

The Institution of Engineering and Technology Benevolent Fund

Annual Report and Financial Statements
for the year ended 30 June 2020



Foothold
Supporting engineers

Charity No: **208925**

Company Registration No: **00441284**

Registered Office:

Napier House
24 High Holborn
London
WC1V 6

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"I would like to use this opportunity to appreciate Foothold for their support during this pandemic period. It was indeed a heartfelt gesture. The financial assistance has gone a long way, I was able to pay my bills and use some of the funds to keep my business running." - Christian

1. REFERENCE AND ADMINISTRATIVE DETAILS

THE BOARD OF TRUSTEES

The Charity Trustees during 2019/20, together with any others who served in the year.

Dr S D Hart	MEng CEng FIET	Chair (resigned Sept 2019)
Eur Ing Professor A L Dowd	BSc PhD CEng FIET	Chair (appointed Oct 2019 resigned Sept 2020)
Mr J A Aust	BSc ACGI CEng MIET	Treasurer (resigned Sept 2019)
Dr D Byrne	OBE BSc MBA PhD CEng HonFIET	Vice -Chair (Oct 2019- Sept 2020) Chair (appointed Oct 2020)
Mr G R Price	FCA	Treasurer (appointed April 2020)
Mrs J Brownsword	MEng (Hons) MIET	(resigned Sept 2019)
Mrs J K Bryant	FREng CEng FIET FWES	
Dr P B Connor	FInstD	
Mrs A D Giles	BSc (Hons) CEng FIET	
Mrs V M Hodge	BSc MSc CEng FIET	
Mr R North	BSc (Hons) CEng MIET	LRA Chair
Mr R E H Spalding	BSc CEng FIET RN	
Mr F Fischer	Eng Tech MIET	Appointed 01/10/2020
Mr Thomas Matthew Budd	Comm LL.B LLM	Appointed 01/10/2020
Professor Kate Sugden	BSc MSc PhD MIET	Appointed 01/10/2020

FOOTHOLD'S PRINCIPAL OFFICERS

Mrs J Petit	Chief Executive Officer and Company Secretary
Ms C Hobden	Deputy Chief Executive Officer and Services Manager (retired March 31 2020)
Mrs D Houslin	Services and Development Manager (appointed April 14 2020)
Mrs L Quinn	Marketing and Communications Manager
Ms B J Archer	Business Manager
Mrs F Rook	Fundraising Manager (appointed October 8 2019)

FOOTHOLD'S AGENTS AND ADVISORS

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

Rathbone Investment Management Limited
8 Finsbury Circus
London
EC2M 7AZ

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham B3 2ES

Lloyds Bank
Thavies Inn House,
6 Holborn Circus
London
EC1N 2H

2. CHAIR AND CEO REPORT

During 2019 the external environment continued to be dominated by the discussions around Brexit, concerns about the possibility of the country falling back into recession and the effect that could have on people's livelihoods, alongside the ongoing impact of ten years of austerity. Then in Spring 2020 the news of the COVID-19 pandemic emerged and the CEO and SMT initiated a business continuity management plan to ensure the safety of our staff and volunteers, enable home working and develop capacity to manage a predicted rise in requests for support from the community.

In the subsequent months, the staff and volunteers have risen to the many challenges brought about by the COVID-19 restrictions and our commitment to flexible working meant that no staff members needed to be furloughed. In fact, our workloads increased considerably as the support services teams responded to a fourfold increase in requests for support, the marketing and communications team strove to develop content which offered reassurance and information to our community about the effects of COVID-19 and our response, and our business team moved to daily processing of grants to meet demand.

In April the Trustees agreed to a three-month reduction in the emergency grant administration process which enabled the teams to process payments in as little as 48 hours. In June this was extended for a further three months. As with many other charities the value and income of our investment portfolio was affected by the global restrictions and we were provided with regular briefings by our investment managers on their response and the outlook for our funds.

Our fundraising continues to be mainly focused on individual donations rather than events or retail income and so has held up well during this period. Our new fundraising strategy was agreed by the Board in April 2020 and our fundraising manager is working closely with the Marketing and Communications team, who continue to raise awareness of Foothold amongst The IET membership and broader engineering community whilst spearheading the development of our health and well-being support.

The reveal of Foothold, the new brand of The IET Benevolent Fund on October 8th 2019 and the launch of our new website in January 2020 have enabled us to connect more strongly with our community and has in no small part contributed to the increase in requests for support and awareness of the charity.

The advent of the COVID-19 restrictions coincided with the planned retirement of our Deputy CEO and the recruitment of our new Services and development manager. This has been challenging for all of the team although it has proven that it is possible to have a successful induction without face to face meetings with the team. Our ongoing concerns

about cyber security and fraud continued to be a focus during this time as concern was raised in the sector about the possibility of increased levels of such crimes in the lockdown period. We increased our vigilance in terms of ineligible claims and fraudulent documentation, balancing this against the ability of our community to produce consistent documentation particularly in areas where the “grey economy” predominates.

The management time taken to manage the changes brought about by COVID-19 disrupted our plan of work for the year. We were able to commence our review of our management of risk through a task and finish group chaired by our Vice Chair which is due to complete its work in the first half of our next financial year. However, the planned review of our memorandum and articles of association has been postponed until the coming financial year. This delay will enable us to benefit from the guidance available from the publication of the revised NCVO “Charity Governance Code” due by the end of 2020 in our deliberations.

Against this background we were delighted to be able to report a 28% increase in the number of unique individuals we supported from 2018-19 and the 20% increase in the instances of support offered across all the domains of wellbeing.

The increase in the levels of support we provided and the economic turbulence, both associated with the COVID-19 pandemic, have affected the financial outcomes for the year. 2019/20 saw an 11.5% reduction in income at £1,236,247 (2018/19 £1,396,736) attributable to an 8.3% reduction in investment income of £683,822 (2018/19 £746,447) and a 68.5% reduction in legacy income to £71,505 (2018/19 £227,055), although with a 13.7% increase in voluntary donations to £480,121 (2018/19 £422,423). The increase in expenditure at £2,586,748 (2018/19 £2,390,262) was mainly attributable to the 11% increase in grants totaling £1,429,256 (2018/19 £1,291,924) provided to individuals. This demonstrates the continuing commitment of the Trustees to provide the most comprehensive services possible to the greatest number of qualifying individuals possible so long as we have the reserves that can be drawn upon to meet any deficits. The effect of these movements has seen the level of our funds reduce by 8.7% to £24,381,110 (2018/19 £26,693,091).

The Board considers these results to be a testament to the hard work and a strong relationship between the volunteers, staff and our partners which against an unprecedented year has still enabled us to achieve our purpose of increasing the wellbeing of engineers and their families worldwide.

The Board would also like to acknowledge the contribution made by our donors and wishes to pass on their sincere thanks to everyone who contributes to our purpose to ensure that no engineer or their family needs to face life's challenges without support.

Dr D Byrne

Mrs J Petit

Chair of Trustees

CEO

3. TRUSTEE REPORT

The Trustees present their report for the year ended 30 June 2020, containing a review of achievements and performance, a financial review and plans for future periods, consideration of the principal risks they consider the Charity faces and the audited financial statements for the year ended 30 June 2020.

The Institution of Engineering and Technology Benevolent Fund (otherwise known as Foothold) is a registered charity No. 208925 and a company with the registration No. 00441284. It is managed in accordance with its Memorandum and Articles of Association (amended by Special Resolution on 19 May 2010) and under the terms of a new Charity Commission Scheme of 29 January 2010 that established The Speirs Fund (which replaced the Chesters Trust Deed, otherwise known as the Speirs Memorial Trust, subsequently varied by the Charity Commissioners Scheme, dated 15 July 1975).

At the meeting of the Board of Trustees on 26 June 2019 it was agreed that the working name of the Charity should be changed from IET Connect to Foothold. This change was formalised on 8 October 2019.



3.1 PURPOSES, AIMS AND ACTIVITIES

3.1.1. Purposes and aims

The objects of the Charity are “to provide financial or other assistance to persons of all ages who are in need who are beneficiaries of the Fund in any manner which the Trustees consider expedient”.

Research carried out in April 2019 by Shed Research on behalf of Foothold demonstrated that the issues facing our community were around work life, health and wellbeing, and financial and legal matters (Fig 1).

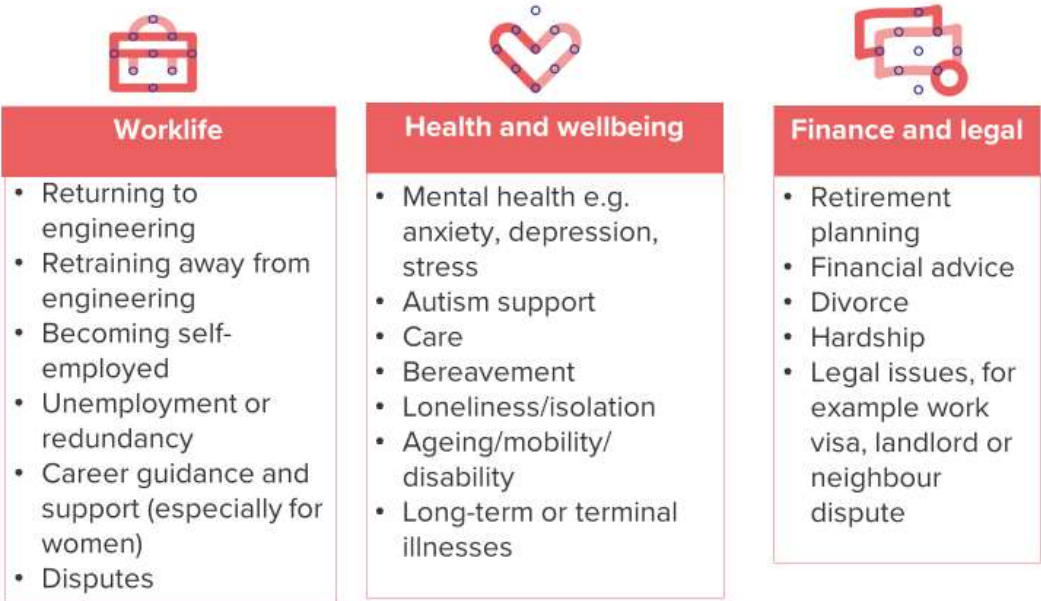


Fig 1 Emerging clusters of support

Work carried out by organisations such as the Joseph Rowntree Foundation who are invested in the relief of poverty emphasise the fact that a sudden increase in pressure – such as job loss or ill health – can quickly become a flood that pushes people into much deeper hardship. With this understanding and the results of our research we acknowledged that our previous focus on financial and legal support has proved beneficial in achieving our objects. However, the Trustees agreed that we could achieve even more by supporting the health and wellbeing of the community, including work life support, and providing a lifeline helping to pull some people back from the brink of poverty whilst still maintaining our financial support for those in greatest need.

This broadening of our activities is summarised in our outline strategy 2019-2022 (Fig 2).

