

Industry and Parliament Trust

Annual Report and Accounts

For the year ending 30 September 2006



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Presidents' Messages of Support

Rt Hon Michael J Martin MP Speaker of the House of Commons

The Industry and Parliament Trust (IPT) is as relevant today as it was at its inception, back in 1977. In my role as Joint President, I am delighted to continue to support the valuable work it does throughout the year

Both the business and political spheres have become increasingly complex as a result of globalisation and the rapid development of emerging economies. Now more than ever, it is vital that businesses and politicians take the time to understand each other properly

Consequently, I am delighted that so many parliamentarians have elected to undertake IPT Fellowships over the last year, demonstrating a clear appreciation of the need to keep up with corporate developments. In particular, it is gratifying to see so many MPs from the most recent intake participating in IPT educational schemes

The IPT has also achieved considerable success over the past year in expanding and developing its UK and EU programmes for business representatives. It is this ability to foster mutual understanding that makes the IPT such a key educational resource for both wealth creators and parliamentarians

I remain committed to the IPT's very worthwhile objectives.

Rt Hon Lord Falconer of Thoroton

The IPT has strengthened its position over the past year and continues to live up to its excellent reputation within both the parliamentary and business communities. I would like to express my sincere appreciation to all those individuals, companies and other organisations who continue to support this unique forum

The UK economy depends on constructive dialogue between Parliament and the worlds of business, industry and commerce in order to thrive and the IPT is playing a central role in enabling such communication. As a charity, the IPT provides an important non-partisan and independent environment, allowing for effective debate and interaction. With relationships between the business community and legislators open to ever greater scrutiny, the work of the IPT in allowing for open and transparent engagement has become increasingly vital

I am pleased to support the IPT and would like to congratulate it on the very positive achievements of the last twelve months.

Message from the IPT's incoming Joint President:

Baroness Hayman, Lord Speaker

I look forward immensely to my role as a President of the Industry and Parliament Trust, particularly at such an auspicious time. Thirty years of dedication to the improvement of understanding between Industry and Parliament, here and in the European Union, is highly commendable and I hope to be able to encourage all those engaged in the future charitable work of the IPT.



Report from the Chairman of the Board of Trustees

On behalf of the Trustees, I am delighted to welcome Baroness Hayman to the role of Joint President in succession to Lord Falconer, following her election as Lord Speaker in July 2006. Without hesitation, Helene kindly accepted my invitation to take up the role and she was keen to emphasise her support for the importance of the work of IPT.

As we approach our 30th Anniversary in 2007 I am pleased to report that the IPT continues as a vibrant and focussed organisation, well managed, financially sound and moving towards its next important stage of development. This has enabled IPT to be even more committed to delivering its charitable objects.

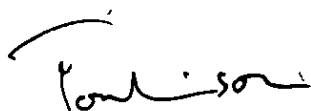
Last year I wrote that the IPT was developing new ways of delivering educational opportunities for business and Parliament based on a significant amount of research undertaken with both. As a result, this year has seen the development of a number of new initiatives, including the launch of *Introducing the City*, a programme of seminars that took place in the House of Commons, giving MPs the opportunity to update their understanding of finance and the City institutions. I am very grateful to The Rt Hon David Brewer CMG, last year's Lord Mayor of London, for presenting the MPs with their IPT certificates at the Mansion House.

On the reciprocal side, as a direct response to a survey of what business would like parliamentarians to understand better, we have commenced over thirty new MP and MEP Fellowship programmes with companies from across all sectors. The programmes focus on getting the MP to understand, in a very practical way, the issues and challenges that organisations face in respect of legislation and regulation.

I am extremely pleased at the results of the continued hard work and dedication of the Chief Executive and her excellent Secretariat, ensuring the highest quality of its programmes while maintaining prudent financial management. As I step down as Chairman, I would like to thank all those from industry and parliament who have supported the Board of Trustees and steadfastly continue to support the educative work of the Trust.

Thirty years on the Mission essentially remains the same –

To ensure that the United Kingdom has the best business-informed Parliament and the best parliamentary informed business community in Europe.



Lord Tomlinson



Report from the Chief Executive

I am pleased to report that this year we achieved a surplus of £281,607 with a substantial rise in income of 21% to £1,011,516 primarily from an increased number of educational programmes and growth in members' contributions. Seminar income rose from £178,982 to £337,668.

With this further consolidation to our reserves, the IPT is in an excellent financial position as it enters its thirtieth year, and there is clear evidence in this report of an efficient and effective organisation well placed to move forward. On this sound base, we have been able to invest in the development of IPT, looking afresh at our aims and objectives and seeking to progress essential areas of research, communications, new programmes and activities. We must also continue to tackle resource issues and the constant need to acquire additional skills through training initiatives.

This report looks at the IPT's principal achievements of 2005-6 against our goals. It also outlines our future plans. In keeping with good practice and SORP requirements, we have identified the impact of our work, taking account of previous years' activities where appropriate.

Research with companies during the year resulted in a better understanding of current issues facing industry and commerce. The findings were incorporated into our educational activities. Research is also being undertaken to demonstrate the impact of the IPT on government, business and individuals over the last three decades.

During the year, we undertook a thorough review of our branding to ensure consistency throughout all our activities. We also cleansed and upgraded our database of IPT contacts.

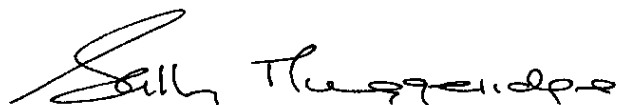
In 2006-7 the focus will be on innovation and a broadening of our remit in accordance with our agreed strategy. Since the General Election in 2005, the core Fellowship Programme has expanded considerably with over 50 new parliamentarians actively undertaking Programmes. Our study programmes in Westminster and Brussels will continue to provide a unique opportunity for those from business to learn about the legislative process and demystify the workings of both Parliaments.

Further research, building on the initial work undertaken last year, has already commenced and a number of new programmes will be delivered addressing the needs of both parliamentarians and those from industry.

