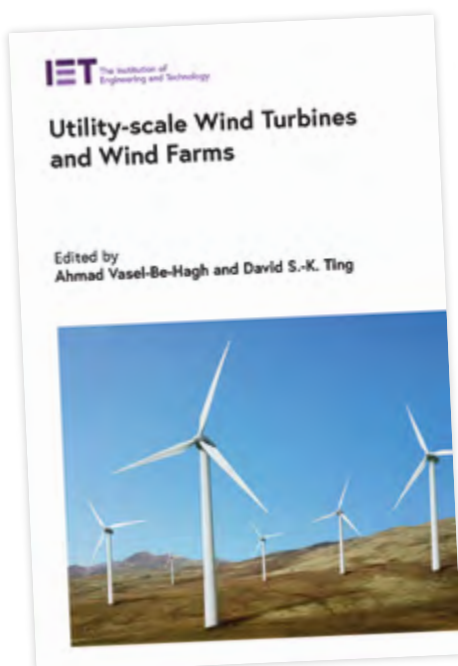
Elaine is a Director at The Renewables Consulting Group (RCG) and has volunteered for the IET on and off since she was a young member involved in the Café (Commercial Enterprise For Engineers) initiative in the late '90s. In 2018 she was approached about joining the IET Energy Policy Panel, which is a group of senior professionals from across the energy industry. The Panel doesn't lobby, but it plays a key role in helping the UK government to understand the potential outcomes of various energy policy options. For Elaine, among the most rewarding aspects of being on the Panel are the many opportunities to learn from her fellow members. She was awarded the 2021 IET Volunteer Medal in recognition of her invaluable contribution to the IET Energy Policy Panel.



4,796
new papers published



65
new books published



**Eat,
sleep,
engineer,
repeat**

Eat,
sleep,
engineer,
repeat

The IET President's Address 2021

Sharing innovation and promoting best practice across multiple channels

Engineers and technology professionals work in a variety of environments and require information and channels for discussion in a variety of formats, on demand.

While the ongoing COVID-19 pandemic necessitated a shift away from office and site-based working, 2021 saw a rise in hybrid working with a mix of face-to-face and virtual working becoming the 'new normal' for our member communities. The IET is well placed to serve information to consumers across multiple formats, giving our members a one-stop-shop for their information and knowledge requirements.

IET.tv

In 2021, our IET.tv service created a wealth of new content to support virtual and face-to-face working.

Our in-house video production team enabled our global contacts to interact and collaborate throughout the year. In very challenging and sometimes uncertain conditions, our production team continued to add content to one of the world's largest collections of engineering and technology video resources, with both live and on-demand content including:

- **The IET 150 Show** – five days of an "as live" show with a huge range of on-site and virtual guests from across the engineering and technology sectors pre-recorded and broadcast over the IET's YouTube and social media channels.
- **Engineering Open House Day 2021** – A completely live show aimed at children from IET London Savoy Place, replacing the usual on-site visits to engineering venues, following COVID-19 restrictions.
- **Eat, Sleep, Engineer, Repeat: IET President's Address 2021** – IET President Sir Julian Young's Address was filmed and broadcast across the IET's YouTube and social media channels.



IET Academy e-learning

IET Academy

Trusted e-learning for engineers at all levels.

Engineers, Technicians and Technology Professionals face a constant challenge to stay informed in extremely dynamic academic and practical fields. The IET Academy is an online training resource allowing access to trusted, expert-led courses covering a range of technical and professional subjects, tailored for engineers at all levels, from apprentice right up to experienced senior engineer.

Courses in 2021 provided almost 30,000 CPD learning hours on subjects including;

- Electrical Energy Storage
- Protection of Distribution Networks
- Renewable Energy Integration
- Electrified Heat

Virtual and hybrid conferences

Delivering insight and debate into the key topics affecting engineers and technicians across the globe.

Following a fast transition to a virtual environment for many of the IET's flagship events in 2020, 2021 saw the Institution providing a mix of physical, virtual and hybrid events across the globe, delivering the most



Virtual conferences

effective conference and seminar formats, with the health and safety of all participants of paramount consideration, alongside local social distancing guidelines. We were pleased to welcome delegates to a variety of events including;

- The International Conference on Electrical Distribution (CIRED) 2021
- ACDC 2021
- Renewable Power Generation (RPG) 2021



IET@150

The New Beginning Visions for the Digital Futures



Engineering carnival in Hong Kong

As part of our 150th anniversary celebrations in August, the IET's Hong Kong Local Network held a two-day event at the Hong Kong Science and Technology Park. The event featured engineering and technology showcases, exhibitions, game-booths, workshops and conferences, allowing industrial professionals and general public alike to experience and learn about STEM in a brand-new way. More than 2,500 participants attended the event, which was free to attend.



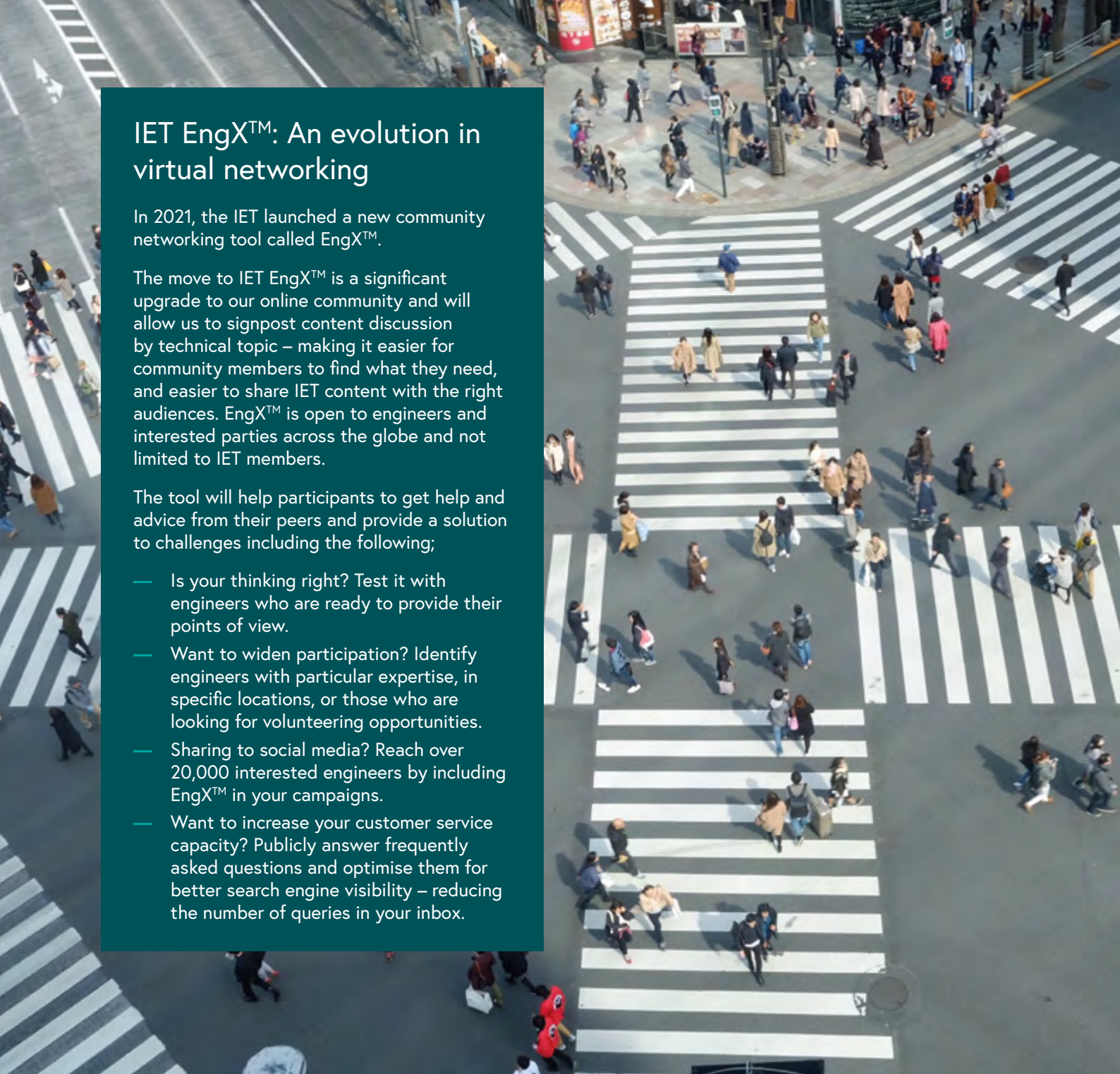
2,500

participants attended



IET at the Hong Kong Science and Technology Park





IET EngX™: An evolution in virtual networking

In 2021, the IET launched a new community networking tool called EngX™.

The move to IET EngX™ is a significant upgrade to our online community and will allow us to signpost content discussion by technical topic – making it easier for community members to find what they need, and easier to share IET content with the right audiences. EngX™ is open to engineers and interested parties across the globe and not limited to IET members.

The tool will help participants to get help and advice from their peers and provide a solution to challenges including the following;

- Is your thinking right? Test it with engineers who are ready to provide their points of view.
- Want to widen participation? Identify engineers with particular expertise, in specific locations, or those who are looking for volunteering opportunities.
- Sharing to social media? Reach over 20,000 interested engineers by including EngX™ in your campaigns.
- Want to increase your customer service capacity? Publicly answer frequently asked questions and optimise them for better search engine visibility – reducing the number of queries in your inbox.

What we said we would do and what we achieved

The key performance indicators we used to track our performance in the Knowledge Sharing area in 2021 were:

Strategic KPI	2021 target	2021 outcome
Average Journal Impact Factor	2.000	2.133

A Journal Impact Factor is often used to measure the importance of a Journal by calculating the number of times its articles are cited by other papers. It is calculated over a two-year period and involves dividing the number of times articles within the Journal were cited, by the number of articles that are citable. By taking an average, we aim to provide a unified score across our journal portfolio.

We were able to closely match our target for this KPI.

Membership and professional development

The IET is a development hub and source of authoritative knowledge for more than 155,000 engineering and technology professionals in over 150 countries. Our services help our members fulfil their career and personal potential regardless of career stage or field of expertise.

Professional registration

We enable our members take control of their careers and demonstrate professionalism.

For more than 25 years, the IET has held the largest register of professionally qualified engineers in Europe. We are the Professional Engineering Institution of choice for those seeking to be recognised for their competence knowledge and expertise.

Partnerships

The IET works closely with partners in Industry help them ensure that their employees continue their professional development journeys and consistently demonstrate the highest levels of competence and expertise.

Our partnership network of organisations has made a commitment to providing professional recognition opportunities and continuing professional development to their staff and it is central to the IET's mission to support them as they engineer a better world.

IET Corporate Partners

With over 150 Corporate Partners, we provide some of the largest global organisations with the professional support and qualifications they need to excel. We offer a range of services to our Partners, including:

- Training solutions covering a diverse range of Engineering and Technology specialisms. All our training is aligned to the UK Standard for Professional Engineering Competence (UK-SPEC) with constantly refreshed via content developed by leading academic and industry partners
- Networking opportunities to foster the exchange of best practice and knowledge between industry, academia and government. These activities are tailored to provide for each partner and include online roundtables, speaking opportunities and Partnership Discovery Sessions

- Professional Development Advisory services to provide optimal one-to-one support and feedback for individuals undertaking professional registration applications.

The IET's Corporate Partner community is constantly growing and providing the sharing of ideas and solutions across multiple professional environments.

We are pleased to announce that we welcomed the following organisations to our network in 2021:

- Amco Giffen
- Bentley Motors
- Binnies
- BP
- Brompton Bicycle Ltd
- Camfil
- Capula Ltd
- Cubic Transportation Systems Limited
- E.ON
- Equans
- GKN Aerospace
- Government Office for Science
- HS2
- Keltbray Ltd
- Mitsubishi Electric
- NPL
- Office of Nuclear Regulation
- Polestar
- Renishaw
- Ricardo
- Rockwell Automation
- RPS Group
- Sky
- Spirax Sarco
- Stantec
- Volker Rail
- Wabtec Rail Ltd
- Zurich Engineering

Corporate Partner profile

BAE Systems, Air Sector

Chris Tudsbury
IEng MRAS MInstLM
Professional Registration
Coordinator



When did you join as a partner?

BAE Systems became an IET Corporate Partner on the 8th of November 2011

How has partnership and membership helped you, and your engineers and technicians, within your organisation?

The corporate partnership has been a significant benefit especially over the last 12 months. The support from Paul Stephens (Account Manager) has resulted in the successful delivery of several key strategic priorities for Professional Registration. This has supported an overall increase in membership and registration across the Air Sector.

Some highlights

- Support and flexibility during the pandemic providing webinars. This has supported networking, CPD and new members. (Paul ensures that the schedule is communicated and available, and includes any changes where necessary)
- Support and attendance at company based workshops. This has supported understanding and growth. (Paul has arranged for attendance of himself and other IET employees to support workshops throughout 2021)
- The Annual Payment Scheme roll out January 2022 which simplifies and reduces the billing process. This has reduced non-value added time and reduced overall costs. (Paul coordinated the whole process from an IET perspective and ensured that sufficient stakeholder management was maintained throughout, this has resulted in a smooth transition to the scheme)

Additional to the points above, Paul has acted as the main point of contact between the Air Sector and IET, all queries have been answered promptly and thoroughly which has supported myself, employees and individuals with adhoc queries.

IET Enterprise Partners

Our Enterprise Partner scheme is tailored to provide support to smaller, UK based organisations who commit to funding 15 new IET memberships on a rolling, annual basis. We provide services including:

- Dedicated IET Account management to support the upskilling of employees
- Networking opportunities and access to Graduate talent, through our Academic Partner network
- Discounts across a wide range of IET products and services

We would like to thank our new Enterprise Partners, who in 2021 included:

- 22 Bishopsgate (Optimum)
- 3P Innovations
- Alphr Technology Ltd

- Analox Group
- Apollo Fire
- Avensys UK Ltd
- Bristol Airport
- Concertus Design and Property Consultants Limited
- Db Attenuation
- EDS
- Engineers Academy Ltd
- Ensilica
- Exactmer
- FHP Engineering Services
- Finch Consulting Limited
- Go Ahead Ireland
- High Voltage Systems and Services
- Inspiration Healthcare
- Invinity

Enterprise Partner profile

Z-Tech

Luke Stanbridge
Commercial Director



When did you join as a partner?

January 2018

How has partnership and membership helped you, and your engineers and technicians, within your organisation?

The partnership has really helped our engineers focus on their development, on their CPD and routes to chartership. Being a partner shows we are focused on our people and they value this, it helps us with recruiting people as an additional benefit, with the understanding we support their career development.

We have had opportunities to attend events which have led to collaborative working with other partners on difficult problems, we have been able to give talks at Universities on STEM and career development.

Our Account Manager has introduced us to universities to talk about curriculum development to fit within our shortage area and we have been able to introduce the IET to a local University Technical College that we sponsor to assist with STEM development.

- Karakuri
- Labman
- LCA Controls
- Lifescan
- LSET
- Marisco South
- Micro Link Devices
- National Express
- National Nuclear Laboratory
- Nationwide
- Osprey Consulting
- Power Sonic Ltd (Apprentice 121)
- Powervamp Ltd
- RB Safety Consultants
- S&L
- Scolmore Group
- Trade Skills 4U
- Unitary Engineering Services
- Vector Photonics Ltd
- Virtus Data Centres
- Wittenstein High Integrity Systems
- Zytek Automotive Ltd

IET Healthcare Partners


The events of 2020 brought the importance of healthcare in society firmly to the fore and as a response, the IET launched a specific partnership activity aimed at ensuring that engineers and technicians working within healthcare settings receive enhanced technical development support tailored to their specific requirements.

Healthcare Partner status is available to both UK NHS and private healthcare organisations who want to boost the profile of their engineers and commit to funding 15 new IET memberships at the beginning of the partnership and renew on an annual basis. IET Healthcare Partners receive:

- Access to a tailored professional development scheme
- Recruitment support
- CPD support

Our new Healthcare Partners in 2021 included:

- Arjo
- Tameside & Glossop Integrated Care (HP)



Healthcare Partner status is available to both UK NHS and private healthcare organisations who want to boost the profile of their engineers and commit to funding 15 new IET memberships at the beginning of the partnership and renew on an annual basis.

IET Achievement Awards 2021



■ ■ ■ @IETAwards #ProudtoEngineer

theiet.org/awards



The 2021 IET Achievement Awards

Our mission to share the very best knowledge and best practice with our communities and the public means drawing attention to the work of the most talented Engineers, Technicians and Technology Professionals – we created the IET Achievement Awards to help celebrate these individuals.

The Achievement Awards are part of the IET's Awards and Scholarships 2021 programme, which provided awards, prizes, and scholarships to celebrate excellence and research in the sector and encourage the next generation of engineers and technicians.

All IET awards seek to inspire and reward engineering excellence, including apprentices at the start of their careers, through to reputable, established professional engineers and technicians.



All our medal winners are innovators who have all made a difference to the world in which we live. They should all be rightly proud of their achievements – they are incredible role models for the next generation.



**Sir Julian Young
IET President**



The full list of award winners is as follows:



The Faraday Medal
Mr John E E Fleming



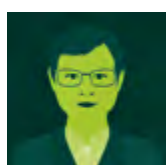
The Mountbatten Medal
Professor Nick McKeown MIET



The Mensforth Gold Medal for Manufacturing
Dr Subir Chowdhury HonMIISE
FSME FASQ FRSS FESD FQSA
LFRAS



Achievement Medal – Nuffield Medal
Mr David Holmes OBE CEng FIET



Achievement Medal
Professor His-Tseng Chou FIEEE
FIET



Achievement Medal
Professor Mischa Dohler FEng
FIEEE FIET FRSA



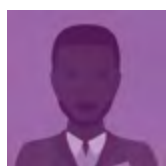
Achievement Medal
Professor Chongqing Kang FIEEE
FIET FCSEE



Achievement Medal
Professor Xiaohu You



Sir Henry Royce Award
Dr Giacomo Valle PhD



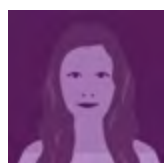
The Mike Sargeant Award
Dr Adeayo Sotayo CEng PhD
AFHEA MIET



The Paul Fletcher Award
Eng Thilini Wasundara



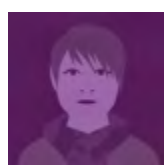
Engineering and Technology
Technician Award
Mr Kieron William Coyle EngTech



Engineering and Technology
Apprentice Award
Ms Lauren Burns



Armed Forces Technician Award
CPOAET(M) Adam Finch IEng
MIMechE



The IET Achievement Medal for
Volunteering
Ms Elaine Greig FIET FAPM

New IET Honorary Fellows in 2021

- Ms Grace Baxter BSc
- Sir George Buckley FEng DSc PhD
- Ms Margaret Graham BEng MSc
- Mr Keith Marshall OBE BSc FCGI
- Mr Stephen Metcalfe MP
- Ms Carol Vorderman MBE MA



Professor Mona Jarrahi

A F Harvey Engineering Research Prize

This is our most valuable prize fund, which is awarded to phenomenal researchers working in the fields of radar and microwave, lasers and optoelectronics, or medical engineering.

