

THE ENGINEERING AND TECHNOLOGY BOARD

England & Wales · Charity number 1089678

Details

Other names	ENGINEERINGUK
Status	Registered
Legal form	Charitable company
Company number	04322409
Registered	2001-12-06
Register	View on the Charity Commission register

Contact

Address	Engineeringuk Northern & Shell Building 10 Lower Thames Street London EC3R 6EN
Phone	02032060410
Email	fadegoke@engineeringuk.com
Website	www.engineeringuk.com

Activities

Objects: (A) TO PROMOTE FOR THE PUBLIC BENEFIT THE ART AND SCIENCE OF ENGINEERING IN ALL ITS APPLICATIONS IN THE CONTEXT OF MODERN TECHNOLOGY; (B) TO ADVANCE EDUCATION IN ENGINEERING AND TECHNOLOGY.

Activities: TO PROMOTE FOR THE PUBLIC BENEFIT THE ART AND SCIENCE OF ENGINEERING IN ALL ITS APPLICATIONS IN THE CONTEXT OF MODERN TECHNOLOGY AND TO ADVANCE EDUCATION IN ENGINEERING AND TECHNOLOGY.

Classification

- **How:** Makes Grants To Organisations, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body, Other Charitable Activities
- **What:** Education/training, Arts/culture/heritage/science, Economic/community Development/employment
- **Who:** Children/young People, Other Defined Groups, The General Public/mankind

Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£10,003,000	£10,080,000	£3,021,000	67
2024-08-31	£9,838,000	£10,066,000	£3,177,000	63
2023-08-31	£9,589,000	£9,773,000	£3,278,000	63
2022-08-31	£9,342,000	£9,560,000	£3,526,000	62
2021-08-31	£8,871,000	£8,892,000	£3,908,000	51

Trustees

Name	Role	Appointed
Alexander Thomas King		2025-04-01
Dame Tamara Finkelstein		2026-02-09
Dr Janet Young		2023-03-01
Dr Rashada Harry		2020-05-20
EROL MUSTAFA		2021-09-18
Edward Almond		2023-03-01
Iain Conn		2023-10-01
JACQUELINE FERGUSON		2018-05-03
JAMES SMITH		2021-12-06
James Murnieks		2025-12-08
Joann Passingham		2025-12-08
Neil Young		2025-12-08
Peter Sellars		2024-05-01
Prof John Chudley BSc PhD		2023-06-22
RUTH CARTER		2022-06-01
STEVE ROSSITER		2021-09-18

THE ENGINEERING AND TECHNOLOGY BOARD

England & Wales - Charity number 1089678

Accounts



EngineeringUK

INSPIRING FUTURES TOGETHER



**THE ENGINEERING AND TECHNOLOGY BOARD
TRADING AS THE ENGINEERINGUK GROUP
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

COMPANY NO: 4322409

ENGLAND AND WALES CHARITY NO: 1089678

SCOTLAND CHARITY NO: SC046249

engineeringuk.com

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REPORT OF THE TRUSTEES

The Trustees present this annual report and financial statements for the 12-month period to the 31 August 2025. Reference and administrative information set out on page 42 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102. This Trustees annual report includes a directors' report as required by company law.

Introduction

Our vision is for the UK to have the diverse workforce needed for engineering and technology to thrive and to drive economic prosperity, improve sustainability and achieve net zero. The importance of growing the number of young people choosing engineering and technology careers has only become more apparent since we launched our [new 5 year strategy](#) in September 2023, not least because the success of the government's new modern Industrial Strategy - aimed at increasing business investment and growing future industries in the UK - depends on engineering and technology. A key element of the Industrial Strategy is to support growth by enhancing skills, improving workforce diversity and increasing access to talent, all of which align closely with our own strategy.

Our policy and public affairs team have been responding to the change of government with its new structures, opportunities to contribute to policy development and a plethora of new initiatives to understand and engage with as appropriate. While we welcome government and industry recognition of the need to grow the engineering and technology workforce, much of the response to date has focused on meeting more immediate workforce needs. This needs to be balanced by more efforts aimed at developing the longer term future workforce by working with schools and engaging secondary and primary age students. We welcome the interest in workforce diversity from government and industry, although policy is focused on getting socioeconomically disadvantaged people into work which is an important goal, but misses the greater potential that closing the gender gap has to bring millions of women into engineering and technology.

Consequently, a highlight of our work in 2024/25 is the new partnership we built to drive a collective mission to achieve a step-change in the number of young women into education pathways to engineering and technology at age 18 that yielded six new strands of work. We worked with many new organisations in this effort bringing the total number of organisations we work with to around 450. Collaboration is one of our core values and works both ways - we welcome the wide range of opportunities that other organisations have offered us to contribute to their work as well as the time and support they have given us.

We've been very pleased with our delivery over 2024/25. In particular, we grew our reach by 70% to 207,000 activities delivered to young people with an additional 70,000 careers resources sent or downloaded – all brought together under our new EUK Education brand and website. In the achievements section of this report, we provide more detail on this and other delivery under the four work streams of our 2023-2028 strategy:

- (1) research and evidence to understand workforce needs and how to inspire the next generation
- (2) leading partnerships to increase the collective impact of all of our engagement activities
- (3) delivering activities for students that ignite a passion for engineering and technology and
- (4) policy and advocacy, so that all students have the STEM and careers education they need and deserve.

Our work to support equity, diversity and inclusion is explained within each strand whereas our work on environmental sustainability is highlighted at the end of the achievements section. We then present plans for 2025/26 and provide more information on funders for the different strands of work in the financial section. We were delighted to have the opportunity to grow our reach in 2024/25 but much of our activity for schools depends on year-to-year fundraising and we will need to work hard to achieve our ambitious targets for 2025/26. We still subsidise school activities as well as drawing funding for our other work from a relatively stable income source from the registration fees of professionally registered engineers and technicians collected from the members of Professional Engineering Institutes and supplemented by Corporate Membership fees – both of which we greatly appreciate.

Sincere thanks to every funder, partner, member, volunteer, teacher, careers advisor and student involved in our work - it simply wouldn't be possible without you.

Charitable Objectives

1. To promote for the public benefit the art and science of engineering in all its applications in the context of modern technology.
2. To advance education in engineering and technology.

Vision, Mission and Purpose

Our Vision

The UK has the diverse workforce needed for engineering and technology to thrive and to drive economic prosperity, improve sustainability and achieve net zero.

Our Mission

EngineeringUK will enable more young people from all backgrounds to be inspired, informed and progress into engineering and technology.

Our Purpose

To drive change so more young people choose engineering and technology careers.

Public Benefit

EngineeringUK is a charitable body and exists to deliver benefits to the public. The Trustees have noted the duty in Section 17 of the Charities Act 2011 and given regard to the Charity Commission and The Scottish Charity Regulator's guidance on public benefit. Benefits arising from our activities are as follows.

- **Young people benefit** from understanding how and being more interested in progressing into engineering, technology and technician roles. These benefits will be greatest when we work with young people from groups that are under-represented in the engineering and technology [workforce](#) (women, people from socioeconomically disadvantaged or UK minority ethnic backgrounds, and disabled people) as they would otherwise be less likely to progress into these areas. From an equity perspective, it is important to improve access to these jobs given the high demand for them and that they are paid above average.
- As well as providing careers insights, depending on which activities they participate in, young people can improve their motivation and confidence, and develop wider employability skills such as problem solving, team work, communication and presentation skills. They may also develop specific engineering and technology skills and knowledge.
- **Schools and teachers benefit** from activities and employer engagements which help with students' careers education, including meeting the requirements for English schools set out in the Gatsby benchmarks, as well as through the benefits to their students identified above. In most of our activities, teachers also have professional development by learning more about contemporary advancements in the STEM sector, especially engineering and technology, and related careers, and when supported to deliver in areas they are unfamiliar with (e.g., around technological mitigations and adaptations to climate change).
- **Employers and organisations involved in working with young people benefit** from better collaboration and coordination of their engagement activities and the provision of evidence, guidance and opportunities to improve the cost-effectiveness and impact of their delivery, also helping with their own commitments around Corporate Social Responsibility, ESG (Environment, Social and Governance) and Social Value.
- **Policymakers and those working in policy benefit** from having a stronger evidence base for their work derived from our research publications that include the make-up of the current workforce,

workforce needs, young people's educational pathways into engineering, technology and technician roles, and their experiences of STEM and careers education and apprenticeships.

- **The engineering and technology sector and the nation will benefit** from having a larger and more diverse engineering, technology and technician workforce that enhances growth, productivity and innovation, mitigates skills shortages, reduces our dependence on workers from overseas, and increases the likelihood of achieving a just transition to net zero.

Achievements for 2024/25

1. Research and Evidence - Establishing the composition of the current engineering, technology & technician workforce, future workforce needs and how to address them.

Why this is important

Sharing our evidence helps ensure that careers information is accurate and conveyed in an inclusive and impactful way, policy development is better informed, and all engineering and technology engagement activities are inclusive and inspire the next generation.

What we said we would do during 2024/25

- Educational Pathways analysis of secondary data and Higher Education.
- Additional analyses of 2023 Science Education Tracker data.
- Undertake workforce composition research updating statistics on workforce composition.
- Deliver 2 thematic reports and 5-6 programme specific infographics.
- Work with a research partner to secure funding for a Longitudinal Research Project to explore the extent to which multiple STEM engagements impact on young people's later attitudes and choices.

How did we do?

- [Advancing STEM careers provision in England](#) - based on data from almost 200 careers professionals. We used this report to advocate for the government to publish a new, funded careers strategy to mitigate the barriers that were identified to delivering STEM careers activities and work experience.
- Two 'thematic evaluations' - looked at lessons learned from our own programmes and activities: [Incorporating environmental sustainability content into outreach](#) and [Lessons learned from EngineeringUK programmes: Teacher-led delivery](#).
- New infographics dashboards visualising engineering and technology data on [diversity](#), [workforce](#), [the transition to net zero](#) and [educational pathways](#).
- [Graduate outcomes](#) report - looks at the demographic make-up and employment outcomes of engineering and technology degree graduates; these graduates are more likely to be in work

than those in other subjects but women and people from a lower socio-economic or Black/Black British (Caribbean) background continue to be underrepresented.

- [Science Education Tracker 2023: report addendum](#) (with The Royal Society) - additional demographic analyses looking at students with special educational needs or disability, free school meals eligibility and English as an additional language.
- Other reports include our exam results briefings for [A levels and Highers](#), [T levels](#), [GCSEs](#) and four teacher briefings on [How do teachers engage with STEM outreach?](#), [The challenge of STEM teacher and recruitment and retention](#), [What teachers know and think about routes into engineering and technology](#) and [What barriers are there to conducting practical science lessons](#).
- We evaluate across our activities and [published 2023/24 evaluations](#) with 2024/25 forthcoming – these will be used as the basis of workshops to improve delivery for 2025/26.
- We developed a proposal with another organisation for a large scale, longitudinal research project to look at how multiple STEM engagements impact on students in the longer term. While we continue to try and secure funding for this project, we also developed plans for an in-house project that will look at some of these questions in a small number of schools.

2. Leadership - Leading efforts to grow the collective impact of all engineering inspiration and careers activities with young people.

Why this is important

Working together we can ensure more students participate in quality engineering and technology experiences, improve the coordination, inclusivity, targeting, efficiency and impact of engagements and create and share relevant, inspiring and accessible careers resources.

What we said we would do during 2024/25

- Continue to develop and drive usage of Neon; upload 100 new activities.
- Run EDI bursary scheme to support priority school engagement.
- Recruit 50 Signatories and support Code Community.
- Deliver a one-day TE Live conference with 120 delegates.
- Launch of our new EUK Education brand alongside an awareness campaign to introduce teachers, careers leaders and school leaders.
- Ongoing support for our Corporate Members and for PEI's STEM engagement.
- Work with partners to develop/test/deliver actions to step-up the number of girls who are on pathways to engineering and technology careers at age 18.

How did we do?

- Our [Neon](#) platform helps teachers find high quality STEM activities and resources that meet their needs - we uploaded 110 new activities and 10,700 unique users visited an experience listing page. Neon bursaries enabled 1,300 students from 18 primary and 16 secondary priority schools

(that have high proportions of students from groups under-represented in engineering and technology) to participate in activities listed on Neon.

- [The Tomorrow's Engineers Code](#) welcomed 56 new signatories bringing the Code community up to nearly 400 organisations all committed to working together to improve the collective impact of engineering and technology outreach activities. In the 2025 check-in, Signatories reported that the Code had helped them improve in 6 out of 10 areas, with a quarter seeing improvement across all 10 areas asked about.
- 124 delegates participated in our TE Live conference kindly hosted by the Institution of Civil Engineers; sessions covered collaboration, youth engagement, gender and skills for the future. We also launched '[Code Explores...](#)' a new way for the community to come together to develop and share practice around a particular theme.
- We work closely with PEIs and Corporate Members to understand their priorities and help support their STEM engagement activities including through Business and Industry Panel meetings, roundtables, working groups, research briefings and learning forums across many topics such as STEM volunteering and careers advice across the UK nations.
- Our new [EUK Education](#) brand and website were launched in October 2024 followed by marketing communications throughout the year to drive awareness and engagement. Our [Engineer your future](#) and Careers leader resources were updated and we launched a new [STEM careers webinar](#) for parents and carers.
- We built a new partnership with BCS, the Chartered Institute for IT, the Royal Academy of Engineering, Women's Engineering Society (WES) and Women into Science and Engineering (WISE) to drive a collective mission to achieve a step-change in the number of young women on education pathways to engineering and technology at age 18. Over 40 organisations and 100 individuals met over three workshops as the [Gender Pathways Collective](#), building on a rapid evidence review and establishing six task and finish groups. The Collective also collaborated on policy work, for example, in a response highlighting the need to consider how gender and other demographic groups should be considered in the curriculum and assessment review.

3. Activities for schools - Expanding EngineeringUK's engagement to encourage more, and more diverse, young people into engineering, technician, and technology roles.

Why this is important

Expanding our school activities will allow us to increase our reach and impact through targeting, testing and iteration. We focus our work on 11 to 14s and prioritise content related to sustainability.

What we said we would do during 2024/25

- Deliver The Big Bang Fair for 22,000 young people with a minimum 60% of priority schools.
- Deliver Big Bang at School via Delivery Partners into 125 priority schools and teacher-led Blueprint with a £500 bursary to at least 20 priority schools.

- Deliver Big Bang Competition with a reach of 400 projects (935 young people) with a minimum of 60% from EDI schools.
- Expand Climate Schools Programme to reach 350 schools.
- Work with delivery partners to deliver Energy Quest in 5 priority schools. Continue delivery of teacher-led Energy Quest sessions to reach 65 schools.
- Deliver Tomorrow's Engineers Week reaching 52,500 young people.

How did we do?

- Worked with 60 exhibitors to deliver the [Big Bang Fair](#) to 20,700 young people at the NEC in June, 64% were from priority schools; 88% of students said they enjoyed the Fair and 94% of reported increased knowledge of what people in STEM do.
- 954 young people submitted 349 projects into the [Big Bang Competition](#) to identify the UK Young Scientist and Engineer of the Year; 61% were from priority schools and 99% of students found the experience enjoyable, citing reasons such as teamwork and creativity.
- We also provide schools with resources and expert advice to deliver an in-school version of the Big Bang Fair – the [Big Bang at School](#), which reached 122 schools, 90% of which were priority schools, and reaching 31,200 young people.
- We greatly appreciate new funding from the RAF Charitable Trust that helped with some of the Big Bang at School delivery and enabled us to almost double our delivery of the Big Bang Blueprint - a supported template to run the Big Bang at School - reaching 131 schools and 51,400 young people; 87% of schools were priority schools and 80 received bursary support of £650.
- The [Climate Schools Programme](#) provides teachers with resources for lessons in science, geography and English which convey the engineering and technology solutions and adaptations to climate change. We thank The Helsington Foundation for their continued support which has enabled 386 schools registered to deliver CSP, 190 of which were priority schools, with an estimated reach of just under 30,000 students.
- We welcomed another major new funder, the Volvo For Life Fund to support Energy Quest workshops, alongside Nuclear Waste Services. These externally delivered half-day workshops provide students with lots of hands-on activities and understanding of clean energy, they were delivered to over 7,000 students in 93 schools. We also offer a teacher delivered version of Energy Quest with 106 schools signing up, 65 of which were priority schools, engaging nearly 10,000 students.
- 55,500 students took part in Tomorrow's Engineers week in November 2024, a celebration of engineering and technology careers designed to excite and inspire the next generation, 54% were from priority schools.

4. Advocacy - Advocacy and support to address policy and delivery challenges related to the sector's education, skills and workforce planning.

Why this is important

Advocating for policy improvements can help ensure young people get the opportunities they need to go into engineering and technology. By supporting vocational routes, we can grow the number of young people going into engineering, technology and technician careers.

What we said we would do during 2024/25

- Intensive engagement with new government, via conferences, roundtables, and Big Bang at Parliament and consultation responses.
- Work to develop partnerships in the devolved nations (focusing initially on Scotland).
- Support Engineer 2030 activity led by the Royal Academy of Engineering.

How did we do?

- We responded to a wide range of consultations and inquiries including those related to the Curriculum and Assessment Review, Migration Advisory Committee, budget and Comprehensive Spending Review etc. We also organised two roundtables with Skills England, industry and awarding organisations on foundation apprenticeships.
- We contributed to events at party conferences and held meetings with and provided regular briefings to a range of Ministers, high level civil servants, and Parliamentarians throughout the year. We also visited and identified opportunities for ongoing work with various education and skills organisations in Scotland including Education Scotland and Skills Development Scotland.
- We worked closely with the National Engineering Policy Centre and the Royal Academy of Engineering throughout the year including contributing to their work on Engineers 2030 principles and report.
- Our Big Bang at Parliament event in November attracted 25 Parliamentarians, with the Chair of the DESNZ committee serving as a keynote speaker.

Environmental sustainability

Our commitment to environmental sustainability is threaded through our work, supporting all four pillars of EUK's strategy as well as our culture and operations. Our main achievements in 2024-25 were as follows:

1. Research & Evidence

We updated our review of [workforce needs](#) associated with Net Zero and published [new guidance](#) on how to use environmental sustainability to inspire young people into engineering and technology, launching this with the Code community and presenting it at two conferences.

2. Leadership and Advocacy

We ensured that our submissions to the Curriculum & Assessment Review included engineering and technology climate solutions and their associated careers; secured the inclusion of EngineeringUK resources on the Department for Education's new 'Sustainability Support for Education' website; and conducted a comprehensive review of the DfE's 'Action Area 2: Green Skills and Careers'.

3. Activities for Schools

We launched our 'Tackling Climate Change' resource on the STEM Learning platform, promoting it with the STEM and Climate Ambassador community, Corporate Members, PEIs and others.

4. Culture & Operations

Our 2023-24 carbon footprint fell by 91 tCO₂e (-22%) compared to the previous year, mainly due to lower emissions associated with our investments; we are well ahead of our Science-Based Targets for carbon reduction. We held a series of Net Zero 'masterclass' webinars with PEIs to support them on their decarbonisation journeys. Following many years of lobbying our building management introduced proper waste management processes across all floors, with zero waste going to landfill.

Plans for 2025/26

1. Research and Evidence - Establishing the composition of the current engineering, technology & technician workforce, future workforce needs and how to address them by.

- Analysis of secondary, further and higher education data and workforce composition.
- Publish a summary of EngineeringUK's social impact, including evaluations of all school activities and wider work.
- Initiate work over a 5 year period to explore the extent to which multiple STEM engagements impact on young people's education attainment and choices; continue to seek funding for a larger, joint longitudinal research project.

2. Leadership - Leading efforts to grow the collective impact of all engineering inspiration and careers activities with young people.

- Continue to develop and drive usage of Neon; upload 110 new activities.
- Recruit 50 Signatories to The Tomorrow's Engineers Code with 80% of Signatories actively participating and deliver a one-day TE Live conference with 120 delegates.
- Continue to lead the Gender Pathways Project including community of practice meetings.
- Ongoing support for our Corporate Members and PEI's including support for promotion of professional registration.

3. Activities for schools - Expanding EngineeringUK's engagement to encourage more, and more diverse, young people into engineering, technician, and technology roles.

- Big Bang Fair for c22,000 young people at the NEC in June

- Big Bang at School/Blueprint for 83,000 young people.
- Big Bang Competition for 400+ projects, minimum of 60% from priority schools.
- Climate Schools Programme to 750 schools.
- Energy Quest to 7,150 students and 40 schools signed up for the teacher led version.
- Develop and deliver TE Week to 61,100 young people.
- Launch 'Ethics in engineering outreach' guide and other activity to embed ethics in outreach.
- Develop and pilot a new activity focused on engineering in food to 1,200 students.

4. Advocacy - Advocacy and support to address policy and delivery challenges related to the sector's education, skills and workforce planning by.

- Establish a new All Party Parliamentary Group on engineering and technology skills for growth.
- Deliver briefings on skills across the UK and continue our policy work in the regions with a focus in Scotland.
- Leadership of gender pathways policy & public affairs subgroup.

Our work is delivered in line with our values

- **Inclusive.** We are inclusive and care about diversity. We understand that we have different needs and create opportunities for everyone's voice to be heard.
- **Collaborative.** We are collaborative. We listen, share and work in partnership to achieve our vision.
- **Curious.** We are curious and keen to learn. We challenge ourselves and others to innovate and experiment.
- **Insightful.** We are insightful. We evaluate what we do and draw on research to make decisions and to improve our collective understanding.
- **Driven.** We are driven by a strong sense of purpose. We are determined to make an impact and achieve our goals.

Financial Review

The figures for 2024/25 represent results for the second year of our current 5-year strategy cycle. Income for the year is £10.00M, direct costs £10.08M, resulting in a deficit in operations of £0.08M. A net loss of £0.08M on our investments results in an overall deficit of £0.16M, which is aligned to the 5-year financial plan that underpins our strategy.

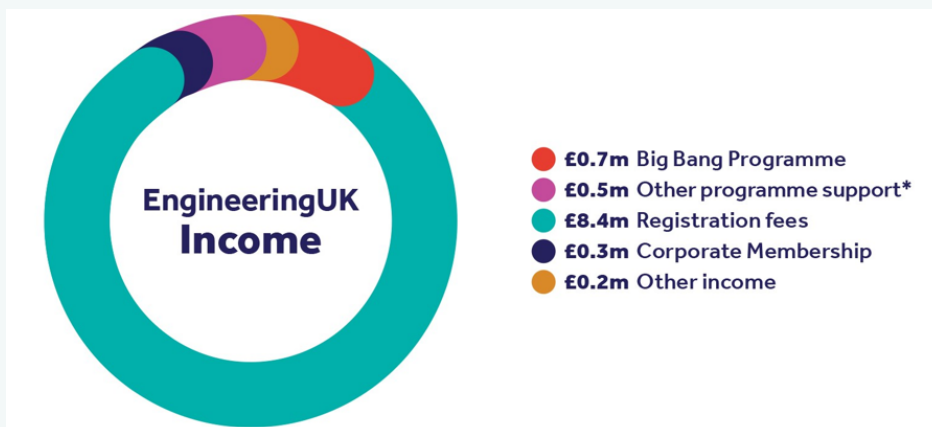
Income

As shown in Figure 1 below, EngineeringUK's main income source is the registration fees of professionally registered engineers and technicians which totals £8.4M (82%). We are grateful for

this valuable financial contribution from the members of PEIs. The registration fees also fund the Engineering Council in its role as the profession's regulatory body (EngineeringUK collects the fees on behalf of both organizations and passed a grant of £3.2M on to the Engineering Council during the period).

We are also supported by £0.3M of income from our Corporate Members which funds the work that we do to support their engagement activities as well as some of our core investment in research, policy etc.

Figure 1. Breakdown of income by source



*Note: 'Other Programmes' comprises Climate Schools Programme, Energy Quest, EDI bursaries and Communications support for Engineering and Manufacturing T Levels

Our largest programme is the Big Bang which in 2024/25 comprised the Big Bang Fair, the Big Bang Competition, Big Bang at School and Big Bang Blueprint. EngineeringUK has subsidized the Big Bang Fair and Competition since their inception, especially as fundraising for the face-to-face Big Bang Fair has been more challenging since returning in 2022 after the pandemic. EngineeringUK were delighted to secure major funding from The RAF Charitable Trust to support Big Bang Blueprint this year as well as some support for Big Bang at Schools. Direct costs for Big Bang Programme activity were £1M (during the year, offset by £0.7M of income).

We are grateful for the continued financial support from the Helsington Foundation for our Climate Schools Programme for the second year, enabling us to expand delivery after a successful pilot year. Funding was also received from Volvo Car UK Ltd to fund our Energy Quest activities for schools.

EngineeringUK would like to thank all of our corporate partners, funders and individuals for their financial support during the last year, those above £15k are listed below.

Contributions received between £15-50k

Atkins UK, Babcock, BBC, De Puy International, Intellectual Property Office, Leonardo UK, Malcolm Brinded, National Grid, National Highways, Network Rail, Nuclear Decommissioning Authority, Nuclear Waste Services, Orsted, Rolls Royce Plc, Siemens Plc, Specsavers, Stantec and The Institute of Healthcare Engineering & Estate Management

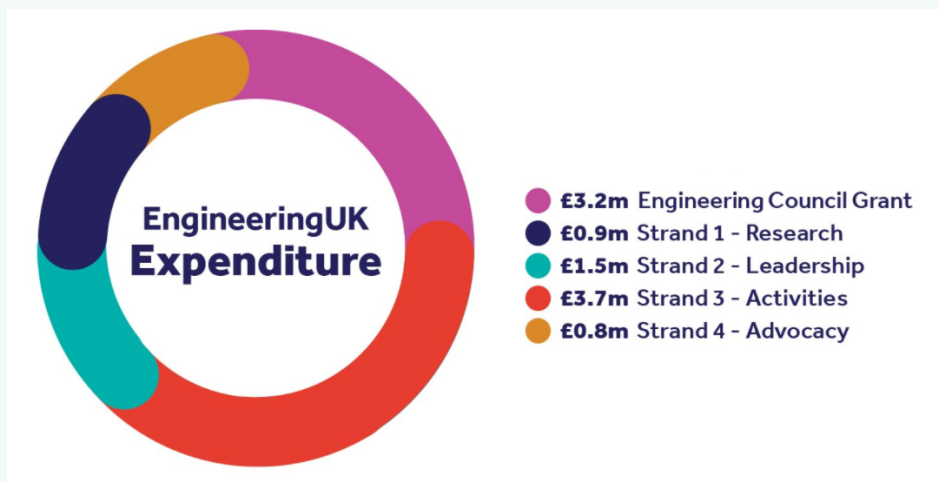
Contributions received between £50-200k

Gatsby Charitable Foundation, Helsington Foundation, RAF Charitable Trust and Volvo Car UK Ltd

Expenditure

Costs for the year were £10.08M across five areas as shown in Figure 2 below. With the challenging fundraising environment, minimizing costs was important. Staff undertook several procurement processes to ensure value for money and secure efficiencies. EngineeringUK also maximized returns from bank interest on our fixed deposits. We share our offices and some of our services with the Engineering Council, and for part of the year, also with STEM Learning, increasing our efficiency and the return on our shared funding stream.

Figure 2. Breakdown of expenditure across the four strategic pillars alongside the annual grant to Engineering Council.



Balance Sheet and cash flow

Group reserves and net assets decreased during the year by £0.16M (following a £0.1M decrease in 2023/24). Total funds at 31 August 2025 were £3.0M, of which none was restricted and £1.4M was designated, leaving free reserves of £1.6M. Group cash decreased by £0.7m to £3.0m, while the value of investments increased by £0.1m to £1.6m.

Investment policy

There are no restrictions on the Charity's power to invest, and the investment return targeted by our Investment Policy is to achieve inflation (CPI) +4% over the long term (5+ years). Investments are allocated to specific funds within agreed asset allocation ranges, and their performance is regularly

reviewed against appropriate benchmarks. During the year EngineeringUK switched investment managers to CCLA Investment Management. With the volatile external market, investment performance in 2024/25 was below benchmark.

Subsidiaries

EngineeringUK has a limited company, Scenta Limited as a subsidiary. The purpose of the company was for EUK trading activities, but this company is currently dormant. EngineeringUK also has the Big Bang Education Community Interest Company as a subsidiary, which was set up to deal with all arrangements and transactions related to the Big Bang Programme. As at the end of the 2023/24 financial year, this company has been made dormant with all operational delivery moving to EngineeringUK.

Reserves policy

EngineeringUK maintains reserves for the following reasons.

- EngineeringUK has multiple income streams with varying degrees of volatility. Reserves are held for contingency purposes.
- Investment balances are vulnerable to market conditions.
- EngineeringUK is a participating employer of the Engineering Council Pension Scheme. In the remote circumstances that Engineering Council was unable to meet its obligations and liabilities relating to the Scheme, the obligation would move to EngineeringUK.
- Reserves allow potential “step change” in programmes aimed to maximise impact for beneficiaries.

EngineeringUK has three designated funds: (1) the pension fund is to support the closure of an historic defined benefit pension scheme; (2) the infrastructure fund is to enable EngineeringUK to undertake one-off larger projects unaffordable during a normal budget cycle (e.g., a new website, IT project, office works or to pilot a new engagement project); and (3) the fixed asset fund holds the value of un-depreciated fixture and fittings within EngineeringUK.

Total designated funds increased by £210k over the year. The pension fund increased by £300k from a transfer from general reserves to bring it to a total of £1M. A total of £25k has been spent from the £241k infrastructure fund in place at the start of the year on implementing and embedding a new finance system (Microsoft Business Central) as well as a new schools data CRM system (Microsoft Fabrik), leaving £216k at year end. The bulk of these funds is earmarked for further development work to support our digital strategy, data strategy and embracing AI. The fixed assets fund has reduced by £65k from depreciation over the year.

The Board has determined that the company should have between £1.5M and £2.5M in “free” reserves as represented by the General Fund. Currently, EUK’s general fund reserve is £1.6m, which remains within our policy range.

The reserves position is set out below:

£000	31 August 2025	31 August 2024
General Fund	1,629	1,996
Designated Funds:		
Fixed Assets Fund	175	240
Infrastructure Fund	216	241
Pension Fund	1,000	700
Total Designated Funds	1,391	1,181
Total Funds	3,020	3,177

Risk management, principal risks and uncertainties

A Risk Management Policy is in place that sets out how EngineeringUK views, identifies, assesses and manages risk through its Risk Registers. EngineeringUK’s approach is to minimise exposure to reputational, compliance and financial risk, while accepting that a certain level of risk must be taken to achieve its strategic objectives. Acceptance of risk is subject to ensuring that risks and potential benefits are fully considered and understood before activities are undertaken and that sensible measures are in place to mitigate risk.

Engineering UK’s risk appetite varies with the area of activity as follows:

- We are risk averse or accept only minimal risk in: Health & Safety, Safeguarding, Compliance & Governance, Data Protection, Cyber Security and People and Culture
- We take a cautious approach, that is, we prefer safe options that have a low degree of residual risk, in: Reputation and Financial Sustainability.
- We have an open approach, willing to consider all potential options and choose one that is most likely to result in successful delivery, despite the potential for some degree of risk, in: Impact, Programme Delivery and Influencing.
- We are eager to innovate and to choose options offering potentially higher reward, despite greater inherent risk in Collaboration and Programme Innovation.

A Corporate Risk Register identifies risks that could have an impact on the company’s ability to deliver its strategic objectives. It is reviewed monthly by the Executive Team. The Audit, Risk and Investment Committee, who have delegated responsibility from the Board, review the risk register in detail at least three times a year. The risk register is shared with the Board following review by The Audit, Risk and Investment Committee. Twice a year The Audit, Risk and Investment Committee do a “deep dive” into one or multiple risks, and new for 2025/26, all mitigations and actions will be audited and reported back to the committee over the year.

The most significant risks faced by EngineeringUK are identified in the table below alongside mitigations to minimise these risks. Our risks have reduced over the course of the year due to successes in reaching schools and securing funding for delivery in 2024/25. The only 'red risk' is for data breach even though we have taken many mitigating actions, as we recognise that even much more well-resourced organisations than ours are susceptible to data breaches.

Risk	Mitigation
Data breach or lack of compliance	• GDPR and data Retention policies in place and mandatory training for staff in these areas and cyber security. • Enhanced IT external security monitoring of our systems operation and providing incident response in the event of any systems errors or cyber-attacks. • Regular phishing simulations to keep staff alert, any staff who fail automatically undertake a refresher course. • All appropriate contracts cover the transfer of data between EUK and all third-party suppliers.
Delivery partners unable to deliver	• Using multiple delivery partners to provide resilience. • Due diligence process conducted on all delivery partners. • Annual review built into contracts for new multi-year programmes. • More activities delivered in-house. • Expanding teacher-led activities.
Failure to demonstrate relevance	• Continuously evaluate and iterate our activities based on feedback and evaluation and co-create/test any changes or new activities with users. Audience insights and evaluation findings shared with stakeholders. • Annual stakeholder survey - 2025 data is very positive. • Regular conversations with PEIs, Corporate Members and other partners to understand their needs and interests. • Our work is driven by workforce shortages and tackles Equity, Diversity and Inclusion, social justice and environmental sustainability providing wide relevance.
Reputational damage	• Annual stakeholder survey helps us understand what works well and where we can make improvements. • We have a wide range of policies that cover our commitment to Equity, Diversity and Inclusion, Environmental Sustainability and Safeguarding, as well as operational policies that include Health and Safety, Human Resources and IT governance. • Supplier contracts negotiated ensuring measurable KPI's, especially for delivery partners and suppliers supporting major events.

Mismatch between EUK fundraising income and strategy	• Continue consultation with funders and potential funders to understand what they are looking for from EUK. • Set stretching income targets beyond budget to raise more than is needed to generate a buffer. • Business Development Council provides insight on corporate needs and interests and creates champions in industry.
Reduction in EUK longer term financial stability	• Financial planning and comprehensive annual budget process. • Embracing efficiencies through procurement and technology. • Strategic planning to close historic pension plan by 2030. • Plan to diversify income and careful monitoring of investments.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the group and the parent charity and of the incoming resources and application of resources, including the net income or expenditure, of the group for the year. 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 SORP
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 accounting records that disclose with reasonable accuracy at any time the financial position of the group and the parent charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Information to Auditor

Each of the directors has confirmed that so far as they are aware, there is no relevant audit information of which the company's auditor is not aware, and that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Iain Conn

Chairman

Approved by the Board on 8 December 2025 and signed on its behalf

In approving this report, the directors approve the Trustees' Report for charity law purpose and the Directors' Report and Strategic Report for company law purposes.

Independent auditor's report to the members of The Engineering and Technology Board

Opinion

We have audited the financial statements of The Engineering and Technology Board (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2025 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as 31 August 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulation 2006 (as amended)

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt

on The Engineering and Technology Board'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 other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company'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 charitable company 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 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

15 December 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

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

The Engineering and Technology Board

**Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account)
for the year ended 31 August 2025**

	Note	Year ended 31 August 2025			Year ended 31 August 2024		
		Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
Income and endowments from:							
Charitable activities	2	9,202	674	9,876	9,024	676	9,700
Investments	5	127	-	127	138	-	138
Total		9,329	674	10,003	9,162	676	9,838
Expenditure on:							
Grants payable in furtherance of the charity's objects	10	3,184	-	3,184	3,033	-	3,033
Research and Evidence		918	2	920	887	237	1,124
Leadership		1,479	4	1,483	1,493	10	1,503
Activities for schools		3,047	664	3,711	3,235	424	3,659
Advocacy		778	4	782	742	5	747
Total	6	9,406	674	10,080	9,390	676	10,066
Total income less expenditure excluding investment gains/(losses)		(77)	-	(77)	(228)	-	(228)
Net (loss)/ gains on investments	11	(79)	-	(79)	127	-	127
Net movement in funds		(156)	-	(156)	(101)	-	(101)
Reconciliation of funds:							
Total funds brought forward		3,177	-	3,177	3,278	-	3,278
Total funds carried forward	18	3,021	-	3,021	3,177	-	3,177

All transactions arose from continuing activities.

All gains and losses are included above.

Movements in funds are disclosed in note 18a to the financial statements.

The Engineering and Technology Board
Company Number 4322409

Consolidated and Company Balance Sheets as at 31 August 2025

		Group		Company	
		31 August	31 August	31 August	31 August
		2025	2024	2025	2024
	Note	£000	£000	£000	£000
Fixed Assets					
Intangible assets	12	11	23	11	23
Tangible assets	13	186	217	186	217
Investments	11	1,570	1,649	1,570	1,649
		<u>1,767</u>	<u>1,889</u>	<u>1,767</u>	<u>1,889</u>
Current Assets					
Debtors and prepayments	15	2,540	1,658	2,540	1,658
Deposits and cash		3,177	3,923	3,177	3,923
		<u>5,717</u>	<u>5,581</u>	<u>5,717</u>	<u>5,581</u>
Current Liabilities					
Amounts falling due within one year					
Creditors	16	(1,058)	(893)	(1,058)	(893)
Deferred income	17	(3,405)	(3,400)	(3,405)	(3,400)
		<u>(4,463)</u>	<u>(4,293)</u>	<u>(4,463)</u>	<u>(4,293)</u>
Net Current Assets		<u>1,254</u>	<u>1,288</u>	<u>1,254</u>	<u>1,288</u>
Total Net Assets		<u><u>3,021</u></u>	<u><u>3,177</u></u>	<u><u>3,021</u></u>	<u><u>3,177</u></u>
Unrestricted funds					
General		1,630	1,996	1,630	1,996
Designated		1,391	1,181	1,391	1,181
Total funds	20	<u><u>3,021</u></u>	<u><u>3,177</u></u>	<u><u>3,021</u></u>	<u><u>3,177</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 December 2025

Iain Conn
Chairman of the Board

Erol Mustafa
Chair of the Audit Committee

The Engineering and Technology Board

Consolidated Cash Flow Statement for the year ended 31 August 2025

CONSOLIDATED CASH FLOW STATEMENT	Note	Year ended 31 August 2025	Year ended 31 August 2024
		£000	£000
Cash flows from operating activities:			
Net cash (used in) operating activities		(851)	(850)
Cash flows from investing activities:			
Dividends and interest	5	127	138
Purchase of property, plant and equipment and		(22)	(19)
Net cash provided by investing activities		105	119
Change in cash and cash equivalents in the year		(746)	(731)
Cash and cash equivalents at 1 September		3,923	4,654
Cash and cash equivalents at 31 August		3,177	3,923
RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		Year ended 31 August 2025	Year ended 31 August 2024
		£000	£000
Net (expenditure) for the reporting period (as per the statement of financial activities)		(156)	(101)
Adjustments for:			
Depreciation and amortisation charges		65	68
Loss/ (Gain) on investments		79	(127)
Dividends and interest		(127)	(138)
(Increase) in debtors		(882)	(100)
Increase/(Decrease) in creditors		165	(311)
(Decrease) in income in advance		5	(141)
Net cash provided by operating activities		(851)	(850)

Notes to the financial statements for the year ended 31 August 2025

1. STATEMENT OF ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

EngineeringUK meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historic cost or transaction value with the exception of investments which are included at market value.

The company holds no complex financial instruments nor are there any areas of material estimation uncertainly affecting the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are defined in the Memorandum and Articles of Association. In the event of the charity being wound up the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Group financial statements

These financial statements consolidate the results of the charitable company and Big Bang Education CIC on a line-by line basis. Big Bang Education CIC became dormant on 23 August 2024 and there has been no activity in this entity in the year ended 31 August 2025. However, consolidated accounts have continued to be prepared this year for the purpose of the comparatives, due to there having been activity in the prior year. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not presented because advantage has been taken of exemptions afforded by section 408 of the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

1.4 Going concern

At 31 August 2025 EngineeringUK holds free reserves of £1.8m. The trustees consider there to be no material uncertainties about the charity's ability to continue as a going concern for at least a year to November 2026.

1.5 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from Registration fees is accounted for on an accruals basis. Fees are received from institutions, throughout the year, by instalments at an agreed level. At year end an estimate is made of any underpayment or overpayment and of fees due. These amounts are shown under the income and income in advance notes. Income from grants is recognised when income from the grant is due. Where the grant relates to performance and specific deliverables it is accounted for as the charity earns the right to consideration by its performance. Sponsorship and other income received from industry is accounted for on an accruals basis.

Notes to the financial statements for the year ended 31 August 2025

1. STATEMENT OF ACCOUNTING POLICIES - continued

1.6 Investment Income

Investment income and interest received from bank deposits and gilt-edged securities are accounted for on an accruals basis. Dividends from equity investments are accounted for on a receivable basis. Investments are included in the Balance Sheet at market value. Realised and unrealised gains and losses are included in the Statement of Financial Activities.

1.7 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources.

Other allocated costs have been apportioned against strands of activity based on staff and resource utilization. These costs include expenditure on Finance & Corporate Services such as IT, office and governance costs as well as chief executive and HR costs. All other costs are considered to be costs to further EngineeringUK's charitable activities.

1.8 Grants payable

Grants are recognised in the financial statements when an obligation to pay the grant occurs. Where grants are subject to performance conditions the obligation is recognised when the conditions are met, or when there is an expectation that the grant will be paid. Grants that are potentially payable in future years, but do not meet the above criteria for immediate recognition are recognised in the designated fund.