The 30th Anniversary of the IPT will provide a further opportunity to raise a positive public profile and in this year particularly, to be recognised as "the pearl" of informed opinion, information and professional development. The key to success in delivering our charitable objects is through growing our skills and developing our strengths. We are a unique and very special organisation that has served industry and parliament well for three decades and is now focused on the next 30 years.

As Chief Executive I have, with the agreement of the Trustee Board and the guidance of a newly enlarged Executive Committee, the flexibility and freedom to fully utilise available resources to further the work that is planned. Thank you to everyone, especially the Secretariat, for the dedication and commitment shown to ensuring better informed legislation for the benefit of all.

Above all, as they both step down, I would like to thank Lord Tomlinson, Chairman of the Trustee Board and Jim Meredith, Chairman of the Executive Committee for their unswerving support to me over the past three years and I look forward to working with the incoming Chairman, Bill Oiler MP and the new Chairman of the Executive Committee, Rosemary Brook.



Sally Muggeridge



Report of the Board of Trustees

1 October 2005 to 30 September 2006

The Board of Trustees of the Industry and Parliament Trust (IPT) is pleased to present its Annual Report on the activities of the IPT, together with the audited financial statements for the year ended 30 September 2006

Objects and Aims

The Objects of the Industry and Parliament Trust

The IPT is established to promote industry and commerce and the efficient and effective administration of government for the benefit of the public

This is achieved by promoting mutual understanding between legislators and wealth generators of all sectors of business.

Specifically, the IPT provides programmes of study, research, education and training in respect of the organisation and practice of industry and commerce, and also in the administration of government both within the United Kingdom and the European Union

The IPT seeks to publish the results of such study and research.

The Aims of the Industry and Parliament Trust

The IPT is dedicated to enabling a better mutual understanding and better informed policy judgements in business, government and Parliament.

The IPT operates as an independent, non-partisan, non-lobbying, non-profit-making organisation, in which the concept of 'practitioner learning from practitioner' is encouraged.

The IPT places MPs, Peers, and Officers of both Houses of Parliament, as well as MEPs, in educational exchange Fellowships and topic-based programmes within a range of participating companies of all sectors and sizes. Business personnel, at all levels within participating companies, are given the opportunity to improve their understanding of Parliament and the EU institutions through a series of study programmes, workshops and seminars

The following pages set out the activities of the IPT during 2005-6.



Principal Achievements

During 2005-6, the IPT continued to fulfil its mission through a range of educational activities

Our strategy is to research, develop and deliver relevant educational programmes to parliamentarians, civil servants and business people, in particular through unbiased and apolitical knowledge and information sharing. We use a variety of methods and channels and strive to tailor our programmes to meet different users' learning needs

Our activities principally take the form of:

- **Parliamentary Fellowship Programmes** that involve the placement of MPs, MEPs, Peers and senior Westminster and Brussels staff in UK companies and other organisations
- **Study Courses and Seminars** for corporate representatives on the workings of the Westminster and Brussels Parliaments
- **The Civil Service Attachment Scheme** MP/MEP attachments and seminars on the workings of the Westminster and Brussels Parliaments for civil servants

In addition, we organise informational **Briefings** in Westminster for parliamentarians and business people and publish a quarterly topic-based magazine **The Bridge**.

Throughout the year, we attempt to assess the impact and outcomes of what we do such as the benefits, learning or other effects that happen as a result of our activities. We have highlighted these where possible throughout this report, for example through case studies and delegate feedback.



The IPT Fellowship Programme for Parliamentarians

An IPT Fellowship Programme involves the placement of MPs, Peers, MEPs and senior staff of the Palace of Westminster within a company or other organisation for an agreed period

The aims are:

- To equip parliamentarians with a greater understanding of commerce and industry by experiencing all aspects of an organisation's operations hands-on - from the 'shop floor' to the board room
- To enable parliamentarians to appreciate the impact of government policies and legislation on the organisation's activities, practices and employees
- To impart information about parliamentary processes to people working in commerce and industry, enabling them to understand how policies are produced and legislation initiated and developed

The IPT Fellowship normally comprises 18 days over a 12-18 month period, spent in either a single organisation or a selection of organisations within

- Corporate sectors
- Rural environment
- Small businesses
- Universities
- The City of London

On completion of the IPT Programme, the parliamentarian is elected a Fellow of the Industry and Parliament Trust

The IPT also arranges post-graduate programmes for Fellows wishing to update their knowledge

Tom Watson MP – Company Fellowship with Nirex

"The fellowship met all my expectations and more. If someone had asked me five years ago that I would have a specialist interest in the future of the UK's legacy nuclear waste I would have laughed. The programme gave me access to some of the country's best scientists who are tasked with the difficult job of safely storing our nuclear waste."

"I have used the knowledge gained on the programme as both a minister and a backbencher. Interestingly, how the country configures our capacity to deal with legacy waste is now a hot potato in parliament. I have used my experiences and knowledge to test out the government's thinking in this area on a number of occasions and envisage doing so for some time to come."

"I would have liked to have spent more time understanding the sociology around people and nuclear waste. Our greatest challenge is to work with potential "host communities" who are to live near to storage sites NIREX with its culture of transparency have transformed thinking about how you work with host communities."



As at 1 October 2005, 26 parliamentarians were undergoing Fellowship Programmes. During the year, five successfully completed their Programmes, while the remaining continued into next year:

IPT Elected Fellows 2005-6

Name	Party	Host Organisation
Arlene McCarthy MEP	Labour	Bloomberg
Laura Moffatt MP	Labour	The Go-Ahead Group
Baroness Sharp of Guildford	Liberal Democrat	Johnson & Johnson
Lord Truscott	Labour	BAE Systems, KPMG, ConocoPhillips, Marsh
Tom Watson MP	Labour	United Kingdom Nirex

As indicated in last year's report, we focused our efforts during 2005-6 on recruiting parliamentarians from amongst the Members of Parliament who were elected in 2001 and 2005. Experience has shown that MPs are most likely to undertake a Fellowship within their first two Parliaments. The IPT aims to commence 30 new Fellowships each year.