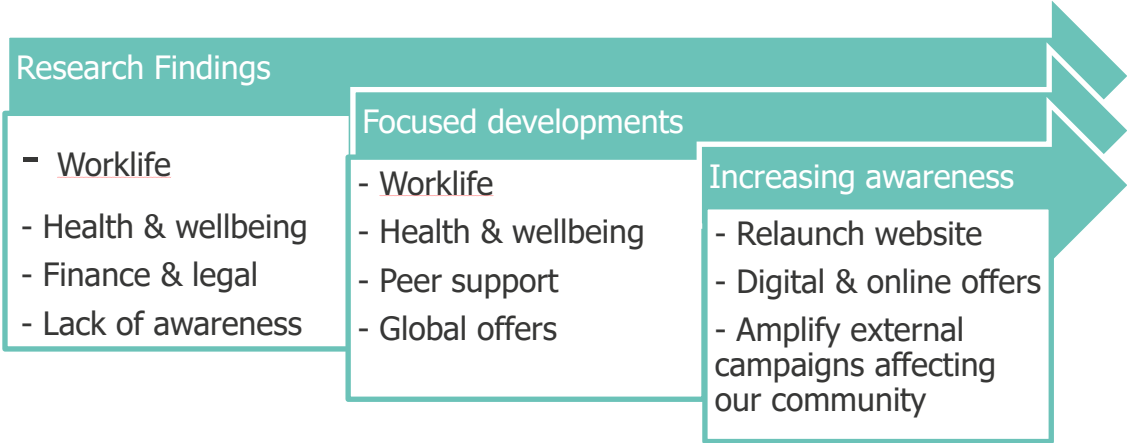


Fig 2 Foothold Strategy 2019- 2022

We aim to achieve our objects by providing joined-up, accessible and personalised support, building resilience and developing our community of IET members, former members and their dependants, alongside individuals with an interest in engineering who may qualify for assistance due to the creation of the Speirs Fund in 2010. The establishment of this fund has broadened the objectives of the Charity and enables us to provide support primarily to help individuals and families affected by disability and, those with caring responsibilities.

3.1.2 Public benefit

In setting out the activities for the year, Foothold’s Trustees have complied with the duty set out in Section 17 of the Charities Act 2011 to “have regard” to public benefit guidance published by the Charity Commission. We are a charity set up for the “relief of poverty”. We have interpreted “poverty” to mean not only those who are in desperate financial need but also those who cannot satisfy a basic need without assistance. We use the Charity Commission definition: “people in poverty generally refers to people who lack something in the nature of a necessity, or quasi-necessity, which the majority of the population would regard as necessary for a modest, but adequate standard of living”. Furthermore, not everyone who is in financial hardship is necessarily poor, but it may still be charitable to relieve their financial hardship or to prevent poverty.

The Charity helps individuals and families who fall within the remit of its objects wherever they are in the World and regardless of their background. The Trustees are aware that this represents a sizeable number of individuals worldwide, any of whom can approach Foothold for help at any time. Furthermore, the range of services provided means that it is not just the individual who benefits - by helping someone at a difficult time, his or her

close family are also helped and possibly others who have an interest or informal responsibility towards the individual whether they be friends, relatives or close acquaintances from the local community.

All of the charitable help is provided free of charge and beneficiaries do not need to have donated to Foothold to be eligible for our services.

The Trustees have reviewed whether any of the help that we provide could possibly cause any detriment or harm and have not identified any example where this might be the case. The only "downside" in terms of public benefit is that the work of Foothold has led to an increase in the uptake of State benefits by its beneficiaries. Clearly this is an added cost to the Public purse; that said, it is only a case of people now claiming benefits to which they were already entitled or have recently become entitled.

3.1.3 Our Activities

The first year of our three-year strategy 2019-2022 has been focused on investment in infrastructure, developing support and staffing to enable us to meet our outcome of supporting 3,000 people a year by 2022 and increasing the impact we have on the wellbeing of engineers and their families worldwide. To help us achieve this we partner with organisations who specialise in delivering support across the eight domains of wellness. This enables us to be flexible in the support we provide and respond quickly to changes in need expressed by our community made up from the members of the IET, their families and those with an interest in engineering.



Fig 3 Adapted from Swarbrick, M (2006) A wellness approach. *Psychiatric Rehabilitation Journal*, 29(4), 311-314.

Our activities cover the eight domains of wellness (Fig 3) and the community we serve have several channels available to them to find the support they need. Simple queries maybe resolved by accessing the health and wellbeing information contained on our website or through our money and legal advice app provided in partnership with Law Express. Where more personalised support is required community members can contact our support services team. Depending on whether they require a simple referral to the legal helpline or a more complex discussion about their financial or health concerns our support services advisor and caseworkers are on hand to offer information, welfare benefits advice, direct support or a listening ear, whatever is needed. Every package of support can be different and each of our support services can assist people in different ways.

Coping with feelings – through our partnership with Anxiety UK (AUK) we fund a yearlong enhanced membership which includes a personal wellbeing assessment, resources and therapy for adults and children through Anxiety UK’s accredited therapists. We also provide grants for counselling and other psychological therapies with the community members own therapist. Content on the website and in our social media channels deal with a variety of emotional health concerns and current issues.

Money matters – regular financial grants are available for community members with incomes below the Minimum income standard and with less than £16,000 in savings, one off financial support for items which are not met by State provision such as telephone, television and broadband charges, transport costs and the replacement of essential household items. Our money and legal advice app provides up to date information from the Money Advice Service, and individual welfare benefits advice is provided by our caseworkers. And our partners at Stepchange, the debt advice charity and Shelter the housing charity offer support in dealing with mortgage debt and rent arrears.

Relationships and social life – sometimes relationships struggle because of change in life circumstances and Foothold provides funding to help with the costs of mediation or counselling and legal advice through our legal helpline. Throughout the Covid-19 restrictions the importance of relationships and companionship were highlighted. Our Friendship team provide letter writing or telephone support to people receiving regular packages of support and for those who are isolated because of their role as a carer we offer grants for respite breaks and to attend activities to keep those connections strong.



Keeping well and coping with ill health – Our partnership with the National Autistic Society (NAS) has enabled us to provide people living with autism with a ten-year membership of NAS with support for diagnosis and funded NAS courses and resources. There are grants to cover equipment and home adaptations to help people retain their independence, with bespoke equipment solutions provided through our relationship with Remap. We support community members with the costs of care and respite breaks, travel costs for treatment or to visit a family member in hospital or another care setting and our legal helpline answers questions about accessing the care system and lasting Power of Attorney. Our quarterly Carers newsletter provides content of interest to carers and our new partnership with Sleepstation allows community members to access a clinically validated sleep improvement programme which identifies the underlying causes of sleep problems and provides personal support needed to improve sleep.

Work life – we fund a variety of programmes through our partnerships with Renovo and Chiumento around CV writing, networking and interview skills. Longer career coaching programme provide support following redundancy or a career break and tailored support for those returning to the job market after a longer break is available through Stem Returners. The money and legal advice app provide answers to questions on redundancy and pension entitlements and before travel was restricted, we provided pre- retirement courses in London, Leicester and Birmingham in partnership with LaterLife.

Keeping my brain active – funding is available to enable the community to maintain hobbies, to pay for equipment to support learning and development and support for living costs to enable students to continue their studies.

The world around me – through our contract with Shelter we fund personalised support through their Helpline Plus service providing fast track advice for those facing bad housing or homelessness. For less complex issues community members can call our legal helpline or download information from the Foothold app or website. We also provide grants to help with rental deposits and white goods where there is an unanticipated relocation.

Having meaning in life – our YouTube channel has vlogs provided by our health and well-being expert exploring issues such as purpose and meaning and content on our social media channels explore issues linked with spirituality, support with meditation and mindfulness are funded through the Headspace app as part of the AUK membership, and funding is available for psychological therapies.



Michael's story

"I was already struggling with my mental health. But when the first lockdown kicked in it amplified my situation. I was suffering and things were getting worse. I couldn't access the right type of support and I couldn't function or cope with everyday tasks. I felt like I couldn't escape it, I carried it around with me all the time, but people couldn't see it. As lockdown progressed, I received an email from Foothold explaining the ways they could support engineers. I was surprised and impressed with how quickly I received a reply. They were friendly and professional. At a time when I felt completely broken, it was like slipping on a warm cardigan."

3.2 IMPACT, ACHIEVEMENTS & PERFORMANCE

3.2.1 Our Impact

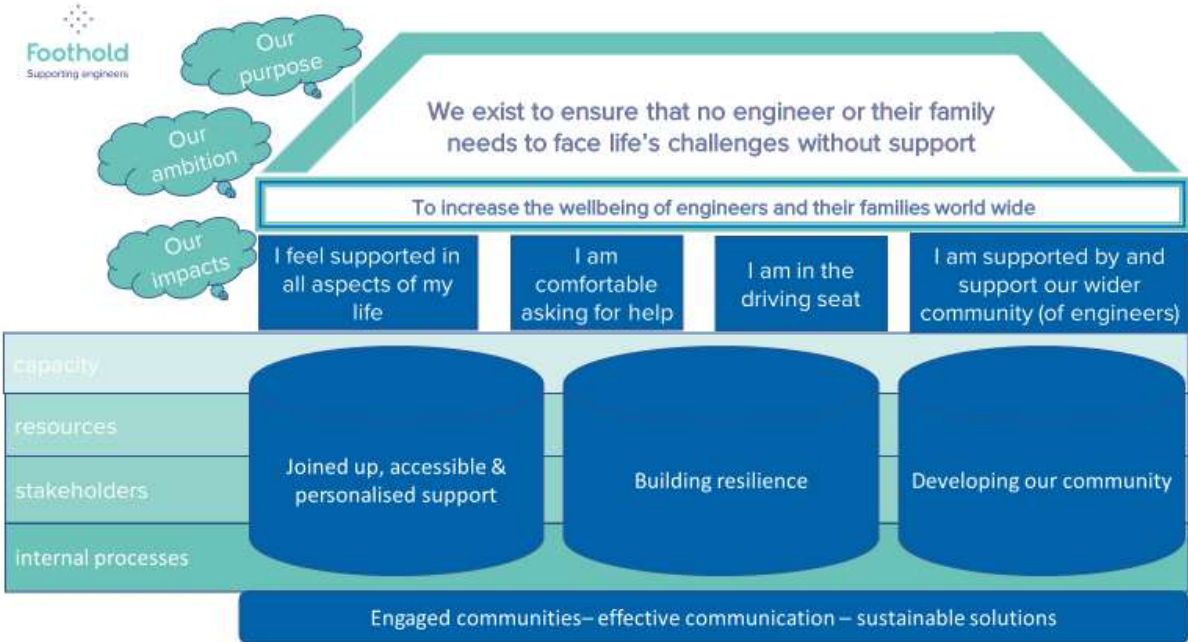


Fig 4 Our strategic framework

Through the delivery of our strategy our ambition is to increase the wellbeing of engineers and their families worldwide and the brand research we completed in 2019 showed that if we are achieving this community members will feel:

- Supported in all aspects of their lives.
- Comfortable in asking for help.
- That they are in the driving seat.
- Supported by and support the wider community of engineers.

As we started work this year on a tool to more formally measure our impact, we continued to publicise our Survey Monkey questionnaire to ask everyone who accessed our services about their experience of our help. A link to the questionnaire is included in all caseworker letters, as an email footer and on the website to capture as many comments as possible. Because of this and the anonymity of the survey we cannot directly compare the numbers of surveys completed with the number of support services provided in any given period

to indicate uptake. The questionnaire can also be sent as a word document or hard copy to people who are not easily able to access the internet.