1.9 Pension Costs

The Group is a participating employer in The Engineering Council Pension Scheme. This is a contracted-out defined benefit pension scheme for those employees transferred from Engineering Council which requires contributions to be made to a separately administered fund. Contributions to this fund are charged in the Statement of Financial Activities (SOFA) so as to spread the cost of pensions over the employees' working lives within the Group. The regular cost is attributed to individual years using the projected unit method.

The scheme was closed to new members in February 2002 and in April 2012 the scheme ceased to accrue benefits for remaining members. EngineeringUK is a participating employer in the scheme and therefore has a liability to the scheme. A full actuarial valuation of the fund is carried out every three years by The Engineering Council Pension Scheme actuary, with annual actuarial reports in the interim years. A share of liabilities are reflected in the Balance Sheet if there are net liabilities in the scheme at the date of the latest valuation.

The Group also contributes to a defined contribution pension scheme for staff who are not in the defined benefit scheme. The employer contributes 10% of basic salary and the employee 5%. Contributions to these arrangements are charged to the SOFA in the period in which they are due.

1.10 Tangible Fixed Assets and Depreciation

Tangible fixed assets, individually or in aggregate, costing more than £1,000 are capitalised and included at cost including any incidental expenses on acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off their cost evenly over their expected useful lives as follows:

Computer and office equipment	- 3 to 5 years
Fixtures and fittings	- 2 to 5 years or the remainder of property lease

Notes to the financial statements for the year ended 31 August 2025

1. STATEMENT OF ACCOUNTING POLICIES - continued

1.11 Intangible Fixed Assets and Amortisation

Acquired intangible fixed assets costing more than £1,000 are capitalised and included at cost.

Intangible fixed assets are amortised at rates calculated to write off the assets on a straight line basis over their estimated useful economic lives. Impairment of intangible assets is reviewed where circumstances indicate that the carrying value of an asset may not be fully recoverable.

1.12 Operating Leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

1.13 Value Added Tax

Irrecoverable VAT input charges have been included in the expenditure areas to which they relate.

1.14 Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1.15 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.16 Investments

Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiaries

Investments in subsidiaries are at cost.

1.17 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.

1.18 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.19 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the financial statements for the year ended 31 August 2025

2. INCOME FROM CHARITABLE ACTIVITIES

	Year ended 31 August 2025			Year ended 31 August 2024		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£000	£000	£000	£000	£000	£000
EC Registration fees	8,349	-	8,349	8,074	-	8,074
Corporate and Network Member fees	314	-	314	337	-	337
Sponsorship and Grants for projects	501	636	1,137	498	444	942
Other income	38	38	76	115	232	347
	<u>9,202</u>	<u>674</u>	<u>9,876</u>	<u>9,024</u>	<u>676</u>	<u>9,700</u>

3. NET INCOME FROM TRADING ACTIVITIES - SCENTA LIMITED

Scenta Limited acts as the trading subsidiary of EngineeringUK. The entity is dormant in 2024/25.

4. BIG BANG EDUCATION CIC

Big Bang Education CIC (company number: 07264555) is a wholly owned subsidiary of EngineeringUK. Big Bang Education CIC was set up to deliver the Big Bang National Fair and the Big Bang Near Me fairs. Trustees Rashada Harry, Janet Young and James Smith, as well as Dr Hilary Leever, the CEO of EngineeringUK are also directors of Big Bang Education CIC.

The Directors of Big Bang CIC agreed to transfer the CIC's undertakings on 23 August 2024 to EngineeringUK, making the company dormant.

	Year ended 31 August 2025	Year ended 31 August 2024
	£000	£000
Turnover (External)	-	562
Contribution from EngineeringUK	-	12
Cost of Sales	-	(893)
Gross Profit	-	(319)
Transfer of net liabilities to EngineeringUK	-	457
Administration Costs	-	(138)
Operating Result	-	-
Taxation	-	-
Retained (Loss)/Profit for year	-	-

Notes to the financial statements for the year ended 31 August 2025

	Year ended 31 August 2025 £000	Year ended 31 August 2024 £000
5. INVESTMENT INCOME		
Bank Interest Receivable	81	94
Other Investment Income	46	44
Total Investment Income	127	138

The investment income arises from investments in UK investment funds.

6a. CHARITABLE EXPENDITURE (Current year)

Analysis of expenditure on charitable activities

	Year ended 31 August 2025				
	Activities undertaken directly £000	Grant funding of activities £000	Direct staff costs £000	Support costs £000	Total costs £000
Grant to Engineering Council	-	3,184	-	-	3,184
Research and Evidence	79	-	487	354	920
Leadership	124	-	887	472	1,483
Activities for schools	1,157	-	1,380	1,174	3,711
Advocacy	71	-	356	355	782
Total expenditure	1,431	3,184	3,110	2,355	10,080

Analysis of support costs	Research and Evidence	Leadership	Activities for Schools	Advocacy	Total costs	Basis of allocation
	£000	£000	£000	£000	£000	
Management	73	97	244	73	487	Support costs have been allocated on the basis of staff and resource utilization across each area.
Finance and HR	114	153	382	114	763	
Governance	82	109	273	82	546	
Premises and office services	74	98	237	75	484	
Depreciation	8	10	26	8	52	
Insurance	3	5	12	3	23	
Total	354	472	1,174	355	2,355	

Within support costs there is £1,472k of staff costs.

The Engineering and Technology Board

Notes to the financial statements for the year ended 31 August 2025

6b. CHARITABLE EXPENDITURE (Prior year)

Analysis of expenditure on charitable activities

	Year ended 31 August 2024				
	Activities undertaken directly	Grant funding of activities	Direct staff costs	Support costs	Total costs
	£000	£000	£000	£000	£000
Grant to Engineering Council	-	3,033	-	-	3,033
Research and Evidence	341	-	462	321	1,124
Leadership	205	-	871	427	1,503
Activities for schools	1,236	-	1,359	1,064	3,659
Advocacy	104	-	322	321	747
Total expenditure	1,886	3,033	3,014	2,133	10,066

Analysis of support costs

	Research and Evidence	Leadership	Activities for schools	Advocacy	Total costs	Basis of allocation
	£000	£000	£000	£000	£000	Support costs have been allocated on the basis of staff and resource utilization across each area.
Management	66	88	218	66	438	
Finance and HR	103	137	342	103	685	
Governance	74	98	244	74	490	
Premises and office services	65	87	217	65	434	
Depreciation	10	13	33	10	66	
Insurance	3	4	10	3	19	
Total	321	427	1,064	321	2,133	

Within support costs there is £1,349k of staff costs.

7. NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging / (crediting):

	Group		Company	
	Year ended 31 August 2025	Year ended 31 August 2024	Year ended 31 August 2025	Year ended 31 August 2024
	£000	£000	£000	£000
Depreciation and amortisation	65	68	65	68
Operating lease rentals payable:				
Property	166	202	166	202
Auditor's remuneration:				
Audit fees	20	22	20	17
Other services	2	5	2	5

Notes to the financial statements for the year ended 31 August 2025

8. STAFF COSTS INCLUDING PENSIONS AND SOCIAL SECURITY COSTS

Group and parent:

The average number of persons employed by EngineeringUK during the period in the following categories was:

	Year ended 31 August 2025	Year ended 31 August 2024	Year ended 31 August 2025	Year ended 31 August 2024
	No (FTE)		No (Total employed)	
Executive team	5	5	5	5
Staff in direct activities	45	45	47	47
Secretarial and administrative staff	14	13	15	14
Total Staff	64	63	67	66

The actual staff employed at period end was 66 (2024: 65).

Staff Costs	Year ended 31 August 2025	Year ended 31 August 2024
	£000	£000
Salaries	3,364	3,228
Social security costs	423	363
Other pension costs	635	556
Other staff benefits	66	73
Temporary and agency staff	20	26
Termination and redundancy payments	-	-
Recruitment, training, travel and other expenses	143	115
	4,651	4,361

Number of employees whose emoluments exceeded £60,000 for the period were as follows:

	Year ended 31 August 2025	Year ended 31 August 2024
Exceeding £60,000 but not exceeding £70,000	6	3
Exceeding £70,000 but not exceeding £80,000	2	3
Exceeding £80,000 but not exceeding £90,000	3	1
Exceeding £90,000 but not exceeding £100,000	0	1
Exceeding £110,000 but not exceeding £120,000	1	0
Exceeding £120,000 but not exceeding £130,000	0	1
Exceeding £130,000 but not exceeding £140,000	1	1
Exceeding £140,000 but not exceeding £150,000	1	1
Exceeding £150,000 but not exceeding £160,000	1	0
Exceeding £180,000 but not exceeding £190,000	0	1
Exceeding £220,000 but not exceeding £230,000	1	0

EngineeringUK has provision in the Company's Memorandum of Association and approval from the Charity Commission to remunerate the Chair for their duties. The Chair has waived his remuneration. No other trustee received any emoluments during the year.

The total employer contributions during the period to the defined contribution pension schemes relating to the higher paid staff above was £91,177 for 16 employees (2024: £60,083 for 12 employees). None of the higher paid employees above was a member of the Engineering Council Pension Scheme, a defined benefit scheme.

The Chief Executive who served during the year is not a director of the company or a trustee.

Notes to the financial statements for the year ended 31 August 2025

8. STAFF COSTS INCLUDING PENSIONS AND SOCIAL SECURITY COSTS - continued

Key Management Personnel

The Key Management Personnel comprises the executive management team and is made up of the following positions within the organisation:

Chief Executive
Director of Finance and Corporate services
Director of Communications
Director of Business & Industry
Director of Engagement Programmes

The total remuneration, benefits and pensions paid to them in the year was:

	Year ended 31 August 2025	Year ended 31 August 2024
	£000	£000
Salaries	696	670
Staff benefits	78	52
Pension costs	70	67
Employer NI	96	93
	940	882

9. RELATED PARTY TRANSACTIONS

Engineering Council

Engineering Council (EC) is a related party to EngineeringUK. Under its supplemental charter of the 22 March 2002, EngineeringUK may appoint 7 of its 22 Board members. By its Regulations, EC has assigned all income from its registration fees to EngineeringUK. Changes to this regulation cannot be made without EngineeringUK's approval. The level of fee is determined by EngineeringUK. During the period ended 31 August 2024 the following transactions took place:

1. EC assigned all income derived from Registration fees, £8.3m (2024: £8 million), to EngineeringUK.
2. EngineeringUK provided a grant to EC of £3.2m (2024: £3 million) to fund its operations.
3. EngineeringUK and EC occupied the same floor at Lower Thames Street for the year. The lease is jointly held. Where possible each party paid directly for its own costs.
4. At 31 August 2025 EngineeringUK owed EC £nil (2024: EngineeringUK owed EC £3.8k) relating to office service charges.

Trustees

Carl Ennis was a trustee of EngineeringUK and also The CEO of Siemens Plc in Great Britain and Ireland, which is a corporate member of EngineeringUK under normal business terms as well as a sponsor of the Big Bang Competition. At 31 August 2025 there were nil amounts outstanding to EngineeringUK from Siemens Plc (2024: £nil).

Jacqui Ferguson is a trustee of EngineeringUK and also a Non-Executive Director of National Grid, which is a strategic corporate member of EngineeringUK under normal business terms. At 31 August 2025 there was £23k outstanding to EngineeringUK from National Grid (2024: £nil).

Pete Sellars is a trustee of EngineeringUK and also The CEO of Institute of Healthcare Engineering and Estate Management (IHEEM), which is a sponsor of the Big Bang Fair and Competition. At 31 August 2025, there was £12k outstanding to EngineeringUK from IHEEM (2024: £0k).

All related party transactions were on normal commercial terms.

The Engineering and Technology Board

Notes to the financial statements for the year ended 31 August 2025

9. RELATED PARTY TRANSACTIONS - continued

Expenses reimbursed to and paid on behalf of trustees

Expenses were reimbursed to or paid on behalf of Trustees during the year as follows:

	Year ended 31 August 2025	Year ended 31 August 2024
	£	£
Travel and subsistence	1,589	697
Number of Trustees reimbursed for expenses or who had expenses paid on their behalf	2	2

10. GRANTS PAID

	Year ended 31 August 2025	Year ended 31 August 2024
	£000	£000
Engineering Council	3,184	3,033

11. FIXED ASSET INVESTMENTS (OF THE COMPANY AND GROUP)

	Year ended 31 August 2025	Year ended 31 August 2024
	£000	£000
Market value at start of period	1,649	1,522
Realised/unrealised gain for the period	(79)	127
Market value at 31 August	1,570	1,649

Notes to the financial statements for the year ended 31 August 2025

12. INTANGIBLE FIXED ASSETS (OF THE COMPANY AND GROUP)

	Licence £000
Cost	
Brought forward 1 September	124
Acquisitions during period	-
Carried forward 31 August	124
Amortisation	
Brought forward 1 September	101
Charge for period	12
Carried forward 31 August	113
Net Book Value	
31 August 2025	11
31 August 2024	23

All assets are used by the charity for its own purposes. Scenta Limited & Big Bang Education CIC have no intangible fixed assets, and all activities are now transferred to EngineeringUK.

13. TANGIBLE FIXED ASSETS (OF THE COMPANY AND GROUP)

	Computer and office equipment £000	Fixtures and fittings £000	Total £000
Cost			
Brought forward 1 September	77	329	406
Acquisitions during period	22	-	22
Disposals during period	(33)	-	(33)
Carried forward 31 August	66	329	395
Depreciation			
Brought forward 1 September	48	141	189
Charge for Period	19	34	53
Disposals during period	(33)	-	(33)
Carried forward 31 August	34	175	209
Net Book Value			
31 August 2025	32	154	186
31 August 2024	29	188	217

All assets are used by the charity for its own purposes. Scenta Limited & Big Bang Education CIC have no fixed assets, and all activities are now transferred to EngineeringUK.

14. INVESTMENT IN SUBSIDIARY COMPANIES

EngineeringUK holds 100% of the issued share capital of Scenta Limited (dormant) of 1 ordinary share of £1. It also owns Big Bang Education CIC, a company limited by guarantee, with a guarantee of £1.

Notes to the financial statements for the year ended 31 August 2025

15. DEBTORS AND PREPAYMENTS

	Group		Company	
	31 August 2025	31 August 2024	31 August 2025	31 August 2024
	£000	£000	£000	£000
Other debtors	124	243	124	243
Registration fees due	2,263	1,314	2,263	1,314
Prepayments and accrued income	153	101	153	101
	2,540	1,658	2,540	1,658

Registration Fees Due represent fees yet to be paid over by Institutions for 2024/25. The fees are due from registrants on 1st January but, by agreement, are paid over by instalments over the year.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31 August 2025	31 August 2024	31 August 2025	31 August 2024
	£000	£000	£000	£000
Trade creditors	203	133	203	133
Pension scheme	98	46	98	46
Taxation, including Income Tax	110	94	110	94
Accruals	327	300	327	300
Dilapidations provision	320	320	320	320
	1,058	893	1,058	893

17. DEFERRED INCOME

	Group		Company	
	31 August 2025	31 August 2024	31 August 2025	31 August 2024
	£000	£000	£000	£000
EC registration fees	3,225	3,165	3,225	3,165
Members fees received in advance	127	201	127	201
Project income in advance	53	34	53	34
	3,405	3,400	3,405	3,400

Deferred income	Group		Company	
	31 August 2025	31 August 2024	31 August 2025	31 August 2024
	£000	£000	£000	£000
Balance at the beginning of the year	3,400	3,541	3,400	3,537
Amount released to income in the year	(3,215)	(3,341)	(3,215)	(3,373)
Amount deferred in the year	3,220	3,200	3,220	3,236
Balance at the end of the year	3,405	3,400	3,405	3,400

Income from registration fees is accounted for on an accruals basis. The above represents income to be recognised over the remainder of the calendar year.

The Engineering and Technology Board

Notes to the financial statements for the year ended 31 August 2025

18a. FUNDS (current year)

Movements in the Funds during the year have been as follows:

	1 September 2024	Income for the period	Expenditure and other recognised gains/(loss)	Reserve transfers	31 August 2025
	£000	£000	£000	£000	£000
Restricted funds:					
The Big Bang Fair	-	73	(73)	-	-
Big Bang Near Me	-	128	(128)	-	-
Other programmes	-	473	(473)	-	-
Total restricted funds	-	674	(674)	-	-
General Fund	1,996	9,329	(9,395)	(300)	1,630
Designated Funds					
Fixed Assets Fund	240	-	(65)	-	175
Infrastructure Fund	241	-	(25)	-	216
Pension Fund	700	-	-	300	1,000
Total Designated Fund	1,181	-	(68)	300	1,391
Total Funds	3,177	10,003	(10,159)	-	3,021

There were nil restricted funds held at 31 August 2025. The fixed assets fund represents funds that have been spent on fixed assets, these fixed assets are necessary for the charity's continuing activities. The infrastructure fund is to enable EUK to undertake one-off larger projects unaffordable during a normal budget cycle. The Pension Fund reserve is to set aside funds for the Engineering Council historic defined benefit pension scheme. The General Reserve represents free funds that are not designated for particular purposes.

The Other programmes restricted fund includes activities related to Climate Schools Programme, Energy Quest, EDI Bursaries and Communications support for Engineering and Manufacturing T-Levels

18b. FUNDS (prior year)

Movements in the Funds during the prior year are as follows:

	1 September 2023	Income for the period	Expenditure and other recognised gains/(loss)	Reserve transfers	Restated 31 August 2024
	£000	£000	£000	£000	£000
Restricted funds:					
The Big Bang Fair	-	53	(53)	-	-
Big Bang Near Me	-	10	(10)	-	-
Other programmes	-	613	(613)	-	-
Total restricted funds	-	676	(676)	-	-
General Fund	2,090	9,162	(8,991)	(265)	1,996
Designated Funds					
Fixed Assets Fund	288	-	(48)	-	240
Infrastructure Fund	300	-	(224)	165	241
Pension Fund	600	-	-	100	700
Total Designated Fund	1,188	-	(272)	265	1,181
Total Funds	3,278	9,838	(9,939)	-	3,177

Notes to the financial statements for the year ended 31 August 2025

19. COMMITMENTS

Operating lease commitments payable as a lessee

The following payments will be made in respect of future minimum commitments on operating leases expiring:

	Company and Group	
	31 August 2025	31 August 2024
	Land and Buildings	Land and Buildings
	£000	£000
Due within one year	110	220
Due within two to five years	771	661
Total due	881	881

20a. ANALYSIS OF NET ASSETS BETWEEN FUNDS (current year)

Fund balances at 31 August 2025 are represented by:	General funds £000s	Designated funds £000s	Total £000s
Fixed assets and investments	1,570	197	1,767
Current assets	4,501	1,216	5,717
Current liabilities	(4,463)	-	(4,463)
Total net assets	1,608	1,413	3,021

20b. ANALYSIS OF NET ASSETS BETWEEN FUNDS (prior year)

Fund balances at 31 August 2024 are represented by:	General funds £000s	Designated funds £000s	Total £000s
Fixed assets and investments	1,649	240	1,889
Current assets	4,640	941	5,581
Current liabilities	(4,293)	-	(4,293)
Total net assets	1,996	1,181	3,177

21. PARENT CHARITY

The parent charity's gross income and the results for the year are disclosed as follows:

	Year ended 31 August 2025	Year ended 31 August 2024
	£	£
Gross income	9,925	9,426
Result for the year	(155)	352

Notes to the financial statements for the year ended 31 August 2025

22. PENSIONS

The Engineering Council Pension Scheme

In 2002 a number of staff transferred to EngineeringUK from Engineering Council under TUPE arrangements. To accommodate this EngineeringUK became a participating employer of the Engineering Council Pension Scheme.

The company operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company, being invested in The Engineering Council Pension Scheme. Contributions to the fund are charged to the income and expenditure account (statement of financial activities) so as to spread the cost of pensions over employees' working lives with the company. On 26 February 2002 the company decided not to offer membership of the scheme to new employees. In April 2012 the scheme ceased to accrue benefits for existing members.

The Engineering Council Pension Scheme is a defined benefit scheme based on final pensionable salary. The Scheme is contracted out of the earnings related part of the State Pension Scheme. The assets of the Scheme are held in a separate trustee administered fund, currently invested with State Street Global Advisors, and the company's underlying share of assets and liabilities in the fund is not separately determined.

At 31 August 2025 there were nil (2024 - nil) members of EngineeringUK staff contributing to the Scheme. EngineeringUK employer contributions during 2024/25 were £nil (2024/2025 - £nil). Employer contributions in 2025/26 are expected to be £nil as the Scheme ceased to accrue benefits for remaining members in April 2012. EngineeringUK made a contribution of £141k to the EC towards administration of the scheme (2024: £136k).

A full actuarial valuation of the fund is carried out every three years by The Engineering Council Pension Scheme actuary, with annual actuarial reports in the interim years. The last full valuation was as at 31 December 2021 within the report dated 29 April 2022. The report showed net assets of £988,000.

EngineeringUK is a participating employer in the Scheme and therefore has a liability to the scheme. The share of assets were not recognised in the Balance Sheet as they would be non-recoverable.

Defined contribution pension schemes

EngineeringUK decided not to offer entry to the Engineering Council Pension Scheme to staff who were not already members prior to TUPE transfer and nominated an auto enrollment pension scheme. This is a defined contribution scheme operated by Scottish Widows and is not contracted out of the earnings related part of the State Pension Scheme. The employer contributes 10% of pensionable salary and the employee 5%. Employer contributions during the year were £634k (2024: £556k). These figures include contributions for the higher paid employees shown under note 8.

Governance and Management

EngineeringUK is the working name adopted by the Engineering and Technology Board. EngineeringUK is a charitable company limited by guarantee (Company No. 4322409), incorporated on 14 November 2001. The address of the principal and registered office is 5th Floor, Northern & Shell Building, 10 Lower Thames Street, London, EC3R 6EN.

Members of the Company are Directors/Trustees or members of the two Electoral Colleges - the Professional Engineering College, consisting of persons representing PEIs licensed by Engineering Council (EC), and the Business and Industry College, consisting of persons representing industry; and such other persons who may be admitted as members by the Company at a general meeting.

The Board of Trustees (Board) generally meet four times a year. EngineeringUK has a number of committees and panels to which it has formally delegated specific functions.

- The Nominations and Remuneration Committee (N&RC) has responsibility for recommending appointments to the Board of Trustees and committees.
- The Audit, Risk and Investment Committee (ARIC) ensures a sound system of internal controls, risk management and accounting policies are maintained in accordance with corporate governance requirements. The committee liaises directly with the external auditors including planning for the annual audit. Areas of particular focus are discussed with the auditors and inform their plans. The committee ensures the investments of EngineeringUK are managed in accordance with the agreed policy and monitors the performance of the investment advisor. The committee reports to the Board.
- The Tomorrow's Engineers Code Advisory Board (TEC) was an advisory committee that made recommendations to the Board on matters relating to the Code that have material implications for EngineeringUK resourcing or material impact on EngineeringUK's wider activities. Following a consultation with TE Code members, the Advisory Board was dissolved and its governance incorporated into the EngineeringUK Board in late 2024.

Remuneration Policy

EngineeringUK is committed to paying staff fairly at an appropriate level to attract and retain people with the right skills and experience to ensure that the organisation delivers its charitable objectives and execute the strategy set by the Board. A salary benchmarking exercise with an external organisation in spring 2024 confirmed that salaries levels are appropriate.

Executive Team

The Board delegates the day to day running of the company to the Executive Team, led by the Chief Executive. The Executive Team operates in accordance with the Strategy and Business Plan/Budget approved by the Board. Expenditure authority limits have been set by the ARIC. Up to date financial and operational reports are presented to the Board at every meeting.

Members of the Executive Team are:

Dr Hilary Leever, Chief Executive

David Howley, Director of Finance and Corporate Services

Elizabeth Elgood, Director of Communications

Rebecca Everitt, Director of Business Development and Partnerships (on maternity leave from August 2025)

Carla Cornwell Interim Director of Business Development and Partnerships (joined in July 2025)

Madelein Dinwoodie, Director of Engagement Programmes

Total staff salary budgets and the specific contracts and remuneration of the Chief Executive and Executive Team are delegated to the N&RC which reports directly to the Board.

Members of Board and Trustees

Arrangements for all trustee appointments are overseen by the N&RC whose recommendations are referred to the Board for approval. The Chairman of the Board is recruited through an open and competitive process. The Chairman of the Engineering Council is an ex officio member of the Board and appointed through a process specified by the Engineering Council. The Institution of Engineering and Technology (IET), the Institution of Civil Engineers (ICE) and the Institution of Mechanical Engineers (IMechE), being the three largest PEIs, and the Royal Academy of Engineering have nominated their Chief Executives to sit on the Board. Members of each of the two electoral colleges elect two persons for nomination from amongst their number. Appointment of other Board members is through selection to meet the needs of the Board.

New trustees are provided with a Trustee Induction Pack that includes details of their legal responsibilities under charity and company law, the Memorandum and Articles of Association, Board Regulations, operational and financial information and recent Board minutes. They are also introduced to and briefed by senior staff. On appointment, Trustees agree and sign EngineeringUK's Trustees Code of Conduct, based on the core values of EngineeringUK and the Nolan Principles – Seven Principles of Public Life.

Members of Board and Trustees <i>The trustees serving during the year and since the year end were:</i>	Method of Appointment	Committee Membership
Iain Conn (Chair of Board)	Board	N&RC
Jacqueline Ferguson (Deputy Chair of Board)	Board	N&RC (Chair)
Edward Almond	IET	ARIC
Alice Bunn (to 30 Sept 2025)	IMechE	N&RC
Ruth Carter	Professional Engineering College	
John Chudley	Engineering Council	
Carl Ennis (to 14 July 2025)	Business & Industry College	N&RC
Adenike Folayan (to 31 May 2025)	Business & Industry College	
Rashada Harry	Board	N&RC
Alex King (from 1 April 2025)	Board	
Erol Mustafa	Board	ARIC (Chair)
Steven Rossiter	Board	N&RC
Pete Sellars	Professional Engineering College	
Hayaatun Sillem	Royal Academy of Engineering	
Jim Smith	Board	
Janet Young	ICE	

THE ENGINEERING AND TECHNOLOGY BOARD

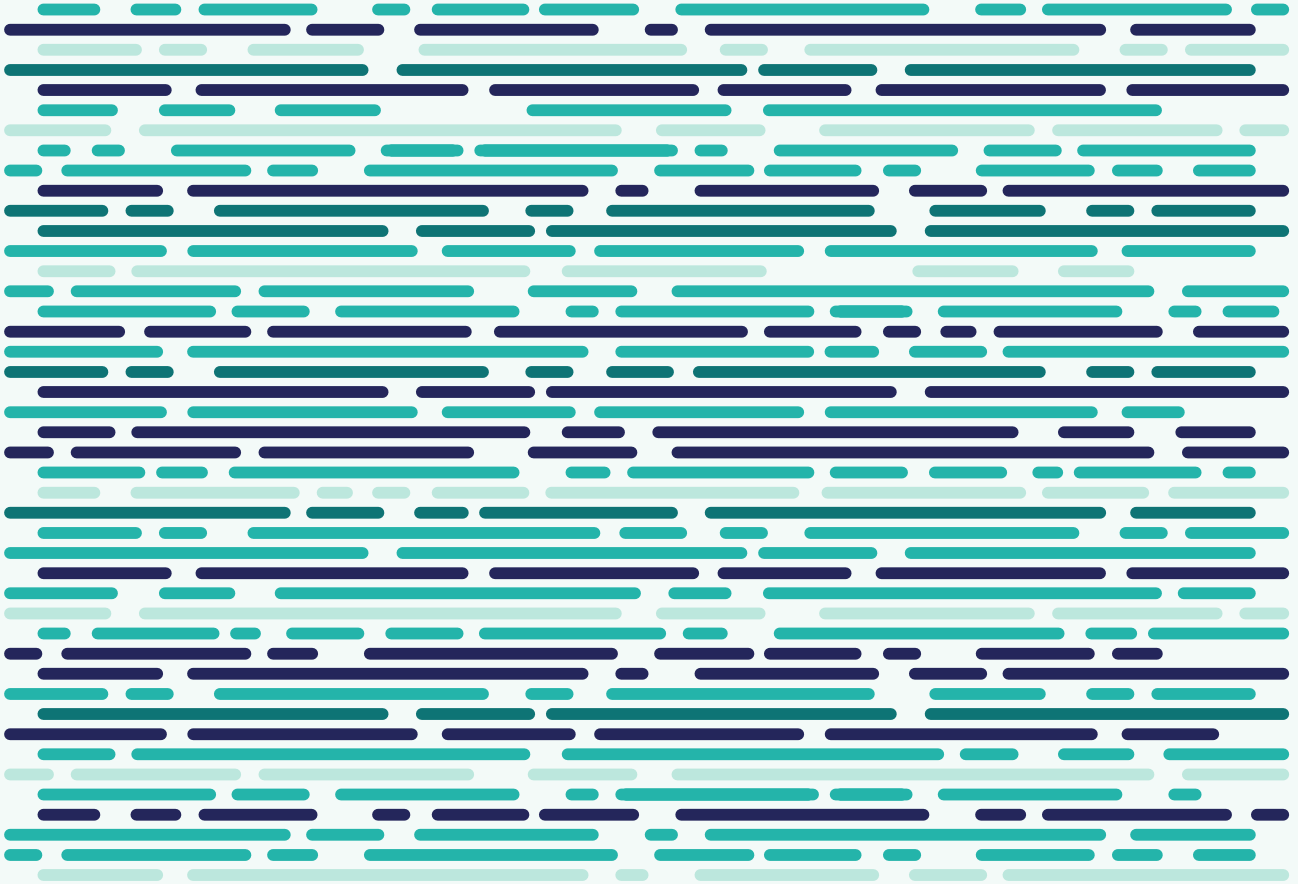
England & Wales - Charity number 1089678

Accounts



EngineeringUK

INSPIRING FUTURES TOGETHER



THE ENGINEERING AND TECHNOLOGY BOARD TRADING AS THE ENGINEERINGUK GROUP REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

COMPANY NO: 4322409

ENGLAND AND WALES CHARITY NO: 1089678

SCOTLAND CHARITY NO: SC046249

engineeringuk.com

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REPORT OF THE TRUSTEES

The Trustees present this annual report and financial statements for the 12-month period to the end of August 2024. Reference and administrative information set out on page 42 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102. This Trustees annual report includes a directors' report as required by company law.

Introduction

The importance of growing the number of young people choosing engineering and technology careers has only become more apparent since we launched our [new 5 year strategy](#) in September 2023. Our vision is for the UK to have the diverse workforce needed for engineering and technology to thrive and to drive economic prosperity, improve sustainability and achieve net zero. Numerous government taskforces were formed under the previous government to address current and future workforce needs such as green jobs, digital, nuclear and transport as well as more specific areas like shipbuilding and more emergent areas like quantum. The new government elected in July 2024 clearly recognises the critical importance of a larger UK engineering and technology talent pool including to successfully deliver its industrial strategy, its missions for clean energy and sustained growth, and its ambitions to reduce our dependence on skills from abroad. Attracting and enabling more young people from under-represented groups into well-paid and in-demand jobs in engineering and technology will also help with the government's mission to expand opportunity as well as bring the innovation that comes with diversity

Women and girls are the most under-represented group in engineering and technology, making up 15.7% as compared with 56% of the rest of the workforce, with comparable figures of 24 and 26% for people from poorer socioeconomic backgrounds, 13 and 18% for disabled people, and 12 and 16% for people from UK minority ethnic groups. We had expected these figures to gently improve over time and so were concerned to publish [research](#) this year documenting a decline in girls' interest in science in school science since 2019 as well as a fall in the proportion of women in the workforce over the last year, due to poor retention. Since these findings emerged, we've become more active in this area, building a partnership to identify actions to achieve a step-change in participation.

This report covers the four work streams of our new strategy: (1) research and evidence to understand workforce needs and how to inspire the next generation; (2) leading partnerships to increase the collective impact of all of our engagement activities; (3) delivering activities for students that ignite a passion for engineering and technology; and (4) policy and advocacy work, so that all students have the STEM and careers education they need and deserve.

Our activity is detailed in the sections below, but first we offer some highlights. It is vital that we have the best evidence base for all of our efforts and we have published many research reports, evaluations and briefings this year, including the Science Education Tracker survey of over 7,200

young people's experiences of STEM. We continue to put collaboration at the heart of everything we do and have worked with over 350 organisations this year, aiming to grow the collective impact of all our engagement efforts. We've had a particular focus on strengthening our relationships with Professional Engineering Institutions (PEIs) and their support for engagement activities.

Young people participated in 120,000 of our activities over 2023/24, up 8,000 on the previous year, and we have laid the foundations for greater growth in 2024/25. In addition, young people completed 13,650 Meet the Future You online quizzes. We sent out 38,600 printed career resources to schools and approximately 11,000 careers resources were downloaded, likely massively extending the reach of our content to young people. Overall, we worked with 2,608 schools, 456 of them in more than one way (e.g., ordering printed careers resources *and* coming to the Big Bang Fair). We also launched our new Climate Schools Programme to help integrate understanding of adaptations and mitigations to climate change and the associated careers in engineering and technology into school lessons.

As with many organisations, it's been a busy year in policy, including a Parliamentary launch of the report of our inquiry into the decline in engineering and manufacturing apprenticeships for young people, co-chaired by Lord Knight and Lord Willetts, as well as much work with the National Engineering Policy Centre, including events at party conferences and activity anticipating and following the general election.

We have delivered well against the ambitions of the first year of our 2023-28 strategy, but the scale of workforce needs alongside diversity challenges, come as a call to action, for us and all the organisations we work with, to do more. We will stretch ourselves further to extend our impact, collaborations and influence to do our utmost to inform, inspire and enable more young people from all backgrounds to progress into engineering and technology.

Many thanks to all the funders, partners, members, volunteers, teachers, careers advisors, employees and students who have worked with us over the year.

Charitable Objects

1. To promote for the public benefit the art and science of engineering in all its applications in the context of modern technology; and
2. To advance education in engineering and technology.

Vision, Mission and Purpose

Our Vision

The UK has the diverse workforce needed for engineering and technology to thrive and to drive economic prosperity, improve sustainability and achieve net zero.

Our Mission

EngineeringUK will enable more young people from all backgrounds to be inspired, informed and progress into engineering and technology.

Our Purpose

To drive change so more young people choose engineering and technology careers.



Public Benefit

EngineeringUK is a charitable body and exists to deliver benefits to the public. The Trustees have noted the duty in Section 17 of the Charities Act 2011 and given regard to the Charity Commission and The Scottish Charity Regulator's guidance on public benefit. Benefits arising from our activities are as follows.

- **Young people benefit** from understanding how and being more interested in progressing into engineering, technology and technician roles. These benefits will be greatest when we work with young people from groups that are under-represented in the engineering and technology [workforce](#) (women, people from socioeconomically disadvantaged or UK minority ethnic backgrounds, and disabled people) as they would otherwise be less likely to progress into these

areas. From an equity perspective, it is important to improve access to these jobs in areas of high workforce need and that are paid above average.

- Depending on which engagement activities they participate in, young people can improve their motivation, confidence, progression, attainment and develop wider employability skills such as problem solving, team working, communication and presentation skills. They may also develop specific engineering and technology skills, knowledge or both.
- **Schools and teachers benefit** from activities and employer engagements which can help with students' careers education, including meeting the requirements for English schools set out in the Gatsby benchmarks, as well as through the benefits to their students as identified above. Depending on the activities engaged in, teachers may be professionally developed by learning more about contemporary advancements in the STEM sector, especially engineering and technology, and related careers, and when supported to deliver in areas they are unfamiliar with (e.g., around climate change).
- **Employers and organisations involved in working with young people benefit** from better collaboration and coordination of their engagement activities and the provision of evidence, guidance and opportunities to improve the cost-effectiveness and impact of their delivery, also helping with their own commitments around Corporate Social Responsibility or ESG (Environment, Social and Governance).
- **Policymakers and those working in policy benefit** from having a stronger evidence base for their work derived from our research publications that include the make-up of the current workforce, workforce needs, young people's educational pathways into engineering, technology and technician roles, and their experiences of STEM and careers education and apprenticeships.
- **The engineering and technology sector and the nation benefit** from having a larger and more diverse engineering, technology and technician workforce, enhancing productivity and innovation, mitigating the skills shortages that, for example, limit growth, decarbonisation and refreshing our infrastructure, reducing our dependence on workers from overseas, and increasing the likelihood of achieving a just transition to net zero.

Achievements for 2023/24

1. Research and Evidence - Establishing the composition of the current engineering, technology & technician workforce, future workforce needs and how to address them.

Why this is important

Sharing our evidence helps ensure that careers information is accurate and conveyed in an inclusive and impactful way, policy development is better informed, and all engineering and technology engagement activities are inclusive and inspire the next generation.

What we said we would do during 2023/24

- Update previous statistics on workforce composition and needs.
- Analyses of educational pathways secondary data with a focus on annual apprenticeships data, results day, higher education and graduate outcomes.
- Publish the Science Education Tracker, overseeing analysis, report writing, and dissemination.
- Evaluate our school activity including a review of existing outcomes measures and thematic evaluations combining data across EngineeringUK programmes.
- Rapid evidence reviews of published evidence on aspects of STEM outreach delivery.
- Establish methodology and partners to evaluate the impact of multiple engagements on young people's later attitudes and choices.

How did we do?

- Published the [2023 Science Education Tracker](#) in partnership with the Royal Society and funded by Wellcome, analysing over 7,200 young people's experiences of STEM and careers education and their aspirations for the future. Important findings included an ongoing decline in hands-on practical work and a new fall in girls' interest in science, both of which are shaping our future work.
- Published a new [engineering footprint](#), in conjunction with the Royal Academy of Engineering and the Engineering Council, and a [Women in Engineering briefing](#) which identified a concerning decline in the retention of women in the workforce that is galvanising new conversations across the sector.
- Our [Net Zero Workforce](#) update summarises recent reports on green jobs and energy skills required to meet the challenge of ensuring the UK has the skills for decarbonisation and achieving Net Zero.
- Other research publications included: [exam results reports](#) for GCSE's, National 5s, T Levels, A-Levels and Highers; [a briefing on apprenticeship starts for 2022/23](#); and a [report on Graduate outcomes](#).
- EngineeringUK school activities in 2023/24 have been evaluated, and thematic reviews into teacher-led delivery and environmental sustainability content are underway; reports from the previous year have all [been published](#).
- We published a [rapid evidence review](#) into STEM clubs and their ability to increase students' aspirations for engineering and tech careers.
- We identified a partner for our planned longitudinal research to evaluate the impact of multiple careers activities on young people's later attitudes and choices and had preliminary discussions with potential funders.

2. Leadership - Leading efforts to grow the collective impact of all engineering inspiration and careers activities with young people.

Why this is important

Working together we can ensure more students participate in quality engineering and technology experiences, improve the coordination, inclusivity, targeting, efficiency and impact of engagements and create and share relevant, inspiring and accessible careers resources.

What we said we would do during 2023/24

- Continue to add new activities onto Neon, including content on environmental sustainability and Artificial Intelligence/Machine Learning. Research the most effective way to grow reach of Neon content and careers resources to primary schools and careers guidance practitioners.
- Recruit 50 Signatories and support the Tomorrow's Engineers Code Community through webinars and refreshed content on Tomorrow's Engineers website. Deliver Tomorrow's Engineers Live conference with 120 delegates.
- Embed and monitor new offer of support for PEIs and grow our corporate membership.
- Work with STEM Learning, PEIs and Corporate Members to understand and promote their use of STEM Ambassadors.
- Bring together a group of SME's to cocreate messaging and materials to increase engagement with SME's.

How did we do?

- Our Neon platform helps primary and secondary teachers identify STEM activities that meet their needs and our quality standards, as well as find case studies and career resources. 100 new activities were added this year including 20 on environmental sustainability, and 10 on Artificial Intelligence and Machine Learning. We released several new careers resources covering the breadth of engineering including [green careers](#), [an explorer leaflet for T levels and](#) our parents and carers guide to engineering translated into [Polish](#) and [Romanian](#). We increased our impact with priority schools¹ by distributing 107 bursaries totalling £57k to help them participate in activities listed on Neon that are not run by EngineeringUK, reaching an estimated 4,500 students.
- 45 new Signatories and 13 new supporters joined the Tomorrow's Engineers Code over the year, creating a total community of 292 like-minded Signatories committed to inspiring the next generation into engineering and technology.
- We have strengthened our support for PEIs with a Stewardship plan to help them deliver their own engagement activities as well as participate in those we lead. They have contributed to the review of Neon quality standards, delivery of the Big Bang Programme and input into many events, research briefings and careers materials.
- We worked with over 30 Corporate Members over the year helping them position themselves at the heart of national conversations on how industry can best support the next generation into engineering and technology. Following a research project we conducted last year on how we

¹ Priority schools meet EngineeringUK's EDI Criteria because they have high proportions of young people from groups that are under-represented in the engineering and technology workforce.

might better engage SMEs, we established connections with various SME networks to increase insight and enable them to engage young people.

- We also consulted with PEIs and Corporate Members to understand how we could better support and encourage more of their members and employees to become involved with volunteering opportunities including STEM ambassadors. We developed a number of actions around communications and awareness raising as well as developing materials to help.
- We work directly with over 350 organisations and many more can access our free materials to improve practice on the Tomorrow's Engineers Website, this year the site had around 11,700 users, 32,000 page views and 2,000 downloads. 112 delegates participated in our TELive conference kindly hosted by the Institution of Civil Engineers, which covered topics including Equity, Diversity and Inclusion, using technology to broaden reach and collaboration within the community.

