
**THE INTERNATIONAL SOCIETY
FOR TRENCHLESS TECHNOLOGY**
(A COMPANY LIMITED BY GUARANTEE)

**Annual report and
financial statements**

for the year ended

31 December 2021

Company number 02053569
Charity number 295274

THE INTERNATIONAL SOCIETY FOR TRENCHLESS TECHNOLOGY

(A C O M P A N Y L I M I T E D B Y G U A R A N T E E)

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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STATUS AND AIMS

The International Society for Trenchless Technology (ISTT) is a charitable Company, Limited by Guarantee, (herein after called the 'Society') incorporated on 8 September 1986 and registered as a charity on 1 October 1986.

The Society was established under a Memorandum of Association, which established the aims and objectives as a charitable company, and it is run in accordance with its Articles of Association supported by Bylaws.

Under the Articles of Association at least three individuals shall comprise the Trustees to ensure that the objects of the Society are met and that the Officers of the Society meet the provisions stated in the Memorandum of Association.

TRUSTEES

The Trustees serve for an indefinite period for as long as they meet the provisions stated in the Articles of Association.

In 2021, the Trustees were appointed from the 27 Affiliated Societies of ISTT. They are:

Silke Cubert
Paulo Dequech
Jeff Pace
Wing Chan
Luis Maldonado
Yan Chunwen
Keh-Jian (Albert) Shou
Stanislav Lovecký
Morten Aaby Nielsen
Jari Kaukonen.
Jean-Marie Joussin
Jens Hoelterhoff

Paolo Trombetti
Juan Garcia
Kyoko Kondo
Wout Broere
Craig Vandaele
Tadeusz Żaba
Sam Efrat
Mats Rostö
Yasin Torun
Dawn Greig

THE INTERNATIONAL COUNCIL (THE 'COUNCIL')

National and Regional Societies that are affiliated with ISTT (Affiliated Societies) may have voting representatives ("Council Members") at ISTT annual meetings. Council Members are responsible for reviewing and approving the annual budget and action plans of ISTT, and for electing members of the ISTT Board of Directors and its Officers.

THE BOARD OF DIRECTORS (THE 'BOARD')

In 2021 the following individuals served on the Board:

Jari Kaukonen
Enrico Boi
Keh-Jian (Albert) Shou
Mark Haebler
Trevor Gosatti
Kimberlie Staheli

Jens Höelterhoff
Ian Ramsay
Carlos Munero
Sam Efrat

The following served as Officers of the Board of Directors throughout 2021:

Jari Kaukonen, Chair
Keh-Jian (Albert) Shou, Vice Chair

Kimberlie Staheli, Vice Chair
Enrico Boi, Immediate Past Chair

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STAFF

The Society has two part-time staff.

Peter Smeallie, Executive Director
Kyoko Kondo, Program Director

REGISTERED OFFICE

8 Wolverton Road
Snitterfield
Stratford upon Avon
Warwickshire
CV37 0HB
United Kingdom

EXECUTIVE DIRECTOR / COMPANY SECRETARY

Peter Smeallie
600 Woodland Terrace
Alexandria, Virginia 22302
USA

INDEPENDENT EXAMINERS

Guest Wilson Limited
Chartered Accountants
8 Wolverton Road
Snitterfield
Stratford upon Avon
Warwickshire
CV37 0HB
United Kingdom

BANKERS

Barclays Bank plc
Belgravia & Knightsbridge Business Centre
PO Box 4578
London
SW3 1XD
United Kingdom

Truist
200 West Second Street.
Winston-Salem, North Carolina 27101
USA

SOLICITORS

Baker & McKenzie
100 New Bridge Street
London
EC4V 6JA
United Kingdom

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DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 December 2021.

LEGAL AND ADMINISTRATIVE INFORMATION

The International Society for Trenchless Technology is a company limited by guarantee and a registered charity governed by its memorandum and articles of association originally dated 8 September 1986 and revised on 11 December 2019. In the event of the organisation being wound up each trustee agrees to contribute £1 towards the costs of dissolution. The company is also registered with the Charity Commission for England & Wales.

OBJECTIVES AND ACTIVITIES

The objective of the International Society for Trenchless Technology (ISTT or the Society) is to educate users and the public-at-large on the potential economic, installation and environmental benefits of properly used trenchless underground construction methods. The ISTT hosts an annual conference in cooperation with affiliated societies, which provides a forum for education and training on trenchless technologies and methods. (In 2021 the annual conference was not held due to the worldwide pandemic.) The ISTT holds education and training workshops on specific technologies throughout the world. The ISTT also makes technical papers available to the public via the Society's website.