The questionnaire provides us with demographic information and specifically asks “How much difference has the support made to your daily life” and as can be seen from Fig 5 our impact has grown significantly in the first year of our new strategy.

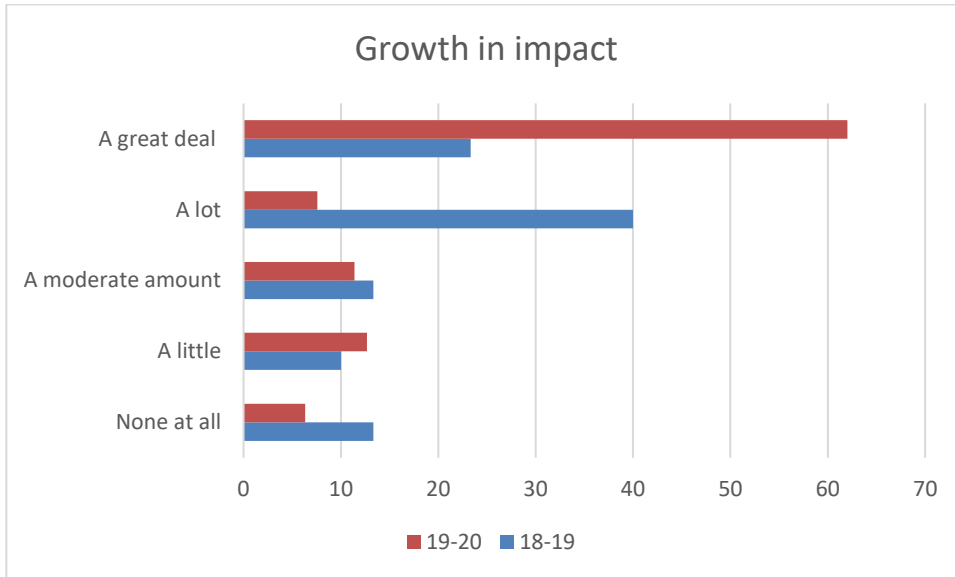


Fig 5 Comparison of impact of our support 2018-19

To help us improve the impact of our support we also ask if there is anything else we could have offered that would have been helpful. 57 of the 79 respondents offered suggestions including increases in levels of financial support, health and wellbeing and peer support. The survey also asked if the person would contact us again or tell a friend about us.



Fig 6 Recommend to a friend survey results 2019-20

We will look at amending the question next year to gain a better understanding of why the respondents were less willing to tell a colleague or friend about us than contact us again for support.

We also know that following the Board's agreement to increase the regular monthly grant with an above inflation increase of 28% we achieved an 8% increase in the number of people attaining an income of more than 75% of the Joseph Rowntree Foundation "Minimum Income Standard" (MIS) which we have used as a proxy measure for impact as this is recognised as the threshold for achieving a socially inclusive lifestyle.



Richard's story

"In July 2000 I had a diving accident which left me paralysed from the neck down. Following my accident it took me a long time to fully come to terms with things and accept that life was now completely different. My local representative Malcolm was a legend – supporting me with getting a wheelchair-adapted vehicle and helping me with benefit applications when my marriage broke down. The benevolent fund also helped me with funding for a ground floor home which I can get around. It absolutely wouldn't have happened without the support. My life turned upside down in many ways, but in other ways I have been so phenomenally fortunate and Foothold has been a huge part of that. It's been life-changing, really."

3.2.2 Our achievements

We set six specific objectives for 2019 and report on them quarterly on our website.



Key

Achieved Ongoing action Working on it

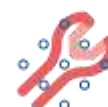
Expanding our career support services to include career coaching and skills-based support



Developing a system of grants based on individual circumstances growing to match the requirements of the minimum income standard



Expanding our legal advice to cover our community outside the UK



Engage with the wider benevolent fund and charitable community, leading discussions on best practice and exploring partnerships that will benefit our community



Providing information and advice on health and wellbeing through a variety of channels particularly focussing on mental health and carers issues



Amplifying the voice of other organisations campaigns which positively affect our community through our digital channels

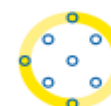


Fig 7 Progress on 2019 objectives

3.2.3 Our Performance

During the year of this report the effects of the Covid 19 pandemic were felt across the globe and as a result many charities reported effects on their work caused by a mix of reduced resources and increased requests for support. Although our investment portfolio was affected by the pandemic, we were able to continue to respond to all requests for support.

Consequently in 2019-20 we provided direct support to 1275 unique individuals and families, a 28% increase on the 992 unique individuals we supported in 2018-19. With some people receiving support on more than one occasion during the year, in total we provided 1593 instances of support offered across all the domains of wellness, a 20% increase on the 2018-19 levels of activity.

Amir's story

Until May this year, I worked as an Electronics Engineer in Basingstoke. As Coronavirus swept through the country, I could see work was slowing down, although I was hopeful things would pick up.

But as the situation worsened and sales continued to stall, I was told I was being made redundant and put on 'gardening leave'. I was shocked and worried about what would happen next.

The timing really wasn't good - I had a four-year old at home and a new baby on the way. My biggest fear was that I wouldn't find another job and would be unable to look after my family. I was really beginning to feel the pressure.

That's when I got in touch with Foothold. The work Foothold does isn't new to me. A couple of years ago when I was looking for work, I discovered that I could get some help with my CV through Foothold's career support programme. I hoped they'd be able to help again.

The process was quite easy. I put in a request and to my surprise, they said they were able to help with an emergency grant! It was brilliant news and such a relief to have some breathing space financially. The money will help with our day-to-day living expenses until I can work again. The £1000 grant will make a difference to our family and is very much appreciated.

I'm hopeful that I'll be able to find work again soon. I have an interview lined up and am keeping a positive attitude. If anyone's in a similar situation to me, I'd say do reach out to Foothold, they are there to help.

As in Anwar’s story, the effect of the COVID-19 restrictions on our community can be seen most dramatically in the increase in financial support requested in 2020 accompanied by a small downward impact on legal, work life and crosscutting support being seen in the last quarter of the year, most likely due to the effect of the lockdown restrictions (Fig 8).

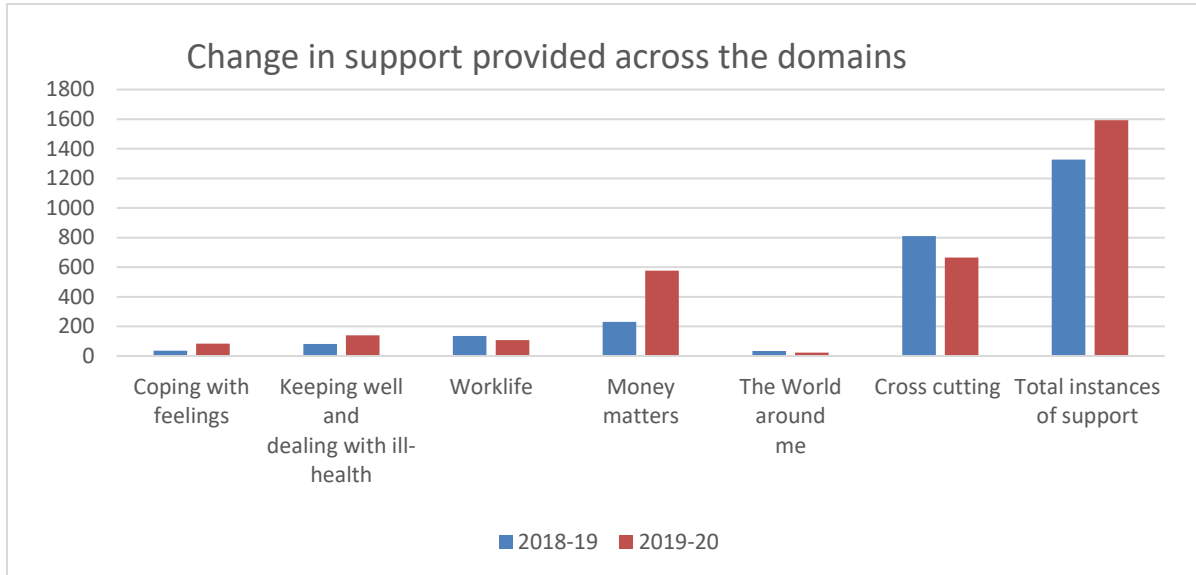


Fig 8 Instances of support

In the first three months of the pandemic, April – June 2020, we responded with one-off emergency grants of £500-£1,000 to 257 people to assist with the costs of daily living (Fig 9).

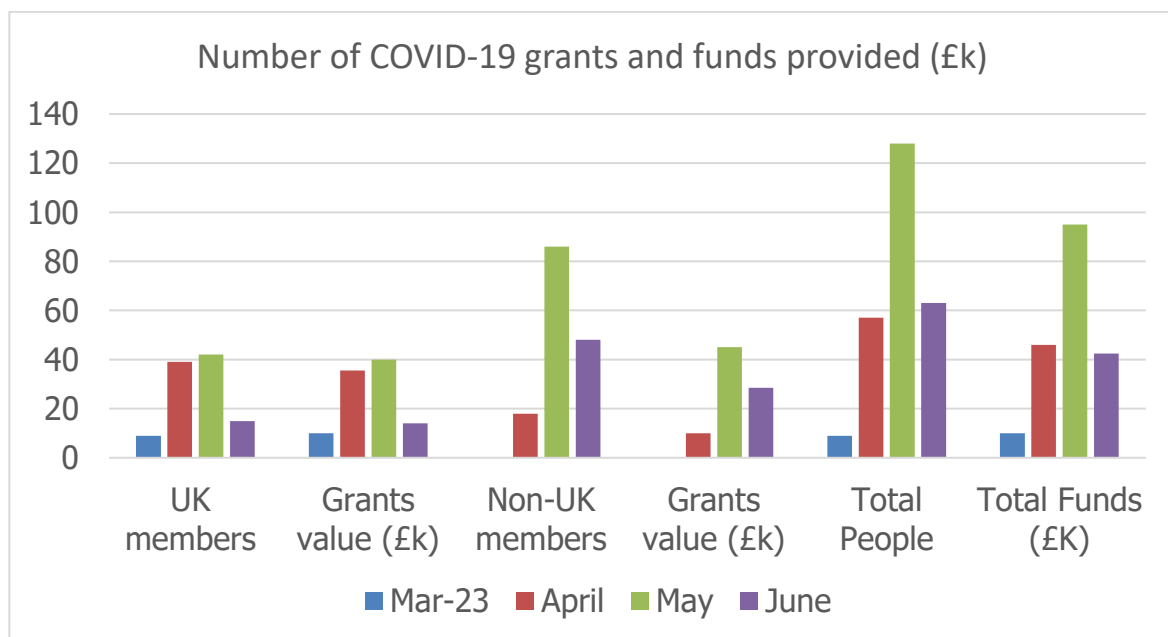


Fig 9 Number of people helped with emergency grant and funds provided.

During 19-20 we have also saw a shift in the age of the community members supported with 35% of support being provided to people under the age of 34 compared to 16% in 2018-19. Much of this shift was due to the high levels of student support we provided in response to the COVID-19 restrictions (Fig 10).