3. Activities for schools - Expanding EngineeringUK's engagement to encourage more, and more diverse, young people into engineering, technician, and technology roles.

Why this is important

Expanding our school activities will allow us to increase the reach and impact through targeting, testing and iteration. We focus our work on 11 to 14s and prioritise content related to sustainability.

What we said we would do during 2023/24

- Deliver The Big Bang Fair for c20,000 young people at NEC in June and At School/Blueprint to at least 175 schools.
- Target 350 Big Bang Competition entries, 60% from priority schools and introducing a third 'Technology' stream alongside science and engineering.
- Test a new cross-curricular Climate Schools Programme with 50 schools to develop young people's understanding of renewable energy.
- Our long-term funding for Energy Quest has reduced but we aim to recruit new funders so that we can continue to deliver workshops and develop low-cost, teacher-led delivery.
- Robotics Challenge came to an end in 2023; we are encouraging schools that had participated to engage with other EngineeringUK activities and coding/robotics activities on Neon, as well as developing coding activities for Big Bang at School.
- Deliver Tomorrow's Engineers Week to 50,000 young people.

How did we do?

- The Big Bang 2024 Fair was held over 3 days at the NEC in June reaching over 20,700 young people, a 32% uplift on last year; 54% of schools attending were priority schools. 82% of students surveyed said they were *more* interested in a future job involving engineering having been to the

Fair whilst 77% said the same for technology and 95% of students surveyed said they enjoyed the Fair. Over 2,400 adults, mostly teachers, accompanied the students and about two thirds of them said it made them feel *more* confident in speaking about careers in engineering.

- 742 young people submitted 319 projects into the Big Bang Competition to identify the UK Young Scientist, Engineer and Technologist of the Year; 61% of entrants were from priority schools. A third of all competitors entered the new Technology stream sponsored by Siemens.
- The Big Bang at School provides schools with a framework and delivery partner support to deliver the Big Bang as an in-school activity – it reached 16,600 young people, 95% from priority schools. The new ‘lighter touch’ Big Bang Blueprint provided schools with the resources, guidance and tools required to produce their own Big Bang event and reached over 27,600 young people, an 87% uplift on 2022/23 with 81% from priority schools. 48 schools received additional support through bursaries totalling £28,250.
- In 2023/24 we piloted our new Climate Schools Programme, empowering students to explore innovative solutions to tackling climate change; 330 schools downloaded our materials (55% were priority schools), reaching an estimated 2,600 young people.
- A teacher delivered version of Energy Quest was developed, with 293 teachers registering to deliver the programme, 49% of these from priority schools. In total an estimated 1,700 young people took part.
- 51,500 students took part in Tomorrow’s Engineers week, a week-long celebration of engineering and technology careers designed to excite and inspire the next generation, 58% were from priority schools. This annual occasion provides a great opportunity for the community to work together to dispel stereotypes and we had 350 stakeholders using the #TEWeek23 on Twitter.

4. Advocacy - Advocacy and support to address policy and delivery challenges related to the sector’s education, skills and workforce planning.

Why this is important

Advocating for policy improvements can help ensure young people get the opportunities they need to go into engineering and technology. By supporting vocational routes, we can grow the number of young people going into engineering, technology and technician careers.

What we said we would do during 2023/24

- General policy work including advocacy in the run-up to the election with the National Engineering Policy Centre.
- Support greater awareness and understanding of T-Levels as a route into engineering and manufacturing with employers and young people.
- Launch and follow-up apprenticeship report.

How did we do?

- In October we held a Parliamentary launch of [Fit for the Future](#) a 5 point plan to grow and sustain engineering and technology apprenticeships for young people, reporting on an inquiry co-chaired by Lord Knight and Lord Willetts: (1) rebalance education to achieve parity of esteem between technical and academic pathways; (2) break down barriers for young people; (3) focus funding into apprenticeships; (4) enable businesses and especially more SMEs to offer apprenticeships, ensuring they meet the needs of the sector; and (5) encourage employers to grow and sustain apprenticeships for young people.
- We worked with the National Engineering Policy Centre to generate and promote their [policy priorities for the new government](#), as well as publishing our more detailed [policy priorities for STEM workforce planning, education and skills](#) as part of a five week communications campaign in the run up to the General Election.
- Ongoing policy and wider communications engagement on T levels to ensure continued awareness of the benefits that they can offer young people and employers.
- We met with and providing briefings to parliamentarians and policy makers throughout the year, were members of the Nuclear Skills Taskforce and Quantum Taskforce as well as contributing to other taskforces, responded to five consultations, and presented to the Parliamentary and Scientific Committee.

Environmental sustainability

Our commitment to environmental sustainability is threaded through our work. Our three main objectives and actions against them in 2023-24 are as follows.

1. Grow our understanding of the workforce needs associated with Net Zero. In 2023/24 we updated our review of [workforce needs](#) and published [guidance](#) and provided training/webinars on how to use environmental sustainability to inspire young people into engineering and technology.
2. Use the subject of environmental sustainability in EngineeringUK's materials and engagements; advocate for others to make clear to teachers and young people the link between environmental sustainability problems and engineering and technology solutions and for policy change that supports this in the taught and/or national curriculum. In 2023/24 we have:
 - Piloted the Climate Schools Programme in schools and the 'Tackling Climate Change' resource for STEM and Climate Ambassadors
 - Included low-carbon engineering & technology solutions in our resources and programmes
 - Supported the National Climate Education Action Plan.
3. Operate in an environmentally sustainable way and encourage and support others to do the same. In 2023/24 we have:

- Set Science-Based Targets for carbon reduction and committed to becoming a Net Zero organisation; to date we have reduced our total carbon emissions by around 60% compared to a 2018-19 baseline. We report our progress annually on our website.
- Purchased carbon credits (which comply with the UK's Woodland Carbon Code) from a new tree plantation in Scotland which will allow EngineeringUK to become Net Zero in the 2040s.
- Shared our learnings and expertise on decarbonising our activities with others through webinars.

Plans for 2024/25

1. Research and Evidence - Establishing the composition of the current engineering, technology & technician workforce, future workforce needs and how to address them by.

- Educational Pathways analysis of secondary data and Higher Education.
- Additional analyses of 2023 Science Education Tracker data.
- Undertake workforce composition research updating statistics on workforce composition.
- Deliver 2 thematic reports and 5-6 programme specific infographics.
- Work with the research partner to secure funding for a Longitudinal Research Project to explore the extent to which multiple STEM engagements impact on young people's later attitudes and choices.

2. Leadership - Leading efforts to grow the collective impact of all engineering inspiration and careers activities with young people.

- Continue to develop and drive usage of Neon; upload 100 new activities. Run EDI bursary scheme to support priority school engagement.
- Recruit 50 Signatories and support Code Community. Deliver a one-day TE Live conference with 120 delegates.
- Launch of our new EUK Education brand alongside an awareness campaign to introduce teachers, careers leaders and school leaders.
- Ongoing support for our Corporate Members and for PEI's STEM engagement.

3. Activities for schools - Expanding EngineeringUK's engagement to encourage more, and more diverse, young people into engineering, technician, and technology roles.

- Deliver The Big Bang Fair for 22,000 young people with a minimum 60% of priority schools.

- Deliver Big Bang At School via Delivery Partners into 125 priority schools and teacher-led Blueprint with a £500 bursary to at least 20 priority schools.
- Deliver Big Bang Competition with a reach of 400 projects (935 young people) with a minimum of 60% from EDI schools.
- Expand Climate Schools Programme to reach 350 schools.
- Work with delivery partners to deliver Energy Quest in 5 priority schools. Continue delivery of teacher-led Energy Quest sessions to reach 65 schools.
- Work with partners to develop/test/deliver actions to step-up the number of girls who are on pathways to engineering and technology careers at age 18.
- Deliver Tomorrow's Engineers Week reaching 52,500 young people.

4. Advocacy - Advocacy and support to address policy and delivery challenges related to the sector's education, skills and workforce planning by.

- Intensive engagement with new government, via conferences, roundtables, and Big Bang at Parliament and consultation responses.
- Work to develop partnerships in the devolved nations (focusing initially on Scotland).
- Support Engineer 2030 activity led by the Royal Academy of Engineering.

Our work is delivered in line with our values

- **Inclusive.** We are inclusive and care about diversity. We understand that we have different needs and create opportunities for everyone's voice to be heard.
- **Collaborative.** We are collaborative. We listen, share and work in partnership to achieve our vision.
- **Curious.** We are curious and keen to learn. We challenge ourselves and others to innovate and experiment.
- **Insightful.** We are insightful. We evaluate what we do and draw on research to make decisions and to improve our collective understanding.
- **Driven.** We are driven by a strong sense of purpose. We are determined to make an impact and achieve our goals.

Financial Review

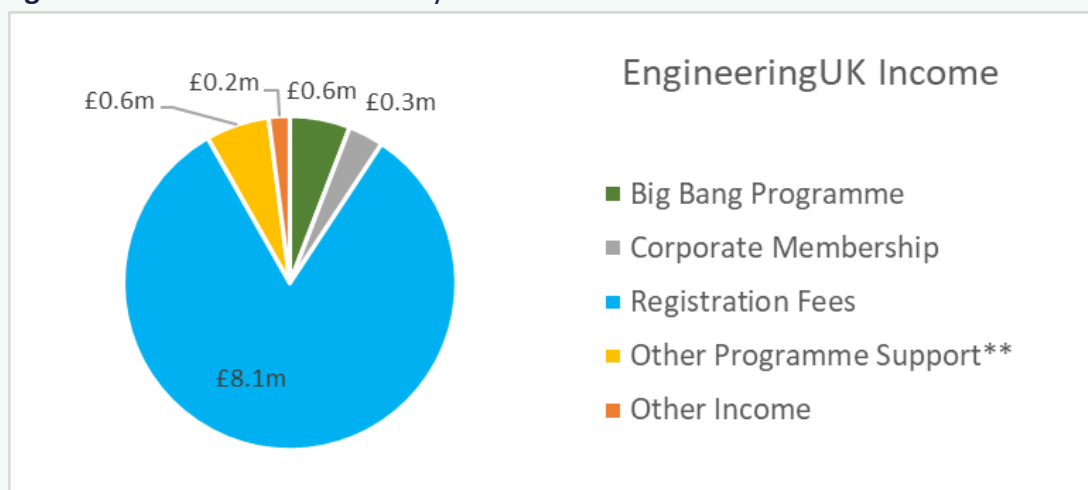
The figures for 2023/24 represent results for the first year of our current 5-year strategy cycle. Income for the year is £9.84m, direct costs £10.07m, resulting in a deficit of £0.23m which is as planned in the 5 year financial planning underpinning our strategy and covered by our reserves.

Income

As shown in Figure 1 below, EngineeringUK's main income source is from the registration fees of professionally registered engineers and technicians which totals £8.1m (82%). We are grateful for this valuable financial contribution from the members of PEIs. The registration fees also fund the Engineering Council in its role as the profession's regulatory body (EngineeringUK collects the fees on behalf of both organisations and passes a grant of £3m onto the Engineering Council).

We are also supported by £0.3m of income from our corporate members which funds the work that we do to support their engagement activities as well as some of our core investment in research, policy etc.

Figure 1. Breakdown of income by source



****Note:** Other Programmes comprises Climate Schools Programme, Energy Quest, EDI bursaries and support for Tomorrow's Engineers Live and Science Education Tracker

Our largest programme is the Big Bang which in 2023/24 comprised the Big Bang Fair, the Big Bang Competition, and Big Bang at School events. EngineeringUK has subsidised these events since their inception especially as fundraising for the face-to-face Big Bang Fair has been more challenging since returning in 2022 after the pandemic. The Big Bang activity cost £1m during the year, offset by £0.6M of sponsorship and fundraising income.

We are grateful for the income received from the Helsington Foundation to pilot and develop our new Climate Schools Programme. The pilot was well received after a successful first year and we look forward to expanding delivery next year. In addition, significant funding was received from the

Wellcome Trust to fund The Royal Society and EngineeringUK to deliver the Science Education Tracker research project that surveyed 7,200 young people across England.

EngineeringUK would like to thank all of our corporate partners, funders and individuals for their support during the last year, those above £15k are listed below.

Contributions received between £15-50k

Atkins UK, Babcock, De Puy International, Drax Power, Jaguar Land Rover, JCB, Leonardo UK, Malcolm Brinded, National Grid, National Highways, Network Rail, Orsted, Rolls Royce Plc, Shell, Siemens Plc, Specsavers

Contributions received between £50-200k

Gatsby Charitable Foundation

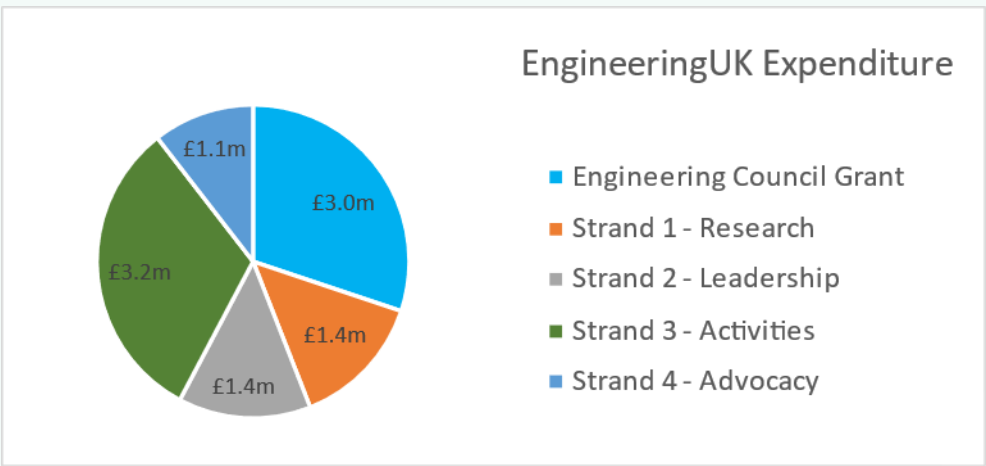
Contributions received above £200k

Helsington Foundation, The Royal Society

Expenditure

Costs for the year were £10.1m spread across 5 areas as shown in Figure 2 below. With the challenging fundraising environment, keeping costs to a minimum was important. Staff undertook several procurement processes to ensure value for money and secure efficiencies. EngineeringUK have also maximized returns from bank interest on our fixed also welcomed STEM Learning as a tenant which helped lower our office costs. We share our offices and some of our services with the Engineering Council, increasing our efficiency and the return on our shared funding stream.

Figure 2. Breakdown of expenditure across the four strategic pillars alongside the annual grant to Engineering Council.



Balance Sheet and cash flow

Group reserves and net assets decreased during the year by £0.1M (following a £0.2M decrease in 2022/23). Total funds at 31 August 2024 were £3.2M, of which none was restricted and £1.2M was

designated, leaving free reserves of £2.0M. Group cash decreased by £0.7m to £4.0m, while the value of investments increased by £0.1m to £1.6m.

Investment policy

There are no restrictions on the Charity's power to invest, and the investment return targeted by our Investment Policy is to achieve inflation (CPI) +4% over the long term (5+ years). Investments are allocated to specific funds within agreed asset allocation ranges, and their performance is regularly reviewed against appropriate benchmarks. Investment performance in 2023/24 was marginally below benchmark.

Subsidiaries

EngineeringUK has a limited company, Scenta Limited as a subsidiary. The purpose of the company was for EUK trading activities, but this company is currently dormant. EngineeringUK also has the Big Bang Education Community Interest Company as a subsidiary, which was set up to deal with all arrangements and transactions related to the Big Bang Programme. As at the end of the 2023/24 financial year, this company has been made dormant with all operational delivery moving to EngineeringUK.

Reserves policy

EngineeringUK maintains reserves for the following reasons.

- EngineeringUK has multiple income streams with varying degrees of volatility. Reserves are held for contingency purposes.
- Investment balances are vulnerable to market conditions.
- EngineeringUK is a participating employer of the Engineering Council Pension Scheme. In the remote circumstances that Engineering Council was unable to meet its obligations and liabilities relating to the Scheme, the obligation would move to EngineeringUK.
- Reserves allow potential "step change" in programmes aimed to maximise impact for beneficiaries.

The Board agreed to set up two designated funds in 2022. A pension fund reserve and an Infrastructure fund. The pension fund reserve is to set aside funds to support the closure of an historic defined benefit pension scheme through to buyout. The infrastructure fund is to enable EngineeringUK to undertake one-off larger projects unaffordable during a normal budget cycle. This could include items such as a new website, IT project, office works or to pilot a new engagement project.

The Board has determined that the company should have between £1.5M and £2.5M in "free" reserves as represented by the General Fund. Currently, EUK's general fund reserve is £2.0m which is the mid-point of our policy range.

Total designated funds reduced by £27k over the year. The pension fund has been increased by £100k, transferred from general reserves to bring it to a total of £700k. Fixed Assets funds have reduced by £68k from depreciation over the year. A total of £224k has been spent from the £300k infrastructure fund in place at the start of the year on two new websites for EngineeringUK Corporate and EngineeringUK Education and associated branding. In addition, a new finance system (Microsoft Business Central) has been implemented as well as a new schools CRM system (Microsoft Fabrik) for our schools data. At the end of the year there has been a further £165k transferred to the infrastructure fund from general funds to bring it up to a total of £241k, with further activity planned in 2024/25 further website activity and embedding the new finance system across the organisation.

The reserves position is set out below:

£000	31 August 2024	31 August 2023
General Fund	1,996	2,090
Designated Funds:		
Pension Fund	700	600
Fixed Assets Fund	240	288
Infrastructure Fund	241	300
Total Designated Funds	1,161	1,188
Total Funds	3,177	3,278

Risk management, principal risks and uncertainties

A Risk Management Policy is in place that sets out how EngineeringUK views, identifies, assesses and manages risk through its Risk Registers. EngineeringUK's approach is to minimise exposure to reputational, compliance and financial risk, while accepting that a certain level of risk has to be taken to achieve its strategic objectives. Acceptance of risk is subject to ensuring that risks and potential benefits are fully considered and understood before activities are undertaken and that sensible measures are in place to mitigate risk.

Engineering UK's risk appetite varies with the area of activity as follows:

- We are risk averse or accept only minimal risk in the areas of: Health & Safety, Safeguarding, Compliance & Governance, Data Protection, Cyber Security and People and Culture
- We take a cautious approach, that is, we prefer safe options that have a low degree of residual risk, in the areas of: Reputation and Financial Sustainability.
- We have an open approach, that is, we are willing to consider all potential options and choose one that is most likely to result in successful delivery, despite the potential for some degree of risk, in the areas of: Impact, Programme Delivery and Influencing.
- We are eager to innovate and to choose options offering potentially higher reward, despite greater inherent risk in the area of Collaboration and Programme Innovation.

A Corporate Risk Register identifies risks that could have an impact on the company's ability to deliver its strategic objectives. It is reviewed monthly by the Executive Team. The Audit, Risk and Investment Committee, who have delegated responsibility from the Board, review the risk register in detail at least three times a year. The risk register is shared with the Board following review by The Audit, Risk and Investment Committee. Programme Risk Registers are maintained that reflect risks across various projects, which are escalated to the Corporate Risk Register if significant.

The most significant risks faced by EngineeringUK are identified in the table below alongside mitigations to minimise these risks. Our risks have reduced over the course of the year as we have been more successful in reaching schools and securing funding for delivery in 2024/25. The only 'red risk' is for data breach even though we have taken many mitigating actions, as we recognise that even much more well-resourced organisations than ours are susceptible to data breaches.

Risk	Mitigation
Data breach or lack of compliance	• We have GDPR and data Retention policies in place and mandatory training for staff in these areas and in cyber security. • We have enhanced IT external security monitoring our systems operation and providing incident response in the event of any systems errors or cyber-attacks. • All appropriate contracts cover the transfer of data between EUK and all third-party suppliers.
Failure to demonstrate relevance	• We continuously evaluate and iterate our activities based on feedback and evaluation and co-create/test any changes or new activities with users. Audience insights and evaluation findings are shared with stakeholders. • Annual stakeholders survey flags issues - 2024 data is positive. Regular conversations with PEIs, corporate members and other partners to understand their needs and interests. • Our work is driven by workforce shortages and also tackles Equity, Diversity and Inclusion, social justice and environmental sustainability providing wider relevance.
Delivery partners unable to deliver	• Using multiple DPs for most programmes to provide resilience; due diligence conducted on all. • Annual review built into contracts for DPs for new multi-year programmes. • More activities delivered in house as needed and testing more teacher led activities.
Reputational damage	• We undertake a NPS survey each year across all our stakeholders to understand what works well and where we can make improvements. • We have a wide range of policies that cover our commitment to Equity, Diversity and Inclusion, Environmental Sustainability and Safeguarding, as well as operational policies that include Health and Safety, Human Resources and IT governance.

Reduction in EUK longer term financial stability	• Financial planning and comprehensive annual budget process. • Embracing efficiencies through procurement and technology. • Strategic planning to close historic pension plan by 2030. • Plan to diversify income and careful monitoring of investments.
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Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the group and the parent charity and of the incoming resources and application of resources, including the net income or expenditure, of the group for the year. 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 SORP
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 accounting records that disclose with reasonable accuracy at any time the financial position of the group and the parent charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Information to Auditor

Each of the directors has confirmed that so far as they are aware, there is no relevant audit information of which the company's auditor is not aware, and that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Iain Conn

Chairman

Approved by the Board on 9 December 2024 and signed on its behalf

In approving this report, the directors approve the Trustees' Report for charity law purpose and the Directors' Report and Strategic Report for company law purposes.

Independent auditor's report to the members of The Engineering and Technology Board

Opinion

We have audited the financial statements of The Engineering and Technology Board (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2024 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulation 2006 (as amended)

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt

on The Engineering and Technology Board'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 other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company'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 charitable company 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 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

17 January 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

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

Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account)
for the year ended 31 August 2024

		Year ended 31 August 2024			Year ended 31 August 2023		
	Note	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
Income and endowments from:							
Charitable activities	2	9,024	676	9,700	8,632	875	9,507
Investments	5	138	-	138	82	-	82
Total		<u>9,162</u>	<u>676</u>	<u>9,838</u>	<u>8,714</u>	<u>875</u>	<u>9,589</u>
Expenditure on:							
Grants payable in furtherance of the charity's objects	10	3,033	-	3,033	2,833	-	2,833
The Big Bang Programme		1,767	63	1,830	1,692	92	1,784
Other programmes		1,119	613	1,732	1,044	783	1,827
Promoting the benefit of engineering and engineering careers		3,100	-	3,100	2,945	-	2,945
Business and Industry engagement		371	-	371	384	-	384
Total	6	<u>9,390</u>	<u>676</u>	<u>10,066</u>	<u>8,898</u>	<u>875</u>	<u>9,773</u>
Total income less expenditure excluding investment gains/(losses)		(228)	-	(228)	(184)	-	(184)
Net (loss)/ gains on investments	11	127	-	127	(64)	-	(64)
Net movement in funds		<u>(101)</u>	<u>-</u>	<u>(101)</u>	<u>(248)</u>	<u>-</u>	<u>(248)</u>
Reconciliation of funds:							
Total funds brought forward		<u>3,278</u>	<u>-</u>	<u>3,278</u>	<u>3,526</u>	<u>-</u>	<u>3,526</u>
Total funds carried forward	18	<u><u>3,177</u></u>	<u><u>-</u></u>	<u><u>3,177</u></u>	<u><u>3,278</u></u>	<u><u>-</u></u>	<u><u>3,278</u></u>

All transactions arose from continuing activities.

All gains and losses are included above.

Movements in funds are disclosed in note 18a to the financial statements.

Consolidated and Company Balance Sheets as at 31 August 2024

		Group		Company	
		31 August 2024	31 August 2023	31 August 2024	31 August 2023
	Note	£000	£000	£000	£000
Fixed Assets					
Intangible assets	12	23	36	23	36
Tangible assets	13	217	253	217	253
Investments	11	1,649	1,522	1,649	1,522
		<u>1,889</u>	<u>1,811</u>	<u>1,889</u>	<u>1,811</u>
Current Assets					
Debtors and prepayments	15	1,658	1,558	1,658	1,380
Deposits and cash		3,923	4,654	3,923	4,600
		<u>5,581</u>	<u>6,212</u>	<u>5,581</u>	<u>5,980</u>
Current Liabilities					
Amounts falling due within one year					
Creditors	16	(893)	(1,204)	(893)	(976)
Deferred income	17	(3,400)	(3,541)	(3,400)	(3,537)
		<u>(4,293)</u>	<u>(4,745)</u>	<u>(4,293)</u>	<u>(4,513)</u>
Net Current Assets		1,288	1,467	1,288	1,467
Total Net Assets		<u>3,177</u>	<u>3,278</u>	<u>3,177</u>	<u>3,278</u>
Unrestricted funds					
General		1,996	2,090	1,996	2,090
Designated		1,181	1,188	1,181	1,188
Total funds	20	<u>3,177</u>	<u>3,278</u>	<u>3,177</u>	<u>3,278</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 December 2024

Iain Conn
Chairman of the Board

Erol Mustafa
Chair of the Audit Committee

Consolidated Cash Flow Statement for the year ended 31 August 2024

CONSOLIDATED CASH FLOW STATEMENT		Year ended 31 August 2024	Year ended 31 August 2023
	Note	£000	£000
Cash flows from operating activities:			
Net cash (used in)/ provided by operating activities		(850)	(534)
Cash flows from investing activities:			
Dividends and interest	5	138	82
Purchase of property, plant and equipment and intangibles		(19)	231
Net cash provided by investing activities		119	313
Change in cash and cash equivalents in the year		(731)	(221)
Cash and cash equivalents at 1 September		4,654	4,875
Cash and cash equivalents at 31 August		3,923	4,654
RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		Year ended 31 August 2024	Year ended 31 August 2023
		£000	£000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		(101)	(248)
Adjustments for:			
Depreciation and amortisation charges		68	(187)
Loss/ (Gain) on investments		(127)	64
Dividends and interest		(138)	(82)
(Increase) in debtors		(100)	(82)
(Decrease) in creditors		(311)	(140)
(Decrease)/ Increase in income in advance		(141)	141
Net cash provided by operating activities		(850)	(534)

Notes to the financial statements for the year ended 31 August 2024**1. STATEMENT OF ACCOUNTING POLICIES****1.1 Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

EngineeringUK meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historic cost or transaction value with the exception of investments which are included at market value.

The company holds no complex financial instruments nor are there any areas of material estimation uncertainty affecting the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are defined in the Memorandum and Articles of Association. In the event of the charity being wound up the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Group financial statements

These financial statements consolidate the results of the charitable company and Big Bang Education CIC on a line-by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not presented because advantage has been taken of exemptions afforded by section 408 of the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

1.4 Going concern

At 31 August 2024 EngineeringUK holds free reserves of £2m. The trustees consider there to be no material uncertainties about the charity's ability to continue as a going concern for at least a year to November 2025.

1.5 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from Registration fees is accounted for on an accruals basis. Fees are received from institutions, throughout the year, by instalments at an agreed level. At year end an estimate is made of any underpayment or overpayment and of fees due. These amounts are shown under the income and income in advance notes. Income from grants is recognised when income from the grant is due. Where the grant relates to performance and specific deliverables it is accounted for as the charity earns the right to consideration by its performance. Sponsorship and other income received from industry is accounted for on an accruals basis.

Notes to the financial statements for the year ended 31 August 2024**1. STATEMENT OF ACCOUNTING POLICIES - continued****1.6 Investment Income**

Investment income and interest received from bank deposits and gilt-edged securities are accounted for on an accruals basis. Dividends from equity investments are accounted for on a receivable basis. Investments are included in the Balance Sheet at market value. Realised and unrealised gains and losses are included in the Statement of Financial Activities.

1.7 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources.

Other allocated costs have been apportioned against staff numbers. Governance costs include an allocation of time from the Chief Executive, wider Executive Team, Business Support Team and the Corporate Governance Manager. All other costs are considered to be costs to further EngineeringUK's charitable activities.

1.8 Grants payable

Grants are recognised in the financial statements when an obligation to pay the grant occurs. Where grants are subject to performance conditions the obligation is recognised when the conditions are met, or when there is an expectation that the grant will be paid. Grants that are potentially payable in future years, but do not meet the above criteria for immediate recognition are recognised in the designated fund.

1.9 Pension Costs

The Group is a participating employer in The Engineering Council Pension Scheme. This is a contracted-out defined benefit pension scheme for those employees transferred from Engineering Council which requires contributions to be made to a separately administered fund. Contributions to this fund are charged in the Statement of Financial Activities (SOFA) so as to spread the cost of pensions over the employees' working lives within the Group. The regular cost is attributed to individual years using the projected unit method.

The scheme was closed to new members in February 2002 and in April 2012 the scheme ceased to accrue benefits for remaining members. EngineeringUK is a participating employer in the scheme and therefore has a liability to the scheme. A full actuarial valuation of the fund is carried out every three years by The Engineering Council Pension Scheme actuary, with annual actuarial reports in the interim years. A share of liabilities are reflected in the Balance Sheet if there are net liabilities in the scheme at the date of the latest valuation.

The Group also contributes to a defined contribution pension scheme for staff who are not in the defined benefit scheme. The employer contributes 10% of basic salary and the employee 5%. Contributions to these arrangements are charged to the SOFA in the period in which they are due.

1.10 Tangible Fixed Assets and Depreciation

Tangible fixed assets, individually or in aggregate, costing more than £1,000 are capitalised and included at cost including any incidental expenses on acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off their cost evenly over their expected useful lives as follows:

Computer and office equipment	- 3 to 5 years
Fixtures and fittings	- 2 to 5 years or the remainder of property lease

Notes to the financial statements for the year ended 31 August 2024**1. STATEMENT OF ACCOUNTING POLICIES - continued****1.11 Intangible Fixed Assets and Amortisation**

Acquired intangible fixed assets costing more than £1,000 are capitalised and included at cost.

Intangible fixed assets are amortised at rates calculated to write off the assets on a straight line basis over their estimated useful economic lives. Impairment of intangible assets is reviewed where circumstances indicate that the carrying value of an asset may not be fully recoverable.

1.12 Operating Leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

1.13 Value Added Tax

Irrecoverable VAT input charges have been included in the expenditure areas to which they relate.

1.14 Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1.15 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.16 Investments**Listed investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiaries

Investments in subsidiaries are at cost.

1.17 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.

1.18 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.19 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the financial statements for the year ended 31 August 2024

2. INCOME FROM CHARITABLE ACTIVITIES

	Year ended 31 August 2024			Year ended 31 August 2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£000	£000	£000	£000	£000	£000
EC Registration fees	8,074	-	8,074	7,720	-	7,720
Corporate and Network Member fees	337	-	337	376	-	376
Sponsorship and Grants for projects	498	444	942	462	801	1,263
Other income	115	232	347	74	74	148
	<u>9,024</u>	<u>676</u>	<u>9,700</u>	<u>8,632</u>	<u>875</u>	<u>9,507</u>

3. NET INCOME FROM TRADING ACTIVITIES - SCENTA LIMITED

Scenta Limited acts as the trading subsidiary of EngineeringUK. The entity is dormant in 2023/24.

4. BIG BANG EDUCATION CIC

Big Bang Education CIC is a wholly owned subsidiary of EngineeringUK. Big Bang Education CIC was set up to deliver the Big Bang National Fair and the Big Bang Near Me fairs. Trustees Rashada Harry, Janet Young and James Smith, as well as Dr Hilary Leever, the CEO of EngineeringUK are also directors of Big Bang Education CIC.

The Directors of Big Bang CIC agreed to transfer the CIC's undertakings on 23 August 2024 to EngineeringUK, making the company dormant.

	Year ended 31 August 2024	Year ended 31 August 2023
	£000	£000
Turnover (External)	562	554
Contribution from EngineeringUK	12	454
Cost of Sales	<u>(893)</u>	<u>(660)</u>
Gross Profit	(319)	348
Transfer of net liabilities to EngineeringUK	457	-
Administration Costs	<u>(138)</u>	<u>(348)</u>
Operating Result	-	-
Taxation	-	-
Retained (Loss)/Profit for year	<u>-</u>	<u>-</u>

Notes to the financial statements for the year ended 31 August 2024

Year ended 31 August
2024

Year ended 31 August 2023

5. INVESTMENT INCOME

	£000	£000
Bank Interest Receivable	94	52
Other Investment Income	44	30
Total Investment Income	138	82

The investment income arises from investments in UK investment funds.

6a. CHARITABLE EXPENDITURE (Current year)

Analysis of expenditure on charitable activities

	Year ended 31 August 2024				
	Activities undertaken directly	Grant funding of activities	Direct staff costs	Support costs	Total costs
	£000	£000	£000	£000	£000
Grant to Engineering Council	-	3,033	-	-	3,033
The Big Bang Programme	675	-	589	566	1,830
Other programmes	435	6	824	467	1,732
Promoting benefit of engineering and engineering careers	928	-	1,220	952	3,100
Business and Industry engagement	-	-	220	151	371
Total expenditure	2,038	3,039	2,853	2,136	10,066

Analysis of support costs

	The Big Bang Programme	Other programmes	Promoting benefit of engineering and engineering careers	Business and Industry engagement	Total costs	Basis of allocation
	£000	£000	£000	£000	£000	
Management	111	92	187	30	420	Support costs have been allocated in ratio to the average number of staff employed in each area.
Finance and HR	191	157	321	52	721	
Governance	130	107	219	35	491	
Premises and office services	111	92	187	28	418	
Depreciation	18	15	30	5	68	
Insurance	5	4	8	1	18	
Total	566	467	952	151	2,136	

Within support costs there is £1,510k of staff costs.

Promoting benefit of engineering and engineering careers: This includes non-programme related activities such as research, careers resources and corporate communications including websites.

Notes to the financial statements for the year ended 31 August 2024

6b. CHARITABLE EXPENDITURE (Prior year)
Analysis of expenditure on charitable activities

	Year ended 31 August 2023				
	Activities undertaken directly	Grant funding of activities	Direct staff costs	Support costs	Total costs
	£000	£000	£000	£000	£000
Grant to Engineering Council	-	2,833	-	-	2,833
The Big Bang Programme	661	-	575	548	1,784
Other programmes	612	5	752	458	1,827
Promoting benefit of engineering and engineering careers	908	-	1,101	936	2,945
Business and Industry engagement	-	-	223	161	384
Total expenditure	2,181	2,838	2,651	2,103	9,773

Analysis of support costs

	The Big Bang Programme	Other programmes	Promoting benefit of engineering and engineering careers	Business and Industry engagement	Total costs	Basis of allocation
	£000	£000	£000	£000	£000	Support costs have been allocated in ratio to the average number of staff employed in each area.
Management	91	76	156	27	350	
Finance and HR	173	145	296	51	665	
Governance	142	119	242	42	545	
Premises and office services	124	103	211	36	474	
Depreciation	13	11	23	4	51	
Insurance	5	4	8	1	18	
Total	548	458	936	161	2,103	

Within support costs there is £1,432k of staff costs.

Promoting benefit of engineering and engineering careers: This includes non-programme related activities such as research, careers resources and corporate communications including websites.

7. NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging / (crediting):

	Group		Company	
	Year ended 31 August 2024	Year ended 31 August 2023	Year ended 31 August 2024	Year ended 31 August 2023
	£000	£000	£000	£000
Depreciation and amortisation	68	187	68	187
Operating lease rentals payable:				
Property	202	202	202	202
Auditor's remuneration:				
Audit fees	22	18	17	16
Other services	5	4	5	4

Notes to the financial statements for the year ended 31 August 2024

8. STAFF COSTS INCLUDING PENSIONS AND SOCIAL SECURITY COSTS

Group and parent:

The average number of persons employed by EngineeringUK during the period in the following categories was:

	Year ended 31 August 2024	Year ended 31 August 2023	Year ended 31 August 2024	Year ended 31 August 2023
	No (FTE)		No (Total employed)	
Executive team	5	5	5	5
Staff in direct activities	45	37	47	39
Secretarial and administrative staff	13	17	14	19
Total Staff	63	59	66	63

The actual staff employed at period end was 65 (2023: 63).

Staff Costs	Year ended 31 August 2024	Year ended 31 August 2023
	£000	£000
Salaries	3,228	2,972
Social security costs	363	342
Other pension costs	556	467
Other staff benefits	73	69
Temporary and agency staff	26	10
Termination and redundancy payments	-	55
Recruitment, training, travel and other expenses	115	164
	4,361	4,079

Number of employees whose emoluments exceeded £60,000 for the period were as follows:

	Year ended 31 August 2024	Year ended 31 August 2023
Exceeding £60,000 but not exceeding £70,000	3	1
Exceeding £70,000 but not exceeding £80,000	3	4
Exceeding £80,000 but not exceeding £90,000	1	0
Exceeding £90,000 but not exceeding £100,000	1	1
Exceeding £120,000 but not exceeding £130,000	1	2
Exceeding £130,000 but not exceeding £140,000	1	0
Exceeding £180,000 but not exceeding £190,000	0	1
Exceeding £210,000 but not exceeding £220,000	1	0

EngineeringUK has provision in the Company's Memorandum of Association and approval from the Charity Commission to remunerate the Chair for their duties. The Chair has waived his remuneration. No other trustee received any emoluments during the year.

The total employer contributions during the period to the defined contribution pension schemes relating to the higher paid staff above was £150,419 for 18 employees (2023: £99,435 for 10 employees). None of the higher paid employees above was a member of the Engineering Council Pension Scheme, a defined benefit scheme.

The Chief Executive who served during the year is not a director of the company or a trustee.

Notes to the financial statements for the year ended 31 August 2024

8. STAFF COSTS INCLUDING PENSIONS AND SOCIAL SECURITY COSTS - continued**Key Management Personnel**

The Key Management Personnel comprises the executive management team and is made up of the following positions within the organisation:

Chief Executive
 Director of Finance and Corporate services
 Director of Communications
 Director of Business & Industry
 Director of Tomorrow's Engineers

The total remuneration, benefits and pensions paid to them in the year was:

	Year ended 31 August 2024	Year ended 31 August 2023
	£000	£000
Salaries	670	573
Staff benefits	52	33
Pension costs	67	52
Employer NI	93	69
	882	727

9. RELATED PARTY TRANSACTIONS**Engineering Council**

Engineering Council (EC) is a related party to EngineeringUK. Under its supplemental charter of the 22 March 2002, EngineeringUK may appoint 7 of its 22 Board members. By its Regulations, EC has assigned all income from its registration fees to EngineeringUK. Changes to this regulation cannot be made without EngineeringUK's approval. The level of fee is determined by EngineeringUK. During the period ended 31 August 2024 the following transactions took place:

1. EC assigned all income derived from Registration fees, £8 million (2023: £7.7 million), to EngineeringUK.
2. EngineeringUK provided a grant to EC of £3 million (2023: £2.8 million) to fund its operations.
3. EngineeringUK and EC occupied the same floor at Lower Thames Street for the year. The lease is jointly held. Where possible each party paid directly for its own costs.
4. At 31 August 2024 EngineeringUK owed EC £3.8k (2023: EngineeringUK owed EC £28k) relating to office service charges.

Trustees

Malcom Brinded, the former Chair of Trustees, made a £20,000 donation (2023: £31,020), including gift aid received of £12,090 (2023: £nil), during the year. All of it was donated towards funding EDI bursaries given out to schools during the year.

Carl Ennis is a trustee of EngineeringUK and also The CEO of Siemens Plc in Great Britain and Ireland, which is a corporate member of EngineeringUK under normal business terms as well as a sponsor of the Big Bang Competition. At 31 August 2024 there were nil amounts outstanding to EngineeringUK from Siemens Plc (2023: £nil).

Jacqui Ferguson is a trustee of EngineeringUK and also a Non-Executive Director of National Grid, which is a corporate member of EngineeringUK under normal business terms. At 31 August 2024 there were nil amounts outstanding to EngineeringUK from Wood Plc (2023: £nil).

Rahsada Harry is a trustee of EngineeringUK and also an Enterprise Technologist at Amazon Web Services, which is a sponsor of the Big Bang Fair and Competition. At 31 August 2024, there was £nil outstanding to EngineeringUK from Amazon Web Services (2023: £18,000).

All related party transactions were on normal commercial terms.

Notes to the financial statements for the year ended 31 August 2024

9. RELATED PARTY TRANSACTIONS - continued**Expenses reimbursed to and paid on behalf of trustees**

Expenses were reimbursed to or paid on behalf of Trustees during the year as follows:

	Year ended 31 August 2024	Year ended 31 August 2023
	£	£
Travel and subsistence	697	185
Number of Trustees reimbursed for expenses or who had expenses paid on their behalf	2	3

10. GRANTS PAID

	Year ended 31 August 2024	Year ended 31 August 2023
	£000	£000
Engineering Council	3,033	2,833

11. FIXED ASSET INVESTMENTS (OF THE COMPANY AND GROUP)

	Year ended 31 August 2024	Year ended 31 August 2023
	£000	£000
Market value at start of period	1,522	1,586
Realised/unrealised gain for the period	127	(64)
Market value at 31 August	1,649	1,522
Historical cost at 31 August	1,384	1,389

Notes to the financial statements for the year ended 31 August 2024

12. INTANGIBLE FIXED ASSETS (OF THE COMPANY AND GROUP)

	Licence £000
Cost	
Brought forward 1 September	124
Acquisitions during period	-
Carried forward 31 August	<u>124</u>
Amortisation	
Brought forward 1 September	88
Charge for period	13
Carried forward 31 August	<u>101</u>
Net Book Value	
31 August 2024	<u>23</u>
31 August 2023	<u>36</u>

All assets are used by the charity for its own purposes. Scenta Limited & Big Bang Education CIC have no intangible fixed assets, and all activities are now transferred to EngineeringUK.

