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# 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 )

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## **Annual report and financial statements**

for the year ended

**31 December 2022**

Company number 02053569

Charity number 295274

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# THE INTERNATIONAL SOCIETY FOR TRENCHLESS TECHNOLOGY

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( 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 )

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## ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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# THE INTERNATIONAL SOCIETY FOR TRENCHLESS TECHNOLOGY

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( A COMPANY LIMITED BY GUARANTEE )

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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 2022, 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 2022 the following individuals served on the Board:

Jari Kaukonen  
Keh-Jian (Albert) Shou  
Mark Haebler  
Trevor Gosatti  
Kimberlie Staheli  
Jens Höeltherhoff

Ian Ramsay  
Carlos Munera  
Sam Efrat  
Dec Downey  
Wing Chan

The following served as Officers of the Board of Directors throughout 2022:

Keh-Jian (Albert) Shou, Chair  
Kimberlie Staheli, Vice Chair

Mark Haebler, Vice Chair  
Jari Kaukonen, 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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# THE INTERNATIONAL SOCIETY FOR TRENCHLESS TECHNOLOGY

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## DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 December 2022.

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

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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 plan was updated in 2022. The ISTT Board of Directors has continued to focus in 2022 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 offering membership to the Latin American Society for Trenchless Technology. The committee also recommended including the Trenchless Club of Romania. It also suggested to the Outreach and Marketing Committee to conduct a "Survey of Corporate ISTT Membership."

**Support Fund Committee.** The committee exists to appropriate funds for any ISTT program that funds outside sources. During 2022, it discussed and approved the six Grant Program applications. It also suggested the proposed budget of US \$30,000 for 2023 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: Christopher Rogers and Albert Shou. The committee also organized and held ten ISTT Educational Webinars. Webinar recordings were made available to the trenchless community via a YouTube channel. The committee continued to update the ISTT Technical Guidelines.

**Outreach and Marketing Committee.** The committee's main focus in 2022 was on ISTT media opportunities. The magazine, *Trenchless Works*, published by Westrade Group is now the official publication for ISTT. Strategies to be considered for marketing including social media were addressed. A survey of communication needs was developed.

**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 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 2022 the committee conducted oversight ISTT financial assets including its investment funds with Truist Investments, an investment firm in Alexandria, Virginia, USA. It developed the 2023 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 an adjunct cooperating entity, and an ISTT organized and managed event. The 2023 meeting in Mexico City will be the latter with

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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 £58,923 in 2022, a result of the lack of income from cancellations of the annual 2020 and 2021 International No Dig Conferences 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.

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.

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# THE INTERNATIONAL SOCIETY FOR TRENCHLESS TECHNOLOGY

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## **INDEPENDENT EXAMINERS**

The Trustees endorsed 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 11 October 2023.



**Peter Smeallie**  
Executive Director



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# THE INTERNATIONAL SOCIETY FOR TRENCHLESS TECHNOLOGY

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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 2022 on pages 10 to 15.

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 earlier, 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*

11 October 2023

# THE INTERNATIONAL SOCIETY FOR TRENCHLESS TECHNOLOGY

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## STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2022

	Notes	Total funds 2022 £	Total funds 2021 £
<b>INCOME</b>			
Affiliation fees		96,970	105,445
Trenchless events		7,899	-
Publications		80	33
Training		-	-
Investment income		4,015	26,430
<b>Total income</b>		<b>108,964</b>	<b>131,908</b>
<b>EXPENDITURE</b>			
	3		
Charitable activities			133,344
Governance			5,416
<b>Total expenditure</b>		<b>167,892</b>	<b>138,760</b>
<b>Net income before other gains/(losses)</b>		<b>(58,928)</b>	<b>(6,852)</b>
<b>OTHER RECOGNISED GAINS AND LOSSES</b>			
Exchange (loss)/gain		(44,421)	57,454
<b>NET MOVEMENT IN FUNDS</b>		<b>(103,349)</b>	<b>50,602</b>
Fund balances brought forward		465,617	415,015
<b>FUND BALANCES CARRIED FORWARD</b>	8	<b>£ 362,268</b>	<b>£ 465,617</b>

All movements are in Unrestricted Funds.

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

# THE INTERNATIONAL SOCIETY FOR TRENCHLESS TECHNOLOGY

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## BALANCE SHEET as at 31 December 2022

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible assets	5	-	-
<b>CURRENT ASSETS</b>			
Debtors	6	26,620	16,830
Bank and cash balances		336,379	449,663
		<b>362,999</b>	466,493
<b>CREDITORS:</b> amounts falling due within one year	7	<b>(731)</b>	(876)
<b>NET CURRENT ASSETS</b>		<b>362,268</b>	465,617
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>£ 362,268</b>	£ 465,617

<b>FUNDS</b>			
Unrestricted funds	8	<b>£ 362,268</b>	£ 465,617

For the year ended 31 December 2022 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 Board of Directors at its meeting on 9 February 2023 and acknowledged on their behalf by Jari Kaukonen, Immediate Past Vice Chair and Chair of the ISTT Finance Committee:

**Jari Kaukonen**  
Director

# THE INTERNATIONAL SOCIETY FOR TRENCHLESS TECHNOLOGY

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## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2022

### 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

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.

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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.

# THE INTERNATIONAL SOCIETY FOR TRENCHLESS TECHNOLOGY

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## 3 EXPENDITURE

	2022		2021	
	Charitable expenditure £	Governance costs £	Charitable expenditure £	Governance costs £
Trenchless events	1,339		1,393	
Trenchless International Magazine			-	
Printing, stationery & advertising			-	
Consultancy			-	
Membership value			5,596	
Employment	79,842		83,169	
Education & training			21,586	
Profit & loss on exchange			-	
Computer & office expenses			-	
Website			15,443	
Postage and communications			4,797	
Travelling & subsistence			-	4,006
Bank charges			-	1,410
Independent examiner fees			-	-
Other professional fees			1,360	-
Depreciation			-	-
<b>Total resources expended</b>			133,344	5,416

## 4 STAFF COSTS

	2022 £	2021 £
Wages and salaries	79,842	83,169

No employee earned in excess of £50,000 (2021 – nil).

The average number of staff employed was 2 (2021 – 2).

## 5 TANGIBLE FIXED ASSETS

	Office equipment £	Website & Database £	Total £
<b>Cost:</b>			
At 1 January 2022	20,168	39,663	59,831
Additions	-	-	-
At 31 December 2022	20,168	39,663	59,831
<b>Depreciation:</b>			
At 1 January 2022	20,168	39,663	59,831
Charge for the year	-	-	-
At 31 December 2022	20,168	39,663	59,831
<b>Net book value</b>			
At 31 December 2022	-	-	-
At 1 January 2022	-	-	-

## 6 DEBTORS

	2022 £	2021 £
<b>Amounts falling due within one year</b>		
Trade debtors	25,991	16,778
VAT	629	52
Prepayments and accrued income	-	-
	26,620	16,830

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## 7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	731	876
Accruals and deferred income	-	-
	<b>731</b>	<b>876</b>

## 8 MOVEMENT IN FUNDS

	At 1 January 2022 £	Incoming resources £	Outgoing resources £	Exchange (loss)/gain £	At 31 December 2022 £
Unrestricted funds	465,617	108,964	(167,892)	(44,421)	<b>362,268</b>

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