ELECTION OF DIRECTORS

National and Regional Societies that are affiliated with ISTT may have voting representatives ('Council Members') at ISTT annual meetings. Council Members are responsible for electing the Board of Directors and its Officers.

DIRECTOR INDUCTION AND TRAINING

New directors are briefed as to their legal obligations under charity and company law and are presented with copies of the Memorandum and Articles of Association as well as ISTT policy documents which have been approved by the Board. The induction process involves meeting the national staff and other directors.

ORGANISATION

A managing Board of Directors representing the 27 affiliated societies is responsible for establishing Society policy to implement the goals and activities of the ISTT. The Board is governed by bylaws approved by the International Council as a whole. An Executive Director administers and manages the Society daily activities. A Chair's Advisory Panel, comprising former ISTT chairs and others, advises the ISTT Chair when asked.

RELATED PARTIES

The ISTT has 27 affiliated societies located throughout the world. Each society shares the education and training goals and objectives of the ISTT. Each typically holds annual conferences and workshops, often in cooperation with the ISTT.

RISK MANAGEMENT

The ISTT incorporates a number of management tools to manage operational and financial risks. The Board of Directors provides regular oversight of ISTT operations to insure that the ISTT is in full compliance with government regulatory requirements and the bylaws of the

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Society. The board initiates or approves all operational decisions and annually reports the activities, accomplishments, and financial results to the International Council.

Financial risks are managed through the adoption of and adherence to an annual operating budget. The ISTT holds reserves to guard against unexpected short-term adverse results from operations.

ACHIEVEMENTS AND PERFORMANCE

The ISTT Plan of Action was put into action in 2019 after having been adopted at the International Board meeting in 2018. The ISTT Board of Directors has continued to focus in 2021 on delivering the objectives within the plan and overseeing the transition to provide a more relevant, proactive and accountable organization.

In response to recommendations contained in the Plan of Action, seven committees have been established dedicated on proposing improvements to the structure and function of the society. The committees are:

1. Membership Committee
2. Support Fund Committee
3. Technology and Education Committee
4. Outreach and Marketing Committee
5. Finance Committee
6. International No-Dig Committee
7. Governance Committee

Membership Committee. The committee participated in intensive discussion and recommendation to the BoD about the Latin American regional society. It recommended withdrawal of the RoSTT and invitation to the Trenchless Club of Romania. The committee discussed re-membership of the India society but could not reach resolution. It also suggest conducting a "Survey of Corporate ISTT Membership."

Support Fund Committee. The committee exists to appropriate funds for any ISTT program that funds outside sources. During 2021, it discussed and approved the six Grant Program applications. It also suggested the proposed budget of US \$10,000 for 2022 ISTT grant programs. It vowed to keep updating the policies for fund distribution and criteria for grant program funding.

Technology and Education Committee. The committee approved two ISTT Fellows: Norman Howell and Wout Broere. The committee also organized and held ten ISTT Educational Webinars. Webinar speakers were: 1) Dr. John C. Matthews 2) Dr. Dec Downey 3) Prof. Ken-Jian (Albert) Shou 4) Dr. Samuel Ariaratnam 5) Ms. Tiia Lampola 6) Dr. Iain Naismith and Dipl.-Ing. Markus Gillar 7) Dr. Iain Naismith and Dipl.-Ing. Serdar Ulutaş 8) Mr. Ian Ramsay 9) Mr. Christopher Rings and Mr. Mark Haebler 10) Prof. Hideki Shimada. The committee edited and updated the ISTT Technical Guidelines; it also developed a beta version more friendly for mobile devices.

Outreach and Marketing Committee. The committee's main focus in 2021 was on ISTT media opportunities. The committee completed negotiations and signed a written agreement with Trenchless Works/Westrade Group for new magazine and other media opportunities. Further submissions to be considered for EU Projects took place. Strategies to be considered for marketing including social media (LinkedIn, UTube, etc) were addressed.

Finance Committee. The Finance Committee serves as a resource to the International Council, the Board of Directors and the Executive Director. The committee works directly with the Executive Director and the Board of Directors. The Finance Committee has oversight

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responsibilities with respect to reviewing and monitoring spending policy for ISTT in consistency with ISTT long-term goals. It develops, reviews, and monitors the ISTT budget, including programs and capital spending. In 2021 the committee conducted oversight ISTT financial assets including its investment funds with Scott and Stringfellow, an investment firm in Alexandria, Virginia, USA. It developed the 2022 ISTT budget that was approved by the committee, the Board of Directors and the International Council.