The winner of the 2021 A F Harvey Prize is Professor Mona Jarrahi in recognition of her outstanding contributions to the field of radar and microwave engineering, specifically her pioneering research on optoelectronics-enhanced microwave and terahertz devices for remote sensing, imaging and communication at the under-utilized parts of the electromagnetic spectrum.

Professor Jarrahi presented her research on 17 March 2022 at a lecture hosted by the IET, which was followed by a Q&A session moderated by IET President Sir Julian Young.

A F Harvey Prize Winner 2020

The 2020 recipient of the prize was Professor Gregoire Courtine of the Swiss Federal Institute of Technology and University Hospital Lausanne, for his work to identify gateways that enable electrical spinal-cord stimulation to help restore motor functions to those recovering from spinal injuries.

Professor Courtine and his team have identified gateways that enable electrical spinal-cord stimulation to modulate the circuits that produce movement.



Professor Gregoire Courtine

This understanding translated into neuromodulation technologies that target these gateways to restore motor functions. Combined with rehabilitative training, these targeted neuromodulation strategies restored walking and improved neurological recovery in people with spinal cord injury; but the same strategy may also enable the recovery of arm and hand movements.

The prize funding will allow him to study this possibility. His lecture, which took place in May 2021, is available via the IET website.

The A F Harvey Engineering Research Prize is awarded in remembrance of Welsh Engineer Dr Arthur Frank Harvey. For further information on the life and career of Dr Harvey, please visit <https://www.theiet.org/impact-society/awards-scholarships/a-f-harvey-prize/history-of-the-prize/>



What we said we would do and what we achieved

Strategic KPI	2021 target	2021 outcome
Number of non-student and apprentice members below the age of 40 (excluding students, apprentices and those in India and China)	34,092	35,502

As part of our mission to Engineer a Better World, we want to ensure that Engineering and Technology talent is encouraged and to this end, we aim to encourage more younger individuals to join the IET and make a positive contribution to their technical communities and society in general.

We were able to exceed our target for this KPI due to the hard work of our volunteers and staff members, alongside a number of factors including;

- The growth of our Corporate, Enterprise and Healthcare Partner schemes
- The expansion of our reach, following a shift to virtual presentations
- Proactive account management
- The creation of central payment schemes with the UK Armed Forces

Number of new registered members	2,650	2,425
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We were unable to meet our aggressive targets for this KPI due primarily to shortfalls in the ICTTech registration category. This is due to a less than expected number of applications which affected our ability to register candidates in the volumes required, despite the best efforts of IET Volunteers and staff teams.



FIRST® LEGO® League – Astro Kids Show Me station

Education, policy and awareness

The IET's core purpose is to promote the general advancement of science, engineering and technology.

In the 21st Century the successful achievement of this goal rest upon three pillars.

- Inspiring young people to take up careers in this dynamic sphere;
- Engaging with wider society and ensuring that they are informed about the technology and engineering solutions they use everyday and;
- Informing governments and policy makers to encourage them to confidently implement engineering and technology based solutions and in turn provide an environment where technical talent can flourish.

Despite a strong pipeline of engineers in many regions, global society faces a looming shortfall of engineering talent: This is a significant challenge which comes at a time when we need innovative technical communities to provide solutions to the

global problems which have dominated news cycles and political debate throughout the year.

The IET's volunteer and staff teams worked hard throughout the year to address these challenges and engage with schools, governments and the general public in uncertain and unprecedented times.

Securing the future of the global engineering community

It is vital that the IET, alongside our partner organisations, encourage the next generation of engineers to engineer a better world. We do this via a raft of STEM resources and activities tailored for schoolchildren and older students, alongside teachers and parents.



Throughout the year we produced and distributed several major initiatives, including:

FIRST® LEGO® League, which is a hands-on STEM learning activity delivered alongside our partners at FIRST® and LEGO®. The competition caters for early age learners with specific activity tracks for 4-6 year olds (Discover), 6-10 year olds (Explore), and 9-16 year olds (Challenge). The IET is proud to take part in this initiative and deliver competitions across the UK and Ireland. Via this activity we engaged with more than 15,000 young learners.

Faraday Challenge Days, which is an annual competition of STEM activity days which features a real-world challenge for pupils aged 12-13-years old to engage with as part of a team or via a Virtual Faraday Challenge, which are aimed at 7-15-year old young people, who can enter as an individual, a peer group, or as part of a family group. Our resources also feature resources tailored on a seasonal and regional basis, which are refreshed regularly.

During the 2020-2021 Season, which runs in line with the UK Academic Year, we delivered just under 100 physical and virtual Faraday Challenges, which engaged just under 2,000 students.

Engineering Kids' Futures, which was an initiative aimed at urging the UK Government to embed engineering into current primary school learning and support. Through this initiative we joined forces with over 150 world-leading engineers, STEM ambassadors, Professional Engineering Institutions and celebrities to 'secure the UK's future as a nation of innovators'. For further information on this campaign, as well as a copy of an open letter to the UK Government and a full list of our 167 co-signatories, please visit the IET's website and search for Engineering Kids' Futures.

Promoting engineers, engineering and technology

Our communications activities in 2021 covered a wide scope and provided engaging content for all those interested in the Engineering and Technology fields, regardless of age or experience.

Some of our highlights during the year include:

- Engineering Open House Day, which was a fully virtual event consisting of activities being hosted by IET partners, as well as the Institution's own live magazine show from Savoy Place. Over 30 partners took part in the 2021 event, with over 40 events for children and families to view throughout the day, from organisations including Apple, National Grid, and Transport for London.
- Our latest IET annual skills survey of engineering employers in the UK focused this year on the skills needed to deliver the UK Government's net-zero target by 2050 and the impacts of COVID-19 on engineering employers.
- We launched the Manufacturing Futures Prize in collaboration with the Fashion District and the University of Arts London. Focusing on sustainability, we were seeking innovative engineering solutions to solve the manufacturing challenges the fashion industry faces.
- Mr Mark Goudie, Chartered Engineer, was elected as a Fellow of the IET at just age 29. He had made a big impact early on his career and his commitment to the engineering industry propelled him to achieving this accolade.

Providing a voice for the engineering community

As the largest Professional Engineering Institution in the UK, we are in a privileged position to represent the voice of the engineering profession and via our newly developed Public Affairs Strategy, we want to become a stronger influencer for UK engineering-related policy.

Our public affairs work draws on the expertise and insight of our global membership and highlights how engineering and technology drives economic growth and improves quality of life for us and future generations. Via this strategy, which was launched in 2021, we have the following goals, which are linked with the Institution's 2030 strategy and strategic themes.

- By 2030, the IET will be widely regarded as the leading UK advocacy organisation for all areas relating to engineering and technology (as evidenced by annual external polling)
- Continue to build and improve the profile of the IET, and engineering generally, among target stakeholders (as evidenced by annual external polling)
- Deliver successful, engaging campaigns that promote the entire range of IET activities (as evidenced by an increase in the strategic KPI)
- To develop and implement a Public Affairs function across the IET's global territories, building on areas of strength and distinctiveness (as evidenced by internal and external information gathering).

As an advocate for professionalism, we collaborated with the UK Government on a number of specific challenges throughout the year. Using the expertise of our volunteers, we were able to represent and promote the views of our communities across a number of themes, including:

- Local government and the path to net zero
- The role of hydrogen in powering industry
- Safe use of automated lane keeping system on GB Motorways
- The regulation of electricians

What we said we would do and what we achieved

Strategic KPI	2021 target	2021 outcome
Annual number of young people, parents and teachers engaged with an IET education resource	41,200	62,286
<p>We were able to significantly overachieve against target with regards to the KPI, with particularly pleasing results regarding the number of children engaged with a FIRST® LEGO® League activity and the number of resources downloaded via the IET Website. In response to this result, future targets will be raised in 2022 and beyond.</p>		
Government Engagement with specific Engineering topics that the IET is targeting for adoption	7,593	7,694
<p>We use a bespoke metric to measure our engagement with policy makers and industry. This metric assigns scores for the various types of activity that the Institution undertakes in order to promote engineering solutions to our various stakeholder groups, which in 2021 included;</p> <ul style="list-style-type: none"> — Responding to Government requests for information — The development of policy briefings — Engaging with stakeholders at webinars and live events. <p>We were able to closely match our targets in this area, but as this is an area that the IET is looking to expand in the coming years (in line with our 2030 strategy), more aggressive targets will be set in future years.</p>		



Financial review

The IET undertakes a diverse range of activities in pursuit of its charitable objects. Funding is principally achieved through a combination of fee-charging and primary purpose trading, together with contribution from the IET's trading subsidiaries. This allows the IET to support a range of net-cost activities including education and policy work and the provision of significant digital resources to the broader engineering community, often without charge.

To achieve its objectives the IET needs to provide its services over the long-term and therefore aims to achieve a sustainable balance of income-generating and net-cost activities over its financial cycle. Given the IET's exposure to highly competitive and relatively mature publishing markets, the Institution continues to actively develop its products and services while managing the portfolio of activities to maximise its charitable impact in a financially sustainable way.

Financial outcomes in 2021

Group income generated in 2021 amounted to £58.5m, split as shown below (2020: £52.5m). Group expenditure in 2021 was £64.5m (2020: £61.9m). Consolidated net income including net investment gains for the year was £4.7m (2020: net income of £0.5m) before remeasurement of the defined benefit pension scheme. The COVID-19 pandemic continued to have a significant impact on the financial results for the year, with in-person events and activities particularly affected. However, despite the pandemic

financial markets generally performed strongly and as a result the deficit on operational unrestricted activity was more than offset by investment income and gains achieved during the year, such that the deficit on unrestricted activities was £3.0m for the year (2020: deficit of £(0.3)m). The activities undertaken in the year were carried out within the framework of budgetary control approved by the Trustees and all the income of the charity alone have been deployed on charitable activities or retained in the charity's reserves (see Note 15).

Membership and Professional Development income in 2021 was flat compared to 2020. We saw a welcome growth in income from accreditation activities, in particular End Point Assessment. This offset a fall in membership levels by 2%. Due to the ongoing impact of the pandemic, we made the decision to freeze the membership subscription rates for the year.

Within Knowledge Services and Solutions income increased by 17%. 2021 was the first year of the open access model with Wiley and the launch of that relationship supported much of the growth. The increased income from the journals business offsets year-on-year reductions in subscriptions to the Inspec platform and sales of the 18th Edition IET Wiring Regulations (BS 7671). The 18th Edition was launched in 2018 (mid-year) generating high sales volumes in that year. This is typically followed by lower volume demand in three to four subsequent years until the next Edition (or amendment) is compiled. The second amendment is scheduled for release in the first half of

Fig.1: 2021 Income analysis

Trading	£3.9m
Knowledge Services	£29.2m
Membership & Professional Development	£19.1m
Education, Policy & Awareness	£1.1m
Investment & other (incl. donations and legacies)	£5.4m



2022. Income from hire of the IET's venues was lower than 2020 as we experienced a full year impact of the pandemic. Our events business was again impacted by COVID.

Expenditure on Charitable Activities in 2021 increased by 4% compared to 2020. Operational Spend was lower than in the prior year in most areas, as activity continued to be curtailed by the pandemic or moved to virtual model. The increase in expenditure was due to investment in strategic projects, in particular the refurbishment of Michael Faraday House in Stevenage which reopened in March 2022, the Know-Your-Customer programme and a series of activities to celebrate the 150th anniversary of the Institution.

Trading activities

The payments to the IET by its UK trading subsidiaries undertaking activity to raise funds for its charitable purposes are £530,000 (2020: £41,000).

IET Services Limited undertakes professional magazine production and on-line recruitment advertising activities, as well as operating the rental of surplus IET accommodation and undertaking some of the group's event management. Much of its business was impacted very severely as a result of the COVID-19 pandemic, with the IET's two Venues, Savoy Place and Austin Court closed for large parts of the year in line with UK Government Guidance. Furthermore, very few in-person events took place in 2021.

IET owns 100% of the shares in IEE Conventions Limited (IEECL), which in turn has a 34% share in the profits of International Broadcasting Convention

Partnership (IBC) and is accounted in IEECL's accounts as a joint venture; 34% of IBC's income and related expenditure are included in IEECL's accounts (as per Note 2). IBC2021 that was due to take place in Amsterdam in September 2021 and then rearranged for December 2021 was cancelled due to the COVID-19 pandemic. IBC instigated a Cash Refund and Voucher Policy that was very successful in mitigating the impact on the IEECL's financial result for the year. IEECL's result for the year was a net loss of £2,000 (2020: profit of £13,000).

Balance sheet and cash flow

The IET's Group reserves and net assets, including Restricted Funds, increased in the year by £9.9m (2020: increase of £1.3m). The more significant movements during the year were as follows:

- There were realised and unrealised gains in non-property investments in the year of £11.5m (2020: £11.4m).
- The Savoy Hill House investment property was valued at £19.2m at 31 December 2021 (31 December 2020: £20.1m).
- Adjustment has been made in accordance with FRS 102 to recognise movements on the assets and liabilities of the IET's defined benefit pension scheme. There were remeasurement gains of £5.2m during the year (2020: remeasurement gains of £0.9m).

Additional contributions totalling £1.2m were made to the defined benefit pension scheme during the year (2020: £1.2m).

Fig.2: 2021 Expenditure analysis

Trading	£1.3m
Knowledge Services	£31.8m
Membership & Professional Development	£19.1m
Education, Policy & Awareness	£11.4m
Fundraising costs and investment management	£1.0m



Reserves policy

The IET reviews its Reserves Policy regularly and in particular it is reviewed annually by the Finance and Investment Committee. The policy is structured such that we can maintain our Reserves at a sufficient level to ensure long term financial sustainability, while at the same time providing protection against the risks that have been identified and included within our Strategic Risk Register.

Total charity funds at the end of the reporting period were £195.0m (2020: £185.1m). Included in this total are restricted funds of £17.9m (2020: £16.3m), which represent amounts for restricted purposes specified by the donors and therefore not available for the general purposes of the charity.

Within the unrestricted funds the Trustees have earmarked designated funds for specific purposes. These include Fixed Assets reserves of £41.2m (2020: £28.6m) which could only be realised by disposal of the IET's operational buildings and further amounts of £10.7m (2020: £27.2m) which are reserved to ensure those buildings can be refurbished or replaced over the medium to longer term. The major movement in the year was in respect of expenditure incurred on the refurbishment of the IET's main UK Administration premises in Stevenage, Michael Faraday House. The office was closed throughout 2021 and was brought back into operational use in early 2022.

Further designations have been established to ensure funds are available to support future project investments.

The balance of the Charity's General Funds at 31 December 2021 was £103.1m (2020: £98.4m). Under Charity Commission definitions these represent the charity's free reserves. In setting and monitoring its Reserves Policy and position, the Trustees are mindful of the key financial risks in relation to ensuring the continuity (and growth) of its charitable activities. With this in mind targets/monitoring parameters have been established in respect of key financial risks,

including pension liabilities and volatility, operating and continuity risk and investment volatility. The overarching aim is to achieve a balance between achieving and maintaining a robust resilient financial position while using our funds to pursue the IET's long term objectives and mission.

The operations contingency is set at 6 months' future average expenditure and is designed to ensure that the charity can continue to operate fully in the short term in the event of an extreme event or set of circumstances occurring.

The revaluation contingency is set at 10% of unrestricted non-property investments and would insulate the IET from significant adverse movements in external financial markets, including investment values and currency movements.

The pension deficit is calculated on both the technical deficit basis and the basis that the Scheme was fully invested in index-linked gilts to identify a target range for reserves as shown in figure 3.

The Trustees remain mindful of the long-term nature of the pension scheme liabilities and that movements in the pension scheme liability will impact on the resources available for general application. The Trustees have previously closed the IET scheme to future accrual to mitigate some risk and continue to work closely with the scheme trustees to manage scheme-related risks.

In assessing Reserves that are above target range the Trustees have adopted a medium-long term perspective (up to 10 years) to target use of surplus unrestricted funds. By taking this longer-term view, on-going adjustment can also be made to the level of reserve spending to moderate short-term volatility. At present levels this implies an average drawdown of Reserves of up to £4.3m per annum for use in the IET's charitable activities. In 2021 the drawdown was £4.9m.

In light of the IET's financial and risk environment the level of Reserves and the policy for utilising excess Reserves is considered to be appropriate.

Fig. 3: Reserves coverage

	2021 Lower range £m	2021 Upper range £m	2020 Lower range £m	2020 Upper range £m
Charity only				
Operations contingency	31.2	31.2	28.2	28.2
Revaluation contingency	10.7	10.7	12.4	12.4
Pensions deficit (gilts-funding basis)		17.9		21.5
Target range for reserves	41.9	59.8	40.6	62.1
Actual reserves	103.1	103.1	98.4	98.4
Reserves coverage	246%	172%	242%	158%

Going concern

The impacts of the COVID-19 pandemic have been felt directly and indirectly by the IET both financially and in respect of delivering some of its charitable activities that have traditionally depended on physical attendance (see note 17 to the accounts).