14 parliamentarians were able to start a Fellowship Programme:

Name	Party	Host Organisation
Richard Ashworth MEP	Conservative	ConocoPhillips and Pfizer
Charlotte Atkins MP	Labour	Unilever
David Borrow MP	Labour	Thales
Dr Vincent Cable MP	Liberal Democrat	John Lewis Partnership
Robert Goodwill MP	Conservative	Manchester Airports Group and UPS Ltd
Sadiq Khan MP	Labour	Reed Elsevier
Anne Main MP	Conservative	Aggregate Industries and Gala Group
Jim McGovern MP	Labour	ExxonMobil
Madeline Moon MP	Labour	The BOC Group
Anne Snelgrove MP	Labour	Small Business Fellowship (several firms)
Dr Howard Stoate MP	Labour	Alliance Boots plc
Ed Vaizey MP	Conservative	Reed Elsevier
David Wilshire MP	Conservative	DHL Express Ltd and Shorts Brothers
Jeremy Wright MP	Conservative	Waitrose, The Co-operative Group and Farming
Lord Rowlands, CBE	Labour	Shell

We were unable to meet our aim to commence 30 new Fellowships owing to a longer than expected process of matching parliamentarians to host organisations



A further 28 parliamentarians applied for Fellowships during the year and are expected to begin their placements with selected organisations in the year beginning 1 October 2006:

Name	Party	Name	Party
Celia Barlow MP	Labour	Martyn Jones MP	Labour
Gordon Banks MP	Labour	Daniel Kawczynski	Conservative
Richard Benyon MP	Conservative	The Baroness Maddock	Liberal Democrat
Ben Chapman MP	Labour	David Martin MEP	Labour
Rosie Cooper MP	Labour	Mana Miller MP	Conservative
David Davies MP	Conservative	David Mundell MP	Conservative
Philip Davies MP	Conservative	Jamie Reed MP	Labour
Robert Ffello MP	Labour	Dan Rogerson MP	Liberal Democrat
Sandra Gidley MP	Liberal Democrat	Paul Rowen MP	Liberal Democrat
Julia Goldsworthy MP	Liberal Democrat	Chrs Ruane MP	Labour
Helen Goodman MP	Labour	Alison Seabeck MP	Labour
Baroness Henig	Labour	Angela C Smith MP	Labour
Adam Holloway MP	Conservative	The Lord Taylor of Warwick	Conservative
Stewart Jackson MP	Conservative	Shailesh Vara MP	Conservative

Baroness Sharp – Company Fellowship with Johnson & Johnson

In her pre-House of Lords academic life Baroness Sharp had done a good deal of research on the pharmaceutical industry and the Fellowship gave her the opportunity to look first hand at how new technology was emerging onto the market place, with a particular focus on the emergence of biotechnology and its impact on drug discovery. However, her time with J&J covered more than her original aims

For example The Programme included a visit to the Centocor plant in Leiden where they were producing a new 'billion dollar molecule' – Remicade – used to treat rheumatoid arthritis and other inflammatory diseases. Baroness Sharp had, moreover, not appreciated the range of products and services, covered by the J&J Group, definitely not just baby power and band-aids! Neutrogena and Roc are also part of the group and J&J have large pharmaceutical and medical device divisions - the latter covering everything from contact lenses to computer-controlled wheelchairs, diabetes diagnostic kits and specialist equipment for hospitals

"Perhaps even more impressive was the respect nearly everyone I encountered had for the company and the way they treated employees and customers alike," said Baroness Sharp. "I was very impressed by the effectiveness of the company's 'light touch' control system which guides the operations of its many subsidiaries without suppressing their individual company characteristics

"I have referred to it as a model of how to decentralise operations while making sure that centrally laid down guidelines are adhered to. For the Government perhaps the message is that while a few, clear and explicit financial targets may have their place, it is important to trust the local people to get on with the job and not to interfere."

David Brickwood, VP International Government Affairs, Johnson and Johnson commented on Baroness Sharp's Fellowship

"It was a pleasure for Johnson & Johnson to receive Baroness Margaret Sharp for her Industry and Parliament Trust Fellowship programme. Margaret was our second IPT Fellow and we enjoyed the challenge of providing her with insights into how we have tackled the biotechnology revolution and showing how this industry, in which she worked many years ago, had generated medicines that are being used to treat significant areas of utmost medical need."



Study Programmes for Representatives from Industry

During 2005-6, 487 corporate representatives participated in the IPT's educational activities. A further 67 were elected IPT Corporate Fellows.

At the end of every programme and seminar, delegates are asked for feedback from delegates to inform future educational programme development and help assess how IPT's work might have an impact on an individual's future behaviour and attitudes

The Parliamentary Study Programme for Industry (PSPI)

The PSPI provides a comprehensive understanding of the work of the House of Commons and House of Lords for business people from all sectors and backgrounds, including public affairs, public policy, corporate social responsibility, legal, strategy, planning, accounting and human resources.

Delegates learn about every aspect of political process as well as obtaining a thorough understanding of how policy is delivered, legislation scrutinised and how backbench committees operate. The programme provides a unique insight into the culture at Westminster, the demands, constraints and realities of Government and how to relate to the parliamentary process

Those who completed the programme were elected Fellows of the Industry and Parliament Trust.

PSPI programmes took place in October 2005 and June 2006 with 41 delegates in total.