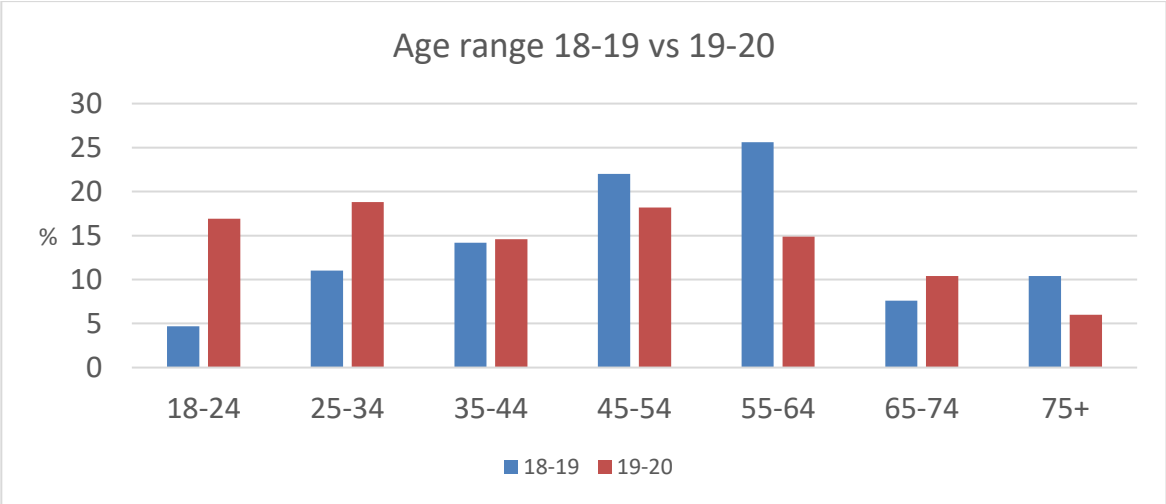


Fig 10 Age of community members receiving support

However, the gender breakdown remained fairly static from 2018-19 to 2019-20 with 85% of support being sought by men, reflecting the gender makeup of The IET membership which is 90% male.

With the increasing requests for support we also saw an increase in our geographic reach with support given in 43 (30 in 2018/19) countries worldwide and 110 (86 in 2018/19) counties across the UK (Fig 11).



Fig 11 Geographic reach 2019-20

As the effects of the pandemic became clearer, we brought forward two of our developments which were due to be launched in 2020-21 which we felt would be of benefit to the community.

In response to the growing understanding of the impact that the Covid-19 isolation was having on people's mental health we brought forward the launch of our Friendship team to May. We sent handwritten cards to community members receiving regular support and then matched our volunteers to the people who requested regular correspondence or phone calls.

In June 2020 three months ahead of schedule, we launched our Foothold app which enables us to provide legal and money advice in an accessible format and which proved popular in its first month with 171 downloads of the App.

The launch of the Foothold brand and name on October 8th 2019 enabled our marketing and communications team to relaunch our social media platforms with content designed to inform and support our community on all aspects of health and wellbeing and are developing a strong following which has already overtaken our previous reach (Fig 12).

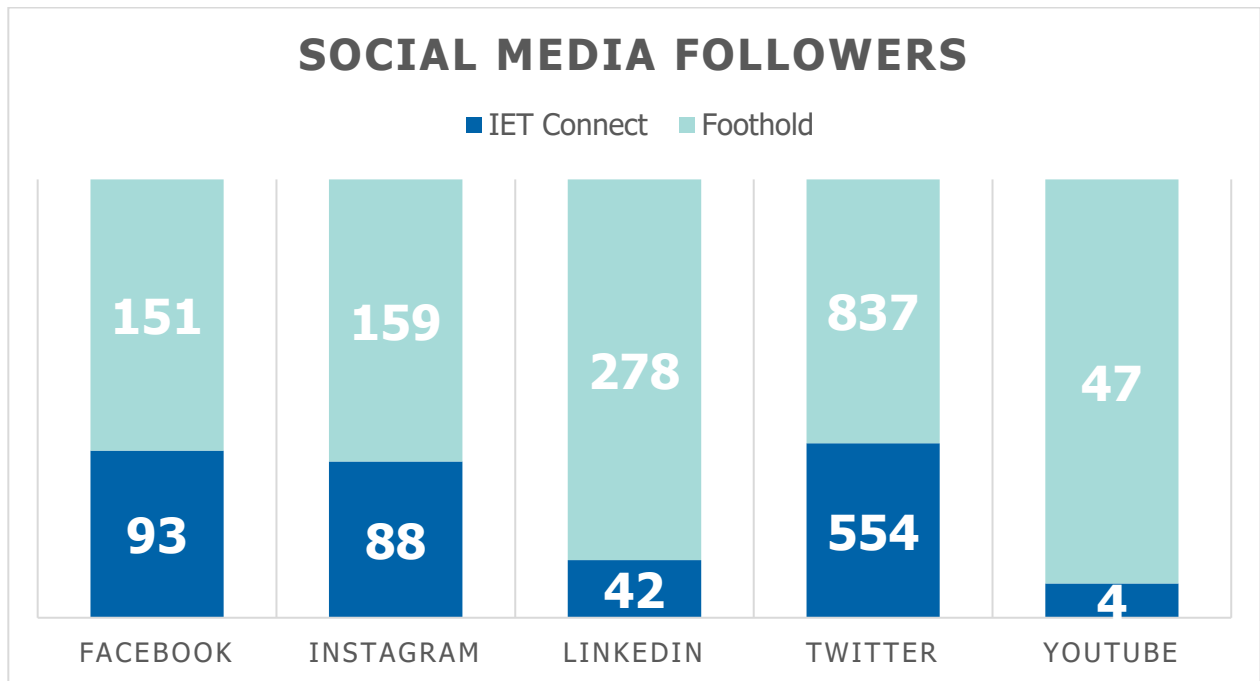


Fig 12 Social media followers IET Connect vs Foothold

Alongside the rebrand the marketing and communications team also led on the development and launch of our new website in Jan 2020. Since then they have produced 80 pieces of support content which have been downloaded by 300 people and viewed online 3,400 times.

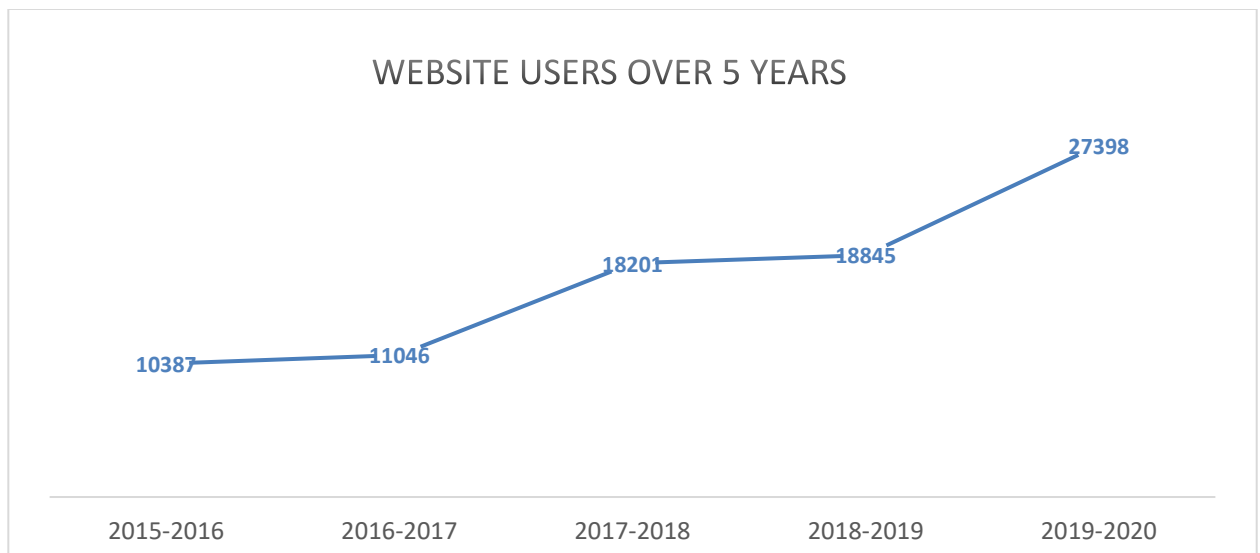


Fig 13 Growth in website users 2015-2020

Visitors to the website have increased by 45% in 2019-20 to 27,398 (Fig 13) drawn by content such as the sleep support provided by our new relationship with Sleepstation, a company who provide clinically validated, individual tailored support programmes on

our behalf, with 346 people accessing their portal since the launch of the programme in the last quarter of the year.

The increases in the number of individual community members receiving support, together with the increasing impact of the wellbeing content which is part of our digital strategy, have seen us supporting more than 1,500 people this year which is a major step forward towards our ambition to be supporting 3000 people a year by 2022.



Fig 14 Survey monkey questionnaire quote 21/05/2020

3.3 The Contribution of Volunteers

We have 25 volunteers, 16 of whom are Local Representatives from the IET Local networks. 2 of the Local Representatives also volunteer as Trustees and we have two other volunteers who provide ad hoc support to the organisation.

Our Trustees attend 4 meetings a year and a Trustee awayday at the London office or via video conference call and all carry out tasks between meetings. 3 of our volunteers sit on the Service Development Committee alongside the Trustees, which meets 3 times a year and are involved in case reviews 3 times a year to ensure the correct process and procedures have been followed in the consideration and awarding of grants.

The Local Representatives attend 2 meetings a year in London which include updates on our work and training. They support Foothold by providing information on our activities to their local networks and local business meetings. They are also available to accompany

our caseworkers on home visits and to provide support to their local membership as necessary.

From March 2020 we were able to use 4 of our volunteers to provide support to members that may have become lonely or isolated during the COVID-19 pandemic. These volunteers provided 40 hours of telephone support, working alongside our volunteer manager and coordinator who made the initial contact with the community members and matched them with the appropriate volunteer.

Our volunteers donated in excess of 1,294 hours of their time to the Charity during the year (1206 hrs in 2018-19) with the Trustees contributing 1,093 hrs compared with 1061 hours in 2018-19 and Local Representatives 161 hrs compared with 145 hrs in 2018-19.

4. FINANCIAL REVIEW AND RESULTS

During the year we received £480,121 in donations mainly from members of the Institution of Engineering and Technology and £71,505 in legacies and we spent £2,364,391 on our charitable activities (financial assistance, welfare support and advice and career support). The deficit was met by drawing income and capital from our investments.

4.1 The Funds

The assets managed by the Charity are divided between two funds, the General Fund and the Speirs Fund (previously known as the Chesters Trust or the Speirs Memorial Fund).

The Speirs Fund is further sub-divided into two. The income from the sale of the Speirs House business forms a permanent endowment. The previous funds held in the Chesters Trust or Speirs Memorial Fund form a restricted income fund. Prior to the sale, Speirs House was run by a wholly owned charitable subsidiary company established by the Board of Trustees. The Speirs Fund has a broader remit than the General Fund in terms of who it can assist and it is used primarily in the areas of care, disability assistance, promoting and maintaining independence where possible and support for carers of all ages.