The Executive team and Board of Trustees response has focussed on the health, safety and wellbeing of its staff and volunteers, together with maintaining charitable activity and impact as much as possible while remaining cognisant of protecting the financial position of the charity. Adaptations to the operational and financial management of the IET have been made to reflect the curtailment of face-to-face activities and some of these are expected to persist over time.

It is a requirement to consider going concern each year, and, although the impacts of the pandemic continue to be significant, and uncertainties remain, the risk mitigations in place, together with a robust reserve position and the availability of liquid investment assets, mean the IET Trustees consider the organisation to continue to be a going concern.

Investment policy

The Trustees' general powers of investment derive from (and are restricted by) the Trustee Act 2000. These powers are not restricted by the IET's Royal Charter, which states under clause 4:

4. *"For the purpose of attaining the aforesaid objects the IET shall, subject to this Our Charter and the Bye-laws, have powers to do any act or thing and to administer the affairs and deal with the assets of the IET in all respects without any restrictions whatsoever and, in particular (but without limitation):*
 - (d) *to invest any monies of the IET, not immediately required for any of its objects, in such a manner as may from time to time be determined, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided;"*

The Board of Trustees has delegated the responsibility for investment activities of the Institution to the Finance and Investment Committee and included in that Committee's terms of reference a requirement to ensure that the investments are managed in accordance with agreed policy and that this policy is clearly communicated in writing to the professional investment advisers engaged to undertake this activity.

The investment policy is reviewed annually by the Finance and Investment Committee and recommended to the Board of Trustees for approval.

The Finance and Investment Committee takes professional investment advice in developing the investment strategy and ensures that the investments of the IET held against the reserve funds and the trust funds are managed on behalf of the Board of Trustees in accordance with legislation and good practice.

All divestment transactions are approved by two authorised signatories prior to being transacted, unless such transactions have been delegated to a Fiduciary Manager. The investment signatory mandate is reviewed annually by the Finance and Investment Committee.

The IET's investment strategy, including strategic asset allocations and investment management approach is developed with our Investment Advisors (Mercer). The portfolio constitutes a significant proportion of the IET's total net assets and includes an investment property, Savoy Hill House, as well as a blend of non-property assets.

The IET's non-property investment portfolio comprises both Passive Investment Funds that track given investment indices and Actively Managed Funds which seek to out-perform an index or achieve a target return (net of fees) through the skill of the manager.

Investment risk is managed at an overall level by diversifying the investment portfolio between different asset classes and geographic markets together with maximum ranges for these allocations.

Liquidity risk is managed by periodic forecasts of the Institution's reserve and cashflow requirements to determine tolerance to illiquid asset classes.

The IET's overriding investment objective is to provide medium-long term real returns with appropriate management of risk. Where we hold permanent endowment funds there is the additional requirement to deliver greater sustainable income over the long term.

The IET revised its unrestricted investment strategy in 2019 to introduce greater diversification and seek higher overall returns without taking additional overall risk. This included the introduction of Multi-Asset Credit (MAC) and Emerging Market Debt (EMD) together with an allocation to Private Market Investment to take advantage of the 'illiquidity premium'.

The investment manager for MAC is Oakhill and the investment manager for EMD and Private Markets is Mercer.

The allocation of unrestricted investment funds is summarised in the following table:

Asset class	Performance benchmark	New strategy
Developed Equities	Composite benchmark comprising of regional indices provided by FTSE and MSCI	36%
Emerging Market Equities	MSCI Emerging Markets Index	4%
Diversified Growth	3 Month Sterling LIBOR +3% per annum	12.5%
Private Markets	Not applicable	(up to) 15%
Multi-Asset Credit (MAC)	50% ICE BofAML Global High Yield Constrained Index 50% S&P US Leveraged Loans Index	12.5%
Emerging Market Debt (EMD)	J.P. Morgan GBI-EM Global Diversified Index	7.5%
Absolute Return Bonds	3 Month USD LIBOR +4-6% per annum	12.5%
TOTAL		100%

The IET makes use of a drawdown service to facilitate capital calls into Private Market Investments using a Passive Sustainable Global Equity Fund. Over and above these funds held for drawdown, any committed funds allocated to Private Markets are held in the Diversified Growth Fund, pending longer term investment calls.

Funds not yet committed to Private Markets (that would otherwise make up the balance of the 'up to 15%' strategic allocation) are held proportionately across the other asset classes in line with their strategic allocations, pending any future commitment.

The current approved strategic asset allocations, which include tailored allocations in respect of the Restricted (i.e., Endowment) Funds, are shown below:

	Unrestricted Funds	Expendable Endowment	Permanent Endowment
Developed Market Equities	36%	47%	75%
Emerging Market Equities	4%	-	-
Diversified Growth Fund	12.5%	15%	-
Private Markets	(up to) 15%	-	-
Multi-Asset Credit	12.5%	15%	16%
Emerging Market Debt	7.5%	8%	9%
Absolute Return Bonds	12.5%	15%	-
TOTAL	100%	100%	100%

During 2021 cash withdrawals of £23m were made from the investment portfolio and which were required for operational activities and also to fund the refurbishment of Michael Faraday House.

Cash balances arising from the results of operational and investment activities above that which is required for investing in ongoing operations are available for investment and normally invested externally and liquidated as reserves fall due to be utilised.

Money in the form of cash balances arising from operational timing differences will be placed on overnight or short to medium term deposit with a UK clearing bank (minimum A risk rated). There is a maximum limit for the IET Group ("IET") of up to £2m deposit with any one organisation. It is permitted to place short to medium term deposits with a higher risk (ie lower than A rated) bank or building society if it is cost effective, subject to approval by the Finance and Investment Committee. Where the overnight deposit accounts, which are maintained with IET's principal bankers, temporarily exceed that required for investment in ongoing operations (e.g., in January following significant numbers of membership receipts), the IET seeks to identify suitable deposit accounts with alternative providers as quickly as possible.

The IET will not enter into any contract-based foreign currency hedging.

The Trustees have considered in detail the requirements of the Charity Commission's Guidance note "Charities and investment matters: a guide for trustees" (CC14).

The IET exists to deliver benefit to society by working to engineer a better world. The Trustees believe sound and transparent governance, alongside attention to the societal impacts of organizational outcomes, supports the development and delivery of beneficial engineering and technology solutions to society.

The IET also has a specific objective to accelerate the pace of development and adoption of technology that supports the move towards a zero-carbon future to address the impacts of climate change on society and the wider environment.

The Trustees believe that Environmental, Social and Governance (ESG) factors can have a material impact on investment risk and return outcomes and that good stewardship can create and preserve value for companies and markets. IET therefore reflects these considerations, and particularly the role of financial markets in supporting the transition towards a more sustainable future, in its investment strategy.

ESG considerations are a standard part of the selection process when appointing new fund

managers and the Institution requires its investment managers to have an ESG Policy in place in the selection, retention and realisation of investments together with a well-developed focus on governance factors and the ability to demonstrate at least some indication, and preferably demonstrable evidence, of progress in stewardship with respect to environmental and social factors.

The Finance and Investment Committee use ESG ratings and research information provided by their investment advisor, Mercer, to monitor the level of an investment manager's integration of ESG into their investment process and philosophy.

The Trustees have not specifically excluded any asset type, or individual investments in light of its charitable objectives or ESG policy, however recognise that a degree of bias away from investments with weaker ESG performance and towards stronger ESG performance will influence the makeup of underlying investments. Within its allocation to private markets, the IET considers that funds which focus on sustainable investment strategies will positively impact the application of science, engineering and technology to achieve public benefit.

During 2021, the IET specifically considered how it might commence a transition towards a stronger component of ESG within its global passive developed equity funds. In February 2022, the IET completed a transfer of one third of its developed market passive equity portfolio into a Passive Sustainable Global Equity Fund. This is a Paris Aligned Fund that targets the level of carbon reduction set out in the Paris Agreement. This transition to an ESG themed equity approach better aligns IET's invested assets to its 2030 strategy, most notably its objective to accelerate the pace of development and adoption of technology that supports the move towards a zero-carbon future.

The IET Superannuation & Assurance Scheme closed to future accrual on 31 March 2012. As part of the arrangement to close to future accrual the IET created a Security Agreement in favour of the Trustees of the Scheme. As continuing security for the obligations and liabilities of the IET to make payments to the Scheme under the terms of the Security Agreement the IET charged, by way of a first floating charge, a segregated proportion of its investments held. At 31 December 2020, the value of the floating charge was £10m. In August 2021, a Deed of Release was signed, releasing the assets from the charges created under the security agreement, reassigning to IET any assets assigned to the Trustees by way of security under the security agreement and releasing IET from its obligations to the Trustees under the security agreement.

Investment performance

The Institution's non-property investment portfolio is monitored through monthly reports for management accounting purposes as well as quarterly performance reports which are reviewed at every meeting by the Finance and Investment Committee and include our investment advisors view of both investment management and ESG ratings. The Institution's investment property is valued annually.

For Passive Investment Funds, a desk research exercise is carried out every three years, with the assistance of the IET's investment advisers, to reaffirm the Investment Manager's credentials and suitability. For Actively Managed Funds, each new selection is managed on a case-by-case basis and a detailed review of past performance is carried out annually for such funds with the relevant Investment Manager.

The Committee monitors investment performance of equities and bonds against relevant benchmark indices. Total net investment gains and income from the non-property investment portfolio during the year was £14.5m (2020: net income of £12.4m).

The BlackRock Dynamic Diversified Growth Fund is measured against the fund objective of 3-month LIBOR +3% over a rolling 3 year period. Its average annual performance net of fees over the three years 2019-2021 was LIBOR +7.7% and in 2021 its performance was LIBOR +4.9%.

The BlackRock Fixed Income Global Opportunities Fund (Unconstrained Bonds) returned 0.0% net of fees in USD terms in 2021. [Commentary.]. The three year annualised performance 2019-2021 was 4.2%.

The performance compared to Benchmark of the equity constituent funds of the IET's Investment Portfolio with BlackRock for 2021 was as follows:

	Actual 2021	Benchmark 2021	Over/(Under) Performance
Developed Market Equities	23.4%	23.0%	0.4%
UK Equities	17.9%	17.7%	0.2%
North America Equities	27.7%	27.6%	0.1%
Europe Equities	17.3%	16.7%	0.6%
Japan Equities	2.6%	2.6%	-
Pacific (ex Japan) Equities	5.8%	5.7%	0.1%
Emerging Market Equities	(1.5)%	(1.6)%	0.1%

Furthermore, the three-year 2019-2021 performance against benchmark (annualised) for those equity elements of the BlackRock Portfolio that have been held over that period was as follows:

	Actual 2019-21 Annualised	Benchmark 2019-21 Annualised	Over/(Under) Performance
Developed Market Equities	19.5%	19.2%	0.3%
UK Equities	8.3%	8.3%	-
North America Equities	23.1%	23.1%	-
Europe Equities	15.2%	14.6%	0.6%
Japan Equities	9.4%	9.4%	-
Pacific (ex Japan) Equities	7.6%	7.5%	0.1%
Emerging Market Equities	8.7%	8.7%	-

The Oakhill Diversified Credit Strategies Fund (MAC) generated net returns of 5.6% in 2021 compared to an index benchmark of 5.4%

The Mercer EMD product had a negative return of (6.7)% in 2021, which compares to a benchmark of (7.9)%.

The IET portfolio invested £768,000 in the Mercer Private Markets (PIP VI) Sustainable Opportunities Sleeve in January 2021. At 31 December 2021 the IET's investment was valued at £1,408,000.

Our plans for the future



Developing our strategic framework

As the world moves beyond the challenges posed by COVID-19, the IET's Volunteer and staff communities will look to continue to fulfil our mission and vision to engineering a better world in 2022.

Key performance indicators

Our 2022 key performance indicator targets, as set out by the Board of Trustees, provide us with a challenging operating environment. These targets that will help us maintain the momentum we built in 2021 and continue to provide our volunteers and members with the tools and services they need to maximise their potential, while ensuring that the Institution remains in a financially viable position.

Strategic Theme	Key Performance Indicator	2022 Target
Engineering excellence	Annual number of IET members achieving Engineering Council registered status in-year	2,600
Skills, learning and networks	Non-apprentice student and apprentice members below the age of 40 (excluding those in India and China)	35,857
Research solutions	Average Journal Impact Factors	2.340
Innovation and policy	Government Engagement Score	8,000
Education	Engagement with IET Education Activity / Resources	133,600
Enabling metrics	Achievement of Annual Budgets (£s k)	-6,400
	Extent to which volunteers recognise the ways in which their contributions align to the beneficial impacts the IET seeks to deliver	77.7% of respondents agree



Societal challenges



Sustainability and climate change



Digital futures



Productive manufacturing



People-centric infrastructure



Healthy lives

Following the successful introduction of our societal challenge approach, 2022 will see continuation of the foundation building phase as we build our understanding of the landscape across the challenges and the implications for the engineering and technology profession. We bring the external environment to the heart of what we do and how we do it.

In 2022 we will be gauging our stakeholders' perceptions of the IET as a trusted and recognised authority on these topics and a relevant professional home for engineers and technicians whose work is affected by these challenges.

The IET continues a focus on cyber security as we strive to become a leading Institutional presence in

this area supporting our stakeholders to embrace new, or changed methods, processes, and tools; bringing about change in the way they innovate, design, build and use technology.

As our focus on cyber security matures, we will also be exploring in more detail 5G technology and its impact for our stakeholders particularly where it intersects with the other societal challenges in terms of solutions that 5G can enable and challenges that emerge.

Building on our engagement in the run up to and during COP26 we will be increasing our focus on net-zero road transport, particularly exploring the impact on and needs of our stakeholders across the five challenge areas.

Structure, governance and management

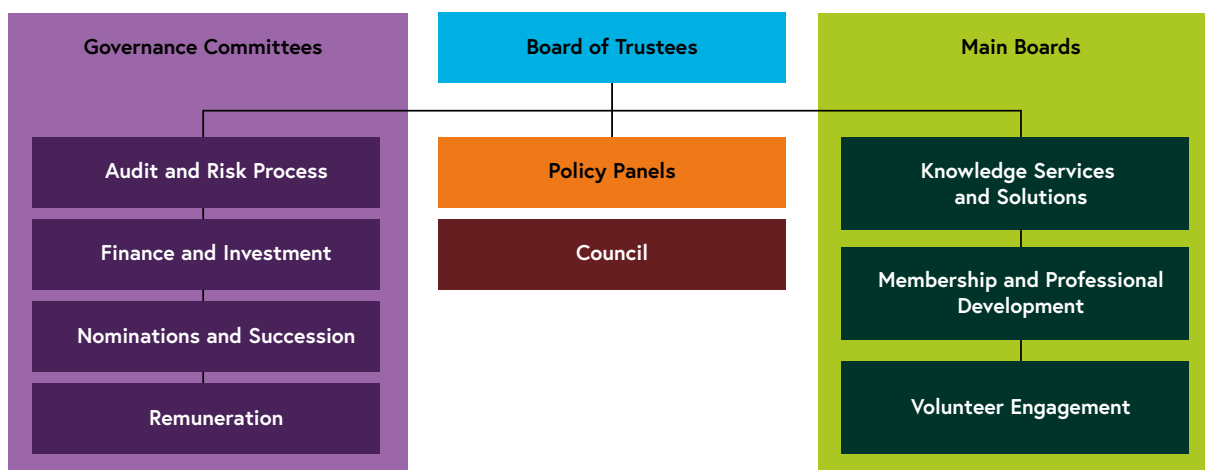
Organisational structure

The IET was founded in 1871 and incorporated by Royal Charter in 1921. The current Royal Charter of the IET was allowed by the Privy Council on 14 November 2007 and came into effect from 1 January 2008, and the current Bye-laws were approved by the Privy Council on 27 September 2016 and came into effect on 1 October 2016.

The Board of Trustees comprises the charity trustees of the IET and meets regularly throughout the year to conduct the business of the IET in accordance with the Royal Charter and Bye-laws. Key issues discussed by the Trustees during the year included:

- 150th Anniversary of the IET
- A F Harvey Engineering Research Prize
- Attendance at Events
- Austin Court
- Awards and Prizes
- Behaviours for Volunteers
- Bye-law Review
- Charity Governance Code for Larger Charities
- China and India
- Company Directors
- Complaints
- Corporate Communications Update
- COVID-19
- Election of Trustees
- Equality, Diversity and Inclusion
- Finance and Performance
- Gender Pay Gap Report
- Health and Safety
- IET Academy
- IET Fundraising Activities
- IET Plan and Budget
- IET Strategy 2030
- Inspec Programme of Work
- Investment Strategy
- Junior Club
- Know Your Customer Project
- Legal Update
- Member Engagement via Communities
- Members Annual Information Event
- Membership Subscriptions
- Membership Survey
- Modern Slavery Act
- Policy and Insight Panels
- Reports from Main Boards, Committees and Council
- Reports from the Chief Executive and Secretary
- Risk Strategy and Appetite
- Royal Academy of Engineering
- Safeguarding of Children and Adults at Risk
- Scholarships and Bursaries Review
- Serious Incident Reporting
- Skills Audit of Trustees
- STEM Learning
- Strategic Engagement and Partnerships
- Terms of Reference of Boards and Committees
- Trustee Champions
- Trustees Annual Report
- UK Cyber Security Council
- Volunteer Engagement Strategy
- Wellbeing
- Wellcome Trust
- Young Professionals Committee

Fig.4: Governance structure



Minutes of the Board of Trustees' meetings, together with open Board papers can be found on the IET website.

The Trustees have established a structure of Boards and Committees from within the membership to monitor and control key areas of the IET as shown in the graphic above. Terms of reference for each of these bodies can be found in the About Us area of the website.

Individual Trustees are appointed to membership of these Boards and Committees alongside non-Trustee members to ensure strong communication and co-ordination of decision-making.