13. TANGIBLE FIXED ASSETS (OF THE COMPANY AND GROUP)

	Computer and office equipment £000	Fixtures and fittings £000	Total £000
Cost			
Brought forward 1 September	69	549	618
Acquisitions during period	19	-	19
Disposals during period	(11)	(220)	(231)
Carried forward 31 August	<u>77</u>	<u>329</u>	<u>406</u>
Depreciation			
Brought forward 1 September	37	328	365
Charge for Period	22	33	55
Disposals during period	(11)	(220)	(231)
Carried forward 31 August	<u>48</u>	<u>141</u>	<u>189</u>
Net Book Value			
31 August 2024	<u>29</u>	<u>188</u>	<u>217</u>
31 August 2023	<u>32</u>	<u>221</u>	<u>253</u>

All assets are used by the charity for its own purposes. Scenta Limited & Big Bang Education CIC have no fixed assets, and all activities are now transferred to EngineeringUK.

14. INVESTMENT IN SUBSIDIARY COMPANIES

EngineeringUK holds 100% of the issued share capital of Scenta Limited (dormant) of 1 ordinary share of £1. It also owns Big Bang Education CIC, a company limited by guarantee, with a guarantee of £1.

Notes to the financial statements for the year ended 31 August 2024

15. DEBTORS AND PREPAYMENTS

	Group		Company	
	31 August	31 August	31 August	31 August
	2024	2023	2024	2023
	£000	£000	£000	£000
Other debtors	243	547	243	369
Registration fees due	1,314	923	1,314	923
Prepayments and accrued income	101	88	101	88
	1,658	1,558	1,658	1,380

Registration Fees Due represent fees yet to be paid over by Institutions for 2023/24. The fees are due from registrants on 1st January but, by agreement, are paid over by instalments over the year.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31 August	31 August	31 August	31 August
	2024	2023	2024	2023
	£000	£000	£000	£000
Trade creditors	133	383	133	169
Scenta Limited	-	-	-	10
Owed to Big Bang Education CIC	-	-	-	(1)
Pension scheme	46	41	46	41
Taxation, including Income Tax	94	86	94	85
Accruals	300	404	300	382
Dilapidations provision	320	290	320	290
	893	1,204	893	976

17. DEFERRED INCOME

	Group		Company	
	31 August	31 August	31 August	31 August
	2024	2023	2024	2023
	£000	£000	£000	£000
EC registration fees	3,165	3,079	3,165	3,079
Members fees received in advance	201	213	201	213
Project income in advance	34	249	34	245
	3,400	3,541	3,400	3,537

Deferred income

	Group		Company	
	31 August	31 August	31 August	31 August
	2024	2023	2024	2023
	£000	£000	£000	£000
Balance at the beginning of the year	3,541	3,400	3,537	3,328
Amount released to income in the year	(3,341)	(3,116)	(3,373)	(3,119)
Amount deferred in the year	3,200	3,257	3,236	3,328
Balance at the end of the year	3,400	3,541	3,400	3,537

Income from registration fees is accounted for on an accruals basis. The above represents income to be recognised over the remainder of the calendar year.

Notes to the financial statements for the year ended 31 August 2024

18a. FUNDS (current year)

Movements in the Funds during the year have been as follows:

	1 September 2023	Income for the period	Expenditure and other recognised gains/(loss)	Reserve transfers	31 August 2024
	£000	£000	£000	£000	£000
Restricted funds:					
The Big Bang Fair	-	53	(53)	-	-
Big Bang Near Me	-	10	(10)	-	-
Other programmes	-	613	(613)	-	-
Total restricted funds	-	676	(676)	-	-
General Fund	2,090	9,162	(8,991)	(265)	1,996
Designated Funds					
Fixed Assets Fund	288	-	(48)	-	240
Infrastructure Fund	300	-	(224)	165	241
Pension Fund	600	-	-	100	700
Total Designated Fund	1,188	-	(272)	265	1,181
Total Funds	3,278	9,838	(9,939)	-	3,177

There were nil restricted funds held at 31 August 2024. The fixed assets fund represents funds that have been spent on fixed assets, these fixed assets are necessary for the charity's continuing activities. The infrastructure fund is to enable EUK to undertake one-off larger projects unaffordable during a normal budget cycle. The Pension Fund reserve is to set aside funds for the Engineering Council historic defined benefit pension scheme. The General Reserve represents free funds that are not designated for particular purposes.

The Other programmes restricted fund includes activities related to Code and website, Energy Quest, and the Climate Schools Programme.

18b. FUNDS (prior year)

Movements in the Funds during the prior year are as follows:

	1 September 2022	Income for the period	Expenditure and other recognised gains/(loss)	Reserve transfers	Restated 31 August 2023
	£000	£000	£000	£000	£000
Restricted funds:					
The Big Bang Fair	-	80	(80)	-	-
Big Bang Near Me	-	12	(12)	-	-
Other programmes	-	783	(783)	-	-
Total restricted funds	-	875	(875)	-	-
General Fund	2,644	8,714	(9,149)	(119)	2,090
Designated Funds					
Fixed Assets Fund	332	-	187	(231)	288
Infrastructure Fund	300	-	-	-	300
Pension Fund	250	-	-	350	600
Total Designated Fund	882	-	187	119	1,188
Total Funds	3,526	9,589	(9,837)	-	3,278

Notes to the financial statements for the year ended 31 August 2024

19. COMMITMENTS

Operating lease commitments payable as a lessee

The following payments will be made in respect of future minimum commitments on operating leases expiring:

	Company and Group	
	31 August 2024	31 August 2023
	Land and Buildings	Land and Buildings
	£000	£000
Due within one year	220	74
Due within two to five years	661	-
Total due	881	74

20a. ANALYSIS OF NET ASSETS BETWEEN FUNDS (current year)

Fund balances at 31 August 2024 are represented by:	General funds £000s	Designated funds £000s	Total £000s
Fixed assets and investments	1,649	240	1,889
Current assets	4,640	941	5,581
Current liabilities	(4,293)	-	(4,293)
Total net assets	1,996	1,181	3,177

20b. ANALYSIS OF NET ASSETS BETWEEN FUNDS (prior year)

Fund balances at 31 August 2023 are represented by:	General funds £000s	Designated funds £000s	Total £000s
Fixed assets and investments	1,523	288	1,811
Current assets	5,312	900	6,212
Current liabilities	(4,745)	-	(4,745)
Total net assets	2,090	1,188	3,278

21. PARENT CHARITY

The parent charity's gross income and the results for the year are disclosed as follows:

	Year ended 31 August 2024	Year ended 31 August 2023
	£	£
Gross income	9,426	9,076
Result for the year	352	(183)

Notes to the financial statements for the year ended 31 August 2024

22. PENSIONS**The Engineering Council Pension Scheme**

In 2002 a number of staff transferred to EngineeringUK from Engineering Council under TUPE arrangements. To accommodate this EngineeringUK became a participating employer of the Engineering Council Pension Scheme.

The company operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company, being invested in The Engineering Council Pension Scheme. Contributions to the fund are charged to the income and expenditure account (statement of financial activities) so as to spread the cost of pensions over employees' working lives with the company. On 26 February 2002 the company decided not to offer membership of the scheme to new employees. In April 2012 the scheme ceased to accrue benefits for existing members.

The Engineering Council Pension Scheme is a defined benefit scheme based on final pensionable salary. The Scheme is contracted out of the earnings related part of the State Pension Scheme. The assets of the Scheme are held in a separate trustee administered fund, currently invested with State Street Global Advisors, and the company's underlying share of assets and liabilities in the fund is not separately determined.

At 31 August 2024 there were nil (2023 - nil) members of EngineeringUK staff contributing to the Scheme. EngineeringUK employer contributions during 2023/24 were £nil (2022/2023 - £nil). Employer contributions in 2024/25 are expected to be £nil as the Scheme ceased to accrue benefits for remaining members in April 2012. EngineeringUK made a contribution of £136k to the EC towards administration of the scheme (2023: £122k).

A full actuarial valuation of the fund is carried out every three years by The Engineering Council Pension Scheme actuary, with annual actuarial reports in the interim years. The last full valuation was as at 31 December 2021 within the report dated 29 April 2022. The report showed net assets of £988,000.

EngineeringUK is a participating employer in the Scheme and therefore has a liability to the scheme. The share of assets were not recognised in the Balance Sheet as they would be non-recoverable.

Defined contribution pension schemes

EngineeringUK decided not to offer entry to the Engineering Council Pension Scheme to staff who were not already members prior to TUPE transfer and nominated an auto enrollment pension scheme. This is a defined contribution scheme operated by Scottish Widows and is not contracted out of the earnings related part of the State Pension Scheme. The employer contributes 10% of pensionable salary and the employee 5%. Employer contributions during the year were £556k (2023: £467k). These figures include contributions for the higher paid employees shown under note 8.

Governance and Management

EngineeringUK is the working name adopted by the Engineering and Technology Board.

EngineeringUK is a charitable company limited by guarantee (Company No. 4322409), incorporated on 14 November 2001. The address of the principal and registered office is 5th Floor, Northern & Shell Building, 10 Lower Thames Street, London, EC3R 6EN.

Members of the Company are Directors/Trustees or members of the two Electoral Colleges - the Professional Engineering College, consisting of persons representing Professional Engineering Institutions (PEIs) licensed by Engineering Council (EC), and the Business and Industry College, consisting of persons representing industry; and such other persons who may be admitted as members by the Company at a general meeting.

The Board of Trustees (Board) generally meet four times a year. EngineeringUK has in place a number of committees and panels to which it has formally delegated specific functions. The day to day activities are managed by the Executive Team.

The Nominations and Remuneration Committee (N&RC) has responsibility for recommending appointments to the Board of Trustees and committees.

The Audit, Risk and Investment Committee (ARIC) ensures a sound system of internal controls, risk management and accounting policies are maintained in accordance with corporate governance requirements. The committee liaises directly with the external auditors including planning for the annual audit. Areas of particular focus are discussed with the auditors and inform their plans. The committee ensures the investments of EngineeringUK are managed in accordance with the agreed policy and monitors the performance of the investment advisor. The committee reports to the Board.

The Tomorrow's Engineers Code Advisory Board (TEC) is an advisory committee that makes recommendations to the Board on matters relating to the Code that have material implications for EngineeringUK resourcing or that have material impact on EngineeringUK's wider activities. Following a consultation with TE Code members, there are plans to dissolve the Advisory Board and incorporate its governance into the EngineeringUK Board in late 2024.

Remuneration Policy

EngineeringUK is committed to paying staff fairly at an appropriate level to attract and retain people with the right skills and experience to ensure that the organisation delivers its charitable objectives and execute the strategy set by the Board.

Total staff salary budgets and the specific contracts and remuneration of the Chief Executive and Executive Team are delegated to the N&RC which reports directly to the Board.

Trustee Recruitment, Appointment and Induction

Arrangements for all trustee appointments are overseen by the N&RC whose recommendations are referred to the Board for approval. The Chairman of the Board is recruited through an open and competitive process. The Chairman of the Engineering Council is an ex officio member of the Board and appointed through a process specified by the Engineering Council. The Institution of Engineering and Technology (IET), the Institution of Civil Engineers (ICE) and the Institution of Mechanical

Engineers (IMechE), being the three largest PEIs, and the Royal Academy of Engineering have nominated their Chief Executives to sit on the Board. Members of each of the two electoral colleges elect two persons for nomination from amongst their number. Appointment of other Board members is through selection to meet the needs of the Board.

New trustees are provided with a Trustee Induction Pack that includes details of their legal responsibilities under charity and company law, the Memorandum and Articles of Association, Board Regulations, operational and financial information and recent Board minutes. They are also introduced to and briefed by senior staff. On appointment Trustees are asked to agree and sign EngineeringUK's Trustees Code of Conduct, based on the core values of EngineeringUK and the Nolan Principles – Seven Principles of Public Life.

Members of Board and Trustees The trustees serving during the year and since the year end were:	Method of Appointment	Committee Membership
Iain Conn (Chair from 1 st October 2023)	Board	N&RC
Malcolm Brinded (Chair to 30 th Sept. 2023)	Board	N&RC
Alice Bunn	IMechE	N&RC
Jacqueline Ferguson	Board	N&RC (Chair)
Terence Fuller (to 13 September 2023)	Professional Engineering College	
Steven Rossiter	Board	TEC
Erol Mustafa	Board	ARIC (Chair from 19 September 2023)
Hayaatun Sillem	RAEng	
Rachel Stringer (to 18 September 2023)	Board	ARIC (Chair to 18 September 2023)
Rashada Harry	Board	N&RC
Adenike Folayan	Business & Industry College	TEC (independent)
Carl Ennis	Business & Industry College	N&RC
Ruth Carter	Professional Engineering College	
Jim Smith	Board	
Janet Young	ICE	
Edward Almond	IET	ARIC
John Chudley	Engineering Council	
Pete Sellars (from 9 th May 2024)	Professional Engineering College	
Member of Audit, Risk and Investment Committee (ARIC) Member of Nominations and Remuneration Committee (N&RC) Member of Tomorrow's Engineers Code Board (TEC)		

Executive Team

The Board delegates the day to day running of the company to the Executive Team, led by the Chief Executive. The Executive Team operates in accordance with the Strategy and Business Plan/Budget approved by the Board. Expenditure authority limits have been set by the ARIC. Up to date financial and operational reports are presented to the Board at each of its meetings.

Members of the Executive Team are:

Dr Hilary Leever, Chief Executive
David Howley, Director of Finance and Corporate Services
Beth Elgood, Director of Communications
Rebecca Everitt, Director of Business Development and Partnerships
Maddie Dinwoodie, Director of Engagement Projects

Professional Advisors

Auditor

Sayer Vincent LLP, 110 Golden Lane, London, EC1Y 0TG

Bankers

HSBC BANK plc, 165 Fleet Street, London, EC4A 2DY

Lloyds Bank, 25 Gresham Street, London, EC2V 7HN

Insurance Brokers

AON, 6 Commerce Road, Lynch Wood, Peterborough, PE2 6LR

Solicitors

Bates Wells & Braithwaite London LLP, 10 Queen Street Place, London, EC4R 1BE

Ashurst LLP, London Fruit & Wool Exchange 1 Duval Square, London E1 6PW [Pro bono support]

Investment Advisors

Rathbone Investment Management Limited, Port of Liverpool Building, Pier Head, Liverpool L3 1NW

Pension and Staff Benefits

3sixty Financial Limited, Media House, 4 Stratford Place, London, W1C 1AT

THE ENGINEERING AND TECHNOLOGY BOARD

England & Wales - Charity number 1089678

Accounts

**The Engineering and Technology Board
Trading as the EngineeringUK Group
Report and Financial Statements
For the Year Ended 31 August 2023**

**COMPANY NO: 4322409
ENGLAND AND WALES CHARITY NO: 1089678
SCOTLAND CHARITY NO: SC046249**

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Report of the Trustees

Introduction

The trustees present their report and the audited financial statements for the year ended 31 August 2023. Reference and administrative information set out on page 44 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102. This trustees' annual report includes a directors' report as required by company law.

We are pleased to have delivered effectively against our three main objectives in the final year of our 2018–23 strategy period, while continuing to navigate the longer-term impacts of the pandemic and recent economic challenges.

With respect to inspiring young people with modern engineering and technology careers, approximately 24,500 students participated in Robotics Challenge and Energy Quest workshops. Over 46,000 students engaged with our Big Bang Programme, peaking with the Big Bang Fair held at the NEC in June, and a further 43,000 students participated in Tomorrow's Engineers Week. While easier than last year, recruitment and retention across our school programmes continued to be effortful for a range of reasons including staff shortages and strikes, high teacher workloads, and financial pressures.

In terms of developing and sharing insight of workforce needs and how to meet them, we published a wide range of important publications that have been used across the sector, covered in media outlets and discussed with policy makers. These include work on future engineering skills needs, analysis of young people's awareness of T levels and employer engagement with them, engineering pathways in higher education, and briefings on exam results days.

Collaboration is at the heart of everything we do and we have worked with over 300 organisations over the year to grow the collective impact of all our engagement efforts. The Tomorrow's Engineers Code community continues to grow, helping organisations to set up and improve their engineering and tech engagement; we exceeded our annual recruitment target and now have 253 Signatories with a further 39 Supporters. Our Neon platform, to help teachers find quality careers resources and engagement activities has 28,000 users. We have strengthened our work with corporate members and Professional Engineering Institutions and greatly appreciate the insight, credibility and backing they give us.

As we move into a new strategy period, we are well-positioned to continue to innovate and test new approaches, and we are highly motivated to deliver our plans and impact against our mission. We enjoyed developing our 2023–28 strategy, drawing on inputs from all our staff,

trustees, members and a wide range of stakeholders and audiences, including young people and teachers. Many thanks to all those involved.

EngineeringUK Objectives

1. To promote for the public benefit the art and science of engineering in all its applications in the context of modern technology; and
2. To advance education in engineering and technology.

Ambition and goals

Our ambition is to inform and inspire young people and grow the number and diversity of tomorrow's engineers.

We aim to achieve this through:

- Increasing reach and inspiration – reaching more, and more diverse, young people with inspiring messages about careers in engineering
- Developing and sharing insight – being the recognised and trusted voice on the pathways into engineering, related enablers and blockers for young people and good practice for engagement activities
- Growing collective impact – simplifying the landscape and enabling partnerships and collaborations to inspire more, and more diverse, young people into engineering.

Public Benefit

EngineeringUK is a charitable body and exists to deliver benefits to the public. The trustees have noted the duty in Section 17 of the Charities Act 2011 and given regard to the Charity Commission and The Scottish Charity Regulator's guidance on public benefit.

Benefits arising from our activities are as follows.

- Young people benefit from understanding and being inspired by engineering and technology and being informed about how to progress into engineering, technology and technician roles. At a time when they are concerned about job availability and security, it is important that young people from all backgrounds realise that these roles can meet their needs, as well as delivering societal value. These benefits will be most significant when we work with groups that are under-represented in the engineering and tech workforce – women, young people from socioeconomically disadvantaged or ethnic minority backgrounds and disabled people – as young people from these groups might otherwise have been less likely to progress into engineering and technology.
- Depending on which engagement activities they participate in, young people can improve their motivation, confidence, progression, and attainment, and they can develop wider employability skills such as problem solving, team working, and communication and presentation skills. They may also develop specific engineering and technology skills, knowledge or both.

- Schools benefit from activities and employer engagements which can help with students' careers education, including meeting the requirements for English schools set out in the Gatsby benchmarks, as well as through the benefits to their students as identified above. Depending on the activities engaged in, teachers may also learn more about STEM, especially engineering and technology, and related careers, and teachers may also have professional development to support delivery (e.g., in coding).
- Employers and other stakeholders benefit from better collaboration and coordination of their engagement activities and the provision of evidence, guidance and opportunities to improve their delivery – helping with their own public benefits or commitments around Corporate Social Responsibility or ESG (Environment, Social and Governance), and the efficiency of their work.
- Policymakers and other interested organisations benefit from having a stronger evidence base for their work derived from our research publications that include the make-up of the current workforce, workforce needs, young people's educational pathways into engineering, tech and technician roles, and their experiences of careers education.
- In the longer term, society benefits from having a larger and more diverse engineering, technology and technician workforce – given how central this is to why we do what we do, we explain more about its importance in the section below.

We need more, and more diverse, young people choosing engineering and technology careers.

Our ambition – to grow the number and diversity of young people going into engineering and technology – is critical for all our futures. Perhaps most importantly, the UK Government will depend on people working in engineering and tech to improve sustainability and achieve Net Zero. The government's green jobs taskforce report in 2021 suggested that about 300,000, new engineering and manufacturing jobs would be needed to support the green economy by 2030. Indeed, engineers, technicians and technologists have a role to play in addressing all the Sustainable Development Goals (SDGs), especially SDG 6 (clean water and sanitation), SDG 7 (affordable and clean energy), SDG 8 (decent work and economic growth), SDG 9 (including resilient infrastructure and sustainable industrialisation), SDG 11 (sustainable cities and communities) and SDG 13 (Climate Action).

Engineering and technology are also critical to our current economy and underpin the Treasury's five [key growth areas](#). [Recent analyses](#) from the Royal Academy of Engineering suggest that the engineering economy accounts for approximately 30% of the UK's economic output.

The engineering and technology workforce could and should be much more diverse to boost innovation, creativity, productivity, resilience, market insight and to give people more equitable career outcomes. Women are the most under-represented group, making up 16.5% of the engineering and technology workforce as compared with 48% of the overall workforce, with comparable figures of 24% as compared with 26% for people from poorer socioeconomic backgrounds, 11% as compared with 15% for disabled people, and 11% as compared with 13%

for people from UK minority ethnic groups. It can also be harder for people in rural and coastal locations to have the engagement, educational and employment opportunities available to those in urban settings. Young people also inherently diversify the workforce through their youth and this generation is digital first and bring important insights into current and future market needs. Finally, employers need an age-balanced workforce to ensure a smooth sharing of expertise over the years.

We therefore need to ensure that more young people come through the education system into engineering and technology and that they come from a wide range of backgrounds. But at present, there are clear issues of under-representation in educational pathways into these areas. For example, for first year undergraduates in 2020/21, just 18% of engineering and technology students were women and 10% declared that they have a disability or impairment, as compared with 57% and 15%, respectively, across all subject areas.

Objectives and Achievements for 2022/23

1: Increasing reach and inspiration – reaching more, and more diverse, young people with inspiring messages about careers in engineering

Why is this important?

Inspiring more young people from a greater range of backgrounds to pursue the exciting career opportunities in modern engineering and technology is at the heart of our purpose. We help to ensure that all young people are well-informed about the full range of engineering, technology and related careers and academic and vocational pathways into them.

What did we say we would do during 2022/23?

- Deliver the Big Bang Fair, Competition and at School programme with an increase in numbers and a new low-cost self-service model for schools.
- Continue to deliver Robotics Challenge and test the impact of a new ‘taster workshop’ intended to widen participation in the full programme.
- Develop and deliver a third iteration of Energy Quest workshops and share evidence of impact with the wider STEM community.
- Scoping what an effective package of engagement for young people over multiple years looks like and how we would evaluate it.

How did we do?

- The Big Bang 2023 was held at the NEC in June with over 15,700 young people. 54% of the 348 schools attending the Fair met EngineeringUK’s EDI criteria (these [criteria](#) identify ‘priority schools’ that have high proportions of young people from groups that are under-represented in engineering and technology). We saw unexpectedly high attrition at the Fair – 39% for school days and 84% of those who had booked for the evening session. Reasons for late cancellation or attendance included: staff capacity and coach availability, cost and no-shows.
- 88% of young people responding to our survey agreed that they enjoyed the Fair and 73% agreed that it had made them want to find out more about STEM careers. 67% of teachers

said that they felt more confident in speaking to their students about careers in engineering and 70% said that they were more likely to suggest a career in engineering having attended the Fair.

- 512 students entered 212 projects into the Big Bang Young Scientists and Engineers Competition with 51% from priority schools.
- The Big Bang at School provides schools with a framework and delivery partner support to deliver the Big Bang as an in-school activity – it reached nearly 30,000 young people across 82 priority schools. The 'lighter touch' Big Bang Blueprint provides schools with the resources, guidance and tools required to produce their own Big Bang event and reached over 9,000 young people.
- 332 schools took part in the Robotics Challenge, 43% were priority schools. We also developed and trialled the 'Introducing Robotics' stand-alone lesson for teachers to deliver, intended to widen participation in Robotics Challenge. Students reported they enjoyed taking part in Introducing Robotics (86%) and teachers rated it highly (20 out of 22), agreeing that it is engaging for their students.
- 365 Energy Quest workshops were delivered to over 19,000 students, 79% were in priority schools. Our evaluation report looking across 3 years of Energy Quest is being finalised before sharing more widely.
- 43,000 students took part in Tomorrows Engineers week, about half from priority schools.
- Our bursary programme distributed £48,000 across 133 priority schools to support engagement activities listed on Neon or travel to the Big Bang Fair.
- We continued to improve accessibility across our programmes, for example, with BSL interpreters providing support across the Big Bang Fair.
- Internal research has explored what an effective package of engagement for young people over multiple years looks like and different methodologies to evaluate it.

2: Developing and sharing insight – being the recognised and trusted voice on the pathways to engineering, related enablers and blockers for young people and good practice for engagement activities.

Why is this important?

Thought leadership is needed to deepen the understanding of what outreach works and what deters young people from pursuing engineering and technology. Better evaluation and analysis are essential to improve engineering and technology focused STEM outreach activities and to develop more innovative ones that produce better outcomes. These insights need to sit alongside analysis of the engineering and technology sector, its current workforce and future workforce needs.

What did we say we would do during 22/23

- Create and publish an educational pathways research report on higher education, data tables and a summary briefing of trends.
- Conduct a review of apprenticeships in engineering and manufacturing.

- Commission the Science Education Tracker in partnership with the Royal Society and with funding from Wellcome.

How did we do?

- Our report [Engineering in higher education](#) explores the number, characteristics and outcomes of engineering and technology students in the UK. An [additional analysis](#) explored how many more girls would need to study mathematics and/or physics at A level to increase the numbers of women studying engineering and technology in higher education to the same level as men. We also released a number of briefings throughout the year, including HESA data, [A level results](#), [T level results](#), [GCSE results](#).
- We worked with [Lightcast](#) to produce a report into [engineering and technology skills needs](#) providing detailed insights and finding, for instance, that while engineering and technology account for 19% of all jobs in the UK, they accounted for 25% of all job adverts. We also updated our [Net Zero Workforce](#) review of existing research on workforce needs to enable government to deliver on its carbon reduction targets.
- Our report with Make UK, [Unlocking talent: ensuring T Levels deliver the workforce of the future](#), drew on surveys and policy research to identify barriers holding employers back from offering T Level industry placements to young people.
- We launched an Apprenticeship Inquiry co-Chaired by Lord Knight and Lord Willetts with the resulting Fit for the Future [report](#), published in the autumn, presenting a 5-point plan to grow and sustain engineering and technology apprenticeships for young people, drawing on 89 written submissions, 4 evidence sessions and much stakeholder input.
- Working with the Royal Society and funded by Wellcome, we commissioned the Science Education Tracker from Kantar Public to understand young people's experiences of and attitudes towards STEM.
- We published all [evaluations](#) of our activities and on International Women in Engineering Day we produced a [Rapid Evidence Review](#) of interventions to increase girls' aspirations for engineering and technology careers.

3: Growing collective impact – simplifying the landscape and enabling partnerships and collaborations to inspire more, and more diverse, young people into engineering.

Why is this important?

We need all organisations with an interest in increasing the number and diversity of tomorrow's engineers to work together more effectively, sharing their learnings and better coordinating and targeting their activities.

What did we say we would do during 22/23

- Increasing the number of unique visitors who use the Neon platform targeting teachers from schools that meet our EDI criteria.
- Recruit more Signatories to The Code and enable greater collaboration through a series of events and improved information sharing, including through the launch of Code Connect and delivery of an in-person conference.

- Continue to build the resources on the Tomorrow's Engineers website and encourage more organisations to benefit from them.

How did we do?

- Our Neon platform to help teachers find quality careers resources and engagement activities finished the year with 28,000 users (of which 1,635 have registered this year), 100 new experiences and 153,000 page views.
- Our careers working group, which includes teachers, representatives from Professional Engineering Institutions, and other experts, collaboratively produced 23 new or refreshed quality careers resources.
- We exceeded our target of 50 new Signatories for The Tomorrow's Engineers Code now totalling 253 Signatories and 39 Supporters. Respondents to our annual check-in reported, on average, improvements across 5 of the 9 areas that The Code aims to support. We launched a new online platform, 'Code Connect', enabling Signatories to search, filter and request to connect each other and held our second Tomorrow's Engineers Live event for 105 delegates.
- The Tomorrow's Engineers website continued to grow as a hub for key resources on inspiring the next generation with 20 new resources added to the site, 10 of which were created by EngineeringUK including ['Calculating reach for STEM engagement activities'](#) and ['Inspiring young people in environmental sustainability in engineering'](#)
- We collaborated with the Careers and Enterprise Company on a research project about overcoming the barriers SMEs experience in engaging with young people and education settings, funded by the ERA Foundation. The report will be published in the autumn.
- We restructured our Business & Industry team to create a new sub-team – Professional Institutions and Partnerships – to give Professional Engineering Institutions more focused support, enable us to identify new opportunities for collaboration and be more purposeful about working together.
- We also updated our offer to corporate members, creating a more holistic partnership model, which values and maximises opportunities for working in partnership on mission-critical matters and enables us to better support the wider industry ecosystem.

4. Prepare for the delivery of the 2023–28 strategy

This year we finalised our 2023–28 strategy, conducting scoping research, discussing our plans across the organisation, with trustees and a wide range of stakeholders and audiences, including young people and teachers.

EngineeringUK's 2023–28 Strategy

Our vision is for the UK to have the diverse workforce needed for engineering and technology to thrive and to drive economic prosperity, improve sustainability and achieve net zero.

September 2023 marks the start of our new [5-year strategy](#) based on our mission to enable more young people from all backgrounds, to be informed, inspired and progress into engineering and technology. We will achieve this in four ways.

- **Research and evidence** – Establishing the composition of the current engineering, technology & technician workforce, future workforce needs and how to address them.
- **Leadership** – Leading efforts to grow the collective impact of all engineering and technology inspiration and careers activities with young people.
- **Activities for schools** – Expanding EngineeringUK's engagement to encourage more, and more diverse, young people into engineering, technician, and tech roles.
- **Advocacy** - Advocacy and support to address policy and delivery challenges related to the sector's education, skills and workforce planning by.

What will we do in 2023–24

Research and Evidence

- Update previous statistics on workforce composition and needs.
- Analysis of Educational Pathways with a focus on Annual Apprenticeships data, Results Day, Higher Education and Graduate Outcomes.
- Continue to partner with the Royal Society to publish the Science Education Tracker, overseeing analysis, report writing, and dissemination.
- Evaluate our schools activity including a review of existing outcomes measures and thematic evaluations combining data across EngineeringUK programmes.
- Rapid evidence reviews of published evidence on aspects of STEM outreach delivery.
- Establish methodology and partners to evaluate the impact of multiple engagements on young people's later attitudes and choices.

Leadership

- Continue to add new activities onto Neon, including content on environmental sustainability and Artificial Intelligence/Machine Learning. Research the most effective way to grow reach of Neon content and careers resources to primary schools and careers guidance practitioners.
- Recruit 50 Signatories and support Tomorrow's Engineers Code Community through webinars and refreshed content on Tomorrow's Engineers website. Deliver Tomorrow's Engineers Live conference with 120 delegates.
- Embed and monitor new offer of support for Professional Engineering Institutions and grow our corporate membership.
- Work with STEM Learning, Professional Engineering Institutions and corporate members to understand and promote their use of STEM Ambassadors.

- Bring together a group of SME's to cocreate messaging and materials to increase engagement with SME's.

Activities for schools

- Deliver The Big Bang Fair for c20,000 young people at NEC in June and At School/Blueprint to at least 175 schools. (We will overbook to counterbalance attrition rates equivalent to those seen in 2023–24, as well as testing comms strategies to reduce late attrition.)
- We are targeting 350 Big Bang Competition entries, 60% from priority schools and introducing a third 'Technology' stream alongside science and engineering.
- Test a new cross-curricular Climate Schools Programme with 50 schools to develop young people's understanding of renewable energy.
- Our long-term funding for Energy Quest has reduced but we aim to recruit new funders so that we can continue to deliver workshops and develop low-cost, teacher-led delivery.
- Robotics Challenge came to an end in 2023; we are encouraging schools that had participated to engage with other EngineeringUK activities and coding/robotics activities on Neon, as well as developing coding activities for Big Bang At School.
- We will deliver Tomorrow's Engineers Week to c50,000 young people.

Advocacy

- General policy work including advocacy in the run-up to the election with the National Engineering Policy Centre.
- Support greater awareness and understanding of T-Levels as a route into engineering and manufacturing with employers and young people.
- Launch and follow-up apprenticeship report.

Environmental sustainability

Our commitment to environmental sustainability is threaded through our work. Our objectives are as follows.

1. Grow our understanding of how to use environmental sustainability to inspire young people into engineering and technology and the workforce needs associated with Net Zero.
2. Use the subject of environmental sustainability in EngineeringUK's materials and engagements to inform and inspire more young people to choose engineering and technology careers; advocate for others to make clear to teachers and young people the link between environmental sustainability problems and engineering and technology solutions and for policy change that supports this in the taught and/or national curriculum.
3. Operate in an environmentally sustainable way and encourage and support others to do the same.

In December 2022, our Board adopted Science Based Targets for carbon reduction of: a 75% reduction in scope 2 emissions, and at least a 40% reduction in scope 3 emissions, by 2030 and compared to a 2018–19 Baseline. (EngineeringUK has no scope 1 emissions.) In line with the Science Based Targets Initiative's definition of Net Zero, EngineeringUK will reduce all emissions by at least 90% by 2040. We will be reporting progress against these commitments

to our Audit, Risk and Investments Committee and the Board, and are currently on track to meet them.

Our work is delivered in line with our values

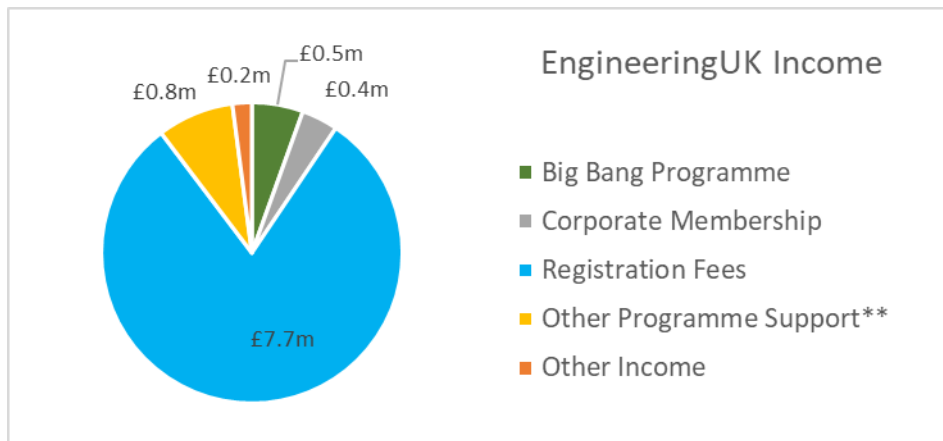
We have refreshed our values in line with the new strategy.

- **Inclusive.** We are inclusive and care about diversity. We understand that we have different needs and create opportunities for everyone's voice to be heard.
- **Collaborative.** We are collaborative. We listen, share and work in partnership to achieve our vision.
- **Curious.** We are curious and keen to learn. We challenge ourselves and others to innovate and experiment.
- **Insightful.** We are insightful. We evaluate what we do and draw on research to make decisions and to improve our collective understanding.
- **Driven.** We are driven by a strong sense of purpose. We are determined to make an impact and achieve our goals.

Financial Review

The figures for 2022/23 represent the final year of our last 5-year strategy cycle. Income for the year is £9.6m, direct costs £9.8m, resulting in a deficit of £0.2m.

As shown in Figure 1 below, EngineeringUK's main income source is from the registration fees of professionally registered engineers and technicians which totals £7.7m (79%). We are grateful for this valuable financial contribution from the Professional Engineering Institutions, and also for the time staff within these organisations give to supporting our work. The registration fees also fund the Engineering Council in its role as the profession's regulatory body (EngineeringUK collects the fees on behalf of both organisations and passes a grant onto the Engineering Council).



**Note: Other Programmes comprises Robotics Challenge, Energy Quest, EDI bursaries and support for Tomorrow's Engineers Code, Tomorrow's Engineers Live and Science Education Tracker.

Our largest programme is the Big Bang which in 2022/23 comprised the Big Bang Fair, the Big Bang Competition, and Big Bang at School events. EngineeringUK has subsidised these events since their inception especially as fundraising for the face-to-face Big Bang Fair has been more challenging since returning in 2022 after the pandemic. The average amount of income per funder was lower in 2023 as compared with 2022 so a greater number of sponsors were secured. The Big Bang activity cost during the year was £1m, offset by £0.5M of sponsorship and fundraising income.

We are grateful for the income for our two major school engagement programmes that was received from Shell to deliver Energy Quest and from the Helsington Foundation, Network Rail and The Royal Air Force to deliver the Robotics Challenge. This is the last year of long-term funding for these programmes and we are looking for ongoing funders for Energy Quest and developing a new Climate Schools Programme with support from the Helsington Foundation.

EngineeringUK would like to thank the following corporate partners, funders and individuals for their support during the last year, those above £15k are listed below.

Contributions received between £15–50k

Anglo American, Atkins UK, De Puy International, ERA Foundation, Laing O'Rourke, Leonardo UK, Malcolm Brinded, National Highways, Orsted, Siemens Plc, Stantec, Williams-F1

Contributions received between £50–200k

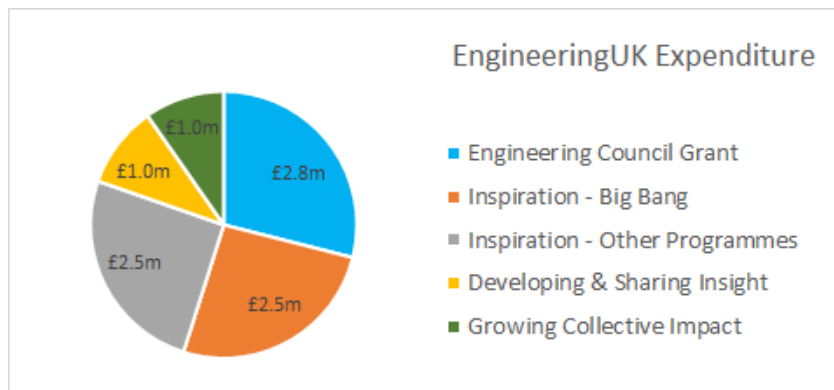
Gatsby Charitable Foundation, Helsington Foundation, Network Rail, The Royal Air Force, Rolls-Royce, The Royal Society of Chemistry

Contributions received above £200k

Shell

Costs for the year were £9.8m spread across 5 areas as shown in Figure 2 below. With the challenging fundraising environment, keeping costs to a minimum was important. Staff undertook several procurement processes to ensure value for money and seek efficiencies

were possible. EngineeringUK also welcomed STEM Learning as a tenant which helped lower our office costs.



Balance Sheet and cash flow

Group reserves and net assets decreased during the year by £0.2M (following a £0.4M decrease in 2021/22). Total funds at 31 August 2023 were £3.3M, of which none was restricted and £1.2M was designated, leaving free reserves of £2.1M. Group cash decreased by £0.2m to £4.7m, while the value of investments decreased by £0.1m to £1.5m.

Investment policy

There are no restrictions on the Charity's power to invest, and the investment return targeted by our Investment Policy is to achieve inflation (CPI) +4% over the long term (5+ years). Investments are allocated to specific funds within agreed asset allocation ranges, and their performance is regularly reviewed against appropriate benchmarks. Investment performance in 2022/23 was marginally below benchmark.

Subsidiaries

EngineeringUK has a limited company, Scenta Limited as a subsidiary. The purpose of the company was for EUK trading activities, but this company is currently dormant. EngineeringUK also has the Big Bang Education Community Interest Company as a subsidiary to deal with all arrangements and transactions related to the Big Bang Programme.

Reserves policy

EngineeringUK maintains reserves for the following reasons.

- EngineeringUK has multiple income streams with varying degrees of volatility. Reserves are held for contingency purposes.
- Investment balances are vulnerable to market conditions.
- EngineeringUK is a participating employer of the Engineering Council Pension Scheme. In the remote circumstances that Engineering Council was unable to meet its obligations and liabilities relating to the Scheme, the obligation would move to EngineeringUK.

- Reserves allow potential “step change” in programmes aimed to maximise impact for beneficiaries.

The Board agreed to set up two designated funds in 2022. A pension fund reserve and an Infrastructure fund. The pension fund reserve is to set aside funds to support the closure of an historic defined benefit pension scheme through to buyout. The infrastructure fund is to enable EngineeringUK to undertake one-off larger projects unaffordable during a normal budget cycle. This could include items such as a new website, IT project, office works or to pilot a new engagement project.

The Board has determined that the company should have between £1.5M and £2.5M in “free” reserves as represented by the General Fund. Currently, EUK’s general fund reserve is £2.1m which is around the mid-point of our policy range.

Over 2023/24, total designated funds increased by £306k. The two changes are: pension fund increase of £350k and the Fixed Assets funds has reduced by £44k. Although no funds were used within the infrastructure fund this year, activity planned for 2023/24 includes a new EngineeringUK website and finance system as well as potential upgrades to our CRM system (Salesforce)

The reserves position is set out below:

	31 August 2023	31 August 2022
	£000	£000
General Fund	2,090	2,644
Designated Funds:		
Pension Fund	600	250
Fixed Assets Fund	288	332
Infrastructure Fund	300	300
Total Designated Funds	1,188	882
Total Funds	3,278	3,526

Risk management, principal risks and uncertainties

A Risk Management Policy is in place that sets out how EngineeringUK views, identifies, assesses and manages risk through its Risk Registers. EngineeringUK’s approach is to minimise exposure to reputational, compliance and financial risk, while accepting that a certain level of risk has to be taken to achieve its strategic objectives. Acceptance of risk is subject to ensuring that risks and potential benefits are fully considered and understood before activities are undertaken and that sensible measures are in place to mitigate risk.