The relationships between the Funds are shown below:

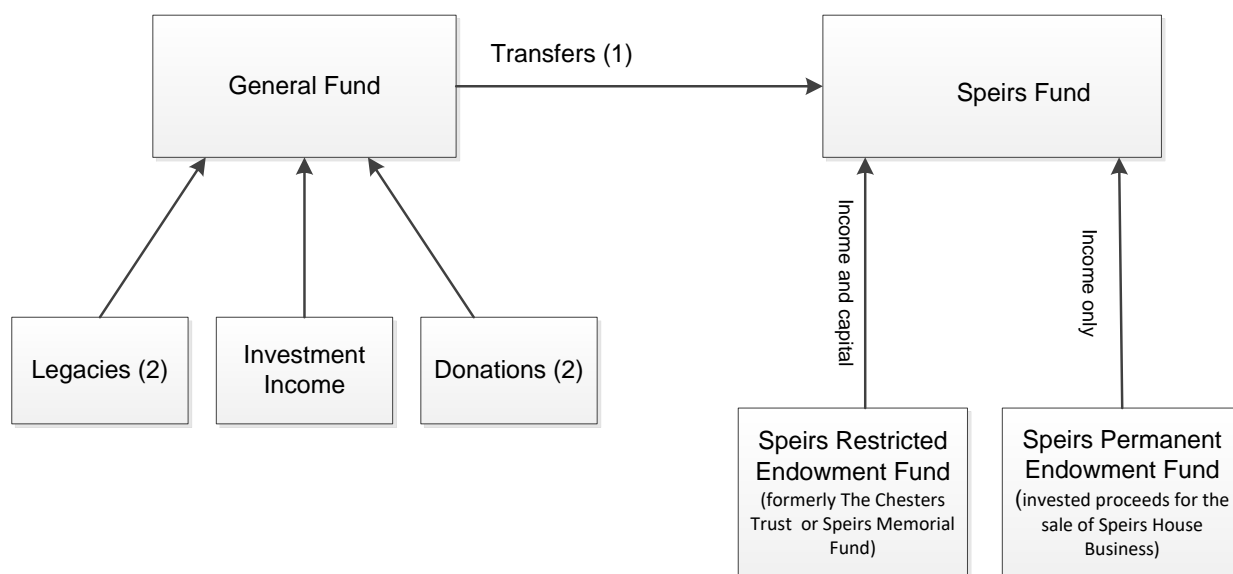


Fig 15 Relationship of funds

Notes:

1. Transfers may take place from the General Fund to the Speirs Fund (but not vice versa).
2. The General Fund is the default fund to receive all donations and legacies unless the donors specify that they would like their donation to go to the Speirs Fund - in which case the money would be credited immediately to the Speirs Fund.

The financial results of the year are set out in the Statement of Financial Activities on page 44 which has been prepared in accordance with the Financial Reporting Standard 102 Statement of Recommended Practice 2015.

Income primarily comes from 3 sources – donations, legacies and investments. As mentioned above, in 2019/20 incoming resources of £1,236,247 were £1,350,501 less than the expenditure for the year of £2,586,748 (2019: Income £1,396,716 with an excess of expenditure over income of £993,546). The reduction in the value of the investments during the year has contributed in part to the deficit, with an overall decrease in the funds of the Charity of £2,311,981. The investments held are a broad spread of largely equity from across the World and the current COVID-19 pandemic has been seen to affect the markets in a variety of ways although it is not yet known if these will continue into the mid to long term . It is positive to see an increase in donations this year to £480,121 (up from £422,423 in 2019, which has helped to offset the reduction in legacy income at £71,505 (2019 £227,055) and investment income at £683,822 (2019 £746,447).

4.2 Investments Policy

The Trustees' investment powers are governed by Charity and Trustee legislation and regulations and Foothold's memorandum of association, which permits it to invest monies not immediately required for its purposes in securities, property, or other investments as may be thought fit. The Board has decided not to apply any social, environmental or ethical limitations on the Charity's investment. The investment objectives are to generate a sustainable income stream which at least maintains its real value in future years, and at least to maintain the real capital value of the portfolio over the long term.

When the Trustee Board identified the Charity as a "Retail Investor" they decided to move the portfolio to Rathbone Investment Management Limited and to adopt the Total Return style of investing.

4.3 Investment Performance

The investment target was set as a total return over a 10-year period of an annual average of RPI+4. Since inception (January 2015) until 30 June 2020 RPI +4% had been +41%, but the portfolio had increased on a total return basis by 40.5% compared to the composite index benchmark (which is used for shorter term comparison purposes) of 42.3%. During this year, the portfolio produced a total return of -1.1%, behind the composite index benchmark which returned +0.4%. as investment values were impacted at the start of 2020 by the COVID-19 crisis.

4.4 Reserves Policy

This year investment income exceeded the donations received and it was essential to bridge the gap between expenditure and income. It is imperative that the Charity has reserves that it can fall back on either when there is a deficit due to no legacies being received, a drop in investment return or there is a sudden increase in demand for the Charity's services. The Trustees annually review the adequacy of Foothold's reserves, which in this case are defined as that part of the Charity's accumulated surpluses that are available to spend once it has met its commitments and covered its other planned expenditure, often called "free" reserves. It excludes endowed funds that have been invested to provide a secure and predictable income stream; property held for charity use; funds accumulated for a designated purpose within the overall purpose of the Charity; and restricted funds.

The total reserves as at 30 June 2020 were £24,381,110 of which £3,244,955 represented restricted funds and £4,341,446, represented endowment funds. Of the £16,794,709 unrestricted funds, the following amounts are designated:

- £30,041 which represents fixed assets.

- £360,384 which is tied up in repayable grants.
- £14,669,276 which is the value of unrestricted investment funds, less any cash held within investments.

This results in general free reserves excluding the above being £449,553 as at 30 June 2020. Investments are designated, as they are vital to the annual income generation. This level of free reserves represents approximately 2 months of annual expenditure. Although this is below the level of the target set by the Trustees of 6 months expenditure, there are sufficient funds within the investment portfolio to draw down for working capital purposes.

4.5 Pension Liability

The Charity has a historic pension liability. After new case law (Merchant Navy Ratings Pension Fund Trustees Ltd v Stena Line Ltd 2015) there is no longer felt to be a risk of a Section 75 debt repayment requirement. The triennial pension review as at 31 March 2017 revealed that the previous plan dated 5 March 2015 had been insufficient to clear the deficit by 31 March 2017 due to the pension investments heavy weighting towards gilts. The new plan following the latest review was issued in December 2017 and outlines a requirement to make contributions of £1,000 per month until 31 March 2027 to clear the shortfall. The 31 March 2020 valuation is now under way and as the Principal Employer IET has set up a working party to discuss the valuation with the pension scheme Trustees. See note 1t in the financial statements for further detail.

4.6 Viability of the Charity

It is the Board's view that Foothold remains financially viable in view of its reserves, donation and investment income stream and current cash flow forecasts and that there are no material uncertainties about the ability to continue as a going concern.

4.7 Fundraising

We are very grateful for the continued support of IET members who donate annually via their IET membership subscription, and make additional contributions throughout the year. We rely on their support to fund our work and our achievements would not be possible without them. The review of our donor recognition programmes, which we undertook this year, has improved our ability to thank donors promptly and demonstrate the impact of their support.

In 2019-20 we recruited a Fundraising manager to develop a strategy for fundraising which would diversify and grow our income streams to help meet the rising demand for our support services. This is initially focussing on individual donors, gift aid returns, legacies and corporate partnerships. It is anticipated that through the increased

stewardship of our donors, a focused legacy programme and robust management of gift aid returns we will be able to build on the donations received from inviting members to include a donation to Foothold with their IET subscription mailing.

We are pleased to note that the year on year decrease in donations was halted this year with donations up 7% from £422,423 in 18/19 to £480,121 in 19/20. This was largely due to an increase in the suggested donation from IET members to £10 from £8.

Our proactive fundraising began in May 2020 with an individual giving appeal linked to the COVID-19 pandemic which produced a return on investment of which produced a return on investment of £5.20 for each £1 spent on the activity.

Legacy income is by nature volatile as evidence by the fact that legacy income fell this year from £227,055 in 18/19 to £51,505 in 19/20. As part of our fundraising strategy a legacy development plan was devised to grow this important income stream.

The Charity recognises the requirements of the Charities (Protection and Social Investment) Act 2016 which contains a range of provisions aimed at raising standards in fundraising. These respond to a perceived need among the public for charities fundraising activities to be better regulated following media interest in the death of poppy seller Olive Cooke. We also voluntarily subscribe to the Fundraising Regulator and abide by the fundraising code of conduct.

No professional fundraisers or commercial participators have been used this year and no breach of any regulation or code has occurred and no complaints have been received.

Foothold takes the protection of individuals' information seriously. It is committed to ensuring that it complies with principles of good practice within GDPR 2018. We only obtain personal information with the individual's consent and will only use this in a fair and lawful way to further the objects of the Charity. We store personal details securely and will only use them in accordance with our data and privacy policies.

We will only allow information to be used by suppliers working on our behalf and we'll only share it if required to do so by law. We do not share data with third parties.

4.8 Statement of trustees' responsibilities for the annual accounts

The Trustees (who are also directors of Foothold (The Institution of Engineering and Technology Benevolent Fund) for the purposes of company law) are responsible for preparing the Trustees' annual 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 30 June 2019 was 39 (2018:41). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.



Fig 16 Quote from Survey Monkey questionnaire 07/04/2020

5. PLANNED DEVELOPMENTS FOR 2020/21

5.1 Providing joined-up, accessible and personalised support

- implement the system of grants based on individual circumstances developed in 2019-20 in the UK, providing an income equal to 75% of the Minimum Income Standard.
- develop a system of grants based on individual circumstances for those outside of the UK to replace our fixed grant programme.
- initiate a project to consider the feasibility of a grants funding programme for care and disability grants.
- expand our legal advice to cover our community outside the UK.

5.2 Developing our community

- pilot an online "Return to work following parental leave" course in partnership with the NCT and Lionheart.
- relaunch our pre-retirement course online in partnership with LaterLife.
- increase the opportunities for volunteering through contributing to our Friendship team, ambassador and fundraising roles.
- engage with the wider benevolent fund and charitable community, leading discussions on best practice and exploring partnerships that will benefit our community.

5.3. Building resilience

- provide a series of webinars around work life, sleep and emotional wellbeing support.
- develop a wellbeing portal featuring life skills tools and peer reviewed content.

5.4 Establishing the foundations

- Engaged communities - developing and imbedding our outcomes framework and impact reporting through the Socialsuite platform.
- Effective communication - Identifying beneficiary, supporter and donor journeys to ensure appropriate and timely communication in line with best practice.
- Sustainable solutions - Increasing income generation through an active fundraising strategy focussing on individual donors, legacies, and 3rd party events.