Decision-making

Trustee roles	Appointed (from 1 October)	Retired (from 30 September)	Attendance (actual/ potential)	Other governance roles
Ms Y M Akinola	2018		5/8	Nominations and Succession Committee
Dr C M Arthur (Honorary Treasurer)	2018	2021	5/6	Audit and Risk Process Committee (until 30 Sep) Finance and Investment Committee (until 30 Sep) Knowledge Services and Solutions Board (until 30 Sep) Membership and Professional Development Board (until 30 Sep) Remuneration Committee (until 30 Sep) Volunteer Engagement Board (until 30 Sep)
Dr I S Belger	2018		6/8	Nominations and Succession Committee
Dr B S Bhangu (Vice President)	2020		5/8	Knowledge Services and Solutions Board Nominations and Succession Committee
Professor P T Blythe (Vice President)	2019		8/8	Membership and Professional Development Board Nominations and Succession Committee
Dr P W Bonfield (President)	2013	2021	6/6	Nominations and Succession Committee Remuneration Committee (until 30 Sep)
Professor R A Cryan (Deputy President)	2020		7/8	Audit and Risk Process Committee Finance and Investment Committee Nominations and Succession Committee Remuneration Committee
Mre K Deacon	2021		2/2	
Mr J Dunn	2018	2021	6/6	
Professor D A George (Deputy President)	2017		8/8	Nominations and Succession Committee Remuneration Committee
Dr A C Harter (Deputy President)	2019		8/8	Audit and Risk Process Committee (from 1 Oct) Finance and Investment Committee (from 1 Oct) Nominations and Succession Committee (from 1 Oct) Remuneration Committee (from 1 Oct)
Ms R C Hurst (Vice President)	2020		7/8	Audit and Risk Process Committee (from 1 Oct) Finance and Investment Committee (from 1 Oct) Knowledge Services and Solutions Board (from 1 Oct) Membership and Professional Development Board (from 1 Oct) Remuneration Committee (from 1 Oct) Volunteer Engagement Board (from 1 Oct)
Miss A S Huty	2021		2/2	
Dr G Katragadda (Vice President)	2019		8/8	Audit and Risk Process Committee (from 1 Oct) Finance and Investment Committee (from 1 Oct)

Trustee roles	Appointed (from 1 October)	Retired (from 30 September)	Attendance (actual/ potential)	Other governance roles
Professor P M Needham	2020		8/8	Audit and Risk Process Committee Finance and Investment Committee
Ms D E Ohlson (Vice President)	2019		6/8	Nominations and Succession Committee Volunteer Engagement Board
Professor S K Spurgeon (Vice President)	2021		1/2	
Professor K Sugden	2020		8/8	
Sir Julian Young (President)	2016		8/8	Audit and Risk Process Committee (until 30 Sep) Finance and Investment Committee (until 30 Sep) Nominations and Succession Committee Remuneration Committee

Trustee election, induction and training

Trustees are normally elected by the membership from candidates who are either proposed by the Trustees, based on appropriate skills and competencies, or are nominated by 10 or more members. The President and Deputy Presidents are appointed by the Board of Trustees.

All new Trustees are provided with an Induction Pack, including relevant Charity Commission publications, which outlines the responsibilities and role of a Trustee and provides key information about the organisation and its management.

Trustees are invited to attend orientation meetings with the President and senior staff and are asked to attend an induction seminar delivered by an external expert. They have access to the services of the Governance Department which maintains a training log and provides information and support as required.

Membership

Membership of the IET is open to any individual with an interest in science, engineering or technology. The institution is not constituted for the gain of its members and members have no claim over the property of the Institution. However, as a membership body, engagement of members in the activities of the IET is key to the successful delivery of its mission.

Members enjoy key rights and responsibilities as defined in the Royal Charter and Bye-laws, and participation as volunteers in both governance and delivery processes ensures their influence on decision making. In addition, the IET undertakes an annual membership survey, holds an annual Membership Information Event and brings volunteers together for training events as required.

The Trustees have approved and put in place formal Delegations of Authority, which are accessible to all staff within the IET. The Royal Charter and Bye-laws require certain decisions to be taken by the IET in General Meeting.

Within these constraints it is the policy of the Board of Trustees that authority shall be delegated to the greatest extent compatible with the Trustees' overall direction and control of the IET and to the point in the IET where it can be exercised most effectively. The Trustees retain responsibility for all acts taken under these delegated responsibilities.

An annual business planning cycle is in place resulting in the production of a rolling three-year IET Plan. The Trustees also meet outside routine Board meetings to review key strategies and organisational objectives, as well as to review and approve the output of the planning process. Input to strategy and plan development is provided by the Main Boards and Council and informed by member and user feedback as well as structured research. The Trustees monitor progress on a regular basis against strategic objectives and budgets set out in the IET Plan.

The Trustees also ensure strong communications with key Boards and Committees through committee membership as follows:

Effectiveness reviews

The Main Boards and Committees of the IET complete an annual exercise to identify skills gaps and assess the effectiveness of the relevant board or committee. Periodically, the IET also commissions an external organisation to review the effectiveness of the Institution's governance arrangements and the most recent review was conducted in early 2019 by Crowe UK LLP, following which an action plan was approved by the Board of Trustees.



Remuneration of key management personnel

The key management personnel of the charity comprise the Trustees and key staff, being the Chief Executive and Secretary and other members of the Executive Team who are routinely in attendance at Board of Trustees meetings.

The IET's policy is that no Trustees are remunerated for their services as a Trustee.

There is a Remuneration Committee made up of both current Trustees and other members appointed by the Trustees. The Committee has responsibility for agreeing the pay and remuneration of the charity's key staff on an individual level and has access to external professional advice which includes benchmarking, market trends and advice on structuring of incentives.

The key staff are currently remunerated by a combination of base salary and benefits, together with bonuses. The objectives set for the Chief Executive and Secretary (CES) and Executive Team have both corporate (short-term and long-term) and individual performance elements and are aligned to the strategic objectives of the IET to promote the long-term success of the organisation.

Performance against the IET's values and individual objectives are assessed in the first instance by the President for the CES, and by the CES for the Executive Team and outcomes for all objectives are reviewed by the Remuneration Committee annually.

Gender pay gap

In 2021, we continued our work to review and report our gender profile and pay gap.

The report, which measures the difference in average earnings between men and women across the organisation in the UK, was based on a snapshot of our workforce in April 2021, following the requirements and methodology outlined in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, and our previous review, which took place in 2018.

The report demonstrates that significant and sustained progress is being made in closing both our median and mean gender pay gap. Over the past two years, we have closed our mean gender pay gap by 4.85% and our median gender pay gap by 5.85% and we have made a notable reduction in our mean gender bonus gap when compared with 2019. Whilst we recognise that there is still more work to be done, these figures demonstrate that the targeted actions we have put in place are moving us in the right direction. Whilst these are positive changes, we

recognise, too, that we still have too few women in senior roles and that further work is needed to reduce our gender pay and bonus gap.

Achieving our ambition of further closing the gap will take time, and we remain committed to making progress against the action plan that we identified in 2019 and that we believe to be most effective in delivering sustained improvement.

The areas highlighted in our action plan continue to be our priority. They are:

1. to develop an inclusive, supportive culture
2. to foster diversity at all levels through targeted recruitment and selection
3. to ensure we are rewarding fairly and appropriately
4. to unlock potential and develop talent across the organisation.

This particular report also includes the work to ensure our boards are inclusive and diverse. It is pleasing to report that, in 2021, we achieved an equal gender balance in our Board of Trustees. We will continue to measure our progress in increasing diversity and inclusion within the Institution against the Royal Academy of Engineering and Science Council Diversity and Inclusion progression Framework Tool to ensure we challenge ourselves to improve our approach to diversity and inclusion overall.

Charity Governance Code

In February 2018, the IET adopted the Charity Governance Code for Larger Charities (2017) replacing the Charity Governance Code which was adopted by the IET in 2012. The Board of Trustees receives regular reports reviewing the use of, and compliance with, the Code. The majority of recommended practices within the Code correspond with the practices of the IET and where the IET has not adopted some of these practices the Board of Trustees receives an explanation of the reasons.

Risk management

The Trustees have implemented a risk management strategy which includes the maintenance and regular review of a strategic and operational risk register. The Trustees regularly review the strategic risks and the risk management framework is supported by the work of the Audit and Risk Process Committee, as well as the Main Boards and Committees, which monitor certain strategic risks as delegated by the Board of Trustees.

Risk mitigation and management plans, including internal controls, are developed in agreement with the

Strategic risk	Principal mitigations
Ability to recruit members and encourage professional development	Virtual engagement significantly increased, maintaining contact and support for engineering employers. Subscription freeze and hardship discounts in place. Professional registrations fully virtual.
Maintaining systems integrity and information security	Appropriate information policies and procedures have been put in place and these are subject to both internal review and external testing. Risk assessments, incident management and business continuity procedures are also in place. Specialist role within the staff team.
Ensuring IET's activities remain financially sustainable	The IET has previously adopted a financial framework to structure budgeting in the context of reserves and medium-range budgets. Mitigations include forecasting, strategic planning, portfolio management and sound procurement practices.
Ensuring compliance with data protection guidelines	Policies and procedures in place and training provided. Specialist role within the staff team.
Ability to meet defined benefit pension liabilities	The scheme has previously been closed to accrual. Risk reduction and funding approaches, including liability-driven investments and partial buy-in of liabilities have been agreed with scheme trustees. Long-term risks are supported by IET's own Reserve policy.
Ensuring compliance with data protection law	Policies and procedures in place and regular training provided. Specialist role within the staff team.
Threats to the level of publishing revenues	The IET's financial model depends on contributions generated from mature publishing products. Mitigations include close management and renewal of strategic partnerships and vendors, product development and new product initiatives.
Protecting the intangible value of business assets	Scanning for market trends and threats to business value together with appropriate development of existing products to maintain relevance.
Business continuity and disaster recovery	With the support of external expertise, the IET maintains a Business Continuity Plan and tests it regularly based on simulated scenarios. In response to the COVID-19 crisis the Executive-level (GOLD) and Management-level (SILVER) business continuity teams continue to meet, monitor and respond with a focus on both welfare and operational adaptations.
Adequate project management capabilities for effective development	Standard project methodologies (including Agile) supported by structured Project Office procedures and Executive monitoring. Qualified and dedicated project managers are used for key projects.
Liabilities and reputational risk resulting from publications, opinions and advice	Use of suitably qualified staff together with robust editing and checking procedures. Up to date quality control systems in place.
Ability to maintain status and influence in Public Policy	Building key relationships, engaging on topics of relevance to government and ensuring a high quality of expertise within IET.
Adverse trends in member demographics	Recruitment focus on student and early career members. Development of engagement through IET On Campus and other Young Professional oriented activities. Increased engagement with engineering employers. Proactive marketing.
Safeguarding children and vulnerable adults	Ensuring suitable policy, procedures and checks are in place as well as mandatory training for all staff and volunteers.

senior staff. The strategic and operational risk register informs the planning of Internal Audit work which is agreed by the Audit and Risk Process Committee and includes testing of internal controls.

More widely, risk awareness and management is promoted through induction training, skills audits, project management methodologies, the use of professional advisors and the recruitment of staff with specialist skills, including Internal Audit and Compliance.

The most significant strategic risks and uncertainties faced by the IET in 2021 are shown in the table left. With the current success of the COVID-19 vaccine roll-out, the IET has restarted physical activities selectively and begun to occupy its refurbished offices in Stevenage. Work continues to recover from the financial impacts of the pandemic.

The IET's direct engagement in Ukraine and Russia has been minimal and not considered a strategic risk, however the invasion of Ukraine has generated further disruption to global markets and is expected to generate additional headwinds in the wider economy.

Overall, the Trustees are satisfied that the major risks have been reviewed and systems or procedures have been established to manage those risks, albeit that absolute assurance cannot be achieved.

Related parties and collaboration with other charities

The IET owns seven active incorporated subsidiaries as described in Note 2. These include two companies in the UK operating on a commercial basis, principally in the areas of room lettings, publishing and technical conference and exhibition management services.

The IET works in cooperation with Learned Societies, employers, educators and other bodies within the engineering and technology sector and in close partnership with the Engineering Council and Engineering UK. Cooperation includes the development of common standards, shared products, activities and promotional materials.

The IET is one of many Professional Engineering Institutions in the UK and collaborates in a number of ways with the objectives of leveraging the combined capabilities of these organisations for the benefit of society.

The Institution also collaborates with the IET Benevolent Fund (Foothold) who provide benevolent services to IET members and staff.

Corporate social responsibility

As a registered charity, we exist to deliver public benefit and we achieve this primarily through the

advancement of knowledge in science, engineering and technology to deliver solutions to the needs of wider society.

We promote and encourage ethical behaviour in the practice of these disciplines by all stakeholders. In so doing, we seek to raise the level of public trust and confidence in the positive contribution to society made by science, engineering and technology. In joining the IET, all members must agree to abide by the Rules of Conduct which aim to support members to take an ethical stance when balancing the often conflicting interests and demands of employers, society and the environment.

We have a shared set of values for our staff and volunteers and seek to develop the skills and opportunities of staff and volunteers as part of a single team.

Many of our members support the work of the IET Benevolent Fund (Foothold). In 2010, we became a patron of disaster relief charity RedR. RedR works on an international level to improve the effectiveness of disaster relief, by delivering essential training and support to relief organisations and their staff, and by providing skilled professionals to humanitarian programmes.

In addition to the expectations to protect the environment included within the Members' Rules of Conduct, we also seek to support environmental sustainability within its own operations.

Transparency in Supply Chains (TISC): Modern Slavery Act Statement

The IET runs its activities with integrity. Modern slavery is a complex and multi-faceted crime and tackling it requires all of us to play a part. The IET is committed to preventing acts of modern slavery and human trafficking from occurring within its business and supply chain and to improving our practices to combat slavery and human trafficking.

The Modern Slavery Act 2015 requires UK organisations with an annual turnover of £36m or more to report on the steps they are taking to ensure that modern slavery is not taking place in its supply chains and publish with a link via the home page on its website. This includes the IET.

The IET works with its subsidiaries and international partners to ensure that modern slavery is not present in their operations and activities.

The IET's supply chain

In order to deliver its activities, the IET works with a range of suppliers, including publishing services, software services, catering and facilities management, and professional services.

Policies

The IET has an Anti-Slavery Policy in place and offers guidance on whistleblowing on its website at www.theiet.org/membership/professional-values/resources-full/whistleblowing-guidance-for-members/ as well as having a staff policy on whistleblowing. The IET also has a comprehensive Procurement Manual in place which sets out a procurement framework designed to ensure that modern slavery is not present within the IET's business.

Actions to minimise risk of slavery

The IET takes a multifaceted approach, which includes:

During 2020 and ongoing into 2021, the IET requested, via our procurement policy and forms, that all contracts must include anti-slavery statements.

In 2020, the IET undertook a risk assessment to identify areas of its supply chain which might be susceptible to slavery or human trafficking. The risk assessment considered both geographic and sector risk. It identified that as regards its operations and supply chains, catering and other services at its venues represented a risk, as did the use of certain outsourced services in India.

In 2020 we reviewed our outsourced IT to ensure adequate anti-slavery processes were in place.

During 2021 we carried out a major refurbishment of our main office base in Stevenage and all contracts included a clause addressing anti-slavery. We also conducted the procurement process for new catering suppliers for both our Stevenage office and London venue and the necessary due diligence was completed.

In 2021 a new three-year contract has been signed with a key strategic supplier in IT and a comprehensive due diligence was part of the re-sign. We have also asked other key strategic IT suppliers to reassert that they comply with the terms of the clauses in their respective contracts.

Our recruitment practices help prevent the risk of modern slavery within our organisation. Our employment agreements and policies are managed locally, based on global templates and principles but adapted for the relevant local context and applicable law.

Some of the other recruitment measures which the IET has in place include:

- Conducting vetting checks of prospective recruits before extending an offer of employment and a police and reference check prior to start date (double-stage process);

- Conducting regular salary reviews to ensure that staff are paid a living wage in the countries it operates in, and benchmarking salaries to ensure that they remain competitive in the sector;
- Checking, but not withholding, identity documents and rights to work documentation;
- Providing information on workers' rights in a language they can understand;
- Not allowing fines levied to be passed onto employees, for workers to be charged finders' fees, and not deducting accommodation or transport costs from staff salaries.

Continuous review and risk mitigation

The IET recognises the need to continually assess the risks of slavery or human trafficking. The IET also recognises that there may be gaps in visibility of supply chains and limitations in the tools used to identify risks. Addressing these is a complex task and is under continuous review to develop an effective framework. The IET recognises the need for modern slavery training across the organisation to widen awareness.

COVID-19

As a result of the pandemic the IET is continuously reviewing its procedures and risk assessment and will be assessing whether there are any new or increased modern slavery risks, and whether any re-prioritisation of previously identified risks in our operations and supply chain needs to occur. One area that has been affected by the pandemic is being able to visit overseas IT suppliers and observe the on the ground situation. This is being mitigated by having regular account manager contact.

To date, the IET has not found any instances of modern slavery in its operations or supply chain.

This statement was approved by the Board of Trustees on 7 February 2022.

Reference and administrative information

This information is included on page 99.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales and in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of

the charity and of the group and of the incoming resources and application of resources of the charity and of the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently; observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Trustees Report on pages 6 to 60 was approved by the Trustees on 9 May 2022 and signed on their behalf by:

Julian A. Young
Julian A. Young, (May 20, 2022 16:48 GMT+1)

**Sir Julian Young KBE CB FREng CEng FIET,
IET President**



Independent auditor's report to Trustees of the IET

Opinion on the financial statements

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 December 2021 and of the Group's incoming resources and application of resources 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 6 & 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

We have audited the financial statements of The Institution of Engineering and Technology ("the Parent Charity") and its subsidiaries ("the Group") for the year ended 31 December 2021 which comprise the consolidated and parent charity statement of financial activities, the consolidated and parent charity balance sheet, 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Charity in accordance with the ethical requirements 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.

Conclusions related 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 and the Parent Charity'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 IET Trustees' Annual Report and Accounts, other than the financial statements and our auditor's report thereon. The other information comprises: the report of the Trustee's and the Legal and Administrative Information. 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. 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.

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 Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion:

- the information contained in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- 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
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 determines 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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 industry in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be relevant charities acts in the UK and Scotland. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. We considered the Group's own assessment of the risks that irregularities may occur either as a result of fraud or error. We also considered financial performance, key drivers for bonus or other performance targets. We also considered the risks of non-compliance with other requirements imposed by the Charity Commission and/or the Office of the Scottish Charity Regulator, and we considered the extent to which non-compliance might have a material effect on the group financial statements.