EngineeringUK’s risk appetite varies with the area of activity as follows:

- o We are risk averse or accept only minimal risk in the areas of: Health & Safety, Safeguarding, Compliance & Governance, Data Protection, Cyber Security and People and Culture
- o We take a cautious approach, that is, we prefer safe options that have a low degree of residual risk, in the areas of: Reputation and Financial Sustainability.
- o We have an open approach, that is, we are willing to consider all potential options and choose one that is most likely to result in successful delivery, despite the potential for some degree of risk, in the areas of: Impact, Programme Delivery and Influencing.
- o We are eager to innovate and to choose options offering potentially higher reward, despite greater inherent risk in the areas of: Collaboration and Programme Innovation.

A Corporate Risk Register identifies risks that could have an impact on the company's ability to deliver its strategic objectives. It is reviewed by the Executive Team at monthly meetings, the Audit, Risk and Investment Committee at least three times a year, and the Board once a year. Programme Risk Registers are maintained that reflect risks across various projects, which are escalated to the Corporate Risk Register if significant.

The most significant risks faced by EngineeringUK are identified in the table below alongside mitigations to minimise these risks.

Risk	Mitigation
Fewer young people engage	– We design new programmes and continuously improve current activities using evidence to ensure products are meeting the needs of teachers, students, and industry. Evidence sources include project evaluations, youth insight panel, teacher network and industry thinking groups. – Trialling of in-lesson activities in response to reduced uptake of extra-curricular activities. – Regular meetings with delivery partners and monitor engagement activities monthly.
Mismatch between EUK fundraising income and needs	– We work closely with the Professional Engineering Institutions who provide the majority of our funding to ensure we're meeting their needs, this includes 5 representatives on our Board of Trustees. – We build good working relationships with the business community including corporate partners, supporters of Big Bang activities or Signatories of Tomorrow's Engineers Code. – Our commercial strategy will expand our relationships and membership over the next 5-year strategy.
Data breach or lack of compliance	– We have GDPR and data retention policies in place and provide training for staff in these areas. – We have enhanced IT external security monitoring our systems operation and providing incident response in the event of any systems errors or cyber-attacks.

Failure to demonstrate relevance	– We continuously evaluate and iterate our activities based on feedback and evaluation and co-create/test any changes or new activities with users. Audience insights and evaluation findings are shared with stakeholders. – Our work is driven by workforce shortages and also tackles Equity, Diversity and Inclusion, social justice and environmental sustainability providing wider relevance.
Reputational damage	– We undertake an NPS survey each year across all our stakeholders to understand what works well and where we can make improvements. – We have a wide range of policies that cover our commitment to Equity, Diversity and Inclusion, Environmental Sustainability and Safeguarding, as well as operational policies that include Health and Safety, Human Resources and IT governance.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the group and the parent charity and of the incoming resources and application of resources, including the net income or expenditure, of the group for the year. 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 SORP
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 accounting records that disclose with reasonable accuracy at any time the financial position of the group and the parent charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Information to Auditor

Each of the directors has confirmed that so far as they are aware, there is no relevant audit information of which the company's auditor is not aware, and that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Iain Conn
Chairman

Approved by the Board on 4 December 2023 and signed on its behalf

In approving this report, the directors approve the Trustees' Report for charity law purpose and the Directors' Report and Strategic Report for company law purposes.

Independent auditor's report to the members of The Engineering and Technology Board

Opinion

We have audited the financial statements of The Engineering and Technology Board (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulation 2006 (as amended)

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt

on The Engineering and Technology Board'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 other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company'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 charitable company 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 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

5 February 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

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

Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account)
for the year ended 31 August 2023

		Year ended 31 August 2023			Year ended 31 August 2022		
	Note	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
Income and endowments from:							
Charitable activities	2	8,632	875	9,507	8,478	829	9,307
Investments	5	82	-	82	35	-	35
Total		<u>8,714</u>	<u>875</u>	<u>9,589</u>	<u>8,513</u>	<u>829</u>	<u>9,342</u>
Expenditure on:							
Grants payable in furtherance of the charity's objects	10	2,833	-	2,833	2,796	-	2,796
The Big Bang Programme		1,692	92	1,784	2,026	75	2,101
Other programmes		1,044	783	1,827	1,142	754	1,896
Promoting the benefit of engineering and engineering careers		2,945	-	2,945	2,269	-	2,269
Business and Industry engagement		384	-	384	498	-	498
Charitable activities		<u>8,898</u>	<u>875</u>	<u>9,773</u>	<u>8,731</u>	<u>829</u>	<u>9,560</u>
Total	6	<u>8,898</u>	<u>875</u>	<u>9,773</u>	<u>8,731</u>	<u>829</u>	<u>9,560</u>
Total income less expenditure excluding investment gains/(losses)		(184)	-	(184)	(218)	-	(218)
Net (loss)/ gains on investments	11	(64)	-	(64)	(164)	-	(164)
Net movement in funds		<u>(248)</u>	<u>-</u>	<u>(248)</u>	<u>(382)</u>	<u>-</u>	<u>(382)</u>
Reconciliation of funds:							
Total funds brought forward		<u>3,526</u>	<u>-</u>	<u>3,526</u>	<u>3,908</u>	<u>-</u>	<u>3,908</u>
Total funds carried forward	19	<u>3,278</u>	<u>-</u>	<u>3,278</u>	<u>3,526</u>	<u>-</u>	<u>3,526</u>

All transactions arose from continuing activities.

All gains and losses are included above.

Movements in funds are disclosed in note 19a to the financial statements.

Consolidated and Company Balance Sheets as at 31 August 2023

		Group		Company	
		31 August 2023	31 August 2022	31 August 2023	31 August 2022
	Note	£000	£000	£000	£000
Fixed Assets					
Intangible assets	12	36	48	36	48
Tangible assets	13	253	285	253	285
Investments	11	1,522	1,586	1,522	1,586
		1,811	1,919	1,811	1,919
Current Assets					
Debtors and prepayments	15	1,558	1,476	1,380	1,287
Deposits and cash		4,654	4,875	4,600	4,829
		6,212	6,351	5,980	6,116
Current Liabilities					
Amounts falling due within one year					
Creditors	16	(1,204)	(1,344)	(976)	(1,181)
Deferred income	17	(3,541)	(3,400)	(3,537)	(3,328)
		(4,745)	(4,744)	(4,513)	(4,509)
Net Current Assets		1,467	1,607	1,467	1,607
Total Net Assets		3,278	3,526	3,278	3,526
Unrestricted funds					
General		2,090	2,644	2,090	2,644
Designated		1,188	882	1,188	882
Total unrestricted funds	19	3,278	3,526	3,278	3,526
Total funds		3,278	3,526	3,278	3,526

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 4 December 2023

Iain Conn
Chairman of the Board

Erol Mustafa
Chair of the Audit Committee

Consolidated Cash Flow Statement for the year ended 31 August 2023

CONSOLIDATED CASH FLOW STATEMENT		Year ended 31 August 2023	Year ended 31 August 2022
	Note	£000	£000
Cash flows from operating activities:			
Net cash (used in)/ provided by operating activities		(534)	(316)
Cash flows from investing activities:			
Dividends and interest	5	82	35
Purchase of property, plant and equipment and intangibles		231	(33)
Net cash provided by investing activities		313	2
Change in cash and cash equivalents in the year		(221)	(314)
Cash and cash equivalents at 1 September		4,875	5,189
Cash and cash equivalents at 31 August		4,654	4,875
RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
		Year ended 31 August 2023	Year ended 31 August 2022
		£000	£000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		(248)	(382)
Adjustments for:			
Depreciation and amortisation charges		(187)	65
Loss/ (Gain) on investments		64	164
Dividends and interest		(82)	(35)
(Increase) / Decrease in debtors		(82)	(97)
Increase in creditors		(140)	20
(Decrease) in income in advance		141	(51)
Net cash provided by operating activities		(534)	(316)

Notes to the financial statements for the year ended 31 August 2023**1. STATEMENT OF ACCOUNTING POLICIES****1.1 Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

EngineeringUK meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historic cost or transaction value with the exception of investments which are included at market value.

The company holds no complex financial instruments nor are there any areas of material estimation uncertainty affecting the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are defined in the Memorandum and Articles of Association. In the event of the charity being wound up the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Group financial statements

These financial statements consolidate the results of the charitable company, Scenta Limited and Big Bang Education CIC on a line-by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not presented because advantage has been taken of exemptions afforded by section 408 of the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

1.4 Going concern

At 31 August 2023 EngineeringUK holds free reserves of £2.1m. The trustees consider there to be no material uncertainties about the charity's ability to continue as a going concern for at least a year to November 2024.

1.5 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from Registration fees is accounted for on an accruals basis. Fees are received from institutions, throughout the year, by instalments at an agreed level. At year end an estimate is made of any underpayment or overpayment and of fees due. These amounts are shown under the income and income in advance notes. Income from grants is recognised when income from the grant is due. Where the grant relates to performance and specific deliverables it is accounted for as the charity earns the right to consideration by its performance. Sponsorship and other income received from industry is accounted for on an accruals basis.

Notes to the financial statements for the year ended 31 August 2023**1. STATEMENT OF ACCOUNTING POLICIES - continued****1.6 Investment Income**

Investment income and interest received from bank deposits and gilt-edged securities are accounted for on an accruals basis. Dividends from equity investments are accounted for on a receivable basis. Investments are included in the Balance Sheet at market value. Realised and unrealised gains and losses are included in the Statement of Financial Activities.

1.7 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources.

Other allocated costs have been apportioned against staff numbers. Governance costs include an allocation of time from the Chief Executive, wider Executive Team, Business Support Team and the Corporate Governance Manager. All other costs are considered to be costs to further EngineeringUK's charitable activities.

1.8 Grants payable

Grants are recognised in the financial statements when an obligation to pay the grant occurs. Where grants are subject to performance conditions the obligation is recognised when the conditions are met, or when there is an expectation that the grant will be paid. Grants that are potentially payable in future years, but do not meet the above criteria for immediate recognition are recognised in the designated fund.

1.9 Pension Costs

The Group is a participating employer in The Engineering Council Pension Scheme. This is a contracted-out defined benefit pension scheme for those employees transferred from Engineering Council which requires contributions to be made to a separately administered fund. Contributions to this fund are charged in the Statement of Financial Activities (SOFA) so as to spread the cost of pensions over the employees' working lives within the Group. The regular cost is attributed to individual years using the projected unit method.

The scheme was closed to new members in February 2002 and in April 2012 the scheme ceased to accrue benefits for remaining members. EngineeringUK is a participating employer in the scheme and therefore has a liability to the scheme. A full actuarial valuation of the fund is carried out every three years by The Engineering Council Pension Scheme actuary, with annual actuarial reports in the interim years. A share of liabilities are reflected in the Balance Sheet if there are net liabilities in the scheme at the date of the latest valuation.

The Group also contributes to a defined contribution pension scheme for staff who are not in the defined benefit scheme. The employer contributes 10% of basic salary and the employee 5%. Contributions to these arrangements are charged to the SOFA in the period in which they are due.

1.10 Tangible Fixed Assets and Depreciation

Tangible fixed assets, individually or in aggregate, costing more than £1,000 are capitalised and included at cost including any incidental expenses on acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off their cost evenly over their expected useful lives as follows:

Computer and office equipment	- 3 to 5 years
Fixtures and fittings	- 2 to 5 years or the remainder of property lease
Computer software	- 3 years

Notes to the financial statements for the year ended 31 August 2023**1. STATEMENT OF ACCOUNTING POLICIES - continued****1.11 Intangible Fixed Assets and Amortisation**

Acquired intangible fixed assets costing more than £1,000 are capitalised and included at cost.

Intangible fixed assets are amortised at rates calculated to write off the assets on a straight line basis over their estimated useful economic lives. Impairment of intangible assets is reviewed where circumstances indicate that the carrying value of an asset may not be fully recoverable.

1.12 Operating Leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

1.13 Value Added Tax

Irrecoverable VAT input charges have been included in the expenditure areas to which they relate.

1.14 Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1.15 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.16 Investments**Listed investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiaries

Investments in subsidiaries are at cost.

1.17 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.

1.18 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.19 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the financial statements for the year ended 31 August 2023

2. INCOME FROM CHARITABLE ACTIVITIES

	Year ended 31 August 2023			Year ended 31 August 2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£000	£000	£000	£000	£000	£000
EC Registration fees	7,720	-	7,720	7,631	-	7,631
Corporate and Network Member fees	376	-	376	285	-	285
Sponsorship and Grants for projects	462	801	1,263	540	829	1,369
Other income	74	74	148	22	-	22
	<u>8,632</u>	<u>875</u>	<u>9,507</u>	<u>8,478</u>	<u>829</u>	<u>9,307</u>

3. NET INCOME FROM TRADING ACTIVITIES - SCENTA LIMITED

Scenta Limited acts as the trading subsidiary of EngineeringUK. The entity is dormant in 2022/23. The principal activity was provision of sundry services and commission from financial products. The Directors of Scenta Limited are made up of key management personnel of EngineeringUK. The trading subsidiary passes all profits to EngineeringUK as Gift Aid. Its profit and loss account is summarised below:

	Year ended 31 August 2023	Year ended 31 August 2022
	£000	£000
Turnover	-	-
Cost of Sales and Administration Charge from EngineeringUK	-	-
Gross Profit	-	-
Other Administration Costs	-	-
Gift Aid payment	-	-
Profit Before Taxation	-	-
Taxation	-	-
Profit after taxation	-	-
Income included by EngineeringUK (company)		
Gift Aid payment	-	-
Cost of Sales and Administration Charge exclusive of VAT	-	-
	<u>-</u>	<u>-</u>

4. BIG BANG EDUCATION CIC

Big Bang Education CIC is a wholly owned subsidiary of EngineeringUK. Big Bang Education CIC was set up to deliver the Big Bang National Fair and the Big Bang Near Me fairs. Trustees Rashada Harry, Janet Young and James Smith, as well as Dr Hilary Leever, the CEO of EngineeringUK are also directors of Big Bang Education CIC. The results of Big Bang Education are consolidated into The Big Bang Programme line in note 6.

	Year ended 31 August 2023	Year ended 31 August 2022
	£000	£000
Turnover (External)	554	615
Contribution from EngineeringUK	454	902
Cost of Sales	(660)	(1,142)
Gross Profit	348	375
Administration Costs	(348)	(375)
Profit Before Taxation	-	-
Taxation	-	-
Profit after taxation	-	-

Notes to the financial statements for the year ended 31 August 2023

Year ended 31 August
2023

Year ended 31 August 2022

5. INVESTMENT INCOME

	£000	£000
Bank Interest Receivable	52	-
Other Investment Income	30	35
Total Investment Income	82	35

The investment income arises from investments in UK investment funds.

6a. CHARITABLE EXPENDITURE (Current year)**Analysis of expenditure on charitable activities**

	Activities undertaken directly	Grant funding of activities	Direct staff costs	Support costs	Total costs
	£000	£000	£000	£000	£000
Grant to Engineering Council	-	2,833	-	-	2,833
The Big Bang Programme	661	-	575	548	1,784
Other programmes	612	5	752	458	1,827
Promoting benefit of engineering and engineering careers	908	-	1,101	936	2,945
Business and Industry engagement	-	-	223	161	384
Total expenditure	2,181	2,838	2,651	2,103	9,773

Analysis of support costs

	The Big Bang Programme	Other programmes	Promoting benefit of engineering and engineering careers	Business and Industry engagement	Total costs	Basis of allocation
	£000	£000	£000	£000	£000	
Management	91	76	156	27	350	Support costs have been allocated in ratio to the average number of staff employed in each area.
Finance and HR	173	145	296	51	665	
Governance	142	119	242	42	545	
Premises and office services	124	103	211	36	474	
Depreciation	13	11	23	4	51	
Insurance	5	4	8	1	18	
Total	548	458	936	161	2,103	

Within support costs there is £1,432k of staff costs.

Promoting benefit of engineering and engineering careers: This includes non-programme related activities such as research, careers resources and corporate communications including websites.

Notes to the financial statements for the year ended 31 August 2023

6b. CHARITABLE EXPENDITURE (Prior year)**Analysis of expenditure on charitable activities**

	Activities undertaken directly	Grant funding of activities	Direct staff costs	Support costs	Restated Total costs
Year ended 31 August 2022					
	£000	£000	£000	£000	£000
Grant to Engineering Council	-	2,796	-	-	2,796
The Big Bang Programme	1,179	-	498	424	2,101
Other programmes	643	2	785	466	1,896
Promoting benefit of engineering and engineering careers	688	-	974	607	2,269
Business and Industry engagement	-	-	296	202	498
Total expenditure	2,510	2,798	2,553	1,699	9,560

Analysis of support costs

	The Big Bang Programme	Other programmes	Promoting benefit of engineering and engineering careers	Business and Industry engagement	Total costs	Basis of allocation
	£000	£000	£000	£000	£000	Support costs have been allocated in ratio to the average number of staff employed in each area.
Management	81	89	116	39	269	
Finance and HR	100	110	143	48	462	
Governance	92	101	132	44	371	
Premises and office services	135	148	193	64	446	
Depreciation	13	15	19	6	51	
Insurance	3	3	4	1	13	
Total	424	466	607	202	1,612	

Within support costs there is £1,256k of staff costs.

Promoting benefit of engineering and engineering careers: This includes non-programme related activities such as research, careers resources and corporate communications including websites.

7. NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging / (crediting):

	Group		Company	
	Year ended 31 August 2023	Year ended 31 August 2022	Year ended 31 August 2023	Year ended 31 August 2022
	£000	£000	£000	£000
Depreciation	199	53	199	53
Operating lease rentals payable:				
Property	202	201	202	201
Auditor's remuneration:				
Audit fees	18	18	16	14
Other services	4	4	4	4

Notes to the financial statements for the year ended 31 August 2023

8. STAFF COSTS INCLUDING PENSIONS AND SOCIAL SECURITY COSTS**Group and parent:**

The average number of persons employed by EngineeringUK during the period in the following categories was:

	Year ended 31 August 2023	Year ended 31 August 2022	Year ended 31 August 2023	Year ended 31 August 2022
	No (FTE)		No (Total employed)	
Executive team	5	5	5	5
Staff in direct activities	37	41	39	42
Secretarial and administrative staff	17	13	19	15
Total Staff	59	59	63	62

The actual staff employed at period end was 68 (2022: 55)

Staff Costs	Year ended 31 August 2023	Year ended 31 August 2022
	£000	£000
Salaries	2,972	2,819
Social security costs	342	319
Other pension costs	467	400
Pension costs credit	-	(250)
Other staff benefits	69	62
Temporary and agency staff	10	3
Termination and redundancy payments	55	-
Recruitment, training, travel and other expenses	164	205
	4,079	3,558

The £250k pension credit in the prior year is an accounting adjustment to release the historic accrual for ringfenced funds for the Engineering Council pension scheme, in order to create a designated reserve instead.

Number of employees whose emoluments exceeded £60,000 for the period were as follows:

	Year ended 31 August 2023	Year ended 31 August 2022
Exceeding £60,000 but not exceeding £70,000	1	5
Exceeding £70,000 but not exceeding £80,000	4	0
Exceeding £80,000 but not exceeding £90,000	1	1
Exceeding £90,000 but not exceeding £100,000	0	1
Exceeding £100,000 but not exceeding £110,000	1	1
Exceeding £110,000 but not exceeding £120,000	2	1
Exceeding £120,000 but not exceeding £130,000	0	0
Exceeding £130,000 but not exceeding £140,000	0	0
Exceeding £140,000 but not exceeding £150,000	0	1
Exceeding £150,000 but not exceeding £160,000	1	0

EngineeringUK has provision in the Company's Memorandum of Association and approval from the Charity Commission to remunerate the Chair for their duties. The Chair has waived his remuneration. No other trustee received any emoluments during the year.

The total employer contributions during the period to the defined contribution pension schemes relating to the higher paid staff above was £99,435 for 10 employees (2022: £142,119 for 10 employees). None of the higher paid employees above was a member of the Engineering Council Pension Scheme, a defined benefit scheme.

The Chief Executive who served during the year is not a director of the company or a trustee.

Notes to the financial statements for the year ended 31 August 2023

8. STAFF COSTS INCLUDING PENSIONS AND SOCIAL SECURITY COSTS - continued**Key Management Personnel**

The Key Management Personnel comprises the executive management team and is made up of the following positions within the organisation:

Chief Executive
 Director of Business & Industry
 Director of Communications
 Director of Finance and Corporate services
 Director of Engagement Projects

The total remuneration, benefits and pensions paid to them in the year was:

	Year ended 31 August 2023	Year ended 31 August 2022
	£000	£000
Salaries	573	592
Staff benefits	33	54
Pension costs	52	59
Employer NI	69	73
	727	778

9. RELATED PARTY TRANSACTIONS**Engineering Council**

Engineering Council (EC) is a related party to EngineeringUK. Under its supplemental charter of the 22 March 2002, EngineeringUK may appoint 7 of its 22 Board members. By its Regulations, EC has assigned all income from its registration fees to EngineeringUK. Changes to this regulation cannot be made without EngineeringUK's approval. The level of fee is determined by EngineeringUK. During the period ended 31 August 2022 the following transactions took place:

1. EC assigned all income derived from Registration fees, £7.7 million (2022: £7.6 million), to EngineeringUK.
2. EngineeringUK provided a grant to EC of £2.8 million (2022: £2.8 million) to fund its operations.
3. EngineeringUK and EC occupied the same floor at Lower Thames Street for the year. The lease is jointly held. Where possible each party paid directly for its own costs.
4. At 31 August 2023 EngineeringUK owed EC £28k (2022: EC owed EngineeringUK £77k) relating to office service charges.

Trustees

Malcolm Brinded, the former Chair of Trustees, made donations totaling £31,020 (2022: £450), excluding gift aid received of £nil (2022: £113), during the year. £20,000 was donated towards funding EDI bursaries given out to schools during the year, £10,000 was donated towards funding for Robotics Challenge and the remainder was a contribution towards trustee meeting costs.

Carl Ennis is a trustee of EngineeringUK and also The CEO of Siemens Plc in Great Britain and Ireland, which is a corporate member of EngineeringUK under normal business terms as well as a sponsor of the Big Bang Competition. At 31 August 2023 there were nil amounts outstanding to EngineeringUK from Siemens Plc (2022: £9,600).

Jacqui Ferguson is a trustee of EngineeringUK and also a Director of Wood Plc which is a corporate member of EngineeringUK under normal business terms. At 31 August 2023 there were nil amounts outstanding to EngineeringUK from Wood Plc (2022: £nil).

Notes to the financial statements for the year ended 31 August 2023

9. RELATED PARTY TRANSACTIONS - continued

Rahsada Harry is a trustee of EngineeringUK and also an Enterprise Technologist at Amazon Web Services, which is a sponsor of the Big Bang Fair and Competition. At 31 August 2023 there was £18,000 outstanding to EngineeringUK from Amazon Web Services (2022: nil).

All related party transactions were on normal commercial terms.

Expenses reimbursed to and paid on behalf of trustees

Expenses were reimbursed to or paid on behalf of Trustees during the year as follows:

	Year ended 31 August 2023	Year ended 31 August 2022
	£	£
Travel and subsistence	185	913
Number of Trustees reimbursed for expenses or who had expenses paid on their behalf	3	4

10. GRANTS PAID

	Year ended 31 August 2023	Year ended 31 August 2022
	£000	£000
Engineering Council	2,833	2,796

11. FIXED ASSET INVESTMENTS (OF THE COMPANY AND GROUP)

	Year ended 31 August 2023	Year ended 31 August 2022
	£000	£000
Market value at start of period	1,586	1,750
Realised/unrealised gain for the period	(64)	(164)
Market value at 31 August	1,522	1,586
Historical cost at 31 August	1,389	1,389

Notes to the financial statements for the year ended 31 August 2023

12. INTANGIBLE FIXED ASSETS (OF THE COMPANY AND GROUP)

	Licence £000
Cost	
Brought forward 1 September	124
Acquisitions during period	-
Carried forward 31 August	<u>124</u>
Amortisation	
Brought forward 1 September	76
Charge for period	12
Carried forward 31 August	<u>88</u>
Net Book Value	
31 August 2023	<u>36</u>
31 August 2022	<u>48</u>

All assets are used by the charity for its own purposes. Scenta Limited & Big Bang Education CIC have no intangible fixed assets.

13. TANGIBLE FIXED ASSETS (OF THE COMPANY AND GROUP)

	Computer & office equipment £000	Refurbishment £000	Total £000
Cost			
Brought forward 1 September	300	549	849
Acquisitions during period	(231)	-	(231)
Disposals during period	-	-	-
Carried forward 31 August	<u>69</u>	<u>549</u>	<u>618</u>
Depreciation			
Brought forward 1 September	269	295	564
Charge for Period	(232)	33	(199)
Disposals during period	-	-	-
Carried forward 31 August	<u>37</u>	<u>328</u>	<u>365</u>
Net Book Value			
31 August 2023	<u>32</u>	<u>221</u>	<u>253</u>
31 August 2022	<u>31</u>	<u>254</u>	<u>285</u>

All assets are used by the charity for its own purposes. Scenta Limited & Big Bang Education CIC have no fixed assets.

14. INVESTMENT IN SUBSIDIARY COMPANIES

EngineeringUK holds 100% of the issued share capital of Scenta Limited of 1 ordinary share of £1. It also owns Big Bang Education CIC, a company limited by guarantee, with a guarantee of £1.

Notes to the financial statements for the year ended 31 August 2023

15. DEBTORS AND PREPAYMENTS

	Group		Company	
	31 August	31 August	31 August	31 August
	2023	2022	2023	2022
	£000	£000	£000	£000
Other debtors	547	447	369	298
Registration fees due	923	919	923	919
Prepayments and accrued income	88	110	88	70
	1,558	1,476	1,380	1,287

Registration Fees Due represent fees yet to be paid over by Institutions for 2022/23. The fees are due from registrants on 1st January but, by agreement, are paid over by instalments over the year.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31 August	31 August	31 August	31 August
	2023	2022	2023	2022
	£000	£000	£000	£000
Trade creditors	383	494	169	352
Scenta Limited	-	-	10	10
Owed to Big Bang Education CIC	-	-	(1)	23
Pension scheme	41	42	41	42
Taxation, including Income Tax	86	96	85	95
Accruals	404	462	382	409
Dilapidations provision	290	250	290	250
	1,204	1,344	976	1,181

17. DEFERRED INCOME

	Group		Company	
	31 August	31 August	31 August	31 August
	2023	2022	2023	2022
	£000	£000	£000	£000
EC registration fees	3,079	2,777	3,079	2,777
Members fees received in advance	213	161	213	161
Project income in advance	249	462	245	390
	3,541	3,400	3,537	3,328

Deferred income

	Group		Company	
	31 August	31 August	31 August	31 August
	2023	2022	2023	2022
	£000	£000	£000	£000
Balance at the beginning of the year	3,400	3,451	3,328	3,262
Amount released to income in the year	(3,116)	(3,373)	(3,119)	(3,232)
Amount deferred in the year	3,257	3,322	3,328	3,298
Balance at the end of the year	3,541	3,400	3,537	3,328

Income from registration fees is accounted for on an accruals basis. The above represents income to be recognised over the remainder of the calendar year.

Notes to the financial statements for the year ended 31 August 2023

19a. FUNDS (current year)

Movements in the Funds during the year have been as follows:

	1 September 2022	Income for the period	Expenditure and other recognised gains/(loss)	Reserve transfers	31 August 2023
	£000	£000	£000	£000	£000
Restricted funds:					
The Big Bang Fair	-	80	(80)	-	-
Big Bang Near Me	-	12	(12)	-	-
Other programmes	-	783	(783)	-	-
Total restricted funds	<u>-</u>	<u>875</u>	<u>(875)</u>	<u>-</u>	<u>-</u>
General Fund	<u>2,644</u>	<u>8,714</u>	<u>(9,149)</u>	<u>(119)</u>	<u>2,090</u>
Designated Funds					
Fixed Assets Fund	332	-	187	(231)	288
Infrastructure Fund	300	-	-	-	300
Pension Fund	250	-	-	350	600
Total Designated Fund	<u>882</u>	<u>-</u>	<u>187</u>	<u>119</u>	<u>1,188</u>
Total Funds	<u>3,526</u>	<u>9,589</u>	<u>(9,837)</u>	<u>-</u>	<u>3,278</u>

There were nil restricted funds held at 31 August 2022. The fixed assets fund represents funds that have been spent on fixed assets, these fixed assets are necessary for the charity's continuing activities. The infrastructure fund is to enable EUK to undertake one-off larger projects unaffordable during a normal budget cycle. The Pension Fund reserve is to set aside funds for the Engineering Council historic defined benefit pension scheme. The General Reserve represents free funds that are not designated for particular purposes.

The Other programmes restricted fund includes activities related to Code and website, Energy Quest, and Robotics Challenge.

19b. FUNDS (prior year)

Movements in the Funds during the prior year are as follows:

	1 September 2021	Income for the period	Expenditure and other recognised gains/(loss)	Reserve transfers	Restated 31 August 2022
	£000	£000	£000	£000	£000
Restricted funds:					
The Big Bang Fair	-	75	(75)	-	-
Other programmes	-	754	(754)	-	-
Total restricted funds	<u>-</u>	<u>829</u>	<u>(829)</u>	<u>-</u>	<u>-</u>
General Fund	<u>3,544</u>	<u>8,513</u>	<u>(8,830)</u>	<u>(583)</u>	<u>2,644</u>
Designated Funds					
Fixed Assets Fund	364	-	(65)	33	332
Infrastructure Fund	-	-	-	300	300
Pension Fund	-	-	-	250	250
Total Designated Fund	<u>364</u>	<u>-</u>	<u>(65)</u>	<u>583</u>	<u>882</u>
Total Funds	<u>3,908</u>	<u>9,342</u>	<u>(9,724)</u>	<u>-</u>	<u>3,526</u>

Notes to the financial statements for the year ended 31 August 2023

20. COMMITMENTS**Operating lease commitments payable as a lessee**

The following payments will be made in respect of future minimum commitments on operating leases expiring:

	Company and Group	
	31 August 2023	31 August 2022
	Land and Buildings	Land and Buildings
	£000	£000
Due within one year	74	220
Due within two to five years	-	74
Total due	74	294

21a. ANALYSIS OF NET ASSETS BETWEEN FUNDS (current year)

	General funds	Designated funds	Total
	£000s	£000s	£000s
Fund balances at 31 August 2023 are represented by:			
Fixed assets and investments	1,523	288	1,811
Current assets	5,312	900	6,212
Current liabilities	(4,745)	-	(4,745)
Total net assets	2,090	1,188	3,278

22b. ANALYSIS OF NET ASSETS BETWEEN FUNDS (prior year)

	General funds	Designated funds	Total
	£000s	£000s	£000s
Fund balances at 31 August 2022 are represented by:			
Fixed assets and investments	1,587	332	1,919
Current assets	5,801	550	6,351
Current liabilities	(4,744)	-	(4,744)
Total net assets	2,644	882	3,526

23. PARENT CHARITY

The parent charity's gross income and the results for the year are disclosed as follows:

	Year ended 31 August 2023	Year ended 31 August 2022
	£	£
Gross income	9,076	8,775
Result for the year	(183)	(698)

Notes to the financial statements for the year ended 31 August 2023**24. PENSIONS****The Engineering Council Pension Scheme**

In 2002 a number of staff transferred to EngineeringUK from Engineering Council under TUPE arrangements. To accommodate this EngineeringUK became a participating employer of the Engineering Council Pension Scheme.

The company operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company, being invested in The Engineering Council Pension Scheme. Contributions to the fund are charged to the income and expenditure account (statement of financial activities) so as to spread the cost of pensions over employees' working lives with the company. On 26 February 2002 the company decided not to offer membership of the scheme to new employees. In April 2012 the scheme ceased to accrue benefits for existing members.

The Engineering Council Pension Scheme is a defined benefit scheme based on final pensionable salary. The Scheme is contracted out of the earnings related part of the State Pension Scheme. The assets of the Scheme are held in a separate trustee administered fund, currently invested with State Street Global Advisors, and the company's underlying share of assets and liabilities in the fund is not separately determined.

At 31 August 2023 there were nil (2022 - nil) members of EngineeringUK staff contributing to the Scheme. EngineeringUK employer contributions during 2022/23 were £nil (2021/2022 - £nil). Employer contributions in 2023/24 are expected to be £nil as the Scheme ceased to accrue benefits for remaining members in April 2012. EngineeringUK made a contribution of £122k to the EC towards administration of the scheme (2022: £nil).

A full actuarial valuation of the fund is carried out every three years by The Engineering Council Pension Scheme actuary, with annual actuarial reports in the interim years. The last full valuation was as at 31 December 2021 within the report dated 29 April 2022. The report showed net assets of £988,000.

EngineeringUK is a participating employer in the Scheme and therefore has a liability to the scheme. The share of assets were not recognised in the Balance Sheet as they would be non-recoverable.

Defined contribution pension schemes

EngineeringUK decided not to offer entry to the Engineering Council Pension Scheme to staff who were not already members prior to TUPE transfer and nominated an auto enrollment pension scheme. This is a defined contribution scheme operated by Scottish Widows and is not contracted out of the earnings related part of the State Pension Scheme. The employer contributes 10% of pensionable salary and the employee 5%. Employer contributions during the year were £433k (2022: £400k). These figures include contributions for the higher paid employees shown under note 8.

Governance and Management

EngineeringUK is the working name adopted by the Engineering and Technology Board. EngineeringUK is a charitable company limited by guarantee (Company No. 4322409), incorporated on 14 November 2001. The address of the principal and registered office is 5th Floor, Northern & Shell Building, 10 Lower Thames Street, London, EC3R 6EN.

Members of the Company are Directors/Trustees or members of the two Electoral Colleges - the Professional Engineering College, consisting of persons representing Professional Engineering Institutions (PEIs) licensed by Engineering Council (EC), and the Business and Industry College, consisting of persons representing industry; and such other persons who may be admitted as members by the Company at a general meeting. There are currently 90 members.

The Board of Trustees (Board) generally meet four times a year. EngineeringUK has in place a number of committees and panels to which it has formally delegated specific functions. The day to day activities are managed by the Executive Team.

The Nominations and Remuneration Committee (N&RC) has responsibility for recommending appointments to the Board of Trustees and committees.

The Audit, Risk and Investment Committee (ARIC) ensures a sound system of internal controls, risk management and accounting policies are maintained in accordance with corporate governance requirements. The committee liaises directly with the external auditors including planning for the annual audit. Areas of particular focus are discussed with the auditors and inform their plans. The committee ensures the investments of EngineeringUK are managed in accordance with the agreed policy and monitors the performance of the investment advisor. The committee reports to the Board.

The Tomorrow's Engineers Code Advisory Board (TEC) is an advisory committee that makes recommendations to the Board on matters relating to the Code that have material implications for EngineeringUK resourcing or that have material impact on EngineeringUK's wider activities.

Remuneration Policy

EngineeringUK is committed to paying staff fairly at an appropriate level to attract and retain people with the right skills and experience to ensure that the organisation delivers its charitable objectives and execute the strategy set by the Board.

Total staff salary budgets and the specific contracts and remuneration of the Chief Executive and Executive Team are delegated to the N&RC which reports directly to the Board.

Trustee Recruitment, Appointment and Induction

Arrangements for all trustee appointments are overseen by the N&RC whose recommendations are referred to the Board for approval. The Chairman of the Board is recruited through an open and competitive process. The Chairman of the Engineering Council is an ex officio member of the Board and appointed through a process specified by the Engineering Council. The Institution of Engineering and Technology (IET), the Institution of Civil Engineers (ICE) and the Institution of Mechanical Engineers (IMechE), being the three largest PEIs, and the Royal Academy of Engineering have nominated their Chief Executives to sit on the Board. Members of each of

the two electoral colleges elect two persons for nomination from amongst their number. Appointment of other Board members is through selection to meet the needs of the Board.

New trustees are provided with a Trustee Induction Pack that includes details of their legal responsibilities under charity and company law, the Memorandum and Articles of Association, Board Regulations, operational and financial information and recent Board minutes. They are also introduced to and briefed by senior staff. On appointment Trustees are asked to agree and sign EngineeringUK's Trustees Code of Conduct, based on the core values of EngineeringUK and the Nolan Principles – Seven Principles of Public Life.

Members of Board and Trustees The trustees serving during the year and since the year end were:	Method of Appointment	Committee Membership
Malcolm Brinded (Chair to 30 th September 2023)	Board	N&RC
Iain Conn (Chair from 1 st October 2023)	Board	N&RC
Alice Bunn	IMechE	N&RC, TEC
Christopher Atkin (to 21 June 2023)	Engineering Council	
Nicholas Baveystock (to 17 February 2023)	ICE	ARIC
Jacqueline Ferguson	Board	TEC N&RC (Chair)
Terence Fuller	Professional Engineering College	
Steven Rossiter	Board	
Erol Mustafa	Board	ARIC (Chair from 19 September 2023)
Hayaatun Sillem	RAEng	
Rachel Stringer (to 18 September 2023)	Board	ARIC (Chair to 18 September 2023)
Rashada Harry	Board	N&RC
Adenike Folayan	Business & Industry College	TEC (independent)
Carl Ennis	Business & Industry College	N&RC
Ruth Carter	Professional Engineering College	N&RC
Jim Smith	Board	
Janet Young (from 1 March 2023)	ICE	
Edward Almond (from 1 March 2023)	IET	ARIC
John Chudley (from 22 June 2023)	Engineering Council	
Member of Audit, Risk and Investment Committee (ARIC) Member of Nominations and Remuneration Committee (N&RC) Member of Tomorrow's Engineers Code Board (TEC)		

Executive Team

The Board delegates the day to day running of the company to the Executive Team, led by the Chief Executive. The Executive Team operates in accordance with the Strategy and Business Plan/Budget approved by the Board. Expenditure authority limits have been set by the ARIC. Up to date financial and operational reports are presented to the Board at each of its meetings.

Members of the Executive Team are:

Dr Hilary Leever, Chief Executive

David Howley, Director of Finance and Corporate Services

Beth Elgood, Director of Communications

Isabel DiVanna, Director of Business Development and Partnerships (to December 2022))

Rebecca Everitt, Director of Business Development and Partnerships (from February 2023)

Melanie Washington, Director of Engagement Projects (to March 2023).

Maddie Dinwoodie, Director of Engagement Projects (from July 2023).

Professional Advisors

Auditor

Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

Bankers

HSBC BANK plc, 165 Fleet Street, London, EC4A 2DY

Lloyds Bank, 25 Gresham Street, London, EC2V 7HN

Insurance Brokers

AON, 6 Commerce Road, Lynch Wood, Peterborough, PE2 6LR

Solicitors

Bates Wells & Braithwaite London LLP, 10 Queen Street Place, London, EC4R 1BE

Investment Advisors

Rathbone Investment Management Limited, Port of Liverpool Building, Pier Head, Liverpool L3 1NW

Pension and Staff Benefits

3sixty Financial Limited, Media House, 4 Stratford Place, London, W1C 1AT

THE ENGINEERING AND TECHNOLOGY BOARD

England & Wales - Charity number 1089678

Accounts

**The Engineering and Technology Board
Trading as the EngineeringUK Group
Report and Financial Statements
For the Year Ended 31 August 2022**

COMPANY NO: 4322409

ENGLAND AND WALES CHARITY NO: 1089678

SCOTLAND CHARITY NO: SC046249

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Report of the Trustees

Introduction

The Trustees present this Annual Report for the purpose of the Charities SORP that includes on pages 3–15 the Strategic Report required under company law. The legal and administrative information set out on pages 38–41 also forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounts and Reporting by Charities issued in 2015.

This Annual Report covers the 12 months to the end of August 2022. When we developed our plans, we optimistically anticipated that schools would be operating as normal. While most students returned to in-school, face-to-face learning, the school context continued to be affected by the pandemic. In the autumn term, there was a focus on curriculum catch-up and the emergence of the Omicron variant brought restrictions on mixing, equipment sharing, and extra-curricular activities that affected our reach through the spring, and especially limited project work. The Covid surge in June and July also affected engagement. Nevertheless, we were delighted to return to Birmingham in June for the first Big Bang Fair since 2019, bringing hands on STEM experiences and role models to thousands of young people and their parents, carers and teachers.

Over the year, we reached over 58,000 students with our digital Big Bang and Tomorrow's Engineers Week content and over 66,000 through our in-person experiences – Big Bang Fair, Big Bang at Schools, Big Bang Competition, Robotics Challenge and Energy Quest.

We've published a wide range of research looking at young people's progression through the education system, how their experiences differ across the country, and the current and future workforce. The two products we launched in 2020 to help other organisations with their engineering and tech engagement activities have significantly grown in content, activities and reach – the Tomorrow's Engineers Code and Neon, our platform to help teachers find quality activities and careers resources.