6.STRUCTURE, GOVERNANCE AND MANAGEMENT

6.1 Governing document

Foothold (The Institution of Engineering and Technology Benevolent Fund) is a company limited by guarantee, incorporated and registered as a charity on 27 August 1947. The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. It is administered by a Board of up to 10 Trustees, who are also the directors of the company for the purposes of company law and under the company's articles. Trustees also serve on Foothold's committees that control various aspects of the Charity's business under delegated authority. All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

6.2 Administrative details

Reference and administrative information set out on pages 2 and 3 forms part of this report. The Financial Statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

6.3 The Trustee Board

The articles of association were amended by special resolution of the members of the Fund on 23 March 2006 to help strengthen its links with the Institution of Engineering and Technology (IET), to allow the IET Board of Trustees to appoint two Foothold Trustees with the necessary skills and experience to contribute to the governance of the Charity, and to give the Local Representative Assembly a significant representation on the Board. Whilst the appointment of Trustees was reviewed by the 2009/10 Working Group reviewing the articles of association, it was felt that the appointment system for Trustees worked well and should not be changed.

The Trustee Board is made up of:

- Two Trustees appointed by The IET – of whom at least one must be a current Trustee of The IET.
- Four Trustees appointed by the Local Representative Assembly.
- Up to four Trustees appointed by the Board of Trustees.

A majority of the Trustees must be members of The IET.

The board, which in 2019-20 comprised initially of eight Trustees and then nine, meets regularly. Since the Covid-19 restrictions this has been achieved through video conferencing. The Board is supported by four principal committees and the Local Representative Assembly. The Board met on four occasions during this reporting year but on five occasions in each of the calendar years covered by this reporting year.

The memorandum and articles of association allow for a minimum of three and a maximum of ten Trustees. The Trustees have responsibility for the strategic direction of the Charity, ensuring that it is a going concern, operating in a professional manner and delivering its charitable objectives.

The Chief Executive is appointed by the Trustees with delegated authority for operational matters including finance, employment and beneficiary related activity. The Chief Executive is responsible for ensuring that the Charity delivers the services specified and key performance indicators are met.

The senior management team has responsibility for the day to day operational management of the Charity, individual supervision of their teams, and ensuring that staff develop their skills and maintain good working practices.

6.3.1 Trustee Appointment and Competence

When a vacancy arises, the Board considers which skills it requires to fulfil its responsibilities for the strategic direction of the Charity and, with reference to the Trustee skills audit, agrees what competencies it requires in any new post. A role description for this appointment is drawn up, together with a recruitment pack and the role is advertised widely. Candidates are asked to submit a CV and covering letter which are then considered by the Remuneration and Nominations committee and where appropriate an interview is offered.

The Local Representative Assembly is entitled to review any Board appointed Trustee and in exceptional circumstances may, if it considers it is in the interests of Foothold, recommend to the members that their statutory powers to remove a Trustee under the Act should be exercised in respect of that Trustee. The Trustees appointed by The IET are subject to The IET's process of appointment.

A Trustee Skills Register is maintained in accordance with The Institute of Chartered Secretaries and Administrators Guidance and Trustees are asked to complete a skills audit form as part of the annual review process.

6.3.2 Trustee Induction and Training

New Trustees receive information from Foothold to brief them on their legal obligations under Charity and Company law. They also receive information on the organisation's objectives and recent financial performance. They are all encouraged to undertake external training to broaden their knowledge and inform them for the undertaking of their roles. A record is maintained of training undertaken. During the year individual Trustees attended two courses and seminars relevant to their roles.

6.4 Committees

6.4.1 Service Development Committee

The Service Development Committee has an overview of the policies and principles governing grant decisions and decides on unusual cases and high value grants. The Service Development Committee also regularly reviews a cross-section of cases to ensure due process has been applied. It works closely with staff to identify trends in requests for assistance particularly where there is a need for new policies (both financial and non-financial) to help meet the ever-evolving needs of IET members and the wider engineering community. Recommendations for new policies are presented to the Board of Trustees for the Board's approval.

6.4.2 Audit and Investment Committee

The Audit and Investment Committee monitors the effectiveness of Foothold's quality controls and risk management. Furthermore, it monitors the performance of investments and the investment management advisors. A key responsibility of the Committee is to make recommendations to the Board on the appointment of Auditors.

6.4.3 Remuneration and Nominations Committee

The purpose of the Remuneration and Nominations Committee is to determine the appropriate remuneration and any changes to terms and conditions of employment of the staff of Foothold. As the Nominations Committee, its purpose is to select new Trustees or a new CEO and to assist the CEO in the selection of new members of the senior management team.

6.4.4 Disciplinary Committee

The Disciplinary Committee is appointed by the Board of Trustees as required by the 'Removal of a Volunteer Policy' and disbanded by the Board of Trustees on completion of its work.

6.4.5. Trustee offices and attendance at Board and sub-committees is set out below:

	Board of Trustees	Audit and Investment	Service Development	Remuneration and Nominations
Mrs J K Bryant	4/4			
Dr D Byrne	3/4	3/4		1/1
Dr P B Connor	2/4	2/4		
Eur Ing Prof A Dowd	4/4	4/4	In attendance 1/2	1/1
Mrs A D Giles	4/4		2/2	1/1
Mrs V M Hodge	4/4	4/4	1/2	
Mr R North	3/4		0/2	

	Board of Trustees	Audit and Investment	Service Development	Remuneration and Nominations
Mr R E H Spalding	4/4	In attendance 3/4		
Mr G R Price	1/1	1/1		

6.5 Remuneration Policy

The remuneration of the Senior Management Team, as the Charity's key management personnel, is set by the Board following recommendations made by the Remuneration and Nominations Committee. The objective is to ensure that the CEO and senior staff are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to Foothold's success. The appropriateness and relevance of the remuneration policy is reviewed annually including reference to comparisons with other charities to ensure that Foothold remains sensitive to the broader issues such as pay and employment conditions elsewhere. We aim to recruit the most skilled candidates in order for us to achieve our strategic objectives and have the scope to reward for excellence. The Board of Trustees is in no doubt that the delivery of Foothold's objectives is primarily dependent on our Senior Management Team.

6.6 Staff and volunteers with a disability

The Charity has an equal opportunity policy which includes supporting disabled people employed or volunteering within the Charity and making reasonable adjustments to allow them to do so.

6.7 Staff and volunteer information

The Charity is committed to providing information to staff and volunteers and consulting with them, or their representatives, on a regular basis so that their views can be taken in to account when making decisions.

6.8 Risk Management

The Trustee Board does not delegate its responsibility for risk management. The Audit and investment committee audits key areas of risk on behalf of the Board. The Board operates a "risk aware" rather than a "risk averse" policy as it feels that to try to operate

without any risk would lead to paralysis of the Charity and have a severe adverse impact on its operations.

The Trustees consider risk and a section of the Foothold Risk register at every Trustee board meeting so that during a 12-month period they will have considered all identified risks. They operate a formal risk management procedure that:

- continuously reviews the strategic, financial and operating risks facing Foothold;
- establishes systems and procedures to mitigate identified risks;
- implements procedures designed to minimise any potential impact on Foothold should any of those risks materialise.

The Board considers new risks as they become apparent rather than waiting for the annual review of the appropriate section of the risk register.

During 2019-20 a Task and Finish group was established, chaired by the Vice chair, tasked with reviewing the Trustees approach to and delegation of risk. The outcomes of this work will be reported to the Board of Trustees for agreement and action in 2020-21.

6.8.1 Strategic risks to the Charity and steps taken to manage and, or mitigate them

Turbulent economic environment leading to potential violent fluctuations in the value of investments and considerable increase in applications for assistance by the charity. This is mitigated by a robust investment policy, regular communications with our investment advisors, annual review of the strategy by the Board to ensure that the economic environment is a key consideration, monitoring of numbers of grants and beneficiaries and financial reporting at each Board meeting.

Reduction in income due a decrease in investment income and or reduced numbers of donors leading to pressure on reserves and inability to meet needs for support expressed by our community. This is mitigated by a robust investment policy, regular communications with our investment advisors, annual review of the strategy by the Board to ensure that the economic environment is a key consideration in monitoring of the management of the budget, targeted communications plan to IET members and other donors led by the fundraising manager.

Complaint or legal action by a beneficiary or the family of a beneficiary against the Charity after a Foothold representative is considered as having given poor or inappropriate advice which could lead to reputational damage, legal and compensatory costs, reduction in income and regulatory sanctions. This is mitigated by the presence of a robust complaints policy which ensures any complaints are

appropriately handled and is reviewed annually. Foothold carries indemnity insurance for its staff and volunteers which is reviewed annually. Staff and volunteers receive appropriate training and regular supervision and are made aware of the boundaries of their role with regards to the provision of financial or legal advice.

Failure to comply with the rules and regulations of Statutory and Regulatory authorities including Data Protection, leading to complaints, reputational damage, prosecution under the relevant legislation, financial penalties and other regulatory censure. This is mitigated by review of compliance with professional advisors such as the auditors, and quarterly review of the same by the Audit and Investment Committee, by annual GDPR training for all staff and volunteers in line with our Data protection policy and procedures, nominated Data protection lead and deputy lead who maintain up to date knowledge of the legislation and review of process by the audit and Investment committee.

The Trustees have taken note of the Charity Commission's guidance on working with non-Charities and in 2019-20 reviews have been undertaken on Foothold's relationship with Law Express and Sleepstation and these reviews will continue in 2020-21 as required.

6.9 STAKEHOLDERS

Foothold has relationships with many organisations and individuals who could be seen as stakeholders in helping us achieve our objectives and the chart below (Fig 17) gives an indication of those involved:



Fig 17 Foothold stakeholder mapping

6.9.1 Foothold and The Institution of Engineering and Technology

Foothold assists past and present members of The Institution of Engineering and Technology (IET) and their dependants who are facing difficulties. The IET is a separate company (No. RC000263) and a separate charity (in England & Wales No. 211014, and in Scotland No. SC038698). While The IET nominates two of Foothold's Trustees, the governance, objectives, administration and funding of Foothold is separate from that of The IET. Individual members of IET support Foothold with direct donations and legacies.

6.10 Small companies' exemption statement

The Trustees annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

AUDITOR

In accordance with the charitable company's articles, a resolution proposing that Sayer Vincent LLP be reappointed as auditor of the charitable company was agreed at the Annual General Meeting on 28 February 2019

ON BEHALF OF THE BOARD OF TRUSTEES

Dr D Byrne OBE BSc MBA PhD CEng HonFIET

Chairman

Date : 28 January 2021

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of The Institution of Engineering and Technology Benevolent Fund (the 'charitable company') for the year ended 30 June 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 30 June 2020 and of its 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

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 charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to

continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements
- The Trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The 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.
- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

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 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 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 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

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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. 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.