Corporate Fellows PSPI October 2005 included:

Name	Representing	Name	Representing
Steve Aubrey	Smiths Group	Jenny Jenkin	University of Hertfordshire
Richard Barlow	Barclays UK Retail Banking	Susan Jennings	UK Nirex Limited
Edward Brady	Shell UK Oil Products	Lisa Lavia	Marsh Ltd
Karyn Brinkley	University of Bolton	Angela Martyn	University of Hertfordshire
Clare Cairns	GlaxoSmithKline	Catherine May	Reed Elsevier
Guy Douglas	Thales UK	Ian Metcalf	BAE Systems
Paul Evans	Natwest Group	Amanda Rayner	Total E&P UK PLC
Timothy Fassam	Barclays	Yvonne Reardon	ConocoPhillips
Chns Frost	PricewaterhouseCoopers	Barry Taylor	University of Bristol
Helen Gregory	Bombardier Aerospace	Fiona Taylor	Organon Laboratones
Rob Hastings	Shell WindEnergy Ltd	Carol Undy	Federation of Small Businesses
Steve Hodgson	Severn Trent Water Ltd	Katherine Williscroft	Shell International Limited
Christopher Hudson	Aggregate Industries	Daniel Worrall	Shell International Limited



Corporate Fellows PSPI June 2006 included:

Name	Representing	Name	Representing
David Armstrong	PricewaterhouseCoopers	Anne Joseph	Reed Elsevier
Christine Bahr	European Parliament	Roberta Luxbacher	ExxonMobil International Ltd
Tony Bellis	3M United Kingdom plc	David MacLean	ExxonMobil International Ltd
Neil Birch	Npower Renewables Ltd	Nick Monger-Godfrey	John Lewis Partnership
Rachael Broughton	Waitrose Ltd	Maxwell Nisner	PricewaterhouseCoopers
Cheryl Burnett	Kaizo (Argyll Consultancies)	Robert Noel	ExxonMobil International Limited
Gary Colosimo	The Royal Bank of Scotland plc	Stuart Reid	Shell UK Ltd
Richard Hamilton	Barclays Bank plc		

Assessing the impact of the PSPI

PSPI Delegate feedback October 2005 72% of the PSPI delegates said that the "programme achieved its objectives", with "excellent to good" speakers. Two thirds said that they would "recommend the course to colleagues".

Feedback June 2006: We took account of delegates' specific comments and made some changes to the June programme. An increased number, 87.5%, said that the "programme achieved its objectives" with a higher number finding speakers were "excellent". All those who attended (100%) said that they would "recommend the course to colleagues".

In September 2006, IPT invited delegates from the October 2005 PSPI to a Reunion. The aim was to find out the extent to which the delegates have put into practice what they had learned on the programme 12 months previously.

Eight of the original 26 delegates attended and the following summarises their further feedback.

1. With regard to Select Committees, delegates had gained more confidence in their preparation of oral evidence. Some had, in advance, visited the room where the Committee meeting was to take place and organised practice runs on likely Q&A's to be fully equipped and prepared to put their point across.
2. Those who are in contact with MPs now feel more confident when they meet with them, the course had given delegates a unique insight into the role of MPs, who they are and what they do. This has since helped in understanding how to best approach parliamentarians at meetings and events.
3. The delegates were able to clearly understand the necessary links between business and Parliament and the relationship between the two was clarified. This had also been applied at the Select Committee stage where views initially need to be put across.
4. All participants came to the programme with their own perception of Parliament and the workings of Westminster. The programme helped to clarify certain misconceptions and provided those who attended a better understanding of Parliament, its processes and the roles of those involved. In daily working life this knowledge was seen as vital.
5. The focus on the media in the programme enabled those involved with communications the ability to be better informed and thus reduce dependency on agencies and advisors.

All of those present found the **Parliamentary Study Programme for Industry (PSPI)** to have been of great value and have continued to recommend other colleagues from their companies to attend the programme (and our new two-day introductory course).



The European Study Programme for Industry (ESPI)

The ESPI programme starts in the Palace of Westminster. This allows delegates to understand the relationship between Whitehall, Westminster and Brussels, the role of the UK Commission and EU Parliament offices and how the Government is advised about policy from a European perspective.

The following three full days in Brussels includes visits to the Commission, Council and European Parliament with MEPs and senior officials covering topics that include the role and responsibilities of the MEP, Political Groups and Committees, lobbying, the role of Directorate Generals and Director Generals, the Lisbon Agenda, enlargement, the Council of Ministers and the UK Permanent Representation to the EU and other areas of general interest

Those who completed the programme were elected Fellows of the Industry and Parliament Trust

ESPI programmes took place in November 2005 and April 2006. Each had 13 delegates from a cross-section of industry, with the first also including 4 Clerks from the House of Commons.

Corporate Fellows ESPI November 2005 included:

Name	Representing	Name	Representing
Michael J Aves	Aggregate Industries UK Ltd	Stuart Reid	Shell UK Exploration and Production
Andrew Cave	Federation of Small Businesses	Nic Rigby	Npower Renewables Ltd
Tina Hallett	PricewaterhouseCoopers	Anne Riley	Shell International Limited
Dr Adam Heathfield	Pfizer Ltd	Jo Roll	House of Commons Library
Vincent Keter	House of Commons Library	David J Taylor	PricewaterhouseCoopers
Barry King	ConocoPhillips (UK) Ltd	Ian Townsend	House of Commons Library
Simon Patrick	House of Commons		

Corporate Fellows ESPI April 2006 included:

Name	Representing	Name	Representing
Howard Bornington	MBDA	Claire MacAleese	Agusta Westland UK
Cathy Edwards	Imperial Tobacco Ltd	David MacLean	ExxonMobil International Ltd
Iona Frost-Pennington	Muncaster Visitor Management	Mike Perry	Pineapple Developments Ltd
Dick Joseph	Tunstall Group Ltd	Stephen Rea	GlaxoSmithKline plc
Rachel Lankester	Smiths Group Ltd	Aileen Taylor	The Royal Bank of Scotland Group plc
Nick Lawrence	Imperial Tobacco Ltd	Richard Webb	The Royal Bank of Scotland Group plc
David Lloyd	PricewaterhouseCoopers		

Feedback from both courses was extremely positive and it was acknowledged that the sound understanding gained of the European legislative system was essential for many in their work.