In addition, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law and data protection. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Those Charged with Governance and other management and inspection of regulatory and legal correspondence if any.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries of the Audit and Risk Process Committee, management and internal audit, and a review of minutes of meetings of those charged with governance. We made enquiries regarding any matters identified as a Serious Incident as reportable to the Charity regulators. We also performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

We challenged assumptions made by management in their significant accounting estimates in particular in relation to the assumptions related to the valuation of the defined benefit pension scheme and the assumptions related to the valuation of Savoy Hill House.

We did not identify any matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls, including testing journals including those which potentially impact remuneration and other performance targets and evaluating whether there was evidence of bias by management or the Board that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005. 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 and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Gareth M Jones
BDO LLP, statutory auditor
London, UK
Date: 27 May 2022

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated Statement of Financial Activities

for the year ended 31 December 2021

	Notes	Unrestricted Funds 2021 £000	Restricted & Endowment Funds 2021 £000	Total Funds 2021 £000	Unrestricted Funds 2020 £000	Restricted & Endowment Funds 2020 £000	Total Funds 2020 £000
INCOME AND ENDOWMENTS FROM:							
Donations and legacies		(3)	760	757	1	449	450
Trading activities	2	3,870	-	3,870	3,737	-	3,737
Investment and other incomes	3	4,168	432	4,600	2,442	294	2,736
Charitable Activities							
Education, policy and awareness		284	781	1,065	189	1,410	1,599
Knowledge services and solutions		29,189	-	29,189	24,898	-	24,898
Membership and professional development		19,066	-	19,066	19,100	-	19,100
Share of profit in joint ventures	2	(2)	-	(2)	13	-	13
Total		56,572	1,973	58,545	50,380	2,153	52,533
EXPENDITURE ON:							
Raising Funds							
Fundraising costs		360	-	360	327	-	327
Trading activities		1,283	-	1,283	1,290	-	1,290
Investment management fees		547	63	610	562	48	610
Charitable Activities							
Education, policy and awareness		9,113	2,294	11,407	7,110	2,696	9,806
Knowledge services and solutions		31,774	-	31,774	31,779	-	31,779
Membership and professional development		19,098	-	19,098	18,055	-	18,055
Total	5	62,175	2,357	64,532	59,123	2,744	61,867
Net gains on investment	8	8,608	2,030	10,638	8,472	1,353	9,825
Net income/(expenditure)		3,005	1,646	4,651	(271)	762	491
Other recognised gains:							
Remeasurements of net defined benefit pension schemes	16a	5,184	-	5,184	877	-	877
Foreign exchange (losses) arising on retranslation of foreign subsidiaries		22	-	22	(52)	-	(52)
Net movement in funds		8,211	1,646	9,857	554	762	1,316
Reconciliation of funds:							
Total funds brought forward		170,044	16,254	186,298	169,490	15,492	184,982
Total funds carried forward	15b	178,255	17,900	196,155	170,044	16,254	186,298

All income and expenditure is derived from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

IET Statement of Financial Activities

for the year ended 31 December 2021

	Notes	Unrestricted Funds 2021 £000	Restricted & Endowment Funds 2021 £000	Total Funds 2021 £000	Unrestricted Funds 2020 £000	Restricted & Endowment Funds 2020 £000	Total Funds 2020 £000
INCOME AND ENDOWMENTS FROM:							
Donations and legacies							
Qualifying charitable donations due to the IET	2	530	-	530	54	-	54
Other donations and legacies		(3)	760	757	1	449	450
Investment and other income	3	6,790	432	7,222	4,850	294	5,144
Charitable Activities							
Education, policy and awareness		284	781	1,065	189	1,410	1,599
Knowledge services and solutions		28,673	-	28,673	24,757	-	24,757
Membership and professional development		18,846	-	18,846	18,764	-	18,764
Total		55,120	1,973	57,093	48,615	2,153	50,768
EXPENDITURE ON:							
Raising Funds							
Fundraising costs		360	-	360	327	-	327
Investment management fees		547	63	610	562	48	610
Charitable Activities							
Education, policy and awareness		9,113	2,294	11,407	7,110	2,696	9,806
Knowledge services and solutions		31,618	-	31,618	31,870	-	31,870
Membership and professional development		19,036	-	19,036	17,936	-	17,936
Total	5	60,674	2,357	63,031	57,805	2,744	60,549
Net gains on investment	9	8,608	2,030	10,638	8,472	1,353	9,825
Net (expenditure)/income		3,054	1,646	4,700	(718)	762	44
Other recognised (losses)/gains:							
Remeasurements of net defined benefit pension schemes	16a	5,184	-	5,184	877	-	877
Net movement in funds		8,238	1,646	9,884	159	762	921
Reconciliation of funds:							
Total funds brought forward		168,840	16,254	185,094	168,681	15,492	184,173
Total funds carried forward	15b	177,078	17,900	194,978	168,840	16,254	185,094

All income and expenditure is derived from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

Consolidated and IET Balance Sheets

as at 31 December 2021

	Notes	Group		Charity	
		2021 £000	2020 £000	2021 £000	2020 £000
Fixed assets					
Tangible assets	7	41,169	28,584	41,160	28,578
Investments	8c	149,446	160,715	150,398	161,651
Total fixed assets		190,615	189,299	191,558	190,229
Current assets					
Stock and work in progress	9	140	270	135	265
Debtors	10	11,158	10,052	10,756	9,385
Investments	8c	3,986	5,286	3,986	5,286
Cash at bank and in hand		9,391	5,815	5,947	3,251
Total current assets		24,675	21,423	20,824	18,187
Liabilities					
Creditors: Amounts falling due within one year	11	(21,822)	(19,725)	(20,091)	(18,623)
Net current assets/(liabilities)		2,853	1,698	733	(436)
Total assets less current liabilities		193,468	190,997	192,291	189,793
Creditors: Amounts falling due after more than one year	12	(3,526)	(4,535)	(3,526)	(4,535)
Net assets excluding pension liability		189,942	186,462	188,765	185,258
Defined benefit pension scheme liability	16	6,213	(164)	6,213	(164)
Total net assets		196,155	186,298	194,978	185,094
FUNDS					
Endowment funds		16,728	15,278	16,728	15,278
Restricted income funds		1,172	849	1,172	849
Other restricted items		-	127	-	127
Restricted funds	15	17,900	16,254	17,900	16,254
Unrestricted funds		172,042	170,208	170,865	169,004
Unrestricted funds		172,042	170,208	170,865	169,004
Pension reserve	16	6,213	(164)	6,213	(164)
Total funds	15	196,155	186,298	194,978	185,094

The Notes on pages 68 to 98 form part of these financial statements.

Approved and authorised for issue by the Trustees on 9 May 2022 and signed on their behalf by:


Julian A. Young (May 20, 2022 16:48 GMT+1)

Sir Julian Young KBE CB FREng CEng FIET
President


Rachel Hurst (May 20, 2022 10:55 GMT+1)

Ms Rachel Hurst FREng MSc FIET
Honorary Treasurer

Consolidated Statement of Cash Flows

for the year ended 31 December 2021

	2021 £000	2020 £000
Cash flows from operating activities:		
Net cash used in operating activities	(8,732)	(8,338)
Cash flows from investing activities:		
Interest received	11	102
Rent receivable	1,220	1,155
Share of profit in joint ventures	(2)	13
Income from non-property investments	3,047	957
Investment management fees	(610)	(610)
Purchase of tangible fixed assets	(13,551)	(859)
Proceeds from sale of tangible fixed assets	-	-
Purchase of investments	(2,999)	(28,239)
Cash withdrawn from/(placed on) short term deposit	-	2,000
Sale of investments	24,024	19,396
Net cash provided by/(used in) investing activities	11,140	(6,085)
Cash flows from financing activities:		
Finance lease repayments	(132)	(132)
Net cash (used in) financing activities	(132)	(132)
Change in cash and cash equivalents in the year:	2,276	(14,555)
Cash and cash equivalents at 1 January	11,101	25,656
Cash and cash equivalents at 31 December	13,377	11,101

Reconciliation of net income to net cash flow from operating activities	2021 £000	2020 £000
Net income	4,651	491
Depreciation and amounts written off in connection with assets no longer in use	1,690	1,824
Net gains on investments	(10,638)	(9,825)
Adjustment to carrying value of joint venture	16	1,003
Unwinding of discount on finance lease	130	130
Foreign exchange gains/(losses) arising on retranslation of foreign subsidiaries	22	(52)
Decrease/(increase) in stocks	130	(31)
(Increase)/Decrease in debtors	(1,106)	1,856
Increase/(decrease) in creditors	1,232	(975)
Adjustment for non-cash FRS 102 (credit)/charge in respect of defined benefit schemes	(5)	46
Contributions paid to defined benefit schemes	(1,188)	(1,188)
Interest received	(11)	(102)
Share of loss/(profit) in joint ventures	2	(13)
Rent receivable	(1,220)	(1,155)
Income from non-property investments	(3,047)	(957)
Investment management fees	610	610
Net cash used in operating activities	(8,732)	(8,338)

Analysis of cash and cash equivalents	2021 £000	2020 £000
Short term cash investments	3,986	5,286
Cash at bank and in hand	9,391	5,815
	13,377	11,101

Analysis of changes to net debt	At 31 December 2020 £000	Cashflows £000	Unwinding of discount on finance lease obligation £000	At 31 December 2021 £000
Cash at bank and in hand	5,815	3,576	-	9,391
Cash held as part of the fixed asset investment portfolio	5,286	(1,300)	-	3,986
Finance lease obligations	(3,246)	132	(130)	(3,244)
	7,855	2,408	(130)	10,133

Purchase of Tangible Fixed Assets 2021	£000
Tangible Fixed Assets Additions per Note 7	14,275
Amounts to be paid as at 31 December 2021	(724)
Amount included in Consolidated Statement of Cash Flows	13,551

Notes forming part of the financial statements

for the year ended 31 December 2021

1. Accounting policies

Basis of preparation

These financial statements have been prepared under the historical cost convention, as modified by the inclusion of certain financial instruments at fair value, and 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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 as amended.

The IET achieves its public benefit purpose by encouraging the next generation of engineers, disseminating and exchanging technical knowledge; enhancing capability, professionalism and innovation, together with an improved understanding of how science, engineering and technology can provide solutions to meet society's needs. The Trustees have paid due regard to the public benefit guidance published by the Charity Commission.

Preparation of the accounts on a going concern basis

The Trustees confirm that at the time of approving the financial statements, there are no material uncertainties regarding the Charity's ability to continue in operational existence for the foreseeable future. In arriving at this conclusion, the Trustees have taken account of current and anticipated financial performance, liquidity, its reserves position and the ability to draw down on readily realisable investments as required in light of the impacts experienced and expected of the COVID-19 crisis. For this reason, the going concern basis continues to be adopted in the preparation of the Charity's financial statements.

Key judgments and assumptions

The most significant areas of judgment and assumption that affect items in the accounts include the actuarial assumptions which underpin the Pension Scheme Liability (see Note 16 for more information) and the accounting treatment of Savoy Hill House. This property has been accounted for wholly as an investment property. The percentage of the property used for operational use is less than 10% of the floor space and as such is considered a trivial amount; furthermore, this element is not capable of being sold or leased out separately. With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the IET are the level of investment return and the performance of investment markets (see the Investment Policy within the Trustees' Annual Report and Note 8).

Constitution

The Institution of Engineering and Technology (IET) is incorporated by Royal Charter and registered with the Charity Commission for England and Wales under charity number 211014 and the Office of the Scottish Charity Regulator under charity number SC038698.

Basis of Consolidation

The Group accounts incorporate the financial statements of the IET and its subsidiaries on a line-by-line basis. All subsidiaries have co-terminous year-ends to the IET, apart from The Institution of Engineering and Technology ("IET India"), IET Services (India) Private Limited ("IET Services India") and IET Solutions (India) Private Limited ("IET Solutions") which have financial year ends of 31 March.

Income

Income is accounted for when receivable. In the case of membership subscriptions and subscriptions for journals and electronic services any receipt in respect of future years is shown as Amounts received in advance.

Government grants are accounted for using the 'Performance model' (as defined in FRS 102). This means that income is recognised only when performance related conditions are met, or, where no performance related conditions are imposed, income is recognised when the grant proceeds are receivable.

Legacies are accounted for when considered receivable.

Investment income and donations are accounted for when receivable.

Expenditure

Charitable Expenditure includes direct costs and support costs. Support costs comprise those necessary costs which do not themselves produce the output of the charity, including central office functions and governance costs as shown in Note 5a. Such administration and accommodation support costs have generally been allocated on a departmental staff headcount or area occupied basis.

Governance costs are the costs associated with constitutional and statutory requirements and the strategic management of the charity's activities.

The costs of raising funds are the costs associated with generating income other than those derived from undertaking charitable or trading activities.

Foreign Currency Transactions

Foreign currency transactions are converted at the rate ruling on the date of the transaction. Outstanding balances are translated into sterling at the rates ruling at the balance sheet date. Any exchange differences arising are taken to the SoFA.

Taxation

The IET is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the IET is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Grants payable

Grants payable are recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Depreciation

Depreciation is provided on fixed assets so as to write them off over their estimated useful lives as follows:

Mechanical and Electrical Installations
Straight-line over 15 years

Furniture, fittings and equipment
Straight-line over 10 years

Computer and electronic equipment
Straight-line over 4 years

London Crown leases, other leasehold and freehold buildings
Straight-line over the lower of the length of the lease or 50 years

Assets in the course of construction are not depreciated.

Savoy Place and Futures Place are capitalised at historic cost. The IET's Regional Centre is capitalised at deemed cost.

Other assets costing less than £2,500, and the cost of computer software, are written off in the year of purchase.

Exhibits and associated artwork are not capitalised and are written off in the year of purchase.

The IET does not capitalise its heritage assets as neither reliable cost information nor comprehensive valuations are readily available and such information cannot be obtained at a cost commensurate with the benefit to the users of the accounts and to the Charity. Furthermore, there is no intention for resale (see Note 7 for further detail).

Investments

Non-property investments are included in the balance sheet at fair value, being the quoted bid price where available. Realised and unrealised gains/losses are recognised in full in the SoFA. Investment income is accounted for when receivable, with account taken of the tax credit at the time of receipt of the net income.

Investment property is included in the Balance Sheet at fair market value in accordance with FRS 102 and as such no depreciation is charged during the year. Gains or losses arising on revaluation are credited or charged respectively to the SoFA under "Net gains/(losses) on investments".

Investments in subsidiary undertakings are accounted for at historic cost less impairment.

Investments in joint ventures are accounted for using the equity method in the Group financial statements.

Current asset investments include:

- i) cash on deposit and cash equivalents with a maturity period of between 3 and 12 months from the date of acquisition; and
- ii) cash held for investment purposes as part of the fixed asset investment portfolio, rather than to meet short term cash commitments as they fall due.

Stocks & Work-In-progress

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due provision for slow moving and obsolete items.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Financial instruments

The group 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. The exceptions to this are investments which are measured at fair value.

Cash at bank and in hand

Cash at bank and in hand includes deposits which can be withdrawn within 24 hours without penalty and short-term deposits which have a maturity period of 3 months or less from the date of acquisition and are not subject to significant risk of changes in value.

Liabilities

Liabilities (including termination payments) are recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Leasing

Finance lease obligations are included within Creditors. Non-investment property assets held under finance leases are capitalised and depreciated over the shorter of the lease term or 50 years.

Lease obligations on investment properties are treated as finance leases. The lease obligation is quantified at the point of the lease inception or the property becoming an investment property, whichever occurs later, based on the present value of the minimum lease payments, and is included in creditors. Any adjustments to the rent payable under such leases due to periodic rent reviews is considered to be contingent rent. Contingent rent is treated as expenditure as it becomes payable.

Rentals paid under operating leases are charged in the SoFA on a straight-line basis over the lease term.

Fund accounting

Restricted funds are subject to specific restrictions imposed by the donor.

They include 'Restricted income funds' which are spent or applied within a reasonable period from their receipt or 'Endowment funds' originating from donations or bequests and invested to enable future expenditure in line with the restrictions of the donor. Endowment funds can be either permanent or expendable. Permanent endowment funds are held indefinitely, and the capital cannot be expended. Expendable endowments allow the Trustees to exercise the power to expend or apply the capital in line with the restriction.

Restricted Income Funds are not considered to be material in total and as such are not disclosed separately on the face of the SoFA. Summarised information is included in Note 15 on Reserves.

Designated funds are set aside by the Trustees for specific purposes but would otherwise form part of the general funds. General funds are available to spend at the discretion of the Trustees in furtherance of the charitable objectives of the IET. Further explanations are set out in Note 15.

Pension Costs

In accordance with "FRS 102–Employee Benefits", both the operating and financial costs of pension and other post-retirement benefits are recognised in the SoFA. Pension cost is assessed in accordance with the advice of a qualified Actuary. Actuarial gains and losses arising are recognised within the "Other recognised gains/(losses)" category of the SoFA under the heading "Remeasurements of net defined benefit pension schemes". The provisions of "FRS 102–Employee Benefits" have been fully complied with and the relevant disclosures are made in Note 16. Contributions to defined contribution schemes are charged in the SoFA in the year they are due.

Defined benefit plan

For the defined benefit retirement plan, the cost of providing benefits is determined using the projected unit credit method.

Pension Scheme Liability

The net defined benefit liability represents the present value of the defined benefit obligation minus the fair value of plan assets out of which obligations are to be settled. Any asset resulting from this calculation is limited to the present value of available refunds or reductions in future contributions to the plan.

The rate used to discount the benefit obligations to their present value is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations.

Gains/Losses

Gains or losses recognised in other recognised gains/(losses):

- Actuarial gains and losses.
- The difference between the interest income on the plan assets and the actual return on the plan assets.

Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

2. Trading activities and subsidiaries

The Group's financial statements incorporate all the IET's wholly owned subsidiary companies. Throughout 2021 the IET had two active wholly owned non-charitable trading subsidiary undertakings registered in England and Wales, IET Services Limited (IETSL), company registration number 909719, and IEE Conventions Limited (IEECL), company registration number 3566585, both of which are consolidated. The profit and loss accounts of these subsidiaries are shown below, and net profits are donated to the IET under a Deed of Covenant.