Fleur Holden (Senior statutory auditor)

9 February 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditors
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

The Institution of Engineering and Technology Benevolent Fund (trading as Foothold)

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 June 2020

		Unrestricted	Restricted		2020	Restated
		General	Speirs	Speirs	Total	Total
	Note	Fund	Fund	Permanent	£	£
		£	£	Endowment		
				£		
Income from:						
Donations		480,121	-	-	480,121	422,423
Legacies		71,505	-	-	71,505	227,055
Events and sundry income		799	-	-	799	791
Investment income		482,905	84,141	116,776	683,822	746,447
Total income		1,035,330	84,141	116,776	1,236,247	1,396,716
Expenditure on:						
Raising funds	3	185,973	15,441	20,943	222,357	233,869
Charitable activities						
Advice and guidance	3	414,745	-	-	414,745	288,254
Financial Support	3	1,848,786	100,860	-	1,949,646	1,868,139
Total expenditure		2,449,504	116,301	20,943	2,586,748	2,390,262
Net (expenditure) / income before net gains on investments		(1,414,174)	(32,160)	95,833	(1,350,501)	(993,546)
Net gains / (losses) on investments		(695,807)	(113,393)	(152,280)	(961,480)	347,065
Net (expenditure) / income for the year	4	(2,109,981)	(145,553)	(56,447)	(2,311,981)	(646,481)
Transfers between funds		-	117,931	(117,931)	-	-
Net movement in funds		(2,109,981)	(27,622)	(174,378)	(2,311,981)	(646,481)
Reconciliation of funds:						
Total funds brought forward		18,904,690	3,272,577	4,515,824	26,693,091	27,391,522
	19	-	-	-	-	(51,950)
Total funds brought forward (as restated)		18,904,690	3,272,577	4,515,824	26,693,091	27,339,572
Total funds carried forward		16,794,709	3,244,955	4,341,446	24,381,110	26,693,091

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Notes 15 to the financial statements.

The Institution of Engineering and Technology Benevolent Fund (trading as Foothold)

Balance sheet

Company no. 00441284

As at 30 June 2020

	Note	£	2020 £	£	Restated 2019 £
Fixed assets:					
Tangible assets	9		30,041		38,914
Investments	10		24,236,443		26,735,421
Repayable grants	11		360,384		410,726
			<u>24,626,868</u>		<u>27,185,061</u>
Current assets:					
Debtors	12	210,804		112,051	
Cash at bank and in hand		285,067		189,717	
			<u>495,871</u>	<u>301,768</u>	
Liabilities:					
Creditors: amounts falling due within one year	13	669,629		709,738	
			<u>(173,758)</u>		<u>(407,970)</u>
Net current (liabilities)					
Total assets less current liabilities			<u>24,453,110</u>		<u>26,777,091</u>
Creditors: amounts falling due after one year	14		72,000		84,000
Total net assets			<u><u>24,381,110</u></u>		<u><u>26,693,091</u></u>
The funds of the charity:					
Restricted income funds	15a		3,244,955		3,272,577
Endowment	15a		4,341,446		4,515,824
Unrestricted income funds:	15a				
Designated funds		15,059,701		16,012,038	
Revaluation reserve		1,285,455		2,936,932	
General funds		449,553		(44,280)	
			<u>16,794,709</u>	<u>18,904,690</u>	
Total unrestricted funds					
Total charity funds			<u><u>24,381,110</u></u>		<u><u>26,693,091</u></u>

Approved by the trustees on 28 January 2021 and signed on their behalf by

Dr D Byrne OBE BSc MBA PhD CEng HonFIET
Chairman

The Institution of Engineering and Technology Benevolent Fund (trading as Foothold)

Statement of cash flows

For the year ended 30 June 2020

	Note	2020 £	£	Restated 2019 £	£
Cash flows from operating activities	17				
Net cash used in operating activities			(2,125,251)		(1,254,945)
Cash flows from investing activities:					
Dividends and interest from investments		683,822		746,447	
Purchase of fixed assets		(719)		(1,272)	
Proceeds from sale of investments		10,071,178		4,729,249	
Purchase of investments		(8,099,607)		(3,968,149)	
(Increase)/Decrease in cash held for investment by investment managers		(434,073)		(381,850)	
Net cash provided by investing activities			<u>2,220,601</u>		<u>1,124,425</u>
Change in cash and cash equivalents in the year			95,350		(130,520)
Cash and cash equivalents at the beginning of the year			<u>189,717</u>		<u>320,237</u>
Cash and cash equivalents at the end of the year			<u><u>285,067</u></u>		<u><u>189,717</u></u>

Notes to the financial statements

For the year ended 30 June 2020

1 Accounting policies

a) Statutory information

The Institution of Engineering and Technology Benevolent Fund is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is Napier House, 24 High Holborn, London, WC1V 6AZ.

b) 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 FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees has considered the impact of covid along with other key risks and consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

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.

e) 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.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

g) Investment income and dividends

Investment income is included when receivable.

Notes to the financial statements

For the year ended 30 June 2020

1 Accounting policies (continued)

h) Fund accounting

The assets managed by the charitable company are divided between two funds, the General Fund and the Speirs Fund. The Speirs Fund is further sub divided into two funds: Speirs Restricted Fund and Speirs Permanent Endowment Fund.

- The General Fund is an unrestricted fund, which receives funds, which are expendable at the discretion of the trustees in furtherance of the objects of the group.
- The Speirs Fund has a broader remit than the General Fund in terms of who it can assist and it will be used primarily in the area of care, assistance for the disabled and promoting independence where possible and assistance for carers.
Transfers may take place from the General Fund to the Speirs Fund but not vice versa in accordance with the Charity Commission scheme.
- Designated Funds represents the value of unrestricted non current assets (fixed assets, investments and repayable grants) which are not freely available as reserves for the charity.
- The Revaluation Reserve represents the accumulated unrealised gains made on the Charity's unrestricted investment portfolio.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.

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

j) Grants payable

Grants paid comprise amounts paid to individuals needing financial assistance.

The full costs of grants are included in the statement of financial activities in the year in which they are approved and communicated to the recipient. If grants that are approved during the year have not been paid, in part or in full, by the end of the year, any unpaid amounts are included, as creditors in the balance sheet.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Administration and support costs and governance costs have been allocated on the proportion of time spent. These costs have then been reallocated to charitable activities and raising funds on the proportion of direct expenditure under each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1 Accounting policies (continued)

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Furniture and fittings 10% straight line
- Leasehold improvements 10% straight line

n) Repayable grants

These are loans that have been made as part of our charitable activities and are included in the accounts at cost less any impairments and amounts repaid. An annual impairment review is undertaken and any impairment identified is charged to resources expended on charitable activities.

Outstanding grants are accounted for as assets of Foothold, and in some cases may be repaid after more than one year from the balance sheet date.

o) 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 and any excess of fair value over the historic cost of the investments will be shown as a revaluation reserve in the balance sheet. 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.

p) 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.

q) 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.

r) 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.

s) Financial instruments

With the exception of the listed investments described above 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.

The Institution of Engineering and Technology Benevolent Fund (trading as Foothold)

Notes to the financial statements

For the year ended 30 June 2020

1 Accounting policies (continued)

t) Pensions

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the Charity to the fund.

The pension charge in the accounts also relates to employees who are members of the IEE Superannuation and Assurance Scheme, a defined benefit pension scheme. Foothold is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis to meet the full requirements of the Financial Reporting Standard on Pensions, FRS 102. Therefore Foothold's contributions to the scheme are accounted for as if the scheme was a defined contribution scheme.

2 Detailed comparatives for the statement of financial activities

	Unrestricted £	Speirs Fund £	Permanent Endowment £	Restated 2019 Total £
Income from:				
Donations	422,423	–	–	422,423
Legacies	227,055	–	–	227,055
Events and sundry income	791	–	–	791
Investment income and interest	533,072	87,583	125,792	746,447
Total income	1,183,341	87,583	125,792	1,396,716
Expenditure on:				
Raising funds	188,361	18,918	26,590	233,869
Charitable activities expenditure				
Advice and guidance	288,254	–	–	288,254
Financial Support	1,706,270	161,869	–	1,868,139
Total expenditure	2,182,885	180,787	26,590	2,390,262
Net (expenditure)/ income before gains / (losses) on investments	(999,544)	(93,204)	99,202	(993,546)
Net gains / (losses) on investments	240,671	46,348	60,046	347,065
Net (expenditure) /income	(758,873)	(46,856)	159,248	(646,481)
Transfers between funds	–	126,743	(126,743)	–
Net movement in funds	(758,873)	79,887	32,505	(646,481)
Total funds brought forward	19,714,783	3,193,420	4,483,319	27,391,522
Prior period adjustment	(51,220)	(730)	–	(51,950)
Total funds brought forward (as restated)	19,663,563	3,192,690	4,483,319	27,339,572
Total funds carried forward	18,904,690	3,272,577	4,515,824	26,693,091

The Institution of Engineering and Technology Benevolent Fund (trading as Foothold)

Notes to the financial statements

For the year ended 30 June 2020

3a Analysis of expenditure (current year)

	Charitable activities						2020 Total £	Restated 2019 Total £
	Raising funds £	Welfare, employment/ career, legal, money and general advice £	Employment beyond redundancy £	Financial Assistance £	Governance costs £	Support costs £		
Staff costs (Note 5)	59,914	116,578	14,354	49,965	101,974	149,156	491,941	440,366
Staff recruitment and other costs	-	-	-	-	-	8,389	8,389	9,785
Investment management fees	119,511	-	-	-	-	-	119,511	126,446
Grants payable to individuals	-	51,555	79,062	1,298,639	-	-	1,429,256	1,291,924
Marketing & publicity	2,567	-	-	-	-	95,269	97,836	112,272
Rent & services	878	-	-	-	-	210,367	211,245	215,308
Travelling & meeting costs	-	-	-	572	3,725	-	4,297	13,604
Legal & professional fees	-	17,698	-	-	2,669	-	20,367	15,904
Accountancy and audit fees	-	-	-	-	17,430	-	17,430	10,880
Depreciation	-	-	-	-	-	9,591	9,591	9,578
Other costs	39,487	9,600	-	968	-	126,830	176,885	144,195
	222,357	195,431	93,416	1,350,144	125,798	599,602	2,586,748	2,390,262
Support costs	-	70,181	33,547	495,874	-	(599,602)	-	-
Governance costs	-	15,000	7,170	103,628	(125,798)	-	-	-
Total expenditure 2020	222,357	280,612	134,133	1,949,646	-	-	2,586,748	2,390,262
Total expenditure 2019	233,869	149,464	111,935	1,894,994	-	-	2,390,262	

All Grants are to individuals

The Institution of Engineering and Technology Benevolent Fund

Notes to the financial statements

For the year ended 30 June 2020

3b Analysis of expenditure (prior year)

	Charitable activities						Restated 2019 Total £
	Raising funds £	Welfare, employment/ career, legal, money and general advice £	Employment beyond redundancy £	Financial Assistance £	Governance costs £	Support costs £	
Staff costs (Note 5)	20,827	79,091	12,071	64,909	77,770	185,698	440,366
Staff recruitment and other costs	-	-	-	-	-	9,785	9,785
Investment management fees	126,446	-	-	-	-	-	126,446
Grants payable to individuals	-	7,835	63,961	1,220,128	-	-	1,291,924
Marketing & publicity	85,952	-	-	-	-	26,320	112,272
Rent & services	594	-	-	-	-	214,714	215,308
Travelling & meeting costs	-	-	-	1,291	12,242	71	13,604
Legal & professional fees	-	14,597	-	-	1,307	-	15,904
Accountancy and audit fees	-	-	-	-	10,880	-	10,880
Depreciation	-	-	-	-	-	9,578	9,578
Other costs	50	-	-	848	-	143,297	144,195
	233,869	101,523	76,032	1,287,176	102,199	589,463	2,390,262
Support costs	-	40,857	30,598	518,008	-	(589,463)	-
Governance costs	-	7,084	5,305	89,810	(102,199)	-	-
Total expenditure 2019	233,869	149,464	111,935	1,894,994	-	-	2,390,262

Notes to the financial statements

For the year ended 30 June 2020

4 Net income / (expenditure) for the year

This is stated after charging:

	2020 £	2019 £
Depreciation	9,592	9,578
Operating lease rentals:		
Property	128,500	128,500
Auditors' remuneration (excluding VAT):		
Audit	8,100	8,000
Under provision for prior year	3,500	-
Other services	2,750	2,000
	<u>2020</u>	<u>2019</u>

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2020 £	2019 £
Salaries and wages	430,778	377,465
Social security costs	42,544	39,374
Employer's contribution to defined contribution pension scheme	18,619	23,527
	<u>2020</u>	<u>2019</u>
	<u>491,941</u>	<u>440,366</u>

The Senior Management Team's employee remuneration including national insurance and pension totalled £251,151 (2019: £194,240). Foothold now operates a defined contribution pension scheme for all permanent staff.