The Civil Service Programme

At the request of the Cabinet Office, the IPT offers civil servants the opportunity to undertake an attachment with an MP or MEP and/or a one day seminar.

MP Attachment Scheme

Civil servants attend a morning introductory seminar about the Attachment Scheme as well as a full day seminar. The full day includes presentations by parliamentarians and senior staff from both Houses of Parliament as well as a tour of the Palace of Westminster. Each civil servant has the opportunity to be matched with an appropriate MP for a number of days, in Parliament and in the constituency. In 2005/6 the Scheme comprised:

- Introductory seminar: September 2005
- Full day seminar: February or March 2006
- Attachment: these took place between October 2005 and July 2006

50 civil servants took part in the MP Attachment Scheme in 2005-06.

MEP Attachment Scheme

This is similar to the MP Attachment Scheme but the full day seminar focuses on Europe and civil servants are hosted by an appropriate MEP in Brussels or Strasbourg. In 2005/5 the Scheme comprised:

- Introductory seminar: October 2005
- Full day seminar: March 2006
- Attachment: these took place between October 2005 and August 2006

26 civil servants were matched with an MEP and participated in the Scheme

One day seminar - November 2005

The one day seminar is designed for civil servants who do not wish to participate in the Attachment Scheme but require an overview of the parliamentary process. This day includes presentations by a number of Parliamentarians and Senior Staff from both Houses as well as a tour of the Palace of Westminster. In 2005-6, 34 civil servants attended the one day seminar. After each of the full day seminars the civil servants have the opportunity to visit either of the Chambers to listen to business of the day. Overall 27 government departments participated in 2005/6.

What the civil servants say about the impact of the IPT Programme:

- *I can honestly say that I learnt more about the mechanics of Parliament and the delivery of democracy yesterday, than in my previous 22 years working for the DCA. The experience was invaluable, I was able to network with some fantastic people and I even discovered the origins of the phrase "toe the line"*
- *I learnt the essential role a MP performs in terms of bringing different interest groups together in order to confront common issues*
- *I consider myself privileged to have encountered the work of an MP in such detail and found it very worthwhile.*
- *The experience has given me a better appreciation of the importance of local, particularly constituency, information to MPs*
- *It was a useful learning experience and helped me to identify immediately issues and pressures that face parliamentarians and their motivations for being there*
- *I have a greater understanding of the workings of our democracy; my knowledge is no longer theoretical*



Local Government Seminars

In 2005/6, with research indicating that Local Government Officers would benefit from being educated about Parliament, we undertook a 'pilot' one day seminar with Kent County Council. The day followed a similar format to the civil service one day seminars and included a tour of the Palace of Westminster. In 2005/6 the Local Government Seminars comprised:

- Pilot seminar: 18 January 2006 with 14 delegates
- One day seminar: 13 June 2006 with 22 delegates.

Four further days are scheduled in 2006/7 and 2007/8.

The Bridge

The Bridge, initiated in 2003 as a quarterly newsletter, has become an important communications vehicle for the IPT, providing an additional forum for parliamentarians, companies and other interest groups to share their views and experiences with a wider audience drawn from all our stakeholders. *The Bridge* has served to raise the public profile of the IPT enabling better understanding of the IPT's role.

In 2005 the decision was taken to expand *The Bridge* still further into a full magazine format. Following a competitive tendering process, the IPT appointed design company Create Services to re-brand the IPT and also to redesign the publication. The newsletter was re-launched as a quarterly magazine in January 2006 and was extremely well-received.

The Bridge is published by the IPT, and Amelia Knott was appointed Managing Editor in 2005. The content of *The Bridge* has developed and each edition focuses on a specific theme. Topics embraced within the last year have included **risk, climate change, health and skills**. *The Bridge* is also used to disseminate news and information, to promote study programmes and also to highlight opportunities for prospective Fellows.

The Bridge currently has a circulation of around 3,000, and its readership includes MPs, Peers, UK MEPs, officials and staff in both Westminster and Brussels as well as over 1,500 business contacts and opinion formers. *The Bridge* is also freely available online for the wider public. There are plans to further develop *The Bridge* in future years.



Achievement of 2005-6 Goals

In last year's report, we outlined a number of goals for the year. We are pleased to report on our achievements.

Goal: Develop services to benefit a wider range of users, driven by their needs and involvement.

During the year, we successfully created and delivered several new educational programmes, including:

1 2-day Workshops in Westminster and Brussels

These programmes were developed to benefit business people and others who require an introduction to the respective law-making institutions and have no prior knowledge. The workshops provided a brief insight into who does what in the UK and Brussels, how the legislative agendas are formed and the impact they have on business. Interactive discussion is encouraged with the parliamentary speakers and between delegates.

- a) 'Introduction to Westminster' was held twice during 2005/6. 19 delegates from 16 companies attended in January and 12 delegates from 9 companies attended in July.

Delegate feedback indicated that "overall expectations were met" and that the workshop format was "excellent", in particular the panel sessions led by MPs.

- b) 'Introduction to the EU' was held twice during 2005/6, in May and September, attended by 26 delegates, including business people, Clerks from the House of Commons and civil servants.

Delegate feedback indicated that the workshop format was successful and how even a short amount of time spent in Brussels does offer an insight into how the EU works.

2 'Introducing the City'™

A series of seminars was developed in co-operation with FT Knowledge, a division of Pearson plc, to better inform MPs and aid them in their legislative duties.

The seminars covered various financial topics such as the global economy, raising long term finance, the different kinds of banking, the nation's savings, managing risk and the challenges facing the City.

12 MPs completed the course and were awarded the IPT "City of London" certificate signed and presented by Rt Hon Sir David Brewer CMG, JP, The Lord Mayor of London,

Charlotte Atkins MP	Mark Hendrick MP
Adnan Bailey MP	Adam Holloway MP
Christopher Chope MP	Jim McGovern MP
Rosie Cooper MP	Alison Seabeck MP
David Davies MP	Shailesh Vara MP
David Gauke MP	Derek Wyatt MP

Delegate feedback indicated that the programme improved the MPs understanding of the City and that it could be provided not only to MPs but to their researchers.