IETSL provides magazine publishing, conference, advertising and recruitment services, and rent of surplus IET accommodation and related services such as catering. The principal activity of IEECL is the provision of conference and exhibition services. IEECL accounts for its respective 34% shares in International Broadcasting Convention Limited (IBC Limited) and the International Broadcasting Convention Partnership (IBC Partnership) under the cost model in its individual financial statements, measuring its investments at cost and distributions received from the investments as income. IEECL is jointly and severally liable together with the other partners for the IBC's obligations: the Trustees consider that the possibility of a transfer of economic benefits is remote and therefore have not disclosed a contingent liability in connection with the joint venture.

	IETSL 2021 £000	IETSL 2020 £000	IEECL 2021 £000	IEECL 2020 £000
Turnover – external	3,870	3,737	-	-
Turnover – intercompany	4,058	4,446	-	-
Turnover - total	7,928	8,183	-	-
Share of Joint Venture (losses)/profits	-	-	(2)	13
Cost of Sales	(6,636)	(7,076)	-	-
Gross Profit/(Loss)	1,292	1,107	(2)	13
Distribution Costs	(961)	(1,058)	-	-
Administration Expenses	(35)	10	-	-
Operating Profit/(Loss)	296	59	(2)	13
Income from Shares in Group Undertakings	267	-	-	-
Net Interest Payable and Similar Charges	(20)	(18)	-	-
Profit/(Loss) on Ordinary Activities before Tax	543	41	(2)	13
Tax on ordinary activities	(13)	-	-	-
Profit/(Loss) for the Financial Year	530	41	(2)	13
Statement of Changes in Equity:				
Balance at 1 January	-	-	116	116
Profit/(Loss) for the Financial Year	530	41	(2)	13
Qualifying charitable donations due to the IET	(530)	(41)	-	(13)
Balance at 31 December	-	-	114	116
Comprising				
- assets	3,171	2,547	129	131
- liabilities	(3,171)	(2,547)	(15)	(15)

None of the Directors of IETSL or IEECL receives any remuneration for their services.

2a. Other subsidiaries

The IET has four significant wholly-owned subsidiaries registered outside England & Wales and Scotland to support its charitable activities, details of which are set out below.

IET USA, Inc. is located in Edison, New Jersey; its Federal Identification Number is 76-0563925. The two principal channels of business for IET USA, Inc. are reseller support activity and direct sales of books and journals.

Institution of Engineering and Technology (IET (India)), company registration number U80903KA2007NPL044461, is registered in Bangalore as a not-for-profit company incorporated under section 25 of the Indian Companies Act with charitable objects consistent with those of the IET in the UK. IET (India) now only carries on Local Network activity in India. IET Services (India) Private Limited (IET Services (India)), company registration number U93000KA2012FTC064117 carries out specific activities, including the sale of IET memberships locally in India.

IET Engineering & Technology (Beijing) Consultancy Ltd (IET (Beijing)), registration number 110000450079713, is registered in China. The business scope of this wholly foreign owned enterprise (WFOE) allows it to perform certain activities on its own account being events and professional registration and training activity, as well as providing consultancy services to the Group in connection with engineering technology. IET uses IETSL to contract such services.

All of these subsidiaries are owned directly by the IET with the exception of IET (Beijing) which is owned by IET Services Limited, itself a directly owned subsidiary of the IET.

The financial results of the IET's significant non-UK subsidiaries for the year were as follows:

	IET USA Inc. £000	IET (India) £000	IET Services (India) £000	IET (Beijing) £000	Total 2021 £000	Total 2020 £000
External income	1,719	2	124	134	1,979	836
Intragroup income	822	99	439	631	1,991	1,960
External expenditure	(993)	(88)	(446)	(685)	(2,212)	(2,089)
Intragroup expenditure	(1,203)	-	(45)	-	(1,248)	(384)
Dividend payable	(304)	-	-	(267)	(571)	-
Funds retained by/(used by) the subsidiary	41	13	72	(187)	(61)	323
Net assets	535	184	500	555	1,774	1,812

3. Investment and other income

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Income from equities	1,435	540	1,435	540
Income from bonds	1,612	417	1,612	417
Interest received on cash	11	102	8	94
Rent receivable	1,220	1,155	1,220	1,155
Dividend receivable	-	-	300	-
Other income received from subsidiary undertakings	-	-	2,325	2,416
Other income - external	322	522	322	522
	4,600	2,736	7,222	5,144

4. Net income/(expenditure)

This is stated after charging:

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Depreciation	1,690	1,802	1,687	1,799
Foreign exchange losses/(gains) arising on transactions	74	(152)	50	(136)
Payments under operating leases:				
- Land and buildings rents	502	527	338	364
- Other	16	22	13	18
Auditor's remuneration:				
- Statutory Audit	81	64	69	57
- Taxation	27	44	22	39

5. Analysis of total expenditure

Group	Direct costs £000	Grant funding of activities £000	Support costs (Note 5a) £000	Total 2021 £000	Total 2020 £000
Charitable activities					
Education, policy and awareness	6,836	849	3,722	11,407	9,806
Knowledge services and solutions	19,349	-	12,425	31,774	31,779
Membership and professional development	9,359	-	9,739	19,098	18,055
Total charitable activities expenditure	35,544	849	25,886	62,279	59,640
Fundraising costs	145	-	215	360	327
Trading activities	1,283	-	-	1,283	1,290
Investment management fees	610	-	-	610	610
Total group expenditure	37,582	849	26,101	64,532	61,867

IET	Direct costs £000	Grant funding of activities £000	Support costs (Note 5a) £000	Total 2021 £000	Total 2020 £000
Charitable activities					
Education, policy and awareness	6,833	852	3,722	11,407	9,806
Knowledge services and solutions	19,193	-	12,425	31,618	31,870
Membership and professional development	9,297	-	9,739	19,036	17,936
Total charitable activities expenditure	35,323	852	25,886	62,061	59,612
Fundraising costs	145	-	215	360	327
Investment management fees	610	-	-	610	610
Total charitable expenditure	36,078	852	26,101	63,031	60,549

5a. Support costs

Group and IET	Finance & corporate £000	IT £000	Human resources £000	Property & offices £000	Governance £000	Total 2021 £000	Total 2020 £000
Charitable activities							
Education, policy and awareness	920	1,236	238	1,277	51	3,722	2,730
Knowledge services and solutions	3,072	4,126	795	4,263	169	12,425	12,308
Membership and professional development	2,408	3,234	623	3,341	133	9,739	8,422
	6,400	8,596	1,656	8,881	353	25,886	23,460
Fundraising costs	53	71	14	74	3	215	192
Total	6,453	8,667	1,670	8,955	356	26,101	23,652

Administration and accommodation support costs have generally been allocated to charitable activities on a departmental staff headcount or area occupied basis.

5b. Analysis of grants – Group

	Grant to institution 2021 £000	Grants to individuals 2021 £000	Support costs 2021 £000	Total 2021 £000	Grant to institution 2020 £000	Grants to individuals 2020 £000	Support costs 2020 £000	Total 2020 £000
Education, policy & awareness								
Research	320	-	4	324	344	-	1	345
Scholarships, awards and prizes	-	451	52	503	-	606	56	662
Hardship and financial assistance	-	22	-	22	-	20	-	20
Total	320	473	56	849	344	626	57	1,027

	Grant to institution 2021 Number	Grants to individuals 2021 Number	Support costs 2021 Number	Total 2021 Number	Grant to institution 2020 Number	Grants to individuals 2020 Number	Support costs 2020 Number	Total 2020 Number
Education, policy & awareness								
Research	1	-	-	1	1	-	-	1
Scholarships, awards and prizes	-	128	-	128	-	187	-	187
Hardship and financial assistance	-	41	-	41	-	21	-	21
Total	1	169	-	170	1	208	-	209

5c. Analysis of grants – Charity

	Grant to institution 2021 £000	Grants to individuals 2021 £000	Support costs 2021 £000	Total 2021 £000	Grant to institution 2020 £000	Grants to individuals 2020 £000	Support costs 2020 £000	Total 2020 £000
Education, policy & awareness								
Research	320	-	4	324	344	-	1	345
Scholarships, awards and prizes	-	454	52	506	-	604	56	660
Hardship and financial assistance	-	22	-	22	-	20	-	20
Total	320	476	56	852	344	624	57	1,025

	Grant to institution 2021 Number	Grants to individuals 2021 Number	Support costs 2021 Number	Total 2021 Number	Grant to institution 2020 Number	Grants to individuals 2020 Number	Support costs 2020 Number	Total 2020 Number
Education, policy & awareness								
Research	1	-	-	1	1	-	-	1
Scholarships, awards and prizes	-	127	-	127	-	186	-	186
Hardship and financial assistance	-	41	-	41	-	21	-	21
Total	1	168	-	169	1	207	-	208

The IET Awards programme helps to deliver the IET's vision, by underpinning our mission: to inspire, inform and influence the global engineering community, supporting technology innovation to meet the needs of society.

The programme includes awards for individual excellence, pioneering research, scholarships, travel awards, prizes and competitions. We also recognise the most innovative companies and the best new innovations across the world. All activities are undertaken by the IET directly, apart from research activities which are carried out through grant funding to third parties.

The Grant to Institution during the year represents the IET's A F Harvey Engineering Research Prize which was awarded through the host organisation University of California, Los Angeles. The host organisation in 2020 was École Polytechnique Fédérale de Lausanne.

6. Employees

Total employment costs of the Group and IET staff in the year were:

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Payroll costs:				
Salaries and overtime	23,891	23,828	21,288	21,233
Social Security	2,567	2,531	2,264	2,272
Pension and other benefits				
- defined benefit pension schemes	(5)	46	(5)	46
- defined contribution pension scheme	2,588	2,511	2,434	2,330
- other payments	480	502	385	399
Operating costs of defined benefit schemes	398	430	398	430
Termination payments	11	381	11	381
	29,930	30,229	26,775	27,091

The average monthly number of staff employed by the IET in the year was 570 (2020: 604) and by the Group was 636 (2020: 670), made up as follows:

	Group 2021 Number	Group 2020 Number	Charity 2021 Number	Charity 2020 Number
Charitable activities	597	631	567	601
Trading activities	36	36	-	-
Governance	3	3	3	3
	636	670	570	604

The numbers of employees whose emoluments including taxable benefits in kind, but excluding pension costs, exceeded £60,000 were within the following bands:

	Group 2021 Number	Group 2020 Number	Charity 2021 Number	Charity 2020 Number
£60,000 - £69,999	16	21	11	16
£70,000 - £79,999	16	17	16	15
£80,000 - £89,999	13	8	12	6
£90,000 - £99,999	2	1	2	1
£100,000 - £109,999	2	3	1	3
£110,000 - £119,999	1	2	1	2
£120,000 - £129,999	3	2	1	2
£130,000 - £139,999	2	2	2	1
£150,000 - £159,999	1	1	1	1
£160,000 - £169,999	1	2	1	1
£170,000 - £179,999	1	1	-	1
£180,000 - £189,999	1	-	1	-
£200,000 - £209,999	-	-	1	-
£360,000 - £369,999	-	1	-	1
£370,000 - £379,999	1	-	1	-

For the Group seven of the above employees (2020: seven) and for the Charity seven of the above employees (2020: seven) were deferred members of the defined benefit IET Superannuation and Assurance Scheme.

For the Group, 53 employees were members of the IET's defined contribution scheme (2020: 52). For the Group, pension payments in respect of the relevant employees to the defined contribution scheme totalled £636,191 (2020: £609,027).

For the Charity, 49 employees were members of the IET's defined contribution scheme (2020: 49). For the Charity, pension payments in respect of the relevant employees to the defined contribution scheme totalled £596,476 (2020: £552,793).

6a. Remuneration and benefits received by key management personnel

IET considers the key management personnel of the organisation to comprise the Trustees, together with the Chief Executive and Secretary (CES) and other members of the Executive Team who routinely attend Board of Trustees meetings. The aggregate remuneration and benefits of those personnel for services to the Charity and Group in the year amounted to £1,580,327 (2020: £1,505,590). In addition, employer's national insurance contributions were £170,410 (2020: £179,914). Of these amounts £nil (2020: £nil) related to the Trustees. However, one of the Trustees benefited from contracts with entities within the IET group in the year, the details of which are set out in Note 14.

The emoluments of the CES, including benefits in kind, amounted to £372,575 in the year (2020: £365,535), including payments in lieu of pension contributions. The CES is not a member of any IET pension scheme and no contributions are made to any other pension arrangements by the IET.

During the year, travelling and subsistence expenses totalling £3,280 were incurred by six members of the Executive Team considered key management personnel on behalf of the IET (2020: £9,339 by seven members of the Executive Team).

7. Tangible fixed assets – Group

	Long Leasehold buildings £000	Freehold building - Michael Faraday House £000	Mechanical and Electrical Installations £000	Furniture, fittings and equipment £000	Computers and Electronic Equipment £000	Total £000
Cost						
At 1 January 2021	16,902	6,935	12,538	3,504	3,755	43,634
Additions	-	14,225	-	20	30	14,275
Transfers	-	-	-	(98)	98	-
At 31 December 2021	16,902	21,160	12,538	3,426	3,883	57,909
Accumulated Depreciation:						
At 1 January 2021	2,346	3,464	4,041	1,783	3,416	15,050
Depreciation for the year	340	109	836	256	149	1,690
At 31 December 2021	2,686	3,573	4,877	2,039	3,565	16,740
Net book value:						
At 31 December 2021	14,216	17,587	7,661	1,387	318	41,169
At 31 December 2020	14,556	3,471	8,497	1,721	339	28,584

7a. Tangible fixed assets – IET

	Long Leasehold buildings £000	Freehold building - Michael Faraday House £000	Mechanical and Electrical Installations £000	Furniture, fittings and equipment £000	Computers and Electronic Equipment £000	Total £000
Cost:						
At 1 January 2021	16,902	6,935	12,538	3,442	3,755	43,572
Additions	-	14,225	-	14	30	14,269
Transfers	-	-	-	(98)	98	-
At 31 December 2021	16,902	21,160	12,538	3,358	3,883	57,841
Accumulated Depreciation:						
At 1 January 2021	2,346	3,464	4,041	1,727	3,416	14,994
Depreciation for the year	340	109	836	253	149	1,687
At 31 December 2021	2,686	3,573	4,877	1,980	3,565	16,681
Net book value:						
At 31 December 2021	14,216	17,587	7,661	1,378	318	41,160
At 31 December 2020	14,556	3,471	8,497	1,715	339	28,578

In 2020 the Trustees authorised a budget of £19.7m in respect of the project to refurbish Michael Faraday House. Of this total amount £0.5m was incurred in 2020 and £17.8m was incurred in 2021 of which £14.2m was capitalised. The balance of £1.4m will be incurred during 2022.

The IET Library and Archives was founded in 1880, and houses around 6 linear kilometres of books, journals, archive collections, audio-visual material and heritage objects (including paintings and sculpture) which date from the late 14th century to the present day. This collection was awarded Designated Status in 2006 (the scheme is now managed by the Arts Council) in recognition of its national and international importance. The core collection is stored in the IET's London headquarters at Savoy Place, with the remainder of the collection stored offsite in heritage quality storage.

The collection is managed by professional staff, with expert conservation advice from the National Conservation Service. The archives and rare books are housed in purpose-built storage in Savoy Hill House, which also includes a reading room for researchers. Online catalogues for both the Library and Archives can be found on the IET website at theiet.org/library. The Library's Knowledge Centre at Savoy Place reopened to visitors in May 2021, while maintaining remote access to the digital collections at theiet.org/publishing/library-archives/the-virtual-library/.

8. Investments – Group

	Non-property investments £000	Investment property £000	Total £000
At 1 January 2021	142,680	23,321	166,001
Acquisitions at Cost	2,999	-	2,999
Proceeds from Sale of Investments	(24,024)	-	(24,024)
Decrease in Current Asset Investments	(1,300)	-	(1,300)
Net Investment Gains/(Losses)	11,485	(847)	10,638
Adjustment to carrying value of investment property	-	(866)	(866)
Adjustment to carrying value of joint venture	(16)	-	(16)
At 31 December 2021	131,824	21,608	153,432
Finance lease relating to investment property (Notes 11 and 12)	-	(2,378)	(2,378)
Total net investments	131,824	19,230	151,054
Historical Cost at 31 December 2021	114,135	7,227	121,362
Unrealised Gains	17,689	12,003	29,692
Realised Gains based on historic cost	4,245	-	4,245

8a. Investments – IET

	Non-property investments £000	Investment property £000	Investments held at cost £000	Total £000
At 1 January 2021	142,555	23,321	1,061	166,937
Acquisitions at Cost	2,999	-	-	2,999
Proceeds from Sale of Investments	(24,024)	-	-	(24,024)
Decrease in Current Asset Investments	(1,300)	-	-	(1,300)
Adjustment to carrying value of investment property	-	(866)	-	(866)
Net Investment Gains/(Losses)	11,485	(847)	-	10,638
At 31 December 2021	131,715	21,608	1,061	154,384
Finance lease relating to investment property (Notes 11 and 12)	-	(2,378)	-	(2,378)
Total net investments	131,715	19,230	1,061	152,006
Historical Cost at 31 December 2021	114,028	7,227	1,061	122,316
Unrealised Gains	17,687	12,003	-	29,690
Realised Gains based on historic cost	4,245	-	-	4,245

The Investment Property for both the Group and the IET (Savoy Hill House) was valued as at 31 December 2021 by RICS Registered Valuers from Avison Young. The Valuers are not employees or officers of the IET. The valuation has been undertaken in accordance with the RICS Valuation – Global Standards 2020 ("the Red Book") and has been valued on the basis of Fair Value. The Investment Property is accounted for as a finance lease. Lease payments are contingent on estimated rental value. The lease that the IET has with its landlord for Savoy Hill House is currently under rent review. Such reviews occur formally every five years.

The IET occupies part of Savoy Hill House and uses it for its own use. The owner-occupied element is not considered to be significant and cannot easily be sold or leased out separately. As such, the whole of the property is accounted for as an investment property.