International No-Dig Committee. The committee established new standards for selecting ISTT No-Dig Conferences including clear and concise criteria, procedures for review of proposals by the committee, scoring and evaluating procedures. Committee recommendations for No-Dig events are then forwarded to the Board and to the International Council for selection. Two “types” of shows exist for ISTT International No-Digs: a conference organized by an Affiliated Society with ISTT joining as a adjunct cooperating entity, and an ISTT organized and managed event. The 2023 meeting in Mexico City will be the latter with cooperation from NASTT and its new Mexican chapter. The council approved the 2023 International No-Dig Conference in Mexico City and approved a call for the 2024 conference preferably in Asia or Australasia.

FINANCIAL REVIEW

The ISTT realized a net loss from operations of £6,852 in 2021, a result of the cancellation of the annual 2021 International No Dig Conference due to the pandemic.

RESERVES POLICY

The ISTT maintains a reserve to guard against the risk of unforeseen adverse financial results from operations. Beginning in 2010, the ISTT instituted a plan to strengthen its reserves by reinvesting dividends and interest generated from these reserves accounts back into these accounts. Beginning in 2010 the ISTT achieved its goal of holding reserves equal to two-years of its operating budget and has maintained this level in 2021.

THE OUTLOOK

The ISTT continues to implement programs to increase the efficiency in the delivery of its education and training programs, its recognition efforts, its support activities, and its outreach and marketing initiatives. The ISTT website will be continue to be expanded further improving communications capabilities. The Technical and Education Committee will continue its successful webinar program for members. The Finance Committee will continue to examine accounting procedures to more effectively shape the society. ISTT Trustees will be involved in overseeing ISTT activates to assure compliance with applicable British laws.

DIRECTORS’ RESPONSIBILITIES FOR THE ACCOUNTS

The Directors are required to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit for that period. In preparing those accounts the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 1993 and other applicable law and regulations. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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In common with many other businesses of comparable size and nature, ISTT uses an independent examiner to assist with the preparation of the financial statements.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO INDEPENDENT EXAMINERS

So far as the directors are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the company's Independent Examiners are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant information and to establish that the company's Independent Examiners are aware of that information.

INDEPENDENT EXAMINERS

The Trustees will be asked to endorse the Board recommendation to re-appoint Guest Wilson Chartered Accountants at the ISTT Annual General Trustees Meeting on 15 December 2022.

Signed on behalf of the Directors on 25 October 2022.



Peter Smeallie
Executive Director

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INDEPENDENT EXAMINER'S REPORT

to the members of The International Society for Trenchless Technology

I report on the financial statements of The International Society for Trenchless Technology for the year ended 31 December 2021 on pages 8 to 12.

This report is made solely to the company's members as a body, in accordance with the Companies Act 2006. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in our 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 company and the company's members as a body, for our examination work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and examiner

As described on page 6 the company's directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. The Directors consider that an audit is not required for this year under the Charities Act 2011, s.144(2) ("the 2011 Act") and that an independent examination is needed. I am qualified to undertake the examination, being a qualified member of ICAEW.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- Examine the accounts under s.145 of the 2011 Act;
- To follow the procedures laid down in the general Directions given by the Charity Commission under s.145(5)(b) of the 2011 Act; and
- To state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with the Companies Act 2006 s.386; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006, s.396 and the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

NAME: NEIL WILSON

RELEVANT PROFESSIONAL QUALIFICATION OR BODY: ICAEW

8 Wolverton Road, Snitterfield, Stratford upon Avon, CV37 0HB

16 September 2022

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STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2021

	Notes	Total funds 2021 £	Total funds 2020 £
INCOME			
Affiliation fees		105,445	82,904
Trenchless events		-	51,790
Publications		33	31
Training		-	
Investment income		26,430	19,378
Total income		131,908	154,103
EXPENDITURE	3		
Charitable activities		133,344	104,748
Governance		5,416	13,884
Total expenditure		138,760	118,632
Net income before other gains/(losses)		(6,852)	35,471
OTHER RECOGNISED GAINS AND LOSSES			
Exchange (loss)/gain		57,454	(19,011)
NET MOVEMENT IN FUNDS		50,602	16,460
Fund balances brought forward		415,015	398,645
FUND BALANCES CARRIED FORWARD	8	£ 465,617	£ 415,105

All movements are in Unrestricted Funds.