We have been working on our 2023–28 strategy through the year, conducting scoping research, discussing our plans across the organisation, with Trustees and a wide range of stakeholders and audiences, including young people and teachers. As our 2021/22 business year closes, we are in a strong financial position to continue to innovate and test new approaches, and we are highly motivated to deliver our plans and lay the bedrock for the next 5 years of impact against our mission.

EngineeringUK Objectives

1. To promote for the public benefit the art and science of engineering in all its applications in the context of modern technology; and
2. To advance education in engineering and technology.

Ambition and goals

Our ambition is to inform and inspire young people and grow the number and diversity of tomorrow's engineers.

We aim to achieve this through:

- Increasing reach and inspiration – reaching more, and more diverse, young people with inspiring messages about careers in engineering
- Developing and sharing insight – being the recognised and trusted voice on the pathways into engineering, related enablers and blockers for young people and good practice for engagement activities
- Growing collective impact – simplifying the landscape and enabling partnerships and collaborations to inspire more, and more diverse, young people into engineering.

Public Benefit

EngineeringUK is a charitable body and exists to deliver benefits to the public. The Trustees have noted the duty in Section 17 of the Charities Act 2011 and given regard to the Charity Commission and The Scottish Charity Regulator's guidance on public benefit.

Benefits arising from our activities are as follows.

- Young people benefit from understanding and being inspired by engineering and technology and being informed about how to progress into engineering, technology and technician roles. At a time when they are concerned about job availability and security, it is important that young people from all backgrounds realise that these roles can meet their needs, as well as delivering societal value. These benefits will be most significant when we work with groups that are under-represented in the engineering and tech workforce – women, young people from socioeconomically disadvantaged or ethnic minority backgrounds and disabled people – as young people from these groups might otherwise have been less likely to progress into engineering and technology.
- Depending on which engagement activities they participate in, young people can improve their motivation, confidence, progression, attainment and develop wider employability skills such as problem solving, team working, and communication and presentation skills. They may also develop specific engineering and technology skills, knowledge or both.

- Schools benefit from activities and employer engagements which can help with students' careers education, including meeting the requirements for English schools set out in the Gatsby benchmarks, as well as through the benefits to their students as identified above. Depending on the activities engaged in, teachers may also learn more about STEM and have professional development to support delivery (e.g., in coding).
- Employers and other stakeholders benefit from better collaboration and coordination of their engagement activities and the provision of evidence, guidance and opportunities to improve their delivery – helping with their own public benefits or commitments around Corporate Social Responsibility or ESG (Environment, Social and Governance), and the efficiency of their work.
- Policymakers and other interested organisations benefit from having a stronger evidence base for their work derived from our research publications that include the make-up of the current workforce, workforce needs, young people's educational pathways into engineering, tech and technician roles, and their experiences of careers education.
- In the longer term, society benefits from having a larger and more diverse engineering, technology and technician workforce – given how central this is to why we do what we do, we explain more about its importance in the section below.

We need more, and more diverse, young people choosing engineering and technology careers

Our ambition – to grow the number and diversity of young people going into engineering and technology – is critical for all our futures. Perhaps most importantly, the UK Government will depend on people working in engineering and tech to achieve Net Zero. The government's green jobs taskforce report in 2021 suggested that about half a million new engineering and manufacturing jobs would be needed to support the green economy by 2050, with 300,000, by 2030. Indeed, engineers, technicians and technologists have a role to play in addressing all the Sustainable Development Goals (SDGs), especially SDG 6 (clean water and sanitation), SDG 7 (affordable and clean energy), SDG 8 (decent work and economic growth), SDG 9 (including resilient infrastructure and sustainable industrialisation), SDG 11 (sustainable cities and communities) and SDG 13 (Climate Action).

This workforce will also be crucial for resolving the wider Grand Challenges (artificial intelligence and data, ageing society and the future of mobility) first identified in the Industrial Strategy and to deliver against the Innovation Strategy, Energy Security Strategy, and Plan for Growth – all providing wide societal benefits.

The engineering and technology workforce could and should be much more diverse to boost innovation, creativity, productivity, resilience, market insight and to give people more equitable career outcomes. Women are the most under-represented group, making up 16.5% of the engineering workforce as compared with 48% of the overall workforce, with comparable figures of 24 and 26% for people from poorer socioeconomic backgrounds, 11 and 15% for disabled people, and 11 and 13% for people from minority ethnic groups.

We therefore need to ensure that more young people come through the education system into engineering and technology and that they come from a wide range of backgrounds. But at present, there are clear issues of under-representation in educational pathways into engineering. For example, in first year undergraduates in 2020/21, just 18% of engineering and technology students were women and 10% had declared that they have a disability or impairment, as compared with 57% and 15%, respectively, across all subject areas.

Young people also inherently diversify the workforce through their youth and this generation is digital first and bring important insights into current and future market needs. Employers also need an age-balanced workforce to ensure a smooth sharing of expertise over the long term.

Objectives and Achievements for 2021/22

1: Increasing reach and inspiration – reaching more, and more diverse, young people with inspiring messages about careers in engineering

Why is this important?

Inspiring more young people from a greater range of backgrounds to pursue the exciting career opportunities in modern engineering is at the heart of our purpose. We help to ensure that all young people are well-informed about the full range of engineering, technology and related careers and academic and vocational pathways into them.

What did we say we would do during 2021/22?

- Create a hybrid Big Bang Programme including: a face to face and digital event, increased entries into the Big Bang Competition, and delivery of the Big Bang at School into a mix of new and repeat schools.
- Deliver Robotics Challenge to a larger number of schools, including those unable to participate in 2020/21, whilst commissioning research to understand how to increase its impact.
- Reiterate and improve Energy Quest based on 2020/21 evaluation and run and compare face to face and online workshops.
- Deliver Tomorrows Engineers week during COP26, focused on environmental sustainability.
- Continue to increase the participation of young people from groups under-represented in engineering in our programmes, including through the EDI bursary schemes and by adding a gender dimension to the EDI criteria¹.

¹ Our [Equity, Diversity and Inclusion criteria](#) identify about half of secondary schools across the UK with higher proportions of young people from groups under-represented in engineering based on socioeconomic status, ethnicity and special educational needs, and, from 2021/22, gender.

How did we do?

- The Big Bang Fair returned as a face-to-face event in 2022 with 25,868 young people (from school years 7–9) attending, despite rail strikes, coming from 388 schools, half of which met our EDI criteria. New to 2022, we launched The Big Bang Fair Unlocked where we invited families, community groups and home educators to visit The Big Bang Fair after hours.
- Big Bang Digital returned for a third year viewed by 25,225 unique young people from 146 schools. It featured six fascinating panels of STEM career role-models, streamed live from The Big Bang Fair and a range of interactive on-demand sessions. Feedback from the digital programme was positive with schools enjoying the option of either live streaming or dropping into content at a time which suited them.
- Some of the Fair's panels and all live streamed content was captioned and BSL signed, and on-demand video content was subtitled making it as accessible as possible.
- 197 projects were entered by 470 students into The Big Bang Competition coming from 97 schools and 2 community groups. We showcased 42 projects from 83 students at the Big Bang Fair, finishing the day with an awards ceremony.
- 46 face-to-face Big Bang at School events took place in 2021/22, including 25 new schools, and reaching 15,000 students, 44 in schools that met our EDI Criteria.
- Nearly 5,000 students from 318 schools participated in our Robotics Challenge programme (up from 246 the previous year), 143 (45%) of these met our EDI criteria. We commissioned research to understand how to adapt the programme to increase its impact.
- 541 Energy Quest workshops were delivered to over 20,000 students with adaptations responding to the previous year's evaluation aimed at increasing the engagement of girls through a new design element.
- We continue to support, including with funding and staff time, the Royal Academy of Engineering's *This is Engineering* campaigns.
- We organised another successful Tomorrows Engineers Week which coincided with COP26. Over 33,000 students from over 300 schools took part in on-demand content with 34 schools in the live session. We had over 110,000 film views of case studies.
- EDI bursaries were available for the Robotics Challenge, Neon, Big Bang at School, and travel to the Big Bang Fair or Competition, with 193 schools offered bursaries. Initial evaluation of the bursaries is positive, with a high percentage of teachers across the programme agreeing with the statement, "*the bursary allowed my school to involve more students from underrepresented backgrounds*"

2: Developing and sharing insight – being the recognised and trusted voice on the pathways to engineering, related enablers and blockers for young people and good practice for engagement activities.

Why is this important?

Thought leadership is needed to deepen the understanding of what outreach works and what deters young people from pursuing engineering. Better evaluation and analysis are essential to improve engineering focused STEM outreach activities and to develop more innovative ones

that produce better outcomes. These insights need to sit alongside analysis of the engineering sector, its current workforce and future workforce needs

What did we say we would do during 2021/22?

- Continue modularised and flexible approach to the Engineering UK State of Engineering Reporting and the next phase of our work on careers provision including interactive dashboards on the engineering sector and research reports on engineering pathways and the engineering workforce.
- Publish reports and briefings from the 2020/21 Engineering Brand Monitor data and run a shortened version of the survey in spring 2022.

How did we do?

- We have produced two publications on educational pathways into engineering, [Secondary pathways into engineering](#), and [Further education and apprenticeship pathways into engineering](#), and two reports on workforce make-up and needs, [Trends in the engineering workforce](#) and [Women in Engineering](#), and a review of estimates of [Net zero workforce needs](#).
- We published briefings based on data from the 2020/21 Engineering Brand Monitor, including: [Environmental Sustainability and Engineering](#) and [Levelling up engineering skills: widening opportunities for young people](#).

3: Growing collective impact – simplifying the landscape and enabling partnerships and collaborations to inspire more, and more diverse, young people into engineering

Why is this important?

We need all organisations with an interest in increasing the number and diversity of tomorrow's engineers to work together more effectively, sharing their learnings and better coordinating and targeting their activities.

What did we say we would do during 2021/22

- Include more quality experiences for schools on Neon, enable providers to target their experiences to EDI criteria schools.
- Recruit more Signatories to The Code and enable greater collaboration through a series of events and improved information sharing.
- Continue to build the resources on the Tomorrow's Engineers website and encourage more organisations to benefit from them.

How did we do?

- We continued to grow content on the Neon platform with 37 primary and 77 secondary experiences. We worked to strengthen the number of teachers accessing the platform

through a targeted recruitment campaign with a total of 27,000 visits to the site, and 1,740 new registered users over the past year.

- The Tomorrow's Engineers Code grew to a community of over 200 organisations collectively working to improve engineering outreach and inspire more and more diverse young people into engineering careers. We carried out the first annual check-in with 73% of respondents saying that being a Signatory had helped them improve in 3 or more areas. In response to requests to support collaboration, we started building Code Connect a system that lets signatories search, find and connect with each other. We also ran six webinars and the first TE Live event in July 2022 that brought the 133 members of the Code Community together for the first time in person to network, join in discussions and panel sessions, and share their experience with peers.
- We continued to build the resources on the Tomorrow's Engineers website providing a single source of information and guidance for organisations wishing to improve their engineering inspiration activities and encourage more organisations to benefit from them with over 23,742 users and 39 publications.

Plans for 2022–23

1: Increasing reach and inspiration – reaching more, and more diverse, young people with inspiring messages about careers in engineering

- Deliver the Big Bang Fair, Competition and at School programme with an increase in numbers and a new low-cost self-service model for schools.
- Continue to deliver Robotics Challenge and test the impact of a new 'taster workshop' intended to widen participation in the full programme.
- Develop and deliver a third iteration of Energy Quest workshops and share evidence of impact with the wider STEM community.
- Scoping what an effective package of engagement for young people over multiple years looks like and how we would evaluate it.

2: Developing and sharing insight – being the recognised and trusted voice on the pathways to engineering, related enablers and blockers for young people and good practice for engagement activities

- Create and publish an educational pathways research report on higher education, data tables and a summary briefing of trends.
- Conduct a review of apprenticeships in engineering and manufacturing.
- Commission the Science Education Tracker in partnership with the Royal Society and with funding from Wellcome.

3: Growing collective impact – simplifying the landscape and enabling partnerships and collaborations to inspire more, and more diverse, young people into engineering.

- Increasing the number of unique visitors who use the Neon platform targeting teachers from schools that meet our EDI criteria.
- Recruit more Signatories to The Code and enable greater collaboration through a series of events and improved information sharing, including through the launch of Code Connect and delivery of an in-person conference.
- Continue to build the resources on the Tomorrow's Engineers website and encourage more organisations to benefit from them.

4. Prepare for the delivery of the 2023–28 strategy

As our current strategy period is ending, we are in the final stages of consultation before sign-off of our strategy for 2023–28. We will be sharing the strategy early in the new year.

Our work is delivered in line with our values

- **Insightful** – Everything we do is based on clear and up-to-date evidence, gained by listening to and learning from our community. We are open and honest with our insights and use them to inspire young people into engineering.
- **Passionate** – We are passionate about inspiring a new generation of engineers and making a positive difference to young people's lives.
- **Courageous** – We are courageous, edgy and dynamic in the development, piloting and promotion of ideas and activities which can help us all to inspire tomorrow's engineers and increase the talent pipeline for engineering.
- **Inclusive** – We work with others to maximise collective impact. We value diversity and we target our promotion of science, technology, engineering and maths (STEM) to encourage a more diverse engineering community.

Financial Review

As can be seen in Chart below, most of EngineeringUK's income is derived from the registration fees of Chartered Engineers and Technicians. The fees are passed to us by Professional Engineering Institutions and shared with the Engineering Council, the organisation that keeps the standards under review, operates the register and quality assures the Institutions. This income is complimented by ongoing support from 34 Corporate Members. The PEIs and Corporate Members help shape our work through regular interaction and representation on our Board and these funding streams enable us to deliver our core work, innovate and develop new programmes, and subsidise programmes that are also supported by other funders.

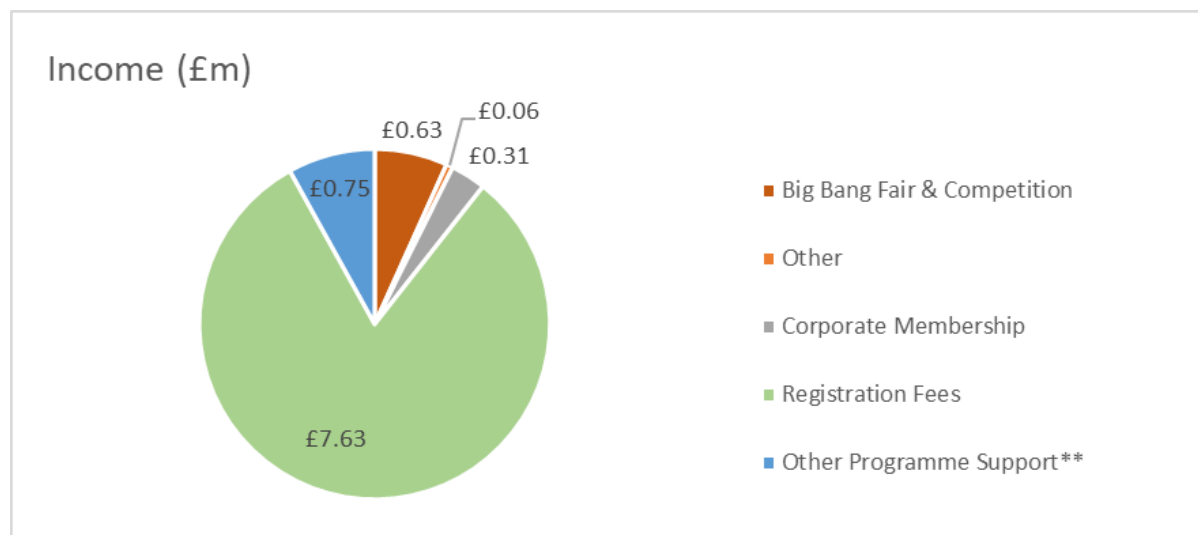
Aside from the fees raised through the PEIs, over the 2021/22 financial year, a total of 70 funders (including our Corporate Members) supported our work, many of these gave small amounts to participate in the Big Bang programme, but others contributed larger amounts:

- 13 funders contributed £15–50k (Anglo American, Atkins UK, Environment Agency, Health Education England (NHS), HS2 Ltd, IET, Leonardo UK, National Grid, National Highways, RS Components, Siemens Plc, Thales UK, Unboxed)
- 6 funders contributed £50–200k (British Army Land Forces, Gatsby Charitable Foundation, Helsington Foundation, Network Rail, The Royal Air Force, Rolls–Royce)
- 1 funder contributed above £200k (Shell) with most of this funding supporting Energy Quest.

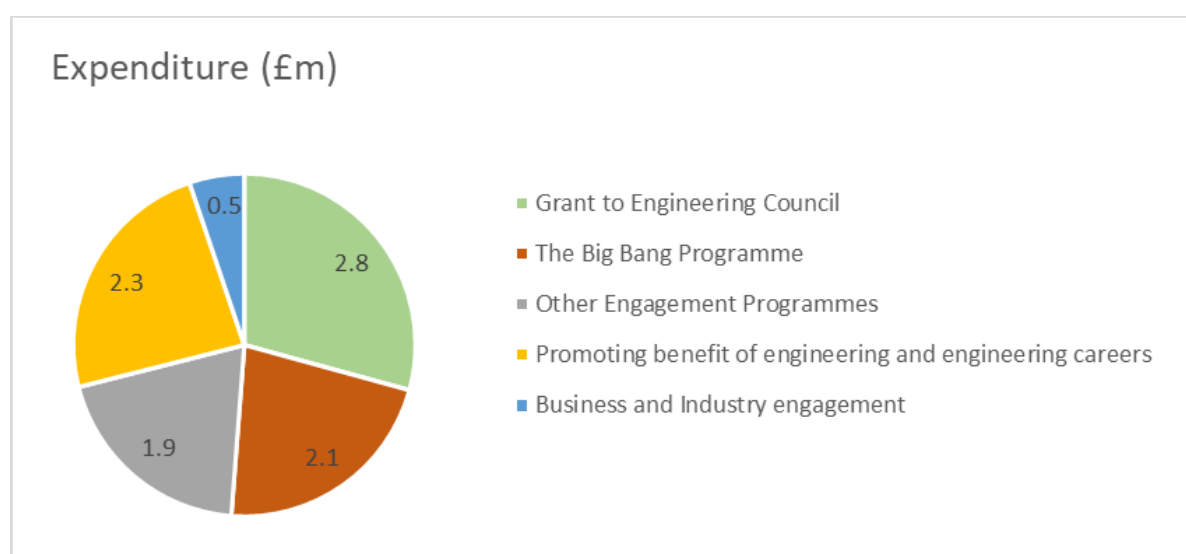
The figures for 2021/22 are affected by the ongoing impacts of the pandemic, particularly returning to delivery of face-to-face engagement programmes. Demand for, and uptake of, direct engagement activities by schools has not returned to pre-pandemic levels.

Our largest programme is the Big Bang which in 2021/22, comprised the Big Bang Fair and related digital content, the Big Bang Competition, and Big Bang at School events. EngineeringUK has subsidised these events since their inception. Fundraising for the face-to-face Big Bang Fair has been more challenging in the current climate with conditions exacerbated by the need to re-engage our existing support base and attract new funders after a 3-year gap since the last Fair. The *net* cost for the 12-month period is £0.9M and the 2021/22 revenue generated from sponsorship and fundraising for the Big Bang Programme was £0.6M.

Considering the fundraising challenges during the year, efforts were made where possible to minimize expenditure and seek efficiency savings across many programmes. The deficit for the year is reduced by the release of £250k previously ringfenced for the Engineering Council Pension Scheme to a designated reserve. A provision of £0.2m for any dilapidation costs remains from our former premises in the Woolgate Exchange and our current premises on Lower Thames Street.



**Other Programme Support refers to income raised for other programmes including Robotics Challenge, Energy Quest, EDI bursaries, and the Tomorrow's Engineers Code



*Other Engagement Programmes comprises Robotics Challenge, Energy Quest and EDI bursaries

Balance Sheet and cash flow

Group reserves and net assets decreased during the year by £0.4M (following a £0.3M increase in 2020/21). Total funds at 31 August 2022 were £3.5M, of which none was restricted and £0.9M was designated leaving free reserves of £2.6M. Group cash decreased by £0.3m to £4.9m, while the value of investments decreased by £0.2m to £1.6m.

Investment policy

There are no restrictions on the Charity's power to invest, and the investment return required by our Investment Policy is that we should achieve inflation (CPI) +4% over the long term (5+ years). Performance has been 19.3%, ahead of the benchmark of 13.8% over 3 years to the end of August 2022 (the fund has not yet been managed for 5 years). Investments are allocated to specific funds within agreed asset allocation ranges, and their performance is regularly reviewed against appropriate benchmarks.

Subsidiaries

EngineeringUK has a limited company, Scenta Limited as a subsidiary. The purpose of the company is to provide partner related services. EngineeringUK also has the Big Bang Education Community Interest Company as a subsidiary to deal with all arrangements and transactions related to the Big Bang Programme.

Reserves policy

EngineeringUK maintains reserves for the following reasons:

- EngineeringUK has multiple income streams with varying degrees of volatility. Reserves are held for contingency purposes.
- Investment balances are vulnerable to market conditions.
- EngineeringUK is a participating employer of the Engineering Council Pension Scheme. In the remote circumstances that Engineering Council was unable to meet its obligations and liabilities relating to the Scheme, the obligation would move to EngineeringUK.
- Reserves allow potential “step change” in programmes aimed to maximise impact for beneficiaries.

The Board agreed to set up two designated funds during the year. A Pension Fund reserve and an Infrastructure fund. The Pension Fund reserve is to set aside funds to support the closure of an historic defined benefit pension scheme through to buyout. The infrastructure fund is to enable EUK to undertake one-off larger projects unaffordable during a normal budget cycle. This could include items such as a new website, IT project, office works or to pilot a new engagement project.

The Board has determined that the company should have between £1.5M and £2.5M in “free” reserves as represented by the General Fund. Increased economic uncertainty is mitigated by holding reserves of £3.5M. £0.9M has been set aside into designated funds leaving £2.6M of free reserves, which is still above the reserve policy range. This also enabled us to take the risk associated with planning for the face-to-face Big Bang Fair in the summer of 2022.

The reserves position is set out below:

£000	31 August 2022	31 August 2021
General Fund	2,644	3,544
Designated Funds:		
Pension Fund	250	
Fixed Assets Fund	332	364
Infrastructure Fund	300	
Total Designated Funds	882	364
Total Funds	3,526	3,908

Risk management, principal risks and uncertainties

A Risk Management Policy is in place that sets out how EngineeringUK views, identifies, assesses and manages risk through its Risk Registers. EngineeringUK’s approach is to minimise exposure to reputational, compliance and financial risk, while accepting that a certain level of risk has to be taken to achieve its strategic objectives. Acceptance of risk is

subject to ensuring that risks and potential benefits are fully considered and understood before activities are undertaken and that sensible measures are in place to mitigate risk.

At the end of 2022, the risk appetite as set below, was being reviewed by the Audit, Risk and Investment Committee. The outcome is likely to involve the acceptance of additional risk, especially related to our goal of being innovative in our programmes, given the sector as a whole has not achieved the necessary increase in engineering and technician numbers despite many years of effort.

Engineering UK's risk appetite at 30 August 2022, which varies with the area of activity, is as follows:

- We are risk averse, that is, avoid risk and uncertainty, in the areas of: Health & Safety, Safeguarding, Compliance & Governance, Cyber Security, Reputation and People and Culture.
- We take a cautious approach, that is, we prefer safe options that have a low degree of residual risk, in the areas of: Impact, Financial Sustainability, and Programme Delivery.
- We have an open approach, that is, we are willing to consider all potential options and choose one that is most likely to result in successful delivery, despite the potential for some degree of risk, in the areas of Collaboration and Influencing.
- We are eager to innovate and to choose options offering potentially higher reward, despite greater inherent risk in the area of Programme Innovation.

A Corporate Risk Register identifies risks that could have an impact on the company's ability to deliver its strategic objectives. It is reviewed by the Executive Team at monthly meetings, the Audit, Risk and Investment Committee at least three times a year, and the Board once a year. Programme Risk Registers are maintained that reflect risks across various projects, which are escalated to the Corporate Risk Register if significant.

The most significant risks faced by EngineeringUK are identified as follows:

- Fewer young people engage
- Loss of long-established funding for school workshops reduces EUK impact and credibility
- Mismatch between EUK fundraising income and needs
- Safeguarding incident involving children or vulnerable adults.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the group and the parent charity and of the incoming resources and application of resources, including the net income or expenditure, of the group for the year. 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 SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 accounting records that disclose with reasonable accuracy at any time the financial position of the group and the parent charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Information to Auditor

Each of the directors has confirmed that so far as they are aware, there is no relevant audit information of which the company's auditor is not aware, and that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Malcolm Brinded
Chairman

Approved by the Board on 12 December 2022 and signed on its behalf

In approving this report, the directors approve the Trustees' Report for charity law purpose and the Directors' Report and Strategic Report for company law purposes.

Independent auditor's report to the members of The Engineering and Technology Board

Opinion

We have audited the financial statements of The Engineering and Technology Board (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulation 2006 (as amended)

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt

on The Engineering and Technology Board'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 other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company'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 charitable company 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 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

27 January 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

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

Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account)
for the year ended 31 August 2022

		Year ended 31 August 2022			Year ended 31 August 2021*		
	Note	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
Income and endowments from:							
Charitable activities	2	8,478	829	9,307	8,108	729	8,837
Other trading activities	3	-	-	-	2	-	2
Investments	5	35	-	35	32	-	32
Total		8,513	829	9,342	8,142	729	8,871
Expenditure on:							
Grants payable in furtherance of the charity's objects	10	2,796	-	2,796	2,745	-	2,745
The Big Bang Programme		2,026	75	2,101	1,603	95	1,698
Other programmes		1,142	754	1,896	1,284	634	1,918
Promoting the benefit of engineering and engineering careers		2,269	-	2,269	2,134	-	2,134
Business and Industry engagement		498	-	498	397	-	397
Charitable activities		8,731	829	9,560	8,163	729	8,892
Total	6	8,731	829	9,560	8,163	729	8,892
Total income less expenditure excluding investment gains/(losses)		(218)	-	(218)	(21)	-	(21)
Net (loss)/ gains on investments	11	(164)	-	(164)	277	-	277
Net movement in funds		(382)	-	(382)	256	-	256
Reconciliation of funds:							
Total funds brought forward		3,908	-	3,908	3,652	-	3,652
Total funds carried forward	19	3,526	-	3,526	3,908	-	3,908

All transactions arose from continuing activities.

All gains and losses are included above.

Movements in funds are disclosed in note 19a to the financial statements.

* The allocation of expenditure between charitable activities has been restated for the year ended 31 August 2021. Details are disclosed in note 6b.

Consolidated and Company Balance Sheets as at 31 August 2022

		Group		Company	
		31 August 2022	31 August 2021	31 August 2022	31 August 2021
	Note	£000	£000	£000	£000
Fixed Assets					
Intangible assets	12	48	60	48	60
Tangible assets	13	285	305	285	305
Investments	11	1,586	1,750	1,586	1,750
		<u>1,919</u>	<u>2,115</u>	<u>1,919</u>	<u>2,115</u>
Current Assets					
Debtors and prepayments	15	1,476	1,379	1,287	1,328
Deposits and cash		4,875	5,189	4,829	4,968
		<u>6,351</u>	<u>6,568</u>	<u>6,116</u>	<u>6,296</u>
Current Liabilities					
Amounts falling due within one year					
Creditors	16	(1,344)	(1,324)	(1,181)	(1,241)
Income in advance	17	(3,400)	(3,451)	(3,328)	(3,262)
		<u>(4,744)</u>	<u>(4,775)</u>	<u>(4,509)</u>	<u>(4,503)</u>
Net Current Assets		1,607	1,793	1,607	1,793
Total Net Assets		<u>3,526</u>	<u>3,908</u>	<u>3,526</u>	<u>3,908</u>
Unrestricted funds					
General		2,644	3,544	2,644	3,544
Designated		882	364	882	364
Total unrestricted funds	19	3,526	3,908	3,526	3,908
Total funds		<u>3,526</u>	<u>3,908</u>	<u>3,526</u>	<u>3,908</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12 December 2022

Malcolm Brinded
Chairman of the Board

Rachel White
Chair of the Audit Committee

Consolidated Cash Flow Statement for the year ended 31 August 2022

CONSOLIDATED CASH FLOW STATEMENT		Year ended 31 August 2022	Year ended 31 August 2021
	Note	£000	£000
Cash flows from operating activities:			
Net cash (used in)/ provided by operating activities		(316)	596
Cash flows from investing activities:			
Dividends and interest	5	35	32
Purchase of property, plant and equipment and intangibles		(33)	(16)
Net cash provided by investing activities		2	16
Change in cash and cash equivalents in the year		(314)	612
Cash and cash equivalents at 1 September		5,189	4,577
Cash and cash equivalents at 31 August		4,875	5,189
RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		Year ended 31 August 2022	17 months ended 31 August 2021
		£000	£000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		(382)	256
Adjustments for:			
Depreciation and amortisation charges		65	66
Loss/ (Gain) on investments		164	(277)
Dividends and interest		(35)	(32)
(Increase) / Decrease in debtors		(97)	445
Increase in creditors		20	260
(Decrease) in income in advance		(51)	(122)
Net cash provided by operating activities		(316)	596

Notes to the financial statements for the year ended 31 August 2022**1. STATEMENT OF ACCOUNTING POLICIES****1.1 Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

EngineeringUK meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historic cost or transaction value with the exception of investments which are included at market value.

The company holds no complex financial instruments nor are there any areas of material estimation uncertainty affecting the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are defined in the Memorandum and Articles of Association. In the event of the charity being wound up the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Group financial statements

These financial statements consolidate the results of the charitable company, Scenta Limited and Big Bang Education CIC on a line-by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not presented because advantage has been taken of exemptions afforded by section 408 of the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

1.4 Going concern

At 31 August 2022 EngineeringUK holds free reserves of £3.2m. The trustees consider this to be sufficient to manage the increased economic uncertainty in 2022/23 due to the pandemic. The trustees consider there to be no material uncertainties about the charity's ability to continue as a going concern for at least a year to November 2023.

1.5 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from Registration fees is accounted for on an accruals basis. Fees are received from institutions, throughout the year, by instalments at an agreed level. At year end an estimate is made of any underpayment or overpayment and of fees due. These amounts are shown under the income and income in advance notes. Income from grants is recognised when income from the grant is due. Where the grant relates to performance and specific deliverables it is accounted for as the charity earns the right to consideration by its performance. Sponsorship and other income received from industry is accounted for on an accruals basis.

Notes to the financial statements for the year ended 31 August 2022

1. STATEMENT OF ACCOUNTING POLICIES - continued**1.6 Investment Income**

Investment income and interest received from bank deposits and gilt-edged securities are accounted for on an accruals basis. Dividends from equity investments are accounted for on a receivable basis. Investments are included in the Balance Sheet at market value. Realised and unrealised gains and losses are included in the Statement of Financial Activities.

1.7 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources.

Other allocated costs have been apportioned against staff numbers. Governance costs include specifically identified costs of governance that arose during the year plus 30% of the Chairman, Chief Executive and Finance Team costs. All other costs are considered to be costs to further EngineeringUK's charitable activities.

1.8 Grants payable

Grants are recognised in the financial statements when an obligation to pay the grant occurs. Where grants are subject to performance conditions the obligation is recognised when the conditions are met, or when there is an expectation that the grant will be paid. Grants that are potentially payable in future years, but do not meet the above criteria for immediate recognition are recognised in the designated fund.

1.9 Pension Costs

The Group is a participating employer in The Engineering Council Pension Scheme. This is a contracted-out defined benefit pension scheme for those employees transferred from Engineering Council which requires contributions to be made to a separately administered fund. Contributions to this fund are charged in the Statement of Financial Activities (SOFA) so as to spread the cost of pensions over the employees' working lives within the Group. The regular cost is attributed to individual years using the projected unit method.

The scheme was closed to new members in February 2002 and in April 2012 the scheme ceased to accrue benefits for remaining members. EngineeringUK is a participating employer in the scheme and therefore has a liability to the scheme. A full actuarial valuation of the fund is carried out every three years by The Engineering Council Pension Scheme actuary, with annual actuarial reports in the interim years. A share of liabilities are reflected in the Balance Sheet if there are net liabilities in the scheme at the date of the latest valuation.

The Group also contributes to a defined contribution pension scheme for staff who are not in the defined benefit scheme. The employer contributes 10% of basic salary and the employee 5%. Contributions to these arrangements are charged to the SOFA in the period in which they are due.

1.10 Tangible Fixed Assets and Depreciation

Tangible fixed assets, individually or in aggregate, costing more than £1,000 are capitalised and included at cost including any incidental expenses on acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off their cost evenly over their expected useful lives as follows:

Computer and office equipment	- 3 to 5 years
Fixtures and fittings	- 2 to 5 years or the remainder of property lease
Computer software	- 3 years

Notes to the financial statements for the year ended 31 August 2022**1. STATEMENT OF ACCOUNTING POLICIES - continued****1.11 Intangible Fixed Assets and Amortisation**

Acquired intangible fixed assets costing more than £1,000 are capitalised and included at cost.

Intangible fixed assets are amortised at rates calculated to write off the assets on a straight line basis over their estimated useful economic lives. Impairment of intangible assets is reviewed where circumstances indicate that the carrying value of an asset may not be fully recoverable.

1.12 Operating Leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

1.13 Value Added Tax

Irrecoverable VAT input charges have been included in the expenditure areas to which they relate.

1.14 Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1.15 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.16 Investments**Listed investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiaries

Investments in subsidiaries are at cost.

1.17 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.

1.18 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.19 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the financial statements for the year ended 31 August 2022

2. INCOME FROM CHARITABLE ACTIVITIES

	Year ended 31 August 2022			Year ended 31 August 2021		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£000	£000	£000	£000	£000	£000
EC Registration fees	7,631	-	7,631	7,381	-	7,381
Corporate and Network Member fees	285	-	285	277	-	277
Sponsorship and Grants for projects	540	829	1,369	445	729	1,174
Other income	22	-	22	5	-	5
	<u>8,478</u>	<u>829</u>	<u>9,307</u>	<u>8,108</u>	<u>729</u>	<u>8,837</u>

3. NET INCOME FROM TRADING ACTIVITIES - SCENTA LIMITED

Scenta Limited acts as the trading subsidiary of EngineeringUK. The entity is dormant in 2021/22. The principal activity was provision of sundry services and commission from financial products. The Directors of Scenta Limited are made up of key management personnel of EngineeringUK. The trading subsidiary passes all profits to EngineeringUK as Gift Aid. Its profit and loss account is summarised below:

	Year ended 31 August 2022	Year ended 31 August 2021
	£000	£000
Turnover	-	2
Cost of Sales and Administration Charge from EngineeringUK	-	(5)
Gross Profit	-	(3)
Other Administration Costs	-	3
Gift Aid payment	-	(34)
Profit Before Taxation	-	(34)
Taxation	-	-
Profit after taxation	-	(34)
Income included by EngineeringUK (company)		
Gift Aid payment	-	34
Cost of Sales and Administration Charge exclusive of VAT	-	5
	<u>-</u>	<u>39</u>

4. BIG BANG EDUCATION CIC

Big Bang Education CIC is a wholly owned subsidiary of EngineeringUK. Big Bang Education CIC was set up to deliver the Big Bang National Fair and now incorporates the Big Bang Competition and from 1 September 2018, the Big Bang Near Me fairs. Trustees Terrance Fuller, Nigel Fine and Sarah Spurgeon, the CEO of EngineeringUK are also directors of Big Bang Education CIC, the results of Big Bang Education are consolidated into The Big Bang Programme line in note 6.

	Year ended 31 August 2022	Year ended 31 August 2021
	£000	£000
Turnover (External)	615	540
Contribution from EngineeringUK	902	544
Cost of Sales	<u>(1,142)</u>	<u>(714)</u>
Gross Profit	375	370
Administration Costs	<u>(375)</u>	<u>(370)</u>
Profit Before Taxation	-	-
Taxation	-	-
Profit after taxation	<u>-</u>	<u>-</u>

Notes to the financial statements for the year ended 31 August 2022

Year ended 31 August 2022 Year ended 31 August 2021

5. INVESTMENT INCOME

	£000	£000
Bank Interest Receivable	-	-
Other Investment Income	35	32
Total Investment Income	35	32

The investment income arises from investments in UK investment funds.

6a. CHARITABLE EXPENDITURE (Current year)**Analysis of expenditure on charitable activities**

	Activities undertaken directly	Grant funding of activities	Direct staff costs	Support costs	Total costs
	Year ended 31 August 2022				
	£000	£000	£000	£000	£000
Grant to Engineering Council	-	2,796	-	-	2,796
The Big Bang Programme	1,179	-	498	424	2,101
Other programmes	643	2	785	466	1,896
Promoting benefit of engineering and engineering careers	688	-	974	607	2,269
Business and Industry engagement	-	-	296	202	498
Total expenditure on charitable activities	2,510	2,798	2,553	1,699	9,560
Raising funds	-	-	-	-	-
Total expenditure	2,510	2,798	2,553	1,699	9,560

Analysis of support costs

	The Big Bang Programme	Other programmes	Promoting benefit of engineering and engineering careers	Business and Industry engagement	Total costs	Basis of allocation
	£000	£000	£000	£000	£000	
Management	81	89	116	39	325	Support costs have been allocated in ratio to the average number of staff employed in each area.
Finance and HR	100	110	143	48	401	
Governance	92	101	132	44	369	
Premises and office services	135	148	193	64	540	
Depreciation	13	15	19	6	53	
Insurance	3	3	4	1	11	
Total	424	466	607	202	1,699	

Within support costs there is £1,256k of staff costs.

Promoting benefit of engineering and engineering careers: This includes non-programme related activities such as research, careers resources and corporate communications including websites.

Notes to the financial statements for the year ended 31 August 2022

6b. CHARITABLE EXPENDITURE (Prior year)

Analysis of expenditure on charitable activities

	Activities undertaken directly	Grant funding of activities	Direct staff costs	Support costs	Restated Total costs
Year ended 31 August 2021					
	£000	£000	£000	£000	£000
Grant to Engineering Council	-	2,745	-	-	2,745
The Big Bang Programme	718	-	543	437	1,698
Other programmes	448	1	731	474	1,654
Promoting benefit of engineering and engineering careers	1,009	-	851	538	2,398
Business and Industry engagement	-	-	234	163	397
Total expenditure on charitable activities	2,175	2,746	2,359	1,612	8,892
Raising funds	-	-	-	-	-
Total expenditure	2,175	2,746	2,359	1,612	8,892

Analysis of support costs

	The Big Bang Programme	Other programmes	Promoting benefit of engineering and engineering careers	Business and Industry engagement	Total costs	Basis of allocation
	£000	£000	£000	£000	£000	Support costs have been allocated in ratio to the average number of staff employed in each area.
Management	73	79	90	27	269	
Finance and HR	125	136	154	47	462	
Governance	100	109	124	38	371	
Premises and office services	121	131	149	45	446	
Depreciation	14	15	17	5	51	
Insurance	4	4	4	1	13	
Total	437	474	538	163	1,612	

Within support costs there is £1,005k of staff costs.

Expenditure in 2021 has been restated to allocate £264k of direct costs from Other programmes to Promoting benefit of engineering and engineering careers. There has been no movement in the total expenditure reported in 2021.

7. NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging / (crediting):

	Group		Company	
	Year ended 31 August 2022	Year ended 31 August 2021	Year ended 31 August 2022	Year ended 31 August 2021
	£000	£000	£000	£000
Depreciation	53	53	53	53
Operating lease rentals payable:				
Property	201	191	201	191
Auditor's remuneration:				
Audit fees	18	19	14	13
Other services	4	4	4	4

Notes to the financial statements for the year ended 31 August 2022

8. STAFF COSTS INCLUDING PENSIONS AND SOCIAL SECURITY COSTS

Group and parent:

The average number of persons employed by EngineeringUK during the period in the following categories was:

	Year ended 31 August 2022	Year ended 31 August 2021	Year ended 31 August 2022	Year ended 31 August 2021
	No (FTE)		No (Total employed)	
Executive team	5	4	5	4
Staff in direct activities	41	36	42	38
Secretarial and administrative staff	13	11	15	12
Total Staff	59	51	62	54

The actual staff employed at period end was 68 (2021: 55)

Staff Costs	Year ended 31 August 2022	Year ended 31 August 2021
	£000	£000
Salaries	2,819	2,527
Social security costs	319	281
Other pension costs	400	359
Pension costs credit	(250)	-
Other staff benefits	62	56
Temporary and agency staff	3	54
Termination and redundancy payments	-	23
Recruitment, training, travel and other expenses	205	81
	3,558	3,381

The £250k pension credit is an accounting adjustment to release the historic accrual for ringfenced funds for the Engineering Council pension scheme, in order to create a designated reserve instead.