8b. Floating charge

The IET Superannuation and Assurance Scheme closed to future accrual on 31 March 2012. As part of the arrangement to close to future accrual the IET created a Security Agreement in favour of the Trustees of the Scheme. As continuing security for the obligations and liabilities of the IET to make payments to the Scheme under the terms of the Security Agreement the IET charged, by way of a first floating charge, a segregated proportion of its investments held. At 31 December 2020, the value of the floating charge was £10m. In August 2021, a Deed of Release was signed, releasing the assets from the charges created under the security agreement, reassigning to IET any assets assigned to the Trustees by way of security under the security agreement and releasing IET from its obligations to the Trustees under the security agreement.

8c. Analysis of Investments

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Fixed asset investments				
Investment property	21,608	23,321	21,608	23,321
Other fixed asset investments				
Investments in subsidiary undertakings	-	-	1,061	1,061
Investments in joint ventures	109	125	-	-
Listed investments:				
- Equities	61,621	60,384	61,621	60,384
- Private Markets	1,408	-	1,408	-
- Bonds	40,589	40,368	40,589	40,368
- Mixed Fund	24,111	32,445	24,111	32,445
Cash	-	4,072	-	4,072
Other fixed asset investments	127,838	137,394	128,790	138,330
Total fixed asset investments	149,446	160,715	150,398	161,651
Current asset investments				
Cash held as part of the fixed asset investment portfolio	3,986	5,286	3,986	5,286
Total current asset investments	3,986	5,286	3,986	5,286
Total investments	153,432	166,001	154,384	166,937
	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
UK	50,889	66,531	51,580	67,212
Non-UK	102,543	99,470	102,804	99,725
	153,432	166,001	154,384	166,937

Investments are primarily held to provide investment return to the Charity. The Trustees reviewed the investments in subsidiary undertakings and joint ventures as at 31 December 2021 and considered that no change in their carrying value was required.

9. Stocks

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Publications and work in progress	140	270	135	265

10. Debtors

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Trade debtors	3,483	2,896	2,588	2,461
Other debtors	1,255	712	1,063	548
Accrued income	4,441	4,451	4,362	4,425
Payments in advance	1,979	1,993	1,815	1,624
Amounts due from subsidiaries	-	-	928	327
	11,158	10,052	10,756	9,385

Included within 'Amounts due from subsidiaries' of the charity is a loan of £300,000 (2020: £300,000) from IET to IET Services Limited. The loan has no specified repayment date and carries interest at 1% above the UK bank base rate. The loan is secured by way of a fixed charge debenture over the assets of IET Services Limited.

11. Creditors: Amounts falling due within one year

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Accruals for grants payable	1,087	1,181	1,087	1,181
Trade creditors	1,536	1,341	1,390	1,218
Obligations under finance leases	97	132	97	132
Taxation and NI costs	878	796	744	684
Other creditors	1,101	948	1,086	933
Accruals	6,733	5,309	5,907	4,578
Amounts received in advance	10,390	10,018	9,605	9,167
Amounts due to subsidiaries	-	-	175	730
	21,822	19,725	20,091	18,623

'Amounts received in advance' represent income from subscriptions relating to future periods. Substantially all of the receipts in advance as at 31 December 2020 were released to the Statement of Financial Activities in the year ended 31 December 2021. Accruals include termination payments of £13,225 (2020: £310,026).

When members pay IET membership fees, the IET may also collect fees and/or donations on behalf of third parties and subsequently pass those amounts on to those entities. The funds received as an agent, paid across to the entities during the year end and balances held at the beginning and end of the year (included in Other creditors) are as follows:

	Group and Charity 2021 £000	Group and Charity 2020 £000
Funds held as at 1 January	548	572
Funds received in year	2,298	2,363
Funds transferred to third parties	(2,131)	(2,387)
Funds held at 31 December	715	548

12. Creditors: Amounts falling due after more than one year

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Accruals for grants payable	1,245	1,421	1,245	1,421
Obligations under finance leases:				
- later than one year and not later than five years	350	477	350	477
- later than five years	1,931	2,637	1,931	2,637
	3,526	4,535	3,526	4,535

13. Commitments

The total of future minimum lease payments under non-cancellable operating leases as at 31 December for the Group and Charity are as follows:

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Land and buildings, expiry date:				
- within one year	34	111	-	38
- between two and five years	1,096	621	827	529
- after five years	19,604	19,474	19,604	19,474
	20,734	20,206	20,431	20,041
Vehicles and equipment, expiry date:				
- within one year	-	6	-	3
- between two and five years	21	11	8	11
	21	17	8	14

The total of future minimum lease payments in respect of finance leases for the Group and Charity are as disclosed in Notes 11 and 12 - 'Obligations under finance leases'. The obligations relate to a lease that expires in the 'later than five years' category.

Land and buildings with leases that expire after five years comprises solely of a long lease for Savoy Place which expires in 2121. The present value of the minimum lease payments for this lease are estimated at 31 December 2021 to be £10,582,000 (31 December 2020: £10,436,000). The present value at 31 December 2021 is based on a discount factor of 1% (2020: 1%) which reflects current long term gilt yield estimates.

14. Trustees and related party transactions

During the year, travelling and subsistence expenses totalling £4,022 were incurred by four Trustees on behalf of the IET (2020: £11,373 by 11 Trustees). None of the Trustees, or persons connected with them, received remuneration for any service to the IET this year or last year.

Dr Peter Bonfield (Trustee, IET President from 1 October 2019 to 30 September 2020) is Vice-Chancellor and President at the University of Westminster. The IET had amounts receivable during the 2020 year from the University of Westminster of £650 plus VAT in respect of fees for academic accreditation. There were outstanding amounts due at 31 December 2020 of £650 plus VAT.

Dr Simon Harrison (Trustee during the period to 30 September 2020) is Group Strategic Development Manager of Mott MacDonald. IET Services Limited had amounts receivable from Mott MacDonald in 2020 of £4,516.50 plus VAT for room hire, equipment hire and catering. There were no outstanding amounts due at 31 December 2020. IET had amounts receivable from Mott MacDonald in 2020 of £14,250 for digital subscriptions. There were outstanding amounts due at 31 December 2020 of £14,250.

The Institution of Engineering and Technology Benevolent Fund (known as "Foothold") provide benevolent services to IET members and staff. Mrs Jayne Bryant (Trustee during the period to 30 September 2020) was a trustee of Foothold during the period to 30 September 2020. Professor Kate Sugden (Trustee from 1 October 2020) became a trustee of Foothold on 1 October 2020. The IET had amounts receivable from Foothold in 2021 of £525,123 (2020: £576,798) principally relating to staff related costs, travel, and subscriptions to outside bodies and £Nil (2020: £2,550) relating to IET group memberships. Amounts receivable of £111,227 were outstanding at 31 December 2021 (31 December 2020: £227,643). The IET had amounts payable to Foothold in 2021 of £389,305 (2020: £409,798) relating to donations collected on behalf of Foothold, £Nil (2020: £221) relating to room hire and catering and £170 (2020: £Nil) relating to IET group memberships. There were amounts payable of £32,758 at 31 December 2021 (31 December 2020: £39,650).

The IET has the following related party transactions with its Group entities:

Entity	Relationship	Ownership	Income 2021	Expenditure	Debtor/	Income 2020	Expenditure	Debtor/
			£000	2021 £000	(creditor) at 31 Dec 2021 £000	£000	2020 £000	(creditor) at 31 Dec 2020 £000
IET Services Limited	Subsidiary	100%	5,751	(4,058)	887	6,852	(4,446)	(249)
IEE Conventions Limited	Subsidiary	100%	-	(2)	(20)	13	-	(6)
IET USA, Inc.	Subsidiary	100%	1,203	(822)	(31)	328	(791)	(112)
IET (India)	Subsidiary	100%	-	(99)	(22)	-	(89)	21
IET Services (India)	Subsidiary	100%	45	(439)	(111)	56	(425)	(64)
IET Solutions (India)	Subsidiary	100%	-	(2)	-	-	-	-
IET (Beijing)	Subsidiary	100%	7	-	7	6	-	6
IET (Canada)	Subsidiary	100%	-	(2)	-	-	(10)	-
Institution of Engineering and Technology, USA	Subsidiary	100%	-	(7)	-	-	(1)	-

The IET is the immediate parent (except for IET (Beijing) whose immediate parent is IET Services Limited) and ultimate controlling party for the subsidiary entities listed above and these financial statements are publicly available.

IET Services Limited had amounts payable to IET (Beijing) during the year of £631,000 (2020: £369,000) in respect of business support services provided. An amount payable of £86,000 was outstanding at 31 December 2021 (31 December 2020: £64,000).

IEE Conventions Ltd has a debtor with its joint venture, IBC Partnership, at 31 December 2021 of £1,000 relating to its share of Partnership profits for the year ended/annual profits not yet distributed (31 December 2020: £8,000 relating to its share of Partnership profits). The net loss in the year in respect of the IBC Partnership was £2,000 (2020: net income of £13,000). There were no expenditure transactions with Group entities.

The intercompany balance with IET Services Limited includes an amount due to the IET in the current and prior year of £300,000. This amount represents the loan related to a Publishing Agreement that can be terminated by either party by giving not less than six months' notice. The loan carries interest at 1 per cent above UK Bank Base Rate per annum. The loan is secured by way of a fixed charge debenture. Except for this loan balance, all other intercompany balances between Group entities are unsecured and repayable under standard credit terms for consideration in cash.

IET Services Limited has four employees (2020: four)

who were members of IET's defined benefit pension scheme, 'The IET Superannuation and Assurance Scheme' (IET SAS) from 1 October 2007 until its closure to future accrual on 31 March 2012. The directors of IET Services Limited consider that there is insufficient information to account for the Scheme as a Defined Benefit Scheme in its own accounts, in particular as separate contribution rates were not identified for the participating employers of the scheme. As such the Scheme is accounted for on a Defined Contribution basis in the accounts of IET Services Limited. The FRS 102 surplus of IET SAS at 31 December 2021 as calculated by the Scheme Actuary is £6,213,000 (2020: deficit of £164,000), full details of which are set out in Note 16. A recovery plan has been agreed between the principal employer, The IET, and the Scheme Trustees in respect of the deficit calculated based on the position at 31 March 2020, the date of the most recent triennial actuarial valuation. IET Services Limited's contribution into this Scheme during 2021 was nil (2020: nil).

15. Reserves

General Funds

The General Funds of the charity represent those unrestricted funds of the charity which have not been designated for a particular purpose by the Trustees. An appropriate level of reserves is required by the IET to manage contingencies and risk and thereby protect the continuity of its activities. The general funds are managed over the long term by reference to the key risks identified for the IET; currently including business continuity, investment volatility and pension liabilities. This target-based approach is described in the Reserves Policy in the Financial Review section of the Report of the Trustees.

Designated Funds

The Fixed Assets Reserve represents the net book value of tangible fixed assets.

The Invested Building Redemption Reserve has been set up to provide the future funds required to rebuild or replace the Regional Centre over time and to provide a sum of money to refurbish Savoy Place at an appropriate interval during the lifetime of the lease. It also includes the estimated current cost of refurbishing Michael Faraday House.

The Development and New Initiatives Reserve has been established to fund those projects which have been approved to be undertaken and is also to underwrite new revenue-generating activities to supplement the income from existing activities during the period 2022-2025 as set out in the IET's Corporate Plan

The results of the FRS 102 valuation in respect of the IET's defined benefit pension schemes are disclosed in more detail in Note 16. The net pension scheme asset/(liability) is disclosed under **The Pension Scheme Funding Reserve**.

Accumulated Funds are in connection with the IET's subsidiary companies and represent amounts retained by those companies. Dividends are paid from time to time as allowed by local jurisdictions.

Restricted Funds

The **Trust Funds** have been established to receive donations and bequests which are restricted by the donor to the support of certain activities. These funds typically support scholarships, awards, prizes and research.

Trust Funds are managed alongside the IET's unrestricted investment portfolio and are shown at fair value at 31 December 2021.

The **Dr A F Harvey Fund** is a part of the IET Benefactors Trust Fund but is shown separately because of its significance. Dr Harvey, an IET member, bequeathed a generous sum of money to the IET for a Trust Fund to be set up in his name after his death. The terms of the Trust specify that the money is to be used for the furtherance of scientific research into the fields of medical, microwave and radar, or laser engineering. The Board of Trustees agreed that the available funds would be used to offer an annual research prize in one of these research fields each year, covering them all over a three-year cycle.

The **Impact Engineering Fund** represents monies that have been donated to the IET for various specific purposes.

A number of these funds are also linked charities. The most significant linked charity by size is the IET Benefactors Trust Fund which is the IET's principal Restricted Fund and was established for such charitable purposes connected with the Institution or connected with the advancement of education in electrical engineering generally including the establishment and award of scholarships, fellowships, lectureships, competitions, prizes and awards. It is shown separately on the basis of materiality.

The largest of the other linked charities is the Lord Hirst Fund which provides financial support to engineers in financial need, with funds at 31 December 2021 of £553,000 (31 December 2020: £515,000). The full list of linked charities is provided in Note 15a.

In addition, the Janet Firmin Memorial Fund had funds of £742,000 as at 31 December 2021 (31 December 2020: £626,000). The Fund is not a linked charity.

Government Grants: The IET received grant funding from the UK Government and in 2021 income of £1,410,000 was recognised in the SoFA (2020: £1,410,000). The funds have been used in connection with the establishment of a UK Cyber Security Council. The project ended in March 2021 and at that time the UK Cyber Security Council became an independent entity. In 2020 the IET signed a Grant Agreement with Science Foundation Ireland for a Project, *Igniting Curiosity in STEM: IET FIRST® LEGO® League*; the start date for the Grant is 1 January 2021.

Transfers between Funds

Transfers between Unrestricted Funds represent specific designations agreed by the Trustees and which Designations are to be applied to those purposes.

15a. Linked Charities

The IET Linked Charities that hold a value in Trust Funds within the Restricted Funds are as follows:

Permanent endowments - Other Trust Funds

Linked Charity Name	Registration Number
Wilde Benevolent Trust Fund	211014-1
The Institution Prize for Women	211014-3
William Beedie Esson Scholarship	211014-6
Will Geipel Scholarship	211014-7
Goldup Prize Fund	211014-8
Percy Hudswell Fund	211014-9
David Hughes Scholarship	211014-10
I M E A Scholarship Fund	211014-12
J D Knight and E D Knight	211014-13
Sir Edward Manville Scholarship Fund	211014-15
O'Gorman Memorial Fund	211014-18
The Page Prize	211014-19
Sir Charles A Parsons Memorial Scholarship	211014-20
Paul Scholarship	211014-21
John S Robinson Memorial Fund	211014-22
Salomons Scholarship	211014-23
Swan Memorial Scholarship Fund	211014-24
Thorowgood Scholarship	211014-25
War Thanksgiving Education and Research Fund No 1	211014-26
Lord Hirst Fund	211014-31
The Joseph William Beauchamp Scholarships	211014-32
The Caroline Haslett Memorial Trust	211014-34

Expendable endowments – IET Benefactors Trust Fund:

Linked Charity Name	Registration Number
IET Benefactors Trust Fund	211014-14
The Institution of Electrical Engineers Manufacturing Education Trust	211014-30

Expendable endowments – Other Trust Funds

Linked Charity Name	Registration Number
J R Beard Travelling Fund	211014-4
Blumlein-Browne-Willans Premium Fund	211014-5
Hunter Memorial Lecture Fund	211014-11
Henry Nimmo Premium Fund	211014-16
Leslie H Paddle Scholarship Fund	211014-27

15b. Reserves and Restricted Funds

Group – Year ended 31 December 2021

	Balance at 1 January 2021 £000	Net Income/ (Expenditure) £000	Other recognised (losses)/gains £000	Transfers £000	Balance at 31 December 2021 £000
Total General Funds	98,211	14,625	-	(9,939)	102,897
Designated Funds					
Fixed Assets Reserve	28,584	(1,690)	-	14,275	41,169
Invested Building Redemption Reserve	27,223	(3,601)	-	(12,921)	10,701
Development and New Initiatives Reserve	14,800	(6,297)	-	7,397	15,900
IEECL Accumulated Fund	116	-	-	-	116
IET India Accumulated Fund	101	12	-	-	113
IET Services (India) Accumulated Fund	427	68	-	-	495
IET USA, Inc. Accumulated Fund	307	46	-	-	353
IET (Beijing) Accumulated Fund	520	(163)	-	-	357
Total Designated Funds	72,078	(11,625)	-	8,751	69,204
Total Unrestricted Funds Before Pension Liability					
	170,289	3,000	-	(1,188)	172,101
Pension Scheme Funding Reserve	(164)	5	5,184	1,188	6,213
Foreign exchange (losses)/gains arising on retranslation of foreign subsidiaries	(81)	-	22	-	(59)
Total Unrestricted Funds After Pension Liability	170,044	3,005	5,206	-	178,255
Permanent Endowment Funds					
Other Trust Funds	2,131	292	-	-	2,423
Expendable Endowment Funds					
IET Benefactors Trust Fund	6,560	414	-	-	6,974
Dr A F Harvey Fund	6,109	703	-	-	6,812
Other Trust Funds	478	41	-	-	519
Total Expendable Endowment	13,147	1,158	-	-	14,305
Total Endowment Funds	15,278	1,450	-	-	16,728
Restricted Income Funds					
Impact Engineering Funds	487	303	-	-	790
Other Trust Funds	362	20	-	-	382
Total Restricted Income Funds	849	323	-	-	1,172
Other Restricted Funds	127	(127)	-	-	-
Restricted Funds	16,254	1,646	-	-	17,900
Total Group Funds	186,298	4,651	5,206	-	196,155

15b. Reserves and Restricted Funds (continued)