3 Business Programmes for Clerks

Programmes for a small group of Clerks in the Palace of Westminster commenced during the lead up to the General Election in May 2005

This was a period when MPs were less able to commit to Fellowship programmes and the IPT received a number of requests from staff of both Houses of Parliament who were extremely eager to learn about aspects of business. It is necessary to ensure that companies are made aware of exactly what the role of a Clerk entails.

A number of business programmes are ongoing with companies including Bombardier Aerospace, Tunstall, BP, Marsh & Partners plc, Pineapple Developments Ltd.

Feedback was very positive. Participants said that their time in business had been "extremely informative" and that "everyone (at the companies) was very generous with their time". It was felt that participants had been offered "a very interesting opportunity that should not be missed".

Gordon Clarke – Placement with Tunstall

"The visit to Tunstall was very informative and provided a good contrast with the visit to Bombardier. It was particularly helpful to have access to senior people in the business and to be able to talk about a variety of different aspects from governance to strategy. The visit provided a useful insight into how the private sector works."

Ian Cruse – Placement with Total

"My placement with Total involved visits to Aberdeen, Stalybridge and Watford and took in various aspects of the petroleum business. This allowed an appreciation of the complex processes of oil exploration, extraction, manipulation and transportation and of the various challenges these pose."

In addition, the placement permitted experience of how workers and management spanning different continents interact and how corporate governance works in a multinational company that operates in a wide range of cultural, social and political environments. Total were exemplary hosts at all times and helped facilitate an enjoyable placement."

4 Lunchtime briefings

On topical issues, with a parliamentary speaker, attended by a total of 96 delegates from a range of companies

19 October 2005 - **The Olympics and UK plc** - Rt Hon Richard Caborn MP, Minister of State, Department for Culture, Media and Sport

17 January 2006 - **Business and Economic Risk** – Patrick Mercer MP, Shadow Minister for Homeland Security

20 April 2006 - **Business and Climate Change** - Elliot Morley MP, Minister of State, Department for Environment, Food and Rural Affairs

05 July 2006 - **The Importance of Energy Policy to Business** - Alan Duncan MP, Shadow Secretary of State for Trade and Industry



5. Evening briefings

On topical issues, with a parliamentary speaker, attended by a total of 95 delegates from a range of companies:

13 December 2005 - **Life in Both Houses of Parliament** - Rt Hon the Lord Brooke of Sutton Mandeville.

27 February 2006 - **The Economy and Globalisation** - Ed Balls, Labour/Co-op MP for Normanton.

15 March 2006 - **The Reality of Three Party Politics** - Chris Huhne, MP for Eastleigh

17 May 2006 - **Asia and the Far East – an Opportunity or a Threat to the UK?**
- Asif Ahmad, Director (Asia Pacific) of UK Trade & Investment, FCO.

12 July 2006 - **Does Business have the Necessary Skills to Compete?**
- John Hayes MP, Shadow Minister for Vocational Education.

6 Corporate Seminars

Attended by 200 delegates, the objective is to educate representatives from individual companies on aspects of the UK legislative process

Date	Company	Delegates
November 2005	Lloyds TSB	25
November 2005	Barclays	35
January 2006	Imperial Tobacco	20
February 2006	Degussa	35
March 2006	Total	19
May 2006	Lloyds TSB	26
May 2006	DHL	11
May 2006	Unilever	15
July 2006	KPMG	25

Delegate feedback on seminars

"Very good balance of information – particularly useful to get EU, government and opposition viewpoints"

"Practical, common sense approach"

"Very relevant to my role"

"Exceeded my expectations"

7 IPT Discussion Group

A pilot event was held in the Palace of Westminster for business representatives, parliamentarians and other interested parties to discuss a topic of mutual interest in a debate format, attended by 28 participants.

The first Discussion was entitled **The Changing Role of Manufacturing in the UK: Progress or Problem** and Sir David Brown, Chairman of Motorola, chaired the occasion with guest speakers Alun Michael MP, Chris Beadsworth from the Manufacturing Institute and Professor Mike Gregory CBE, Chairman of the UK Manufacturing Processes Forum. A full write-up of the discussion was circulated electronically the following day to all participants and to 50 others who had expressed an interest



Goal: Undertake further research to establish priorities for future Fellowships and study programmes.

In the year 2005-6, the IPT commissioned two pieces of research from CommunicateResearch, who operate the UK's largest survey panel of MPs and conduct public opinion polls

The first survey sought the views of MPs on the IPT's activities and, in particular, explored whether our work - especially the Fellowship programme - met their expectations and whether it was relevant to their learning needs. 41% of MPs who had completed a fellowship said they found it *"beneficial"* because they *"became more familiar with the industry/business sector concerned"*

MPs, when offered a range of alternatives to the current structure of the fellowship, felt that a constituency-based fellowship would be most useful. This has been introduced, where appropriate and will be reviewed on completion to assess the effectiveness of concentrating on constituency-based businesses.

The second piece of research surveyed the opinions of business to see of which areas of the commercial/business world MPs should have a greater insight and understanding

One of the most striking findings was that 66% of business wanted MPs to have insight into the "Emerging Economies" As a direct result of this, a fellowship to China was initiated - this will be progressed during 2006-7 in conjunction with the All Party Group for China.

Goal: Work more closely with member companies and others to ensure continuity of funding and resources.

The IPT does not receive funding from government or grant-making trusts, and relies on contributions and donations from corporate members and others.

During 2005-6, the CEO and senior members of the Secretariat contacted all the IPT's corporate members and met with the majority to discuss IPT's charitable activities and encourage their continuing support

Six new companies joined the IPT and we were particularly pleased that Cadbury Schweppes, a founder company of the IPT re-joined.