Number of employees whose emoluments exceeded £60,000 for the period were as follows:

	Year ended 31 August 2022	Year ended 31 August 2021
Exceeding £60,000 but not exceeding £70,000	5	5
Exceeding £70,000 but not exceeding £80,000	0	1
Exceeding £80,000 but not exceeding £90,000	1	0
Exceeding £90,000 but not exceeding £100,000	1	1
Exceeding £100,000 but not exceeding £110,000	1	0
Exceeding £110,000 but not exceeding £120,000	1	0
Exceeding £120,000 but not exceeding £130,000	0	1
Exceeding £130,000 but not exceeding £140,000	0	1
Exceeding £140,000 but not exceeding £150,000	1	0
Exceeding £150,000 but not exceeding £160,000	0	1
Exceeding £160,000 but not exceeding £170,000	0	1
Exceeding £170,000 but not exceeding £180,000	0	1
Exceeding £180,000 but not exceeding £190,000	0	1

EngineeringUK has provision in the Company's Memorandum of Association and approval from the Charity Commission to remunerate the Chair for their duties. The Chair has waived his remuneration. No other trustee received any emoluments during the year.

The total employer contributions during the period to the defined contribution pension schemes relating to the higher paid staff above was £142,119 for 10 employees (2021: £78,302 for 8 employees). None of the higher paid employees above was a member of the Engineering Council Pension Scheme, a defined benefit scheme.

The Chief Executive who served during the year is not a director of the company or a trustee.

Notes to the financial statements for the year ended 31 August 2022

8. STAFF COSTS INCLUDING PENSIONS AND SOCIAL SECURITY COSTS - continued**Key Management Personnel**

The Key Management Personnel comprises the executive management team and is made up of the following positions within the organisation:

Chief Executive
 Director of Business & Industry
 Director of Communications
 Director of Finance and Corporate services
 Director of Engagement Projects

The total remuneration, benefits and pensions paid to them in the year was:

	Year ended 31 August 2022	Year ended 31 August 2021
	£000	£000
Salaries	592	590
Staff benefits	54	57
Pension costs	59	59
Employer NI	73	75
	778	781

9. RELATED PARTY TRANSACTIONS**Engineering Council**

Engineering Council (EC) is a related party to EngineeringUK. Under its supplemental charter of the 22 March 2002, EngineeringUK may appoint 7 of its 22 Board members. By its Regulations, EC has assigned all income from its registration fees to EngineeringUK. Changes to this regulation cannot be made without EngineeringUK's approval. The level of fee is determined by EngineeringUK. During the period ended 31 August 2022 the following transactions took place:

1. EC assigned all income derived from Registration fees, £7.6 million (2021: £7.3 million), to EngineeringUK.
2. EngineeringUK provided a grant to EC of £2.8 million (2021: £2.7 million) to fund its operations.
3. EngineeringUK and EC occupied the same floor at Lower Thames Street for the year. The lease is jointly held. Where possible each party paid directly for its own costs.
4. At 31 August 2022 EC owed EngineeringUK £77k (2021: EngineeringUK owed EC £15k) relating to office service charges.

Trustees

Jacqui Ferguson is a trustee of EngineeringUK and also a Director of Wood Plc which is a corporate member of EngineeringUK under normal business terms. At 31 August 2022 there were nil amounts outstanding to EngineeringUK from Wood Plc (2021: £nil).

Carl Ennis is a trustee of EngineeringUK and also CEO of Siemens Plc which is a corporate member of EngineeringUK as well as a corporate sponsor of the Big Bang Fair under normal business terms. At 31 August 2022 there was £9,600 outstanding to Big Bang Education CIC from Siemens Plc (2021: £nil).

Malcom Brinded, the Chair of Trustees, made a £450 donation, excluding gift aid received of £113, during the year. The donation is a contribution towards trustee meeting costs.

All related party transactions were on normal commercial terms.

Notes to the financial statements for the year ended 31 August 2022

9. RELATED PARTY TRANSACTIONS - continued**Expenses reimbursed to and paid on behalf of trustees**

Expenses were reimbursed to or paid on behalf of Trustees during the year as follows:

	Year ended 31 August 2022	Year ended 31 August 2021
	£	£
Travel and subsistence	913	-
Number of Trustees reimbursed for expenses or who had expenses paid on their behalf	4	-

10. GRANTS PAID

	Year ended 31 August 2022	Year ended 31 August 2021
	£000	£000
Engineering Council	2,796	2,745

11. FIXED ASSET INVESTMENTS (OF THE COMPANY AND GROUP)

	31 August 2022	31 August 2021
	£000	£000
Market value at start of period	1,750	1,473
Realised/unrealised gain for the period	(164)	277
Market value at 31 August	1,586	1,750
Historical cost at 31 August	1,389	1,000

Notes to the financial statements for the year ended 31 August 2022

12. INTANGIBLE FIXED ASSETS (OF THE COMPANY AND GROUP)

	Licence
Cost	£000
Brought forward 1 September	124
Acquisitions during period	-
Carried forward 31 August	<u>124</u>
Amortisation	
Brought forward 1 September	64
Charge for period	12
Carried forward 31 August	<u>76</u>
Net Book Value	
31 August 2022	<u>48</u>
31 August 2021	<u>60</u>

All assets are used by the charity for its own purposes. Scenta Limited & Big Bang Education CIC have no intangible fixed assets.

13. TANGIBLE FIXED ASSETS (OF THE COMPANY AND GROUP)

	Computer & office equipment £000	Refurbishment £000	Total £000
Cost			
Brought forward 1 September	267	549	816
Acquisitions during period	33	-	33
Disposals during period	-	-	-
Carried forward 31 August	<u>300</u>	<u>549</u>	<u>849</u>
Depreciation			
Brought forward 1 September	249	262	511
Charge for Period	20	33	53
Disposals during period	-	-	-
Carried forward 31 August	<u>269</u>	<u>295</u>	<u>564</u>
Net Book Value			
31 August 2022	<u>31</u>	<u>254</u>	<u>285</u>
31 August 2021	<u>18</u>	<u>287</u>	<u>305</u>

All assets are used by the charity for its own purposes. Scenta Limited & Big Bang Education CIC have no fixed assets.

14. INVESTMENT IN SUBSIDIARY COMPANIES

EngineeringUK holds 100% of the issued share capital of Scenta Limited of 1 ordinary share of £1. It also owns Big Bang Education CIC, a company limited by guarantee, with a guarantee of £1.

Notes to the financial statements for the year ended 31 August 2022

15. DEBTORS AND PREPAYMENTS

	Group		Company	
	31 August	31 August	31 August	31 August
	2022	2021	2022	2021
	£000	£000	£000	£000
Owed from Big Bang Education CIC	-	-	-	122
Other debtors	447	410	298	237
Registration fees due	919	905	919	905
Prepayments and accrued income	110	64	70	64
	1,476	1,379	1,287	1,328

Registration Fees Due represent fees yet to be paid over by Institutions for 2021/22. The fees are due from registrants on 1st January but, by agreement, are paid over by instalments over the year.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31 August	31 August	31 August	31 August
	2022	2021	2022	2021
	£000	£000	£000	£000
Trade creditors	494	220	352	200
Scenta Limited	-	-	10	10
Owed by Big Bang Education CIC	-	-	23	-
Pension scheme	42	29	42	29
Taxation, including Income Tax	96	76	95	76
Accruals	462	795	409	722
Dilapidations provision	250	204	250	204
	1,344	1,324	1,181	1,241

17. INCOME IN ADVANCE

	Group		Company	
	31 August	31 August	31 August	31 August
	2022	2021	2022	2021
	£000	£000	£000	£000
EC registration fees	2,777	2,890	2,777	2,890
Members fees received in advance	161	113	161	113
Project income in advance	462	448	390	259
	3,400	3,451	3,328	3,262

Movement in income in advance

	Group		Company	
	31 August	31 August	31 August	31 August
	2022	2021	2022	2021
	£000	£000	£000	£000
Balance at the beginning of the year	3,451	3,573	3,262	3,346
Amount released to income in the year	(3,373)	(3,693)	(3,232)	(3,466)
Amount deferred in the year	3,322	3,571	3,298	3,382
Balance at the end of the year	3,400	3,451	3,328	3,262

Income from registration fees is accounted for on an accruals basis. The above represents income to be recognised over the remainder of the calendar year.

Notes to the financial statements for the year ended 31 August 2022

19a. FUNDS (current year)

Movements in the Funds during the year have been as follows:

	1 September 2021	Income for the period	Expenditure and other recognised gains/(loss)	Reserve transfers	31 August 2022
	£000	£000	£000	£000	£000
Restricted funds:					
The Big Bang Fair	-	75	(75)	-	-
Other programmes	-	754	(754)	-	-
Total restricted funds	-	829	(829)	-	-
General Fund	3,544	8,513	(8,830)	(583)	2,644
Designated Funds					
Fixed Assets Fund	364	-	(65)	33	332
Infrastructure Fund	-	-	-	300	300
Pension Fund	-	-	-	250	250
Total Designated Fund	364	-	(65)	583	882
Total Funds	3,908	9,342	(9,724)	-	3,526

There were nil restricted funds held at 31 August 2022. The fixed assets fund represents funds that have been spent on fixed assets, these fixed assets are necessary for the charity's continuing activities. The infrastructure fund is to enable EUK to undertake one-off larger projects unaffordable during a normal budget cycle. The Pension Fund reserve is to set aside funds for the Engineering Council historic defined benefit pension scheme. The General Reserve represents free funds that are not designated for particular purposes.

The Other programmes restricted fund includes activities related to Code and website, Energy Quest, and Robotics Challenge.

19b. FUNDS (prior year)

Movements in the Funds during the prior year are as follows:

	1 September 2020	Income for the period	Expenditure and other recognised gains/(loss)	Reserve transfers	Restated 31 August 2021
	£000	£000	£000	£000	£000
Restricted funds:					
The Big Bang Fair	-	95	(95)	-	-
Other programmes	-	634	(634)	-	-
Total restricted funds	-	729	(729)	-	-
General Fund	3,238	8,419	(8,097)	(16)	3,544
Designated Funds					
Fixed Assets Fund	414	-	(66)	16	364
Total Designated Fund	414	-	(66)	16	364
Total Funds	3,652	9,148	(8,892)	-	3,908

Notes to the financial statements for the year ended 31 August 2022

20. COMMITMENTS**Operating lease commitments payable as a lessee**

The following payments will be made in respect of future minimum commitments on operating leases expiring:

	Company and Group	
	31 August 2022	31 August 2021
	Land and Buildings	Land and Buildings
	£000	£000
Due within one year	220	220
Due within two to five years	74	294
Total due	294	514

21a. ANALYSIS OF NET ASSETS BETWEEN FUNDS (current year)

	General funds	Designated funds	Total
	£000s	£000s	£000s
Fund balances at 31 August 2022 are represented by:			
Fixed assets and investments	1,587	332	1,919
Current assets	5,801	550	6,351
Current liabilities	(4,744)	-	(4,744)
Total net assets	2,644	882	3,526

22b. ANALYSIS OF NET ASSETS BETWEEN FUNDS (prior year)

	General funds	Designated funds	Total
	£000s	£000s	£000s
Fund balances at 31 August 2021 are represented by:			
Fixed assets and investments	1,751	364	2,115
Current assets	6,568	-	6,568
Current liabilities	(4,775)	-	(4,775)
Total net assets	3,544	364	3,908

23. PARENT CHARITY

The parent charity's gross income and the results for the year are disclosed as follows:

	Year ended 31 August 2022	Year ended 31 August 2021
	£	£
Gross income	8,775	8,419
Result for the year	(698)	(47)

Notes to the financial statements for the year ended 31 August 2022

24. PENSIONS

The Engineering Council Pension Scheme

In 2002 a number of staff transferred to EngineeringUK from Engineering Council under TUPE arrangements. To accommodate this EngineeringUK became a participating employer of the Engineering Council Pension Scheme.

The company operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company, being invested in The Engineering Council Pension Scheme. Contributions to the fund are charged to the income and expenditure account so as to spread the cost of pensions over employees' working lives with the company. On 26 February 2002 the company decided not to offer membership of the scheme to new employees. In April 2012 the scheme ceased to accrue benefits for existing members.

The Engineering Council Pension Scheme is a defined benefit scheme based on final pensionable salary. The Scheme is contracted out of the earnings related part of the State Pension Scheme. The assets of the Scheme are held in a separate trustee administered fund, currently invested with State Street Global Advisors, and the company's underlying share of assets and liabilities in the fund is not separately determined.

At 31 August there were nil (2021 - nil) members of EngineeringUK staff contributing to the Scheme. EngineeringUK employer contributions during 2021/22 were £nil (2020/2021 - £nil). Employer contributions in 2022/23 are expected to be £nil as the Scheme ceased to accrue benefits for remaining members in April 2012.

A full actuarial valuation of the fund is carried out every three years by The Engineering Council Pension Scheme actuary, with annual actuarial reports in the interim years. The last full valuation was as at 31 December 2021 within the report dated 29 April 2022. The report showed net assets of £988,000.

EngineeringUK is a participating employer in the Scheme and therefore has a liability to the scheme. The share of assets were not recognised in the Balance Sheet as they would be non-recoverable.

Stakeholder and Other Pension Schemes

EngineeringUK decided not to offer entry to the Engineering Council Pension Scheme to staff who were not already members prior to TUPE transfer and nominated a Stakeholder pension scheme. This is a defined contribution scheme operated by Scottish Widows and is not contracted out of the earnings related part of the State Pension Scheme. The employer contributes 10% of pensionable salary and the employee 5%. Employer contributions during the year were £400k (2021: £359k). These figures include contributions for the higher paid employees shown under note 8.

Governance and Management

EngineeringUK is the working name adopted by the Engineering and Technology Board.

EngineeringUK is a charitable company limited by guarantee (Company No. 4322409), incorporated on 14 November 2001. The address of the principal and registered office is 5th Floor, Northern & Shell Building, 10 Lower Thames Street, London, EC3R 6EN.

Members of the Company are Directors/Trustees or members of the two Electoral Colleges - the Professional Engineering College, consisting of persons representing Professional Engineering Institutions (PEIs) licensed by Engineering Council (EC), and the Business and Industry College, consisting of persons representing industry; and such other persons who may be admitted as members by the Company at a general meeting. There are currently 76 members.

The Board of Trustees (Board) generally meet four times a year. EngineeringUK has in place a number of committees and panels to which it has formally delegated specific functions. The day to day activities are managed by the Executive Team.

The Nominations and Remuneration Committee (N&RC) has responsibility for recommending appointments to the Board of Trustees and committees.

The Audit, Risk and Investment Committee (ARIC) ensures a sound system of internal controls, risk management and accounting policies are maintained in accordance with corporate governance requirements. The committee liaises directly with the external auditors including planning for the annual audit. Areas of particular focus are discussed with the auditors and inform their plans. The committee ensures the investments of EngineeringUK are managed in accordance with the agreed policy and monitors the performance of the investment advisor. The committee reports to the Board.

The Tomorrow's Engineers Code Advisory Board (TEC) had its first meeting on 28 September 2020. It was approved as an advisory committee to the Board on 7 October 2020 and makes recommendations to the Board on matters relating to the Code that have material implications for EngineeringUK resourcing or that have material impact on EngineeringUK's wider activities.

Remuneration Policy

EngineeringUK is committed to paying staff fairly at an appropriate level to attract and retain people with the right skills and experience to ensure that the organisation delivers its charitable objectives and execute the strategy set by the Board.

Total staff salary budgets and the specific contracts and remuneration of the Chief Executive and Executive Team are delegated to the N&RC which reports directly to the Board.

Trustee Recruitment, Appointment and Induction

Arrangements for all trustee appointments are overseen by the N&RC whose recommendations are referred to the Board for approval. The Chairman of the Board is recruited through an open and competitive process. The Chairman of the Engineering Council is an ex officio member of the Board and appointed through a process specified by the Engineering Council. The Institution of Engineering and Technology (IET), the Institution of Civil Engineers (ICE) and the Institution of Mechanical Engineers (IMechE), being the three largest PEIs, and the Royal Academy of Engineering have nominated their Chief Executives to sit on the Board. Members of each of the two electoral colleges

elect two persons for nomination from amongst their number. Appointment of other Board members is through selection to meet the needs of the Board.

New trustees are provided with a Trustee Induction Pack that includes details of their legal responsibilities under charity and company law, the Memorandum and Articles of Association, Board Regulations, operational and financial information and recent Board minutes. They are also introduced to and briefed by senior staff. On appointment Trustees are asked to agree and sign EngineeringUK's Trustees Code of Conduct, based on the core values of EngineeringUK and the Nolan Principles – Seven Principles of Public Life.

Members of Board and Trustees The trustees serving during the year and since the year end were:	Method of Appointment	Committee Membership
Malcolm Brinded (Chair)	Board	N&RC
Alice Bunn	IMechE	N&RC, TEC
Christopher Atkin	Engineering Council	
Nicholas Baveystock	ICE	ARIC
Jacqueline Ferguson	Board	TEC N&RC (Chair)
Nigel Fine (to 30 June 2022)	IET	N&RC
Terence Fuller (to 11 July 2022 and re-elected for 2 nd term to 11 July 2026)	Professional Engineering College	
Steven Rossiter (from 18 September 2021)	Board	
Erol Mustafa (from 18 September 2021)	Board	ARIC
Elaine Roberts (to 6 December 2021)	Board	N&RC
Hayaatun Sillem	RAEng	
Sarah Spurgeon (to 17 September 2021)	Board	
Rachel Stringer	Board	ARIC (Chair)
Rashada Harry	Board	
Paul Hardaker (to 31 May 2022)	Professional Engineering College	ARIC
Adenike Folayan	Business & Industry College	TEC (independent)
Carl Ennis	Business & Industry College	N&RC
Ruth Carter (from 1 June 2022)	Professional Engineering College	
Jim Smith (from 6 December 2021)	Board	
Member of Audit, Risk and Investment Committee (ARIC) Member of Nominations and Remuneration Committee (N&RC) Member of Tomorrow's Engineers Code Board (TEC)		

Executive Team

The Board delegates the day to day running of the company to the Executive Team, led by the Chief Executive. The Executive Team operates in accordance with the Strategy and Business Plan/Budget

approved by the Board. Expenditure authority limits have been set by the ARIC. Up to date financial and operational reports are presented to the Board at each of its meetings.

Members of the Executive Team are:

Dr Hilary Leever, Chief Executive

Nicola Anson, Director of Finance and Corporate Services (until December 2021)

David Howley, Director of Finance and Corporate Services (from January 2022)

Beth Elgood, Director of Communications

John Halton, Director of Business & Industry (until March 2022)

Isabel DiVanna, Director of Business Development and Partnerships (from May 2022)

Melanie Washington, Director of Engagement Projects.

Professional Advisors

Auditor

Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

Bankers

HSBC BANK plc, 165 Fleet Street, London, EC4A 2DY

Lloyds Bank, 25 Gresham Street, London, EC2V 7HN

Insurance Brokers

AON, 6 Commerce Road, Lynch Wood, Peterborough, PE2 6LR

Solicitors

Bates Wells & Braithwaite London LLP, 10 Queen Street Place, London, EC4R 1BE

Investment Advisors

Rathbone Investment Management Limited, Port of Liverpool Building, Pier Head, Liverpool L3 1NW

Pension and Staff Benefits

3sixty Financial Limited, Media House, 4 Stratford Place, London, W1C 1AT

THE ENGINEERING AND TECHNOLOGY BOARD

England & Wales - Charity number 1089678

Accounts

**The Engineering and Technology Board
Trading as the EngineeringUK Group
Report and Financial Statements
For the Year Ended 31 August 2021**

COMPANY NO: 4322409

ENGLAND AND WALES CHARITY NO: 1089678

SCOTLAND CHARITY NO: SC046249

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Report of the Trustees

Introduction

The Trustees present this Annual Report for the purpose of the Charities SORP and also includes on pages 3-14 the Strategic Report required under company law. The legal and administrative information set out on pages 37-40 also forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounts and Reporting by Charities issued in 2015.

This Annual Report covers the 12 months to the end of August 2021. The business plan for the year was formulated in the summer of 2020 at a time when the emergence of more transmissible variants of covid-19 and the consequent return of lockdowns were not widely foreseen. Indeed, our plans included a face-to-face Big Bang Fair for tens of thousands of young people to be delivered in 2021. We quickly realised that we could not plan for such an event, but we had built flexibility with mixed digital and in person delivery across all our plans for working young people, and digital delivery came to the fore.

We've prioritised working with others who share our ambitions throughout the year and we've been pleased to launch two major new programmes in support of such collaborations – the Tomorrow's Engineers Code and Neon, as described in the section on growing our collective impact below.

As with many organisations, it has been a year of ongoing reinvention as we've adapted to an ever-changing environment. We've also continued to work remotely for most of the year, with the introduction of some in office and/or hybrid working over the summer 2021. Supporting our staff through these ongoing challenging times has been a priority.

Over the year, we've brought our Equality, Diversity and Inclusion (EDI) sub-strategy to life with tangible impacts across our work. We've also developed and shared more content related to the climate emergency and have developed a new Environmental Sustainability sub-strategy to ensure we take a strategic approach to prioritising this across all our work.

As our 2020/21 business year closes, we are in a strong financial position to continue to innovate and test new approaches to deliver our mission and are looking forward optimistically and positively to a reintroduction of more face to face activities with young people.

EngineeringUK Objectives

1. To promote for the public benefit the art and science of engineering in all its applications in the context of modern technology; and
2. To advance education in engineering and technology.

Ambition and goals

Our ambition is to inform and inspire young people and grow the number and diversity of tomorrow's engineers.

We aim to achieve this through:

- Increasing reach and inspiration - reaching more, and more diverse, young people with inspiring messages about careers in engineering.
- Developing and sharing insight - being the recognised and trusted voice on the pathways to engineering, related enablers and blockers for young people and good practice for engagement activities.
- Growing collective impact - simplifying the landscape and enabling partnerships and collaborations to inspire more, and more diverse, young people into engineering.

Public Benefit

EngineeringUK is a charitable body and exists to deliver benefits to the public. The Trustees have noted the duty in Section 17 of the Charities Act 2011 and given regard to the Charity Commission and The Scottish Charity Regulator's guidance on public benefit.

Benefits arising from our activities are as follows.

- Young people benefit from understanding and being inspired by engineering and being informed on how to progress into engineering related careers. At a time when they are concerned about job availability and security, it is important that young people from all backgrounds realise that engineering can meet these needs for them, as well as delivering societal value.
- Schools benefit from activities and employer engagements which can help with students' motivation, progression, attainment and careers education, including meeting the requirements for English schools set out in the Gatsby benchmarks.
- Stakeholders and partners benefit from better collaboration and coordination of their engagement activities and the provision of evidence, guidance and opportunities to improve their delivery – increasing their public benefits and the efficiency of their work.
- Society benefits from having a larger and more diverse engineering workforce (see section below).

We need more and more diverse engineers

Our ambition – to grow the number and diversity of young people going into engineering – is more important than ever.

Engineers are critical to addressing national and international challenges. They have a role to play in addressing all the Sustainable Development Goals, especially SDG 6 (clean water and sanitation), SDG 7 (affordable and clean energy), SDG 8 (decent work and economic growth), SDG 9 (including resilient infrastructure and sustainable industrialisation), SDG 11 (sustainable cities and communities) and SDG 13 (Climate Action). The UK Government will depend on engineers to achieve its ambitions in this area, most recently described in its Ten point plan for a Green Industrial Revolution, and to achieve Net Zero by 2050. But the engineering workforce will also be critical in resolving the wider Grand Challenges identified in the Industrial Strategy (artificial intelligence and data, ageing society and the future of mobility), to deliver against the Innovation Strategy, and to grow R&D investment to 2.4% of GDP by 2027.

Engineers and those with engineering skills add great value to the UK economy. Analysis suggests that the gross value added for the UK by the engineering sector, was £420 billion in 2015 and the sector

employs almost a fifth of the UK workforce. The Government will need engineering to boost the recovery through its investments in new infrastructure.

We need more, and a more diverse group of, young people going into engineering. Young people inherently diversify the workforce through their youth and this generation is digital first and have important insights into current and future market needs. Employers also need an age-balanced workforce to ensure a smooth sharing of expertise over the long term. But youth is just one of many dimensions needed to grow workforce diversity and boost innovation, creativity, productivity, resilience and market insight.

The engineering workforce could and should be much more diverse. As of late 2020, only 14.5% of the engineering workforce were women and 10% from ethnic minority backgrounds, compared to 55% and 13%, respectively, of those in non-engineering occupations.

Efforts must be made to ensure potential future engineers coming up through the education system are increasingly diverse to address this disparity. But at present, there are clear issues of under-representation in educational pathways into engineering. For example, in higher education, just 19% of engineering and technology students in 2018/19 were women and 9% had declared that they have a disability or impairment, as compared with 57% and 14%, respectively, across all subject areas.

Objectives and Achievements for 2020/21

1: Increasing reach and inspiration - reaching more, and more diverse, young people with inspiring messages about careers in engineering

Why is this important?

Inspiring more young people from a greater range of backgrounds to pursue the exciting career opportunities in modern engineering is at the heart of our purpose. We help to ensure that all young people are well-informed about the full range of engineering, technology and related careers and academic and vocational pathways into them.

What did we say we would do during 2020/21?

- Develop a digital offer to complement face-to-face activities across all our direct engagement activities (the Big Bang Programme, Robotics Challenge and Energy Quest).
- Fundraise for and deliver bursaries to extend our reach to young people from groups that are under-represented in engineering.

How did we do?

- Our Big Bang Programme provides STEM inspiration and careers activities aiming to ensure that the breadth of engineering is represented in this wider context. We use this strategy to convey the interconnectedness of STEM careers and present an offer that works well for whole classes or year groups.
- In October 2020, it was decided that the Big Bang Fair would be replaced with a digital event due to uncertainty about the pandemic. This early decision enabled us to invest more in developing a high-quality, innovative, digital event that ran over 3 days at the end of June 2021. Over 120,000 people viewed content from 35 organisations, most aged 11-14 years old, with the final day themed around building a brighter, greener future. More than half of the young people surveyed said they know more about STEM careers as a result of attending Big Bang Digital and nearly half of teachers said they were more confident giving advice around engineering careers.
- As an in-school activity, the Big Bang at Schools programme continued, with 30 schools funded and supported to deliver Fairs; 8 of these were postponed due to high coronavirus rates in the

summer term and will now be held in 2021/22. 3,500 young people participated in Big Bang at Schools. The evaluation found that 44% reported they knew what subjects they would need to take next to become an engineer. All teachers said that they would suggest engineering as a career to their pupils and over half said that they felt more confident giving advice about engineering careers after taking part in the Big Bang at School.

- The Big Bang Competition was run entirely online from entry through to judging. Finalists were interviewed over video and the award ceremony was broadcast as part of the Big Bang Digital. 217 projects were entered into the Competition, with many of these submitted by individuals rather than teams, reflecting the challenge of the hands-on, group project work in the context of the disruption to schools over the period.
- The Robotics Challenge enables young people to work in teams to code robots to complete a series of challenges themed around sustainability. 246 schools signed up to Robotics Challenge and an online Scratch simulation was developed for students while they were remote learning and worked well. However, it was hard to pick up the hands-on elements once schools returned, because of challenges using shared equipment and with cancelled STEM clubs. Despite these issues, 40% of schools participated in the final competitive elements and the programme will repeat in 2021/22 to enable all of them to take part as they had planned.
- We have developed, with teachers' and young people's involvement, a new 3 year programme for Energy Quest with content exploring sustainable energy sources and related engineering careers. During the summer term of 2021, 89 workshops were delivered online to nearly 3,000 students typically in whole class groups, supported by teachers with hands-on kit in the classrooms. Evaluations found that students enjoyed with the workshops with over half saying they would choose to take part again and nearly half saying they were inspired to find out more about engineering careers.
- We continue to support, including with funding and staff time, the Royal Academy of Engineering's *This is Engineering* campaigns.
- In November we organised Tomorrow's Engineers Week, an annual celebration of all engineers that aims to inspire young people. We saw strong take up of the template for social content around #ImAnEngineer and over 25 pieces of media coverage (during the week of the US election). The Big Quiz exceeded expectations and target, garnering 28,500 entries from 1,400 schools.
- This year we developed [EDI criteria](#) to identify schools with higher rates of young people on free school meals, from ethnic minority backgrounds, with special educational needs or disabilities, or in under-populated areas. 48% of schools in the UK meet these criteria and we set targets to increase our reach into them through targeted communications and a new bursary scheme.
- We raised funding to deliver bursaries which supported schools meeting the EDI criteria to participate in our Big Bang or Robotics Challenge programmes, or for any of the activities run by other organisations listed on Neon. 136 schools received bursaries and their teachers frequently said that they would not have been able to participate without them, and that the impact of the bursaries (e.g., by investing in resources) would extend to future years.
- Initial evaluations show that a higher proportion of schools that met the EDI criteria participated in our programmes than in the previous year, with increases ranging from 7% to 56%. Also, more young people from our target groups participated in EngineeringUK activities in schools that met the EDI criteria as compared with schools that did not.

2: Developing and sharing insight - being the recognised and trusted voice on the pathways to engineering, related enablers and blockers for young people and good practice for engagement activities.

Why is this important?

Thought leadership is needed to deepen the understanding of what outreach works and what deters young people from pursuing engineering. Better evaluation and analysis are essential to improve engineering focused STEM outreach activities and to develop more innovative ones that produce better outcomes. These insights need to sit alongside analysis of the engineering sector, its current workforce and future workforce needs.

What did we say we would do during 2020/21?

- Publish the Impact Framework and associated guidance on evaluation including a question bank.
- Develop and publish the 2021 Engineering Brand Monitor.
- Continue to produce relevant and responsive research outputs including building up the Engineering Insights dashboards and exploring careers provision and the participation of different demographic groups in engineering.

How did we do?

- We developed and published the impact framework for engineering outreach with input from expert stakeholders. The framework summarises the latest thinking on how engineering outreach activities can collectively make an impact on young people's educational and career choices. We ran sessions with stakeholders and published a webinar on the Framework on the Tomorrow's Engineers website.
- We amended our approach to providing data on engineering and its workforce via a series of interactive dashboards available on the EngineeringUK website. This allowed us to track and report on the economic implications of covid on engineering.
- We also amended our approach to the Engineering Brand Monitor, which looks at public perceptions of engineers and engineering, reviewing the questions and linking parent and child responses for the first time. We've drawn together some of these newly developed questions with questions from other sources into a measures bank to support other organisations with their evaluations, to be published in autumn 2021.
- We published 2 reports into careers provision in schools. [Our careers, our future: STEM careers provision and young people](#) outlined young people's experiences and perspectives of careers provision and engineering, while [Securing the future](#), a joint report with 7 other engineering and careers organisations, reflected the views of teachers we surveyed that Covid-19 has made delivering essential careers provision in schools and colleges more difficult.
- We work closely with the National Engineering Policy Centre, led by the Royal Academy of Engineering. We've also held several key policy meetings, including with the Business Secretary and Exchequer Secretary. We have worked with members of the House of Lords on the Skills and Post-16 Education Bill, met with the Shadow Education Secretary and have developed relationships with civil servants in DfE and BEIS.

3: Growing collective impact - simplifying the landscape and enabling partnerships and collaborations to inspire more, and more diverse, young people into engineering

Why is this important?

We need all organisations with an interest in increasing the number and diversity of tomorrow's engineers to work together more effectively, sharing their learnings and better coordinating and targeting their activities. Making sure that we get the most out of the engineering engagement that

we all do is more important than ever as the resources available have reduced due to the pandemic and the need for engagement has increased, as young people have had less careers activity and are more uncertain about their prospects.

What did we say we would do during 2020/21

- Launch the Neon digital platform and the Tomorrow's Engineers Code.
- Drive collaboration and develop accessible and useful resources to enhance the impact of our and others' engineering engagement activities, to be shared through a new Tomorrow's Engineers Hub.

How did we do?

- We launched the [Neon](#) digital platform in September 2020 to help teachers find engineering activities that meet their needs and that meet our quality standard. Neon has listed 146 experiences from 79 providers, including a section for virtual or online activities added in response to the pandemic. By the end of the academic year, Neon had received 210,000 page views, with 25,000 downloads of the Tomorrow's Engineers careers resources and 5,000 teachers clicking to check availability of experiences. 1,100 secondary school teachers have signed up for a Neon account, so it is being used in over 20% of UK secondary schools, and likely much more than that.
- In October 2020, we launched the [Tomorrow's Engineers Code](#). By the end of the business year, over 160 organisations had signed and made four pledges to work together to improve the quality, inclusivity, targeting and reach of their activities. Governed by the Tomorrow's Engineers Code Advisory Board, a new subcommittee of the EngineeringUK Board, it has already supported collaboration through 5 digital workshops with over 150 attendees from over 70 organisations and Signatories are encouraged to be active users of the Tomorrow's Engineers website (see below).
- We work closely with our Corporate Members, including engaging them quarterly through our Business & Industry Panel meetings, where we discuss and review key topics and programmes aimed at addressing the skills challenges.
- We have grown our engagement with Professional Engineering Institutions (PEIs), with more involved in the planning as well as delivery of our work, ensuring that we understand the support and activity they would like from us, including through the introduction of quarterly meetings.
- We have redeveloped the Tomorrow's Engineers brand and produced a website which provides a single source of information and guidance for organisations wishing to improve their engineering inspiration activities, including Signatories of the Tomorrow's Engineers Code, Neon content providers, our Corporate Members and Professional Engineering Institutions. It has had around 25,000 users since launch in January and hosts 28 different resources, including powerpoint presentations and webinars, 17 of which were created by EngineeringUK (some in partnership).
- We also worked closely with the Careers and Enterprise Company on a [microsite](#) to support Gatsby Benchmark 6 (experiences of workplaces), building on work with Corporate Members around good practice for Virtual Work Experience.

Plans for 2021-22

We will continue to be flexible in our delivery over the coming year in response to the external environment and ongoing impacts from the pandemic. We have built this into our planning and will engage our audiences in ongoing decision making.

1: Increasing reach and inspiration - reaching more, and more diverse, young people with inspiring messages about careers in engineering

- Create a hybrid Big Bang Programme including: a face to face and digital event, increased entries into the Big Bang Competition, and delivery of the Big Bang at School into a mix of new and repeat schools.
- Deliver Robotics Challenge to a larger number of schools, including those unable to participate in 2020/21, whilst commissioning research to understand how to increase its impact.
- Reiterate and improve Energy Quest based on 2020/21 evaluation and run and compare face to face and online workshops.
- Deliver Tomorrows Engineers week during COP26, focused on environmental sustainability.
- Continue to increase the participation of young people from groups under-represented in engineering in our programmes, including through the EDI bursary schemes and by adding a gender dimension to the EDI criteria.

2: Developing and sharing insight - being the recognised and trusted voice on the pathways to engineering, related enablers and blockers for young people and good practice for engagement activities

- Continue modularised and flexible approach to the Engineering UK State of Engineering Reporting and the next phase of our work on careers provision including interactive dashboards on the engineering sector and research reports on engineering pathways and the engineering workforce.
- Publish reports and briefings from the 2020/21 Engineering Brand Monitor data and run a shortened version of the survey in spring 2022.

3: Growing collective impact - simplifying the landscape and enabling partnerships and collaborations to inspire more, and more diverse, young people into engineering.

- Include more quality experiences for schools on Neon, enable providers to target their experiences to EDI criteria schools.
- Recruit more Signatories to The Code and enable greater collaboration through a series of events and improved information sharing.
- Continue to build the resources on the Tomorrow's Engineers website and encourage more organisations to benefit from them.

Our work is delivered in line with our values

- Insightful – Everything we do is based on clear and up-to-date evidence, gained by listening to and learning from our community. We are open and honest with our insights and use them to inspire young people into engineering.
- Passionate - We are passionate about inspiring a new generation of engineers and making a positive difference to young people's lives.
- Courageous – We are courageous, edgy and dynamic in the development, piloting and promotion of ideas and activities which can help us all to inspire tomorrow's engineers and increase the talent pipeline for engineering.
- Inclusive – We work with others to maximise collective impact. We value diversity and we target our promotion of science, technology, engineering and maths (STEM) to encourage a more diverse engineering community.

Financial Review

As can be seen in Chart below, most of EngineeringUK's income is derived from the registration fees of Chartered Engineers and Technicians. The fees are passed to us by PEIs and shared with the Engineering Council, the organisation that keeps the standards under review, operates the register

and quality assures the Institutions. This income is complimented by ongoing support from around thirty Corporate Members. The PEIs and Corporate Members help shape our work through regular interaction and representation on our Board and these funding streams enable us to deliver our core work, innovate and develop new programmes, and subsidise programmes that are also supported by other funders.

Aside from the fees raised through the PEIs, over the 2020/21 financial year, a total of 50 funders (including our Corporate Members) supported our work, many of these gave small amounts to participate in the Big Bang programme, but others contributed larger amounts:

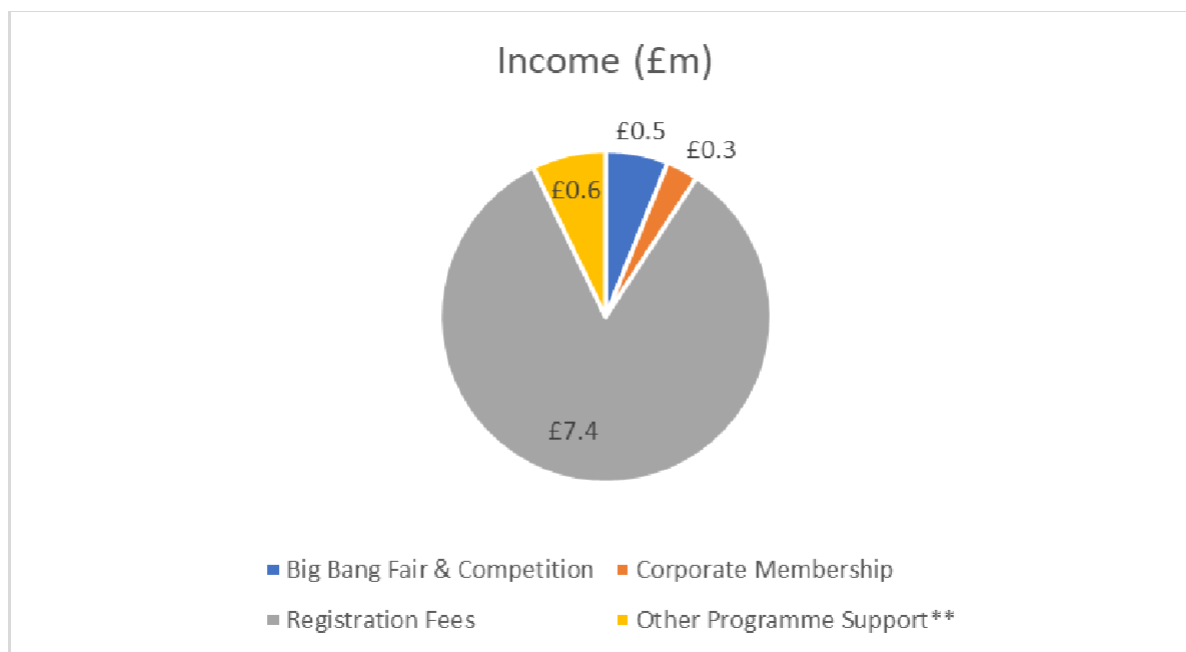
- 13 funders contributed £15-50k (Anglo American, British Army, Health Education England (NHS), Highways England, HS2 Ltd, IET, Leonardo UK, Malcolm Brinded, National Grid, Openreach UK, Sellafield Ltd, Siemens Plc, Thales UK).
- 7 funders contributed £50-200k (Gatsby Charitable Foundation, GlaxoSmithKline, Helsington Foundation, Network Rail, The Royal Air Force, Rolls-Royce, Shell Centenary Scholarship Fund).
- 1 funder contributed above £200k (Shell) with most of this funding supporting Energy Quest.

The figures for 2020/21 are significantly affected by the ongoing impacts of the pandemic, most notably, through the cancellation of the face to face Big Bang Fair, increased investment into expanding the Big Bang Digital in its place, reduced delivery of Robotics Challenge and Energy Quest due to school lockdowns and other impacts upon them, and reduced travel and occupation of premises.

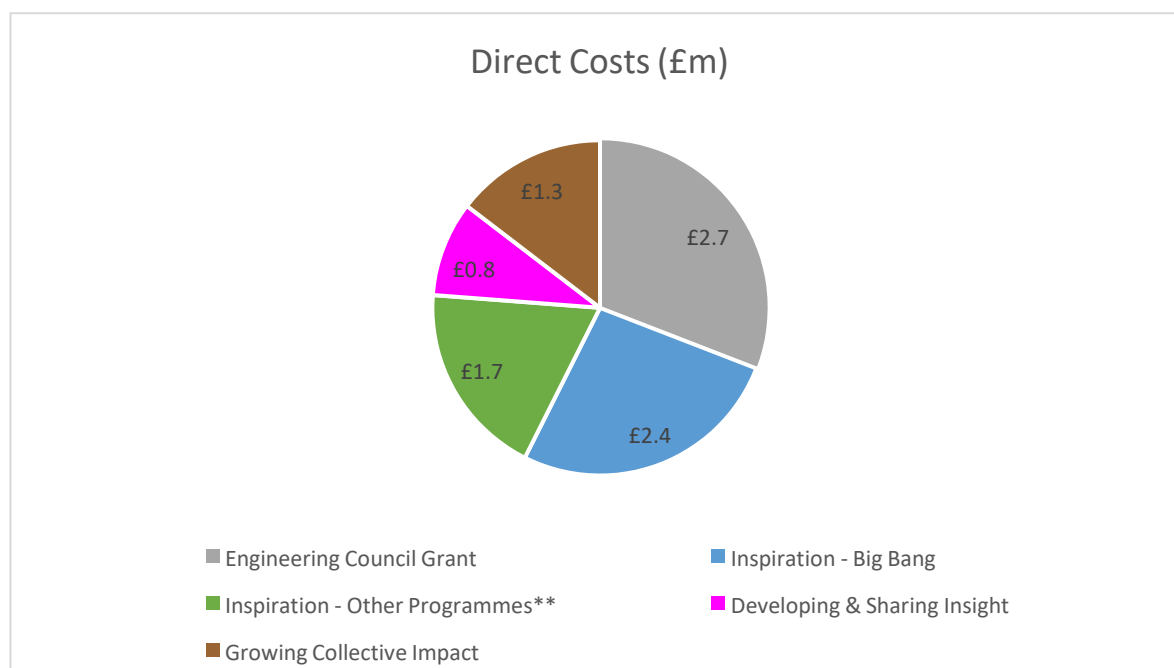
Please note that it is hard to make comparisons between income and expenditure for 2019/20 and the 2020/21 business years because the 2019/20 business year was exceptional for several reasons – we ran a 17 month business year, to enable us to adjust to a year end in August, because of the impact of the pandemic in 2020 and also an office move.