Group – Year ended 31 December 2020

	Balance at 1 January 2020 £000	Net Income/ (Expenditure) £000	Pension Scheme Actuarial Gain £000	Transfers £000	Balance at 31 December 2020 £000
Total General Funds	97,978	6,086	-	(5,853)	98,211
Designated Funds					
Fixed Assets Reserve	29,549	(1,824)	-	859	28,584
Invested Building Redemption Reserve	27,477	-	-	(254)	27,223
Development and New Initiatives Reserve	15,500	(4,760)	-	4,060	14,800
IEECL Accumulated Fund	116	-	-	-	116
IET India Accumulated Fund	109	(8)	-	-	101
IET Services (India) Accumulated Fund	419	8	-	-	427
IET USA, Inc. Accumulated Fund	207	100	-	-	307
IET (Beijing) Accumulated Fund	347	173	-	-	520
Total Designated Funds	73,724	(6,311)	-	4,665	72,078
Total Unrestricted Funds Before Pension Liability					
	171,702	(225)	-	(1,188)	170,289
Pension Scheme Funding Reserve	(2,183)	(46)	877	1,188	(164)
Foreign exchange (losses)/gains arising on retranslation of foreign subsidiaries	(29)	-	(52)	-	(81)
Total Unrestricted Funds After Pension Liability	169,490	(271)	825	-	170,044
Permanent Endowment Funds					
Other Trust Funds	2,032	99	-	-	2,131
Expendable Endowment Funds					
IET Benefactors Trust Fund	6,481	79	-	-	6,560
Dr A F Harvey Fund	5,765	344	-	-	6,109
Other Trust Funds	448	40	-	(10)	478
Total Expendable Endowment	12,694	463	-	(10)	13,147
Total Endowment Funds	14,726	562	-	(10)	15,278
Restricted Income Funds					
Impact Engineering Funds	396	81	-	10	487
Other Trust Funds	357	5	-	-	362
Total Restricted Income Funds	753	86	-	10	849
Other Restricted Funds	13	114	-	-	127
Restricted Funds	15,492	762	-	-	16,254
Total Group Funds	184,982	491	825	-	186,298

15b. Reserves and Restricted Funds (continued)

Charity – Year ended 31 December 2021

	Balance at 1 January 2021 £000	Net Income/ (Expenditure) £000	Other recognised gains £000	Transfers £000	Balance at 31 December 2021 £000
Total General Funds	98,403	14,634	-	(9,933)	103,104
Designated Funds					
Fixed Assets Reserve	28,578	(1,687)	-	14,269	41,160
Invested Building Redemption Reserve	27,223	(3,601)	-	(12,921)	10,701
Development and New Initiatives Reserve	14,800	(6,297)	-	7,397	15,900
Total Designated Funds	70,601	(11,585)	-	8,745	67,761
Total Unrestricted Funds Before Pension Liability	169,004	3,049	-	(1,188)	170,865
Pension Scheme Funding Reserve	(164)	5	5,184	1,188	6,213
Total Unrestricted Funds After Pension Liability	168,840	3,054	5,184	-	177,078
Permanent Endowment Funds					
Other Trust Funds	2,131	292	-	-	2,423
Expendable Endowment Funds					
IET Benefactors Trust Fund	6,560	414	-	-	6,974
Dr A F Harvey Fund	6,109	703	-	-	6,812
Other Trust Funds	478	41	-	-	519
Total Expendable Endowment	13,147	1,158	-	-	14,305
Total Endowment Funds	15,278	1,450	-	-	16,728
Restricted Income Funds					
Impact Engineering Funds	487	303	-	-	790
Other Trust Funds	362	20	-	-	382
Total Restricted Income Funds	849	323	-	-	1,172
Other Restricted Funds	127	(127)	-	-	-
Restricted Funds	16,254	1,646	-	-	17,900
Total Charity Funds	185,094	4,700	5,184	-	194,978

15b. Reserves and Restricted Funds (continued)

Charity – Year ended 31 December 2020

	Balance at 1 January 2020 £000	Net Income/ (Expenditure) £000	Other recognised (losses)/ gains £000	Transfers £000	Balance at 31 December 2020 £000
Total General Funds	98,347	5,909	-	(5,853)	98,403
Designated Funds					
Fixed Assets Reserve	29,540	(1,821)	-	859	28,578
Invested Building Redemption Reserve	27,477	-	-	(254)	27,223
Development and New Initiatives Reserve	15,500	(4,760)	-	4,060	14,800
Total Designated Funds	72,517	(6,581)	-	4,665	70,601
Total Unrestricted Funds Before Pension Liability	170,864	(672)	-	(1,188)	169,004
Pension Scheme Funding Reserve	(2,183)	(46)	877	1,188	(164)
Total Unrestricted Funds After Pension Liability	168,681	(718)	877	-	168,840
Permanent Endowment Funds					
Other Trust Funds	2,032	99	-	-	2,131
Expendable Endowment Funds					
IET Benefactors Trust Fund	6,481	79	-	-	6,560
Dr A F Harvey Fund	5,765	344	-	-	6,109
Other Trust Funds	448	40	-	(10)	478
Total Expendable Endowment	12,694	463	-	(10)	13,147
Total Endowment Funds	14,726	562	-	(10)	15,278
Restricted Income Funds					
Impact Engineering Funds	396	81	-	10	487
Other Trust Funds	357	5	-	-	362
Total Restricted Income Funds	753	86	-	10	849
Other Restricted Funds	13	114	-	-	127
Restricted Funds	15,492	762	-	-	16,254
Total Charity Funds	184,173	44	877	-	185,094

15c. Restricted Funds Analysis

Group and Charity

	Balance at 1 January 2021 £000	Income £000	Expenditure £000	Investment Gains £000	Transfers £000	Balance at 31 December 2021 £000
Permanent Endowment Funds						
Other Trust Funds	2,131	33	-	259	-	2,423
Expendable Endowment Funds						
IET Benefactors Trust Fund	6,560	188	(589)	815	-	6,974
Dr A F Harvey Fund	6,109	196	(352)	859	-	6,812
Other Trust Funds	478	13	(29)	57	-	519
Total Expendable Endowment	13,147	397	(970)	1,731	-	14,305
Total Endowment Funds	15,278	430	(970)	1,990	-	16,728
Restricted Income Funds						
Impact Engineering Funds	487	717	(414)	-	-	790
Other Trust Funds	362	45	(65)	40	-	382
Total Restricted Income Funds	849	762	(479)	40	-	1,172
Other Restricted Funds	127	781	(908)	-	-	-
Restricted Funds	16,254	1,973	(2,357)	2,030	-	17,900
Group and Charity 2020						
	Balance at 1 January 2020 £000	Income £000	Expenditure £000	Investment Gains £000	Transfers £000	Balance at 31 December 2020 £000
Permanent Endowment Funds						
Other Trust Funds	2,032	(32)	-	131	-	2,131
Expendable Endowment Funds						
IET Benefactors Trust Fund	6,481	124	(621)	576	-	6,560
Dr A F Harvey Fund	5,765	125	(367)	586	-	6,109
Other Trust Funds	448	8	(6)	38	(10)	478
Total Expendable Endowment	12,694	257	(994)	1,200	(10)	13,147
Total Endowment Funds	14,726	225	(994)	1,331	(10)	15,278
Restricted Income Funds						
Impact Engineering Funds	396	490	(409)	-	10	487
Other Trust Funds	357	27	(44)	22	-	362
Total Restricted Income Funds	753	517	(453)	22	10	849
Other Restricted Funds	13	1,410	(1,296)	-	-	127
Restricted Funds	15,492	2,152	(2,743)	1,353	-	16,254

15d. Other Restricted Funds

Other Restricted Funds are as follows:

Cyber Security Council

A grant was awarded to the IET during 2019 by the Department for Digital, Culture, Media & Sport as delivery lead for the new UK Cyber Security Council. The project completed in March 2021. Movements in the Fund during the year have been as follows:

	2021 €000	2020 €000
Balance at 1 January 2021	126	13
Income	782	1,410
Expenditure	(908)	(1,297)
Balance at 31 December 2021	-	126

Science Foundation Ireland

The following information is set out in accordance with the requirements of the funder.

The principal terms of the Grant are:

Grantor: Science Foundation Ireland ("SFI"). SFI is an agency of the Department of Further and Higher Education, Research, Innovation and Science.

Programme: Discover Programme Call

Project Title: Igniting Curiosity in STEM: IET *FIRST*® LEGO® League

Purpose: IET *FIRST*® LEGO® League. This is a STEM programme which inspires children and young people from the ages of 4-16. These restricted funds will be applied in 2021 and 2022.

Amount of grant awarded: €299,300

Term: 24 months commencing 1/1/2021

Confirmation statement: The IET has adequate financial control systems in place to monitor granted funds. The State's investment is protected and will not be used as security for any other activity without prior consultation with the Foundation.

Transactions in the year were as follows:

Description	€000
Balance @ 1 January 2021	-
Release of deferred income*	129
Cash received in the year	107
Accrued income	25
Income	261
Expenditure	(108)
Balance @ 31 December 2021	153

*cash received of €143,550 in December 2020 was deferred until the grant commencement date of 1 January 2021

15e. Analysis of Group Net Assets Between Funds

31 December 2021

	Unrestricted funds 2021 £000	Restricted and endowment funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	41,169	-	41,169
Fixed asset investments	128,847	20,599	149,446
Current assets	24,675	-	24,675
Current liabilities	(20,366)	(1,456)	(21,822)
Long term creditors	(2,283)	(1,243)	(3,526)
Pension scheme asset	6,213	-	6,213
	178,255	17,900	196,155

31 December 2020

	Unrestricted funds 2020 £000	Restricted and endowment funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	28,584	-	28,584
Fixed asset investments	142,159	18,556	160,715
Current assets	21,064	359	21,423
Current liabilities	(18,469)	(1,256)	(19,725)
Long term creditors	(3,130)	(1,405)	(4,535)
Pension scheme liability	(164)	-	(164)
	170,044	16,254	186,298

15f. Analysis of IET Net Assets Between Funds

31 December 2021

	Unrestricted funds 2021 £000	Restricted and endowment funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	41,160	-	41,160
Fixed asset investments	129,799	20,599	150,398
Current assets	20,824	-	20,824
Current liabilities	(18,635)	(1,456)	(20,091)
Long term creditors	(2,283)	(1,243)	(3,526)
Pension scheme asset	6,213	-	6,213
	177,078	17,900	194,978

31 December 2020

	Unrestricted funds 2020 £000	Restricted and endowment funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	28,578	-	28,578
Fixed asset investments	143,095	18,556	161,651
Current assets	17,828	359	18,187
Current liabilities	(17,367)	(1,256)	(18,623)
Long term creditors	(3,130)	(1,405)	(4,535)
Pension scheme liability	(164)	-	(164)
	168,840	16,254	185,094

16. Pension Schemes

16a. Defined Benefit Schemes

The IET operated one defined benefit pension scheme during the year, The IET Superannuation and Assurance Scheme (IET SAS) and which is closed to new entrants and to future accrual. The scheme is subject to triennial valuations by independent actuaries using the projected units method.

For the purposes of these financial statements the actuary carried out FRS 102 valuations for the scheme for the year ended 31 December 2021.

The scheme is administered through a trust, which is independent of the IET, by Trustees who are appointed by IET and member-nominated Trustees. The figures below exclude the pension expenses or employees of Foothold, a separate charity organisation that also participates in the defined benefit scheme.

The most recent triennial valuation was carried out as at 31 March 2020.

The IET expects to contribute £1,188,000 to the Scheme in the year ending 31 December 2022.

Assumptions

The tables set out below state the assumptions upon which the valuations of the Schemes were based.

	IET SAS 2021 % pa	IET SAS 2020 % pa
Price inflation (RPI)	3.45	3.00
Price inflation (CPI)	2.70	2.10
Pension increase rate LP15	3.30	2.95
Discount rate	1.85	1.25

The mortality assumptions adopted imply the following life expectancies from age 60:

	IET SAS 2021	IET SAS 2020
Member age 60 – male (current life expectancy)	28.0	28.0
Member age 60 – female (current life expectancy)	29.8	29.8
Member age 40 – male (future pensioner)	29.2	29.1
Member age 40 – female (future pensioner)	31.0	30.9

Analysis of the amounts charged to Statement of Financial Activities

	2021 £000	2020 £000
Past service cost	-	15
Net interest (credit)/charge on net defined benefit liability	(5)	31
Net amount (credited)/charged to Statement of Financial Activities	(5)	46

	2021 £000	2020 £000
Actual return on assets excluding amounts included in net interest	1,367	17,204
Actuarial gains/(losses) arising on scheme liabilities	3,817	(16,327)
Actuarial gains charged to the Statement of Financial Activities	5,184	877

Analysis of the amounts recognised in the Balance Sheet

Changes to fair value of scheme assets	2021 £000	2020 £000
Opening fair value of scheme assets	173,033	156,217
Interest income	2,141	3,092
Contributions by employer	1,188	1,188
Benefits paid	(4,734)	(4,668)
Return on Scheme assets excluding interest income	1,367	17,204
Closing fair value of scheme assets	172,995	173,033

Changes to present value of benefit obligations	2021 £000	2020 £000
Opening present value of benefit obligations	173,197	158,400
Past service cost	-	15
Interest costs	2,136	3,123
Benefits paid	(4,734)	(4,668)
Actuarial (gains)/losses	(3,817)	16,327
Closing present value of benefit obligations	166,782	173,197

	2021 £000	2020 £000
Fair value of scheme assets	172,995	173,033
Present value of benefit obligations	(166,782)	(173,197)
Net surplus/(deficit)	6,213	(164)

Fund assets

The major categories of plan assets as a percentage of total plan assets are as follows:

	2021 £000	2021 %	2020 £000	2020 %
UK Equities	351	0.2	356	0.2
Overseas Equities	15,397	8.9	15,129	8.7
Debt Securities - Government	67,446	39.0	59,910	34.6
Diversified Growth Funds	13,753	7.9	17,415	10.1
Insurance contracts	71,618	41.4	76,138	44.0
Aviva DAF Fund	4,106	2.4	3,941	2.3
Cash and cash equivalents	324	0.2	144	0.1
	172,995	100.0	173,033	100.0

None of the fair values of the assets shown include any of the IET's own financial instruments or any property occupied by, or other assets used by, the IET.

Sensitivity analysis

The calculation of the IET SAS defined benefit obligation is sensitive to the assumptions set out above. The table set out below shows the impact on the value of the benefit obligation as at 31 December 2021 of a change in assumptions:

	Actuarial value of liabilities at 31 December 2021 £000
Base Case	166,782
-0.5% decrease in discount rate	181,203
1 year increase in member life expectation	173,453
+0.5% change in inflation	176,555

16b. Defined Contribution Schemes

Both the IET and employees make contributions towards the IET's defined contribution stakeholder pension arrangement. At 31 December 2021, 548 Group employees were members of the scheme (2020: 574). The total employer contributions paid to this scheme during the year amounted to £2,558,000 (2020: £2,511,000).

The pension charge for the year to 31 December 2021 for all schemes was £2,553,000 (2020: £2,557,000).

17. Post balance sheet events

To the extent events taking place since the 31 December 2021 and up until the approval of the report and accounts by the Board of Trustees provide material information about conditions existing at 31 December 2021 they have been reflected in the financial statements and notes.

The organisation has continued to respond and adapt to the impacts of COVID-19 and the global economic disruption partly triggered by the pandemic. These impacts have been felt directly and indirectly by the IET both financially and in respect of delivering some of its charitable activities that have traditionally depended on physical attendance. Financially, revenues associated with events and meetings, including room hire within our buildings, have been particularly impacted, while significant levels of variable costs have also been saved. IET has altered its operations and activities to adapt to this changing environment, including delivery of hybrid or fully virtual events, and greater use of digital systems within its operations, products and services.

With very significant progress made in respect of vaccinations and treatments during 2021, a reduction in the disruption from the pandemic is anticipated, however

the Trustees recognise a financial recovery will be over a number of years and have reviewed operational budgets and forecasts in that light, and in the knowledge of the relatively positive reserves position which the IET currently enjoys. The Trustees will continue to monitor the position over the coming year and continue to take a measured approach to growing IET's charitable impact over time while being mindful of long-term financial sustainability.

In respect of the invasion of Ukraine by Russia in February 2022 the IET is monitoring its position closely in respect of its exposure to Russia. The IET's day to day operational dealings with individuals and organisations in Russia are minimal. Financial markets have been volatile since the invasion and the Finance and Investment Committee will monitor the IET's investment portfolio carefully with investment advisers in connection with all direct or indirect investments in Russian entities. The IET's Revaluation Reserve is designed to protect the IET's Reserves position from extreme movements in financial markets and at 31 December 2021 the amount of this Reserve was £10.7m, calculated as being 10% of the value of the IET's non-property Unrestricted Investments. Further information is set out in the Reserves Policy section of the Trustees' Report.

Legal and administrative information

The Institution of Engineering and Technology (IET) is registered with the Charity Commission for England and Wales under charity number 211014 and the Office of the Scottish Charity Regulator under charity number SC038698.

Principal Office

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Trustees

Members of the Board of Trustees at the date the report was approved:

Miss Yewande Akinola
Dr Ian Belger
Dr Bicky Bhangu
Professor Phil Blythe
Professor Bob Cryan
Mrs Katy Deacon (appointed 1 October 2021)
Professor Danielle George
Dr Andy Harter
Ms Rachel Hurst
Miss Abbie Hutty (appointed 1 October 2021)
Dr Gopichand Katragadda
Professor Paul Needham
Ms Dawn Ohlson
Professor Sarah Spurgeon (appointed 1 October 2021)
Professor Kate Sugden
Sir Julian Young

Other Trustees who served during the period of the report:

Dr Colin Arthur
(retired 30 September 2021)
Dr Peter Bonfield
(retired 30 September 2021)
Mr Joe Dunn
(retired 30 September 2021)

Executive Team

Mr Nigel Fine
(Chief Executive and Secretary)
Ms Toni Allen
(Director of International Strategic Marketing and Engagement)
Mr Ed Almond
(Director of Finance and Planning)
Mr Richard Best
(Director of IT and Digital Services)
Ms Morna Dason-Barber
(Director Human Resources)
Mr Simon Edwards (Director of Governance and External Engagement)
Mr Giles Grant
(Director of Knowledge Services and Solutions)
Ms Michelle Richmond
(Director of Membership and Professional Development)

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Mercer Global Investments Europe Ltd, 2nd Floor,
Charlotte House, Charlemont Place, Dublin 2, Ireland
Oak Hill Advisors (Europe) LLP, 45 Pall Mall, 4th Floor, London, SW1Y 5JG

Custodian

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Investment Advisers

Mercer Limited, 1 Whitehall Quay, Leeds LS1 4HR

Actuary

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