All of the activities of the charitable company are classed as continuing.

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BALANCE SHEET as at 31 December 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	5	-	-
CURRENT ASSETS			
Debtors	6	16,830	2,906
Bank and cash balances		449,663	416,131
		466,493	419,037
CREDITORS: amounts falling due within one year	7	(876)	(3,932)
NET CURRENT ASSETS		465,617	415,105
TOTAL ASSETS LESS CURRENT LIABILITIES		£ 465,617	£ 415,105

FUNDS

Unrestricted funds	8	£ 465,617	£ 415,105
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For the year ended 31 December 2021 the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and section 144(2) of the Charities Act 2011. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies act 2006.

The Directors have acknowledged their responsibilities for: selecting suitable accounting policies and then applying them consistently; observing the methods and principles in the Charities SORP; making judgements and estimates that are reasonable and prudent; stating whether applicable UK accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and preparing the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with Financial Reporting Standard 102 - Section 1A.

The financial statements were approved by the Directors on 15 August 2022 and signed on their behalf by:



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Jari Kaukonen
Director and Chair

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NOTES TO THE FINANCIAL STATEMENTS at 31 December 2021

1 ACCOUNTING POLICIES

Company and charitable status

The International Society for Trenchless Technology is incorporated in England and Wales as a company limited by guarantee not having a share capital. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 2.

Basis of preparation and assessment of going concern

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102), effective 1 January 2015 and the Companies Act 2006.

In preparing the accounts, the Directors have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. At the date of transition in applying the requirements of FRS 102 no adjustments were required.

The Directors consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Funds

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Income recognition

Incoming resources are included in the Statement of Financial Activities when receivable and when the amount can be quantified with reasonable accuracy.

Expenditure recognition

Resources expended are recognised in the period in which they are incurred under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they are allocated to activities on a basis consistent with use of the resources. Resources expended include attributable VAT which cannot be recovered.

Taxation

ISTT is a registered charity and is not subject to taxation on its income so long as this is used for its charitable activities.

Fixed assets and depreciation

All fixed assets are initially recorded at cost. Depreciation is provided on all fixed assets at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life as follows:

Office equipment	-	33% reducing balance
Website & database	-	33% reducing balance

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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In the application of the charity's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

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3 EXPENDITURE

	2021		2020	
	Charitable expenditure £	Governance costs £	Charitable expenditure £	Governance costs £
Trenchless events	1,393		9,133	-
Trenchless International Magazine	-		-	-
Printing, stationery & advertising	-		-	-
Consultancy	-		-	-
Membership value	5,596		13,584	-
Employment	83,169		67,780	-
Education & training	21,586		-	-
Profit & loss on exchange	-		-	-
Computer & office expenses	-		287	-
Website	15,443		10,669	-
Postage and communications	4,797		3,295	-
Travelling & subsistence	-	4,006	-	-
Bank charges	-	1,410	-	1,357
Independent examiner fees	-	-	-	3,000
Other professional fees	1,360	-	-	9,527
Depreciation	-	-	-	-
Total resources expended	133,344	5,416	104,748	13,884

4 STAFF COSTS

	2021 £	2020 £
Wages and salaries	83,169	67,780

No employee earned in excess of £50,000 (2020 - nil).

The average number of staff employed was 2 (2020 - 2).

5 TANGIBLE FIXED ASSETS

	Office equipment £	Website & Database £	Total £
Cost:			
At 1 January 2021	20,168	39,663	59,831
Additions	-	-	-
At 31 December 2021	20,168	39,663	59,831
Depreciation:			
At 1 January 2021	20,168	39,663	59,831
Charge for the year	-	-	-
At 31 December 2021	20,168	39,663	59,831
Net book value			
At 31 December 2021	-	-	-
At 1 January 2021	-	-	-

6 DEBTORS

	2021 £	2020 £
Amounts falling due within one year		
Trade debtors	16,778	2,862
VAT	52	44
Prepayments and accrued income	-	-
	16,830	2,906

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7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	876	3,932
Accruals and deferred income	-	-
	876	3,932

8 MOVEMENT IN FUNDS

	At 1 January 2021 £	Incoming resources £	Outgoing resources £	Exchange (loss)/gain £	At 31 December 2021 £
Unrestricted funds	415,105	131,908	(138,760)	58,189	466,442

Unrestricted funds comprise those funds which the Directors are free to use in accordance with the charitable company's objectives.