Our largest programme is the Big Bang which in 2020/21, comprised the Big Bang Digital, the Big Bang Competition, and Big Bang at School events. EngineeringUK has subsidised these events since their inception. The *net* cost for the 12-month period is £0.5M. The 2020/21 actual revenue generated from sponsorship and fundraising for the Big Bang Programme originally forecast to be £1M, but was reduced upon deciding not to hold the Big Bang Fair in person, and the actual revenue was £0.5M.

Premises costs were lower than budget due to under-occupation as we spent most of the year working from home. We only spent £0.3M, as compared with £0.5M the previous financial year, but this was more to do with the prior year covering 17 months. A provision of £0.2m for any dilapidation costs remains from our former premises in the Woolgate Exchange and our current premises on Lower Thames Street.



**Other Programme Support refers to income raised for other programmes including Robotics Challenge, Energy Quest, EDI bursaries, and the Tomorrow's Engineers Code.



**Inspiration - Other Programmes comprises Robotics Challenge, Energy Quest and EDI bursaries

Balance Sheet and cash flow

Group reserves and net assets increased during the year by £0.3M (following a £0.3M increase in 2019/20). Total funds at 31 August 2021 were £3.9m, of which none was restricted. Group cash increased by £0.6m to £5.2m, while the value of investments increased by £0.3m to £1.8m.

Investment policy

There are no restrictions on the Charity's power to invest, and the investment return required by our Investment Policy is that we should achieve inflation (CPI) +4% over the long term (5+ years). Investments are allocated to specific funds within agreed asset allocation ranges, and their performance is regularly reviewed against appropriate benchmarks.

Subsidiaries

EngineeringUK has a limited company, Scenta Limited as a subsidiary. The purpose of the company is to provide partner related services. EngineeringUK also has the Big Bang Education Community Interest Company as a subsidiary to deal with all arrangements and transactions related to the Big Bang Programme.

Reserves policy

EngineeringUK maintains reserves for the following reasons:

- EngineeringUK has multiple income streams with varying degrees of volatility. Reserves are held for contingency purposes.
- Investment balances are vulnerable to market conditions.
- EngineeringUK is a participating employer of the Engineering Council Pension Scheme. In the remote circumstances that Engineering Council was unable to meet its obligations and liabilities relating to the Scheme, the obligation would move to EngineeringUK.
- Reserves allow potential "step change" in programmes aimed to maximise impact for beneficiaries.

The Board has determined that the company should have between £1.5m and £2.5m in "free" reserves as represented by the General Fund. Increased economic uncertainty due to the pandemic is mitigated by holding reserves of £3.9m, above the reserve policy range. This also enables us to take the risk associated with planning for the face to face Big Bang Fair in the summer of 2022.

The reserves position is set out below:

£000	31 August 2021	31 August 2020
General Fund	3,544	3,238
Designated Funds:		
Grant Offers Fund		
Fixed Assets Fund	364	414
Programme Growth Fund		
Total Designated Funds	364	414
Total Funds	3,908	3,652

Risk management, principal risks and uncertainties

A Risk Management Policy is in place that sets out how EngineeringUK views, identifies, assesses and manages risk through its Risk Registers. EngineeringUK's approach is to minimise exposure to reputational, compliance and financial risk, while accepting that a certain level of risk has to be taken to achieve its strategic objectives. Acceptance of risk is subject to ensuring that risks and potential

benefits are fully considered and understood before activities are undertaken and that sensible measures are in place to mitigate risk.

Engineering UK's risk appetite varies with the area of activity as follows:

- We are risk averse, that is, avoid risk and uncertainty, in the areas of: Health & Safety, Safeguarding, Compliance & Governance, Cyber Security, Reputation and People and Culture.
- We take a cautious approach, that is, we prefer safe options that have a low degree of residual risk, in the areas of: Impact, Financial Sustainability, and Programme Delivery.
- We have an open approach, that is, we are willing to consider all potential options and choose one that is most likely to result in successful delivery, despite the potential for some degree of risk, in the areas of Collaboration and Influencing.
- We are eager to innovate and to choose options offering potentially higher reward, despite greater inherent risk in the area of Programme Innovation.

A Corporate Risk Register identifies risks that could have an impact on the company's ability to deliver its strategic objectives. It is reviewed by the Executive Team at monthly meetings, the Audit, Risk and Investment Committee at least three times a year, and the Board once a year. Programme Risk Registers are maintained that reflect risks across various projects, which are escalated to the Corporate Risk Register if significant.

The most significant risks faced by EngineeringUK are identified as follows:

- Data breach or lack of compliance
- Impact/reach reduced because new activities do not work as hoped
- Insufficient staff capacity/expertise
- Loss of critical personnel
- Schools less likely to engage in STEM outreach.

Note that the two risks relating to personnel were not on the risk register last year and reflect that, like many other organisations, we had few departures in the first year of the pandemic and then a rise in the summer 2021, at a time when we were also seeking to recruit to new roles. We also have a new Director of Finance and Corporate Services joining in January 2022 and our current Director has not been working since July 2021 due to ill health. While we are aware of these risks, we are pleased with recent appointments we have made to address them.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the group and the parent charity and of the incoming resources and application of resources, including the net income or expenditure, of the group for the year. 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 SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the group and the parent charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Information to Auditor

Each of the directors has confirmed that so far as they are aware, there is no relevant audit information of which the company's auditor is not aware, and that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Malcolm Brinded
Chairman

Approved by the Board on 6 December 2021 and signed on its behalf

In approving this report, the directors approve the Trustees' Report for charity law purpose and the Directors' Report and Strategic Report for company law purposes.

Opinion

We have audited the financial statements of The Engineering and Technology Board (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulation 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Engineering and Technology Board'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 other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or

- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company'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 charitable company 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 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;

- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

24 January 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

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

**Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account)
for the year ended 31 August 2021**

		Year ended 31 August 2021			17 months ended 31 August 2020		
	Note	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
Income and endowments from:							
Charitable activities	2	8,108	729	8,837	12,113	1,190	13,303
Other trading activities	3	2	-	2	61	-	61
Investments	5	32	-	32	56	-	56
Total		8,142	729	8,871	12,230	1,190	13,420
Expenditure on:							
Raising funds	6	-	-	-	9	-	9
Grants payable in furtherance of the charity's objects	10	2,745	-	2,745	4,090	-	4,090
The Big Bang Programme		1,603	95	1,698	3,112	115	3,227
Other programmes		1,284	634	1,918	1,722	1,075	2,797
Promoting the benefit of engineering and engineering careers		2,134	-	2,134	2,525	-	2,525
Business and Industry engagement		397	-	397	549	-	549
Charitable activities		8,163	729	8,892	11,998	1,190	13,188
Total	6	8,163	729	8,892	12,007	1,190	13,197
Total income less expenditure excluding investment gains/(losses)		(21)	-	(21)	223	-	223
Net gains on investments	11	277	-	277	67	-	67
Net movement in funds		256	-	256	290	-	290
Reconciliation of funds:							
Total funds brought forward		3,652	-	3,652	3,362	-	3,362
Total funds carried forward	19	3,908	-	3,908	3,652	-	3,652

All transactions arose from continuing activities.

All gains and losses are included above.

Movements in funds are disclosed in note 19a to the financial statements.

Consolidated and Company Balance Sheets as at 31 August 2021

		Group		Company	
		31 August 2021	31 August 2020	31 August 2021	31 August 2020
	Note	£000	£000	£000	£000
Fixed Assets					
Intangible assets	12	60	73	60	73
Tangible assets	13	305	342	305	342
Investments	11	1,750	1,473	1,750	1,473
		<u>2,115</u>	<u>1,888</u>	<u>2,115</u>	<u>1,888</u>
Current Assets					
Debtors and prepayments	15	1,379	1,824	1,328	1,962
Deposits and cash		5,189	4,577	4,968	4,105
		<u>6,568</u>	<u>6,401</u>	<u>6,296</u>	<u>6,067</u>
Current Liabilities					
Amounts falling due within one year					
Creditors	16	(1,324)	(1,064)	(1,241)	(1,000)
Income in advance	17	(3,451)	(3,573)	(3,262)	(3,346)
		<u>(4,775)</u>	<u>(4,637)</u>	<u>(4,503)</u>	<u>(4,346)</u>
Net Current Assets		<u>1,793</u>	<u>1,764</u>	<u>1,793</u>	<u>1,721</u>
Total Net Assets		<u><u>3,908</u></u>	<u><u>3,652</u></u>	<u><u>3,908</u></u>	<u><u>3,609</u></u>
Unrestricted funds					
General		3,544	3,238	3,544	3,195
Designated		364	414	364	414
Total unrestricted funds	19	<u>3,908</u>	<u>3,652</u>	<u>3,908</u>	<u>3,609</u>
Total funds		<u><u>3,908</u></u>	<u><u>3,652</u></u>	<u><u>3,908</u></u>	<u><u>3,609</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 6 December 2021

Malcolm Brinded
Chairman of the Board

Rachel White
Chair of the Audit Committee

Consolidated Cash Flow Statement for the year ended 31 August 2021

CONSOLIDATED CASH FLOW STATEMENT	Note	Year ended 31 August 2021	17 months ended 31 August 2020
		£000	£000
Cash flows from operating activities:			
Net cash provided by operating activities		596	2,327
Cash flows from investing activities:			
Dividends and interest	5	32	56
Purchase of property, plant and equipment and intangibles		(16)	(352)
Net cash provided by / (used in) investing activities		16	(296)
Change in cash and cash equivalents in the year		612	2,031
Cash and cash equivalents at 1 September		4,577	2,546
Cash and cash equivalents at 31 August		5,189	4,577
RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		Year ended 31 August 2021	17 months ended 31 August 2020
		£000	£000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		256	290
Adjustments for:			
Depreciation and amortisation charges		66	131
(Gains) on investments		(277)	(67)
Dividends and interest		(32)	(56)
Decrease in debtors		445	5,276
Increase / (Decrease) in creditors		260	(530)
(Decrease) in income in advance		(122)	(2,717)
Net cash provided by operating activities		596	2,327

Notes to the financial statements for the year ended 31 August 2021**1. STATEMENT OF ACCOUNTING POLICIES****1.1 Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

EngineeringUK meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historic cost or transaction value with the exception of investments which are included at market value.

The company holds no complex financial instruments nor are there any areas of material estimation uncertainty affecting the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are defined in the Memorandum and Articles of Association. In the event of the charity being wound up the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Group financial statements

These financial statements consolidate the results of the charitable company, Scenta Limited and Big Bang Education CIC on a line-by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not presented because advantage has been taken of exemptions afforded by section 408 of the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

1.4 Going concern

At 31 August 2021 EngineeringUK holds free reserves of £3.9m. The trustees consider this to be sufficient to manage the increased economic uncertainty in 2021/22 due to the pandemic. The trustees consider there to be no material uncertainties about the charity's ability to continue as a going concern for at least a year to November 2022.

1.5 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from Registration fees is accounted for on an accruals basis. Fees are received from institutions, throughout the year, by instalments at an agreed level. At year end an estimate is made of any underpayment or overpayment and of fees due. These amounts are shown under the income and income in advance notes. Income from grants is recognised when income from the grant is due. Where the grant relates to performance and specific deliverables it is accounted for as the charity earns the right to consideration by its performance. Sponsorship and other income received from industry is accounted for on an accruals basis.

1.6 Investment Income

Investment income and interest received from bank deposits and gilt-edged securities are accounted for on an accruals basis. Dividends from equity investments are accounted for on a receivable basis. Investments are included in the Balance Sheet at market value. Realised and unrealised gains and losses are included in the Statement of Financial Activities.

Notes to the financial statements for the year ended 31 August 2021**1. STATEMENT OF ACCOUNTING POLICIES - continued****1.7 Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources.

Other allocated costs have been apportioned against staff numbers. Governance costs include specifically identified costs of governance that arose during the year plus 30% of the Chairman, Chief Executive and Finance Team costs. All other costs are considered to be costs to further EngineeringUK's charitable activities.

1.8 Grants payable

Grants are recognised in the financial statements when an obligation to pay the grant occurs. Where grants are subject to performance conditions the obligation is recognised when the conditions are met, or when there is an expectation that the grant will be paid. Grants that are potentially payable in future years, but do not meet the above criteria for immediate recognition are recognised in the designated fund.

1.9 Pension Costs

The Group is a participating employer in The Engineering Council Pension Scheme. This is a contracted-out defined benefit pension scheme for those employees transferred from Engineering Council which requires contributions to be made to a separately administered fund. Contributions to this fund are charged in the Statement of Financial Activities (SOFA) so as to spread the cost of pensions over the employees' working lives within the Group. The regular cost is attributed to individual years using the projected unit method.

The scheme was closed to new members in February 2002 and in April 2012 the scheme ceased to accrue benefits for remaining members. EngineeringUK is a participating employer in the scheme and therefore has a liability to the scheme. A full actuarial valuation of the fund is carried out every three years by The Engineering Council Pension Scheme actuary, with annual actuarial reports in the interim years. A share of liabilities are reflected in the Balance Sheet if there are net liabilities in the scheme at the date of the latest valuation.

The Group also contributes to a defined contribution pension scheme for staff who are not in the defined benefit scheme. The employer contributes 10% of basic salary and the employee 5%. Contributions to these arrangements are charged to the SOFA in the period in which they are due.

1.10 Tangible Fixed Assets and Depreciation

Tangible fixed assets, individually or in aggregate, costing more than £1,000 are capitalised and included at cost including any incidental expenses on acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off their cost evenly over their expected useful lives as follows:

Computer and office equipment	- 3 to 5 years
Fixtures and fittings	- 2 to 5 years or the remainder of property lease
Computer software	- 3 years

1.11 Intangible Fixed Assets and Amortisation

Acquired intangible fixed assets costing more than £1,000 are capitalised and included at cost.

Intangible fixed assets are amortised at rates calculated to write off the assets on a straight line basis over their estimated useful economic lives. Impairment of intangible assets is reviewed where circumstances indicate that the carrying value of an asset may not be fully recoverable.

Notes to the financial statements for the year ended 31 August 2021

1. STATEMENT OF ACCOUNTING POLICIES - continued**1.12 Operating Leases**

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

1.13 Value Added Tax

Irrecoverable VAT input charges have been included in the expenditure areas to which they relate.

1.14 Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1.15 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.16 Investments**Listed investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiaries

Investments in subsidiaries are at cost.

1.17 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.18 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the financial statements for the year ended 31 August 2021

2. INCOME FROM CHARITABLE ACTIVITIES

	Year ended 31 August 2021			17 months ended 31 August 2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£000	£000	£000	£000	£000	£000
EC Registration fees	7,381	-	7,381	10,481	-	10,481
Network Member fees	277	-	277	392	-	392
Grants for projects	445	729	1,174	931	1,190	2,121
Other income	5	-	5	309	-	309
	<u>8,108</u>	<u>729</u>	<u>8,837</u>	<u>12,113</u>	<u>1,190</u>	<u>13,303</u>

3. NET INCOME FROM TRADING ACTIVITIES - SCENTA LIMITED

Scenta Limited acts as the trading subsidiary of EngineeringUK. The principal activity during the period was provision of sundry services and commission from financial products. The Directors of Scenta Limited are made up of key management personnel of EngineeringUK. The trading subsidiary passes all profits to EngineeringUK as Gift Aid. Its profit and loss account is summarised below:

	Year ended 31 August 2021	17 months ended 31 August 2020
	£000	£000
Turnover	2	61
Cost of Sales and Administration Charge from EngineeringUK	(5)	(9)
Gross Profit	<u>(3)</u>	<u>52</u>
Other Administration Costs	3	(18)
Gift Aid payment	(34)	(17)
Profit Before Taxation	<u>(34)</u>	<u>17</u>
Taxation	-	-
Profit after taxation	<u>(34)</u>	<u>17</u>
Income included by EngineeringUK (company)		
Gift Aid payment	34	17
Cost of Sales and Administration Charge exclusive of VAT	5	9
	<u>39</u>	<u>26</u>

4. BIG BANG EDUCATION CIC

Big Bang Education CIC is a wholly owned subsidiary of EngineeringUK. Big Bang Education CIC was set up to deliver the Big Bang National Fair and now incorporates the Big Bang Competition and from 1 September 2018, the Big Bang Near Me fairs. Trustees Terrance Fuller, Nigel Fine and Sarah Spurgeon, the CEO of EngineeringUK are also directors of Big Bang Education CIC, the results of Big Bang Education are consolidated into The Big Bang Programme line in note 6.

	Year end 31 August 2021	17 months ended 31 August 2020
	£000	£000
Turnover (External)	540	1,046
Contribution from EngineeringUK	544	1,253
Cost of Sales	(714)	(1,796)
Gross Profit	<u>370</u>	<u>503</u>
Administration Costs	(370)	(503)
Profit Before Taxation	-	-
Taxation	-	-
Profit after taxation	<u>-</u>	<u>-</u>

Notes to the financial statements for the year ended 31 August 2021

	Year ended 31 August 2021	17 months ended 31 August 2020
5. INVESTMENT INCOME	£000	£000
Bank Interest Receivable	-	21
Other Investment Income	32	35
Total Investment Income	32	56

The investment income arises from investments in UK investment funds.

6a. CHARITABLE EXPENDITURE (Current year)**Analysis of expenditure on charitable activities**

	Activities undertaken directly	Grant funding of activities	Direct staff costs	Support costs	Total costs
	Year ended 31 August 2021				
	£000	£000	£000	£000	£000
Grant to Engineering Council	-	2,745	-	-	2,745
The Big Bang Programme	718	-	543	437	1,698
Other programmes	712	1	731	474	1,918
Promoting benefit of engineering and engineering careers	745	-	851	538	2,134
Business and Industry engagement	-	-	234	163	397
Total expenditure on charitable activities	2,175	2,746	2,359	1,612	8,892
Raising funds	-	-	-	-	-
Total expenditure	2,175	2,746	2,359	1,612	8,892

Analysis of support costs

	The Big Bang Programme	Other programmes	Promoting benefit of engineering and engineering careers	Business and Industry engagement	Total costs	Basis of allocation
	£000	£000	£000	£000	£000	
Management	73	79	90	27	269	Support costs have been allocated in ratio to the average number of staff employed in each area.
Finance and HR	125	136	154	47	462	
Governance	100	109	124	38	371	
Premises and office services	121	131	149	45	446	
Depreciation	14	15	17	5	51	
Insurance	4	4	4	1	13	
Total	437	474	538	163	1,612	

Within support costs there is £1,005k of staff costs.

Promoting benefit of engineering and engineering careers: This includes non-programme related activities such as research, careers resources and corporate communications including websites.

Notes to the financial statements for the year ended 31 August 2021

6b. CHARITABLE EXPENDITURE (Prior year)

Analysis of expenditure on charitable activities

	Activities undertaken directly	Grant funding of activities	Direct staff costs	Support costs	Total costs
17 months ended 31 August 2020					
	£000	£000	£000	£000	£000
Grant to Engineering Council	-	4,090	-	-	4,090
The Big Bang Programme	1,820	-	715	692	3,227
Other programmes	989	1	937	870	2,797
Promoting benefit of engineering and engineering careers	586	-	1,032	907	2,525
Business and Industry engagement	-	-	306	243	549
Total expenditure on charitable activities	3,395	4,091	2,990	2,712	13,188
Raising funds	9	-	-	-	9
Total expenditure	3,404	4,091	2,990	2,712	13,197

Analysis of support costs

	The Big Bang Programme	Other programmes	Promoting benefit of engineering and engineering careers	Business and Industry	Total costs	Basis of allocation
	£000	£000	£000	£000	£000	Support costs have been allocated in ratio to the average number of staff employed in each area.
Management	126	158	165	44	493	
Finance and HR	135	170	177	48	530	
Governance	151	190	198	53	592	
Premises and office services	243	305	318	85	951	
Depreciation	30	38	40	11	119	
Insurance	7	9	9	2	27	
Total	692	870	907	243	2,712	

Within support costs there is £1,463k of staff costs.

7. NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging / (crediting):

	Group		Company	
	Year ended 31 August 2021	17 months ended 31 August 2020	Year ended 31 August 2021	17 months ended 31 August 2020
	£000	£000	£000	£000
Depreciation	53	114	53	114
Operating lease rentals payable:				
Property	191	496	191	496
Operating lease rentals receivable:				
Property	-	(236)	-	(236)
Auditor's remuneration:				
Audit fees	19	23	13	25
Other services	4	6	4	6

Notes to the financial statements for the year ended 31 August 2021

8. STAFF COSTS INCLUDING PENSIONS AND SOCIAL SECURITY COSTS

Group and parent:

The average number of persons employed by EngineeringUK during the period in the following categories was:

	Year ended 31 August 2021	17 months ended 31 August 2020	Year ended 31 August 2021	17 months ended 31 August 2020
	No (FTE)		No (Total employed)	
Executive team	4	4	4	4
Staff in direct activities	36	38	38	38
Secretarial and administrative staff	11	7	12	10
Total Staff	51	49	54	52

The actual staff employed at period end was 55 (2020: 53)

Staff Costs	Year ended 31 August 2021	17 months ended 31 August 2020
	£000	£000
Salaries	2,527	3,206
Social security costs	281	367
Other pension costs	359	390
Other staff benefits	56	73
Temporary and agency staff	54	130
Termination and redundancy payments	23	16
Recruitment, training, travel and other expenses	81	271
	3,381	4,453

Number of employees whose emoluments exceeded £60,000 for the period were as follows:

	Year ended 31 August 2021	17 months ended 31 August 2020
Exceeding £60,000 but not exceeding £70,000	5	6
Exceeding £70,000 but not exceeding £80,000	1	2
Exceeding £80,000 but not exceeding £90,000	0	2
Exceeding £90,000 but not exceeding £100,000	0	3
Exceeding £100,000 but not exceeding £110,000	1	0
Exceeding £120,000 but not exceeding £130,000	0	0
Exceeding £130,000 but not exceeding £140,000	1	0
Exceeding £140,000 but not exceeding £150,000	1	0
Exceeding £150,000 but not exceeding £160,000	0	0
Exceeding £160,000 but not exceeding £170,000	0	1
Exceeding £170,000 but not exceeding £180,000	0	1
Exceeding £180,000 but not exceeding £190,000	1	0
Exceeding £200,000 but not exceeding £210,000	0	1

EngineeringUK has provision in the Company's Memorandum of Association and approval from the Charity Commission to remunerate the Chair for their duties. The Chair has waived his remuneration. No other trustee received any emoluments during the year.

The total employer contributions during the period to the defined contribution pension schemes relating to the higher paid staff above was £78,302 for 8 employees (2020: £110,445 for 16 employees). None of the higher paid employees above was a member of the Engineering Council Pension Scheme, a defined benefit scheme.

The Chief Executive who served during the year is not a director of the company or a trustee.

Notes to the financial statements for the year ended 31 August 2021

8. STAFF COSTS INCLUDING PENSIONS AND SOCIAL SECURITY COSTS - continued

Key Management Personnel

The Key Management Personnel comprises the executive management team and is made up of the following positions within the organisation:

Chief Executive
 Director of Business & Industry
 Director of Communications
 Director of Finance and Corporate services
 Director of Engagement Projects

The total remuneration, benefits and pensions paid to them in the year was:

	Year ended 31 August 2021	17 months ended 31 August 2020
	£000	£000
Salaries	590	696
Contractors	-	102
Staff benefits	57	5
Pension costs	59	67
Employer NI	75	86
	781	956

9. RELATED PARTY TRANSACTIONS

Engineering Council

Engineering Council (EC) is a related party to EngineeringUK. Under its supplemental charter of the 22 March 2002, EngineeringUK may appoint 7 of its 22 Board members. By its Regulations, EC has assigned all income from its registration fees to EngineeringUK. Changes to this regulation cannot be made without EngineeringUK's approval. The level of fee is determined by EngineeringUK. During the period ended 31 August 2021 the following transactions took place:

1. EC assigned all income derived from Registration fees, £7.3 million (2020: £10.5 million), to EngineeringUK.
2. EngineeringUK provided a grant to EC of £2.7 million (2020: £4.1 million) to fund its operations.
3. EngineeringUK and EC occupied the same floor at Lower Thames Street for the year. The lease is jointly held. Where possible each party paid directly for its own costs.
4. At 31 August 2021 EngineeringUK owed EC £15k (2020: £10k) relating to office service charges.

Trustees

Jacqui Ferguson is a trustee of EngineeringUK and also a Director of Wood Plc which is a corporate member of EngineeringUK under normal business terms. At 31 August 2021 there were no amounts outstanding to EngineeringUK from Wood Plc (2020: £Nil).

Colin Brown is a trustee of EngineeringUK and his wife is the Chair of STEM Learning Ltd.

STEM Learning Ltd paid £nil (2020: £146k) to EngineeringUK to sub-let office space during the period. At 31 August 2021, there were no outstanding amounts to EngineeringUK (2019: £Nil).

Big Bang Education CIC paid £nil (2020: £17k) to STEM Learning Ltd to deliver BBNM events. At 31 August 2021, there were no amounts outstanding to STEM Learning Ltd (2020: £Nil).

Malcom Brinded, the Chair of Trustees, made a £40k donation, excluding gift aid received of £10k, during the year. The donation is restricted to the Equality, Diversity and Inclusion (EDI) bursary scheme.

All related party transactions were on normal commercial terms.

Notes to the financial statements for the year ended 31 August 2021

9. RELATED PARTY TRANSACTIONS - continued**Expenses reimbursed to and paid on behalf of trustees**

Expenses were reimbursed to or paid on behalf of Trustees during the year as follows:

	Year ended 31 August 2021	17 months ended 31 August 2020
	£	£
Travel and subsistence	-	1,366
Number of Trustees reimbursed for expenses or who had expenses paid on their behalf	-	3

10. GRANTS PAID

	Year ended 31 August 2021	17 months ended 31 August 2020
	£000	£000
Engineering Council	<u>2,745</u>	<u>4,090</u>

11. FIXED ASSET INVESTMENTS (OF THE COMPANY AND GROUP)

	31 August 2021	31 August 2020
	£000	£000
Market value at start of period	1,473	1,406
Realised/unrealised gain for the period	<u>277</u>	<u>67</u>
Market value at 31 August	<u>1,750</u>	<u>1,473</u>
Historical cost at 31 August	<u>1,000</u>	<u>1,000</u>

Notes to the financial statements for the year ended 31 August 2021

12. INTANGIBLE FIXED ASSETS (OF THE COMPANY AND GROUP)

	Licence £000
Cost	
Brought forward 1 September	124
Acquisitions during period	-
Carried forward 31 August	<u>124</u>
Amortisation	
Brought forward 1 September	51
Charge for period	13
Carried forward 31 August	<u>64</u>
Net Book Value	
31 August 2021	<u>60</u>
31 August 2020	<u>73</u>

All assets are used by the charity for its own purposes. Scenta Limited & Big Bang Education CIC have no intangible fixed assets.

13. TANGIBLE FIXED ASSETS (OF THE COMPANY AND GROUP)

	Computer & office equipment £000	Refurbishment £000	Total £000
Cost			
Brought forward 1 September	364	794	1,158
Acquisitions during period	7	9	16
Disposals during period	(104)	(254)	(358)
Carried forward 31 August	<u>267</u>	<u>549</u>	<u>816</u>
Depreciation			
Brought forward 1 September	334	482	816
Charge for Period	19	34	53
Disposals during period	(104)	(254)	(358)
Carried forward 31 August	<u>249</u>	<u>262</u>	<u>511</u>
Net Book Value			
31 August 2021	<u>18</u>	<u>287</u>	<u>305</u>
31 August 2020	<u>30</u>	<u>312</u>	<u>342</u>

All assets are used by the charity for its own purposes. Scenta Limited & Big Bang Education CIC have no fixed assets.

14. INVESTMENT IN SUBSIDIARY COMPANIES

EngineeringUK holds 100% of the issued share capital of Scenta Limited of 1 ordinary share of £1. It also owns Big Bang Education CIC, a company limited by guarantee, with a guarantee of £1.

Notes to the financial statements for the year ended 31 August 2021

15. DEBTORS AND PREPAYMENTS

	Group		Company	
	31 August 2021	31 August 2020	31 August 2021	31 August 2020
	£000	£000	£000	£000
Owed from Big Bang Education CIC	-	-	122	260
Other debtors	410	502	237	384
Registration fees due	905	1,241	905	1,241
Prepayments and accrued income	64	81	64	77
	1,379	1,824	1,328	1,962

Registration Fees Due represent fees yet to be paid over by Institutions for 2020/21. The fees are due from registrants on 1st January but, by agreement, are paid over by instalments over the year.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31 August 2021	31 August 2020	31 August 2021	31 August 2020
	£000	£000	£000	£000
Trade creditors	220	152	200	145
Scenta Limited	-	-	10	-
Pension scheme	29	29	29	29
Taxation, including Income Tax	76	111	76	82
Accruals	999	772	926	744
	1,324	1,064	1,241	1,000

17. INCOME IN ADVANCE

	Group		Company	
	31 August 2021	31 August 2020	31 August 2021	31 August 2020
	£000	£000	£000	£000
EC registration fees	2,890	3,110	2,890	3,110
Members fees received in advance	113	111	113	111
Project income in advance	448	352	259	125
	3,451	3,573	3,262	3,346

Movement in income in advance

	Group		Company	
	31 August 2021	31 August 2020	31 August 2021	31 August 2020
	£000	£000	£000	£000
Balance at the beginning of the year	3,573	6,290	3,346	6,264
Amount released to income in the year	(3,693)	(6,407)	(3,466)	(6,381)
Amount deferred in the year	3,571	3,690	3,382	3,463
Balance at the end of the year	3,451	3,573	3,262	3,346

Income from registration fees is accounted for on an accruals basis. The above represents income to be recognised over the remainder of the calendar year.

Notes to the financial statements for the year ended 31 August 2021

19a. FUNDS (current year)

Movements in the Funds during the year have been as follows:

	1 September 2020	Income for the period	Expenditure and other recognised gains/(loss)	Reserve transfers	31 August 2021
	£000	£000	£000	£000	£000
Restricted funds:					
The Big Bang Fair	-	95	(95)	-	-
Other programmes	-	634	(634)	-	-
Total restricted funds	-	729	(729)	-	-
General Fund	3,238	8,419	(8,097)	(16)	3,544
Designated Funds					
Fixed Assets Fund	414	-	(66)	16	364
Total Designated Fund	414	-	(66)	16	364
Total Funds	3,652	9,148	(8,892)	-	3,908

There were no restricted funds held at 31 August 2021. The fixed assets fund represents funds that have been spent on fixed assets, these fixed assets are necessary for the charity's continuing activities. The General Reserve represents free funds that are not designated for particular purposes.

The Other programmes restricted fund includes activities related to Tomorrow's Engineers Week, Code and website, Neon, Energy Quest, Robotics Challenge and a grant to develop our work on Equity, diversity and inclusion.

19b. FUNDS (prior year)

Movements in the Funds during the 17 month period are as follows:

	1 April 2019	Income for the period	Expenditure and other recognised gains/(loss)	Reserve transfers	31 August 2020
	£000	£000	£000	£000	£000
Restricted funds:					
The Big Bang Fair	-	115	(115)	-	-
Other programmes	-	1,075	(1,075)	-	-
Total restricted funds	-	1,190	(1,190)	-	-
General Fund	3,169	12,297	(11,876)	(352)	3,238
Designated Funds					
Fixed Assets Fund	193	-	(131)	352	414
Total Designated Fund	193	-	(131)	352	414
Total Funds	3,362	13,487	(13,197)	-	3,652

Notes to the financial statements for the year ended 31 August 2021

20. COMMITMENTS

Operating lease commitments payable as a lessee

The following payments will be made in respect of future minimum commitments on operating leases expiring:

	Company and Group	
	31 August 2021	31 August 2020
	Land and Buildings	Land and Buildings
	£000	£000
Due within one year	220	110
Due within two to five years	294	514
Total due	<u>514</u>	<u>624</u>

21a. ANALYSIS OF NET ASSETS BETWEEN FUNDS (current year)

	General funds	Designated funds	Total
	£000s	£000s	£000s
Fund balances at 31 August 2021 are represented by:			
Fixed assets and investments	1,751	364	2,115
Current assets	6,568	-	6,568
Current liabilities	(4,775)	-	(4,775)
Long term liabilities	-	-	-
Total net assets	<u>3,544</u>	<u>364</u>	<u>3,908</u>

22b. ANALYSIS OF NET ASSETS BETWEEN FUNDS (prior year)

	General funds	Designated funds	Total
	£000s	£000s	£000s
Fund balances at 31 August 2020 are represented by:			
Fixed assets and investments	1,474	414	1,888
Current assets	6,401	-	6,401
Current liabilities	(4,637)	-	(4,637)
Long term liabilities	-	-	-
Total net assets	<u>3,238</u>	<u>414</u>	<u>3,652</u>

Notes to the financial statements for the year ended 31 August 2021**23. PENSIONS****The Engineering Council Pension Scheme**

In 2002 a number of staff transferred to EngineeringUK from Engineering Council under TUPE arrangements. To accommodate this EngineeringUK became a participating employer of the Engineering Council Pension Scheme.

The company operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company, being invested in The Engineering Council Pension Scheme. Contributions to the fund are charged to the income and expenditure account so as to spread the cost of pensions over employees' working lives with the company. On 26 February 2002 the company decided not to offer membership of the scheme to new employees. In April 2012 the scheme ceased to accrue benefits for existing members.

The Engineering Council Pension Scheme is a defined benefit scheme based on final pensionable salary. The Scheme is contracted out of the earnings related part of the State Pension Scheme. The assets of the Scheme are held in a separate trustee administered fund, currently invested with State Street Global Advisors, and the company's underlying share of assets and liabilities in the fund is not separately determined.

At 31 August there were no (2020 - £Nil) members of EngineeringUK staff contributing to the Scheme. EngineeringUK employer contributions during 2020/21 were nil (2019/20 - £Nil). Employer contributions in 2021/22 are expected to be £nil as the Scheme ceased to accrue benefits for remaining members in April 2012.

A full actuarial valuation of the fund is carried out every three years by The Engineering Council Pension Scheme actuary, with annual actuarial reports in the interim years. The last full valuation was as at 31 December 2018 within the report dated 19 March 2020. The report showed net assets of £327,000.

EngineeringUK is a participating employer in the Scheme and therefore has a liability to the scheme. The share of assets were not recognised in the Balance Sheet as they would be non-recoverable.

Stakeholder and Other Pension Schemes

EngineeringUK decided not to offer entry to the Engineering Council Pension Scheme to staff who were not already members prior to TUPE transfer and nominated a Stakeholder pension scheme. This is a defined contribution scheme operated by Scottish Widows and is not contracted out of the earnings related part of the State Pension Scheme. The employer contributes 10% of pensionable salary and the employee 5%. Employer contributions during the year were £359k (2020: £410k). These figures include contributions for the higher paid employees shown under note 8.

Governance and Management

EngineeringUK is the working name adopted by the Engineering and Technology Board.

EngineeringUK is a charitable company limited by guarantee (Company No. 4322409), incorporated on 14 November 2001. The address of the principal and registered office is 5th Floor, Northern & Shell Building, 10 Lower Thames Street, London, EC3R 6EN.

Members of the Company are Directors/Trustees or members of the two Electoral Colleges - the Professional Engineering College, consisting of persons representing Professional Engineering Institutions (PEIs) licensed by Engineering Council (EC), and the Business and Industry College, consisting of persons representing industry; and such other persons who may be admitted as members by the Company at a general meeting. There are currently 76 members.

The Board of Trustees (Board) generally meet four times a year. EngineeringUK has in place a number of committees and panels to which it has formally delegated specific functions. The day to day activities are managed by the Executive Team.

The Nominations and Remuneration Committee (N&RC) has responsibility for recommending appointments to the Board of Trustees and committees.

The Audit, Risk and Investment Committee (ARIC) ensures a sound system of internal controls, risk management and accounting policies are maintained in accordance with corporate governance requirements. The committee liaises directly with the external auditors including planning for the annual audit. Areas of particular focus are discussed with the auditors and inform their plans. The committee ensures the investments of EngineeringUK are managed in accordance with the agreed policy and monitors the performance of the investment advisor. The committee reports to the Board.

The Tomorrow's Engineers Code Advisory Board (TEC) had its first meeting on 28 September 2020. It was approved as an advisory committee to the Board on 7 October 2020 and makes recommendations to the Board on matters relating to the Code that have material implications for EngineeringUK resourcing or that have material impact on EngineeringUK's wider activities.

Remuneration Policy

EngineeringUK is committed to paying staff fairly at an appropriate level to attract and retain people with the right skills and experience to ensure that the organisation delivers its charitable objectives and execute the strategy set by the Board.

Total staff salary budgets and the specific contracts and remuneration of the Chief Executive and Executive Team are delegated to the N&RC which reports directly to the Board.

Trustee Recruitment, Appointment and Induction

Arrangements for all trustee appointments are overseen by the N&RC whose recommendations are referred to the Board for approval. The Chairman of the Board is recruited through an open and competitive process. The Chairman of the Engineering Council is an ex officio member of the Board and appointed through a process specified by the Engineering Council. The Institution of Engineering and Technology (IET), the Institution of Civil Engineers (ICE) and the Institution of Mechanical Engineers (IMechE), being the three largest PEIs, and the Royal Academy of Engineering have nominated their Chief Executives to sit on the Board. Members of each of the two electoral colleges

elect two persons for nomination from amongst their number. Appointment of other Board members is through selection to meet the needs of the Board.

New trustees are provided with a Trustee Induction Pack that includes details of their legal responsibilities under charity and company law, the Memorandum and Articles of Association, Board Regulations, operational and financial information and recent Board minutes. They are also introduced to and briefed by senior staff. On appointment Trustees are asked to agree and sign EngineeringUK's Trustees Code of Conduct, based on the core values of EngineeringUK and the Nolan Principles – Seven Principles of Public Life.

Members of Board and Trustees The trustees serving during the year and since the year end were:	Method of Appointment	Committee Membership
Malcolm Brinded (Chair)	Board	N&RC
Toby King (Deputy Chair until 17 September 2021)	Board	ARIC (Chair) N&RC
Alice Bunn (from 13 July 2021)	IMechE	
Christopher Atkin	Ex officio	
Nicholas Baveystock	ICE	ARIC (from March 2021)
Colin Brown (until 30 June 2021)	IMechE	
Victor Chavez (until 17 September 2020)	Business & Industry College	N&RC
Jacqueline Ferguson	Board	TEC N&RC
Nigel Fine	IET	N&RC
Terence Fuller	Professional Engineering College	
Steven Rossiter (from 18 September 2021)	Board	
Erol Mustafa (from 18 September 2021)	Board	
Elaine Roberts	Board	N&RC (Chair)
Hayaatun Sillem	RAEng	
Sarah Spurgeon (until 17 September 2021)	Board	
Rachel Stringer	Board	ARIC (Chair from 17 September 2021)
Rashada Harry	Board	
Paul Hardaker (from 28 October 2020)	Professional Engineering College	
Adenike Folayan (from 3 March 2021)	Business & Industry College	TEC (independent)
Carl Ennis (from 13 July 2021)	Business & Industry College	

Executive Team

The Board delegates the day to day running of the company to the Executive Team, led by the Chief Executive. The Executive Team operates in accordance with the Strategy and Business Plan/Budget approved by the Board. Expenditure authority limits have been set by the ARIC. Up to date financial and operational reports are presented to the Board at each of its meetings.

Members of the Executive Team are:

Dr Hilary Leever, Chief Executive
Nicola Anson, Director of Finance and Corporate Services
Beth Elgood, Director of Communications
John Halton, Director of Business & Industry
Melanie Washington, Director of Engagement Projects.

Professional Advisors

Auditor

Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

Bankers

HSBC BANK plc, 165 Fleet Street, London, EC4A 2DY

Lloyds Bank, 25 Gresham Street, London, EC2V 7HN

Insurance Brokers

AON, 6 Commerce Road, Lynch Wood, Peterborough, PE2 6LR

Solicitors

Bates Wells & Braithwaite London LLP, 10 Queen Street Place, London, EC4R 1BE

Investment Advisors

Rathbone Investment Management Limited, Port of Liverpool Building, Pier Head, Liverpool L3 1NW

Pension and Staff Benefits

3sixty Financial Limited, Media House, 4 Stratford Place, London, W1C 1AT