In 2020 one member of staff (2019:Nil) received a salary excluding national insurance between £70,000 and £80,000.

Payments under the previous deficit reduction plan continue to be made until March 2027. Following the 2017 triannual review, an agreement was made and Foothold will continue to make additional contributions to reduce the share of the deficit on past service at the previous rate of £1,000 a month, which has been recognised with staff costs. This was fully recognised in 2018.

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 12 (2019: 11).

7 Related party transactions

No members of the Board of Trustees received any remuneration for the services to Foothold for the year. During the year travel and subsistence cost totalling £3,516 were reimbursed to 12 trustees (2019: £12,416 to 10 trustees), and £1,273 was incurred by Foothold on behalf of the trustees for meetings and event costs. Foothold provides and pays for trustee indemnity cover.

Donations were made by Trustees in the year totalling £85 by 6 trustees there were no donations from related parties in the prior year.

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Notes to the financial statements

For the year ended 30 June 2020

9 Tangible fixed assets

	Leasehold improvements £	Furniture & equipment £	Total £
Cost			
At the start of the year	73,973	21,941	95,914
Additions in year	-	719	719
At the end of the year	73,973	22,660	96,633
Depreciation			
At the start of the year	44,382	12,618	57,000
Charge for the year	7,398	2,194	9,592
At the end of the year	51,780	14,812	66,592
Net book value			
At the end of the year	22,193	7,848	30,041
At the start of the year	29,591	9,323	38,914

All of the above assets are used for charitable purposes.

10 Listed investments

	General fund (Unrestricted) £	SF: (Restricted) £	SF:PE (Restricted) £	2020 £	2019 £
Fair value at the start of the year	18,499,330	3,175,084	4,410,275	26,084,689	26,498,724
Purchases	5,487,664	1,134,931	1,477,012	8,099,607	3,968,149
Sales proceeds	(7,336,456)	(1,149,502)	(1,585,220)	(10,071,178)	(4,729,249)
Realised and unrealised gain/loss	(695,807)	(113,393)	(152,280)	(961,480)	347,065
	15,954,731	3,047,120	4,149,787	23,151,638	26,084,689
Cash held by investment broker pending reinvestment	665,334	222,767	196,704	1,084,805	650,732
Fair value at the end of the year	16,620,065	3,269,887	4,346,491	24,236,443	26,735,421
Historic cost at the end of the year	15,334,610	3,017,933	3,917,099	22,269,642	22,489,125

10b Listed investments (prior year)

	General fund (Unrestricted) £	SF: (Restricted) £	SF:PE (Restricted) £	2019 total £
Fair value at the start of the year	18,963,141	3,064,499	4,471,084	26,498,724
Purchases	2,804,847	498,889	664,413	3,968,149
Sales proceeds	(3,509,329)	(434,652)	(785,268)	(4,729,249)
Realised and unrealised gain/loss	240,671	46,348	60,046	347,065
	18,499,330	3,175,084	4,410,275	26,084,689
Cash held by investment broker pending	417,975	121,809	110,948	650,732
Fair value at the end of the year	18,917,305	3,296,893	4,521,223	26,735,421
Historic cost at the end of the year	15,980,373	2,729,665	3,779,087	22,489,125

Notes to the financial statements

For the year ended 30 June 2020

11 Repayable grants	2020 Total £	2019 Total £
Repayable grants at the start of the year	410,726	411,326
Repayments	(50,342)	(600)
Repayable grants at the end of the year	<u>360,384</u>	<u>410,726</u>
12 Debtors	2020 £	2019 £
Trade debtors	32,948	23,740
Other debtors	4,573	7,697
Accrued income & prepayments	173,283	80,614
	<u>210,804</u>	<u>112,051</u>
13 Creditors: amounts falling due within one year	2020 £	Restated 2019 £
Trade creditors	188,967	164,089
Other creditors	6,363	-
Accruals	85,718	126,358
Defined benefit pension scheme	12,000	12,000
Grants payable	376,581	407,291
	<u>669,629</u>	<u>709,738</u>
14 Creditors: amounts falling due after one year	2020 £	2019 £
Defined benefit pension scheme	72,000	84,000
	<u>72,000</u>	<u>84,000</u>

At 30 June 2020 Foothold had future commitments of £84,000 in respect of the pension scheme (2019 – £96,000). £12,000 is within current liability. Contributions of £1,000 a month will continue to be made until March 2027.

The Institution of Engineering and Technology Benevolent Fund (trading as Foothold)

Notes to the financial statements

For the year ended 30 June 2020

15a Movements in funds (current year)

	At 1 July 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 June 2020 £
Restricted funds	3,272,577	84,141	(229,694)	117,931	3,244,955
Endowment funds	4,515,824	116,776	(173,223)	(117,931)	4,341,446
Designated funds:					
Fixed assets	38,914	-	(9,592)	719	30,041
Repayable grants	410,726	-	-	(50,342)	360,384
Investments	15,562,398	-	-	(893,122)	14,669,276
Total designated funds	16,012,038	-	(9,592)	(942,745)	15,059,701
Revaluation reserve	2,936,932	-	-	(1,651,477)	1,285,455
General funds	(44,280)	1,035,330	(3,135,719)	2,594,222	449,553
Total unrestricted funds	18,904,690	1,035,330	(3,145,311)	-	16,794,710
Total funds	26,693,091	1,236,247	(3,548,228)	-	24,381,110

The narrative to explain the purpose of each fund is given at the foot of the note below.

15b Movements in funds (prior year)- Restated

	At 1 July 2018 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 June 2019 £
Restricted funds	3,192,690	133,931	(180,787)	126,743	3,272,577
Endowment funds	4,483,319	185,838	(26,590)	(126,743)	4,515,824
Designated funds:					
Fixed assets	47,220	-	(9,578)	1,272	38,914
Repayable grants	411,326	-	-	(600)	410,726
Investments	16,170,170	-	-	(607,772)	15,562,398
Total designated funds	16,628,716	-	(9,578)	(607,100)	16,012,038
Revaluation reserve	2,792,971	-	-	143,961	2,936,932
General funds	241,876	1,424,012	(2,173,307)	463,139	(44,280)
Total unrestricted funds	19,663,563	1,424,012	(2,182,885)	-	18,904,690
Total funds	27,339,572	1,743,781	(2,390,262)	-	26,693,091

Purposes of restricted funds

The Speirs Fund has a broader remit than the General Fund in terms of who it can assist and it will be used primarily in the area of care, assistance for the disabled and promoting independence where possible and assistance for carers.

Purposes of endowment funds

The Speirs Fund is further sub divided into two funds: Speirs Restricted Fund and Speirs Permanent Endowment Fund.

Transfers may take place from the General Fund to the Speirs Fund but not vice versa in accordance with the Charity Commission scheme. Also between the permanent endowment and restricted funds for the income.

Designated Funds

Designated Funds represents the value of unrestricted non current assets (fixed assets, investments and repayable grants) which are not freely available as reserves for the charity.

The Institution of Engineering and Technology Benevolent Fund (trading as Foothold)

Notes to the financial statements

For the year ended 30 June 2020

16a Analysis of net assets between funds (current year)

	Restricted £	Endowment funds £	Designated funds £	Revaluation reserve £	General funds £	Total funds £
Tangible fixed assets	-	-	30,041	-	-	30,041
Repayable grants	-	-	360,384	-	-	360,384
Investments	3,269,887	4,346,491	14,669,276	1,285,455	665,334	24,236,443
Net current liabilities	(24,932)	(5,045)	-	-	(143,781)	(173,758)
Long term liabilities	-	-	-	-	(72,000)	(72,000)
Net assets at 30 June 2020	3,244,955	4,341,446	15,059,701	1,285,455	449,553	24,381,110

16b Analysis of net assets between funds (prior year)- restated

	Restricted £	Endowment funds £	Designated funds £	Revaluation reserve £	General funds £	Total funds £
Tangible fixed assets	-	-	38,914	-	-	38,914
Repayable grants	-	-	410,726	-	-	410,726
Investments	3,296,893	4,521,223	15,562,398	2,936,932	417,975	26,735,421
Net current assets	(24,316)	(5,399)	-	-	(378,255)	(407,970)
Creditors: amounts due after one	-	-	-	-	(84,000)	(84,000)
Net assets at 1 July 2019	3,272,577	4,515,824	16,012,038	2,936,932	(44,280)	26,693,091

17 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2020 £	Restated 2019 £
Net income/ (expenditure) for the reporting period (as per the statement of financial activities)	(2,311,981)	(646,481)
Depreciation charges	9,592	9,578
Losses /(Gains) on investments	961,480	(347,065)
Dividends and interest from investments	(683,822)	(746,447)
Decrease in repayable grants	50,342	600
(Increase)/decrease in debtors	(98,753)	(12,593)
(Decrease)/Increase in creditors	(52,109)	487,463
Net cash provided by / (used in) operating activities	(2,125,251)	(1,254,945)

Notes to the financial statements

For the year ended 30 June 2020

18 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2020 £	2019 £
Less than one year	128,500	128,500
One to two years	128,500	128,500
Two to five years	107,083	235,583
	364,083	492,583

19 Prior year adjustment

Reserves position	30 June 2019			1 July 2018		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Funds previously reported	19,270,163	7,830,219	27,100,382	19,714,783	7,676,739	27,391,522
Adjustments						
Grants payable recognition	(365,473)	(41,818)	(407,291)	(51,220)	(730)	(51,950)
Funds restated on transition	18,904,690	7,788,401	26,693,091	19,663,563	7,676,009	27,339,572
Impact on income and expenditure						
	Unrestricted £	Restricted 30-Jun-19 £	Total £			
Net (expenditure) as previously reported	(444,620)	153,480	(291,140)			
Adjustments on restatement						
Grants payable recognition	(314,253)	(41,088)	(355,341)			
Net (expenditure) as restated	(758,873)	112,392	(646,481)			

Foothold, has previously only accounted for grants when they are paid due to grants being able to be withdrawn at any time. Within the year the board, have decided to change the accounting policy, so grants are now recognised when approved during the year, and if these have not been paid, in part or in full, by the end of the year, any unpaid amounts are included, as creditors in the balance sheet.

20 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.