Abbey plc (January 2006)
Finmeccanica UK (May 2006)
Manchester Airports Group (October 2005)

Cadbury Schweppes (May 2006)
Irwin Mitchell (July 2006)
Throgmorton (May 2006)

Goal: Promote the IPT's range of benefits to MPs and more organisations, including small and medium enterprises (SMEs).

During the year, we increased all the IPT's promotional activities through targeted communications - see later in the report for more detailed information. Promotion to SMEs began during the year with the result that a Small Business Fellowship was started with Anne Snelgrove MP who will visit several firms in the Swindon area, around her constituency



Promoting the Work of the IPT

The IPT's promotional activities during the year were focused on maintaining and increasing awareness of the IPT amongst key stakeholders, notably UK and European Parliamentarians, member companies of the IPT, business members and donors.

One member of staff now has full time responsibility for communications and publicity. The Communications Manager supports other members of the IPT secretariat in promoting individual programmes and ensuring consistency in external communications. A media plan and communications strategy have been developed, derived from the main strategy and business plan.

External communications undertaken included:

- The launch of a monthly e-newsletter to the main company contact
- A full-day exhibition in the Atrium of Portcullis House, Palace of Westminster for parliamentarians and their researchers to find out more about the IPT's work. This event was sponsored by IPT Fellow Brian Donohoe MP
- A presentation to the Association of Professional Political Consultants (APPC) on the work of the IPT
- Articles and letters in key publications such as *The House Magazine* and *The Times*
- Advertising of programmes in external media, including the Financial Times, Public Affairs News, CityAM and epolitix bulletins
- A major three-quarter page feature on the IPT which appeared in the *Financial Times* in October 2005
- Building links with other organisations who now promote the IPT on their websites
- Increasing links with the House of Commons library in order to co-operate in publicising our respective services to parliamentarians
- The increasing use of e-marketing to promote the IPT

Raising awareness of the IPT more widely to existing and new user Groups

On 17th May 2005, the Chief Executive addressed MPs from 19 Commonwealth countries in the Palace of Westminster on the mission and objectives of the IPT. This was at the request of the Commonwealth Parliamentary Association.

A presentation was given in October 2005 to visiting members of the Australian Centre for Corporate Affairs 2005 International Best Practice Study Tour. Feedback included:

"The IPT's contribution of time and commitment to this meeting, amid the demanding and often pressured schedule, has indeed helped us to broaden the knowledge and strengthen the international outlook that the senior executives on the study tour have brought back to their corporations and their profession"

A pilot one day seminar 'Making an Impact in Parliament', devised by the IPT in partnership with the Convenor of Crossbench Peers, was delivered in the House of Lords on 3 November for 40 staff members of Crossbench Peers. The objective was for delegates to improve their knowledge of the legislative process and working practices of the House of Lords.

The Chief Executive spoke in December at a meeting of national members of the International Association of Business and Parliament (IABP). The IABP, an umbrella group set up by IPT in 1995, supports good governance and economic development in democracies through building transparent and non-corrupt relationships between businesses and legislators. The IPT is a founder member of IABP but has no financial or administrative responsibility.

During the year IPT provided the following:

- Information to Malta, Poland and Algeria on the IPT's objects and activities
- Educational programmes for Armenian MP, Mr Grigor Ghonjeyan and Christine Bahr, Official of the European Parliament
- Fellowship programmes for two MPs in conjunction with the NI Assembly Scheme

The Chief Executive

- addressed the Chartered Director Awards Ceremony at the Institute of Directors in March
- was guest speaker at the annual conference in Cambridge of Diocesan Secretaries across the United Kingdom.
- represented the IPT at the three major Party Conferences
- hosted a visit in July to the Palace of Westminster for senior marketing professionals from major insurance and risk organisations.

IPT's Website (www.ipt.org.uk)

The decision was taken in 2005 to redesign and improve the web presence.

Following a competitive tendering process, the IPT appointed website company Cubik to supply a content management system website package, training and ongoing support. The IPT launched its redesigned website in December 2005 and this is now fully integrated into IPT's internal processes, with staff members trained to update the content

The average number of visits to the website has risen encouragingly since the relaunch and IPT stakeholders are now utilising the site to learn about and book events as well as to register interest in receiving regular mailings. The website also provides a useful resource to users in the wider community

The Cartoon Collection

The IPT's extensive collection of Fellowship cartoons, caricatures of those Parliamentarians achieving Fellowship over a period of considerable years, has been deposited on permanent loan at The British Cartoon Archive, at the University of Kent. The cartoons were originally by George Gale, now by David E Smith. The collection has now been digitalised and the caricatures of MPs, Peers and MEPs are available to search online

The cost of this archival project was kindly met by BT. The original cartoons retained by the IPT were framed and the University's Student Art Society contributed much time in removing them for digitalisation and to enable the cartoons to be archived and later exhibited in The Palace of Westminster in December 2007 as part of our 30th year celebrations



Supporters of the IPT

We would not be able to carry out our educational activities without the voluntary support of all parliamentarians in the UK Parliament, the EU Parliament and the resources that these institutions provide. A great number of parliamentarians give their time freely to talk on our programmes and seminars, demonstrating their invaluable support for the unique role and ethos of the IPT.

Businesses in turn also lend much support, providing time, people and resources to enable parliamentarians to gain maximum benefit from Fellowship Programmes.

We would like in particular to thank the following for their support:

The Speaker of the House of Commons
The Lord Chancellor
The Lord Mayor of London, Rt Hon Sir David Brewer CMG, JP
Sir Gus O'Donnell, Cabinet Secretary
Officers of both Houses of Parliament
Officers of the EU Parliament
David Ramsden, Chairman, IPT Fellows Dinner Club and Committee Members

The All Party Group for China
Bond Pearce (Legal Advisers to the IPT)
BT
CommunicateResearch
GKN
House of Commons Library
House of Lords Records Office
The House Magazine
KPMG
Pearson/FT Knowledge
PricewaterhouseCoopers (IPT's Auditors)
The Refreshment Departments of the Houses of Parliament



Future Activities

During 2006/7, the current year, we are continuing to deliver and develop our core activities, implementing quality improvements based on feedback from users.

We aim to start:

- 30 new Fellowship Programmes for MPs and UK MEPs

We plan to organise:

- Our 2nd "Introducing the City" Programme
- Two PSPI programmes
- Two ESPI programmes
- Two Westminster Workshops
- Two EU Workshops
- Six company seminars
- Six lunchtime and evening briefings

We will also deliver:

- The Civil Service Scheme of seminars and MP/MEP attachments, now approaching its 10th year of successful operation

We will publish four issues of *The Bridge*

We will re-introduce the Sydney Irving Lecture.

Additionally, we expect to be delivering the following new activities for Parliamentarians in the UK and the EU:

- New educational programmes of varying lengths for parliamentarians on various aspects of business life, such as marketing
- A business briefing for parliamentarians given by the CEO/Chairman of a leading company
- A joint pilot MP/Civil Servant Fellowship with SMEs
- A Fellowship in China, involving a series of seminars with experts on China in the Palace of Westminster followed by a visit to Shanghai for a number of parliamentarians
- A European Fellowship programme for UK-based companies, broadening access to UK MEPs, based on the increasing focus and presence of IPT's companies in Europe.

And for Business:

- Seminars for business people on Emerging Issues involving parliamentarians
- 'Reunion' events to those who wish to remain fully up to date
- Visits to the Scottish Parliament and Welsh Assembly
- Encouraging more businesses and others to engage in our Study Programmes in the UK and the EU



Development of the IPT Strategy

In preparation for our 30th year in 2007 we have looked at the development of mutually beneficial relationships with new educational partners e.g. National School of Government, Chatham House, Chambers of Commerce, Confederation of British Industry and the Institute of Directors. This will enable us to broaden our work to new and different user-beneficiaries.

In Europe, there is the opportunity to strengthen the beneficial links the IPT has established with companies in Brussels and within the EU institutions over the last fifteen years.

To better fulfil the IPT's charitable objective in respect of research and its publication, a Head of Research has joined the Secretariat who will in the current year (2006-7) review the interaction between business and parliament over the past 30 years. Stakeholders of the IPT will be interviewed to explore the premise that *"the role of the IPT is even more relevant today than it was 30 years ago when it was founded"* and illustrate how the IPT's activities can best continue to make a significant impact and maximise delivery for public benefit.

Our 30th Anniversary in 2007 provides an apposite platform for raising the profile of the IPT to a wider community of both business and parliamentarians. A programme of activities and briefings will be held, supported by senior parliamentarians and founder companies.

In January 2007, the Trustees, Executive Committee and Secretariat met to discuss the *'Future Direction of the IPT'* and agreed our strategic priorities. We will present some of these at the Annual General Meeting on Tuesday 13 March, 2007 at 5.00pm.

Financial Performance

Overview

Total income for the year amounted to £1,011,516 and was generated from activities in furtherance of the IPT's objects. The increase was largely due to the significant growth in seminar income and in interest receivable. Seminar income grew from £178,982 to £337,668 and interest receivable from £13,144 to £24,632. Overall, income increased by 21% on the prior year. Surplus achieved for the year was £281,607, with overall accumulated funds at £550,587.

Charitable expenditure increased by £123,659 reflecting the increase in activity levels with increased numbers of programmes for business (three PSPI and two ESPI taking place). Direct expenses, overheads and staff costs are now allocated to individual activities. Governance costs are shown separately.

The accounts have been prepared for the first time in accordance with the Statement of Recommended Practice (SORP), *"Accounting and Reporting by Charities: Statement of recommended practice"* published in March 2005. As such, a number of prior year figures have been restated to ensure that information is presented in a consistent manner.

Reserves Statement

Accumulated funds at year end were £550,587. During the year, the Audit Committee reviewed the reserves policy and recommended an increase from £270,000 to £320,000, equivalent to six months running costs. In future the reserve will be maintained in a separate interest earning account.



Structure, Governance and Management

The Trust was incorporated as a company limited by guarantee in April 1977 and became a registered charity in 1983. The guarantee of each member is as follows: Subscribing Members £1,000, Trustees £1. The governing document is the Memorandum and Articles of Association of the company and members of the Board of Trustees are directors of the Company

Trustees

The direction and control of the IPT is determined by the Trustee Board. The composition, election and retirement of Trustees are governed by the Articles of Association. The Trustees do not receive remuneration

The Trustees are responsible for the business of the IPT and make regulations and rules for the carrying out the objects of the IPT

The Trustees meet four times annually, including during 2005-6

The maximum number of Trustees is 18, normally composed of 11 parliamentarians and seven non-parliamentarians (of whom five are from within industry and two from outside industry)

Trustees are appointed for a four year term of office at an Annual General Meeting of the IPT, and may be reappointed for one further period of four years.

During 2005-6, John Sacher OBE retired as a Trustee and the Chairman also indicated his wish to retire at the AGM on 13 March 2007

During the year, the Trustees agreed a new trustee recruitment process to fill skill gaps on the Board. A number of qualified parliamentarians and people in industry were identified and contacted by the Trustees, in conjunction with the Chief Executive. The candidates were issued with a recruitment pack and those interested were interviewed by members of the Board. Consequently, the following three new Trustees were formally appointed at the Annual General Meeting in March 2006.

- Sir David Arculus
- Miss Rosemary Brook
- Baroness Harris of Richmond DL

Dr Evan Harris MP will be formally appointed at the Annual General Meeting on 13 March 2007

All new Trustees are provided with an Induction Pack which includes the Memorandum and Articles of Association, details of their legal obligations, the IPT Rule Book, committee structure, strategy and business plans, recent Minutes and details of the financial performance of the charity

Each new Trustee spends a day's familiarisation at the IPT's offices to meet members of the Secretariat and the roles they fulfil

During the year 2005-6, the Trustees reviewed the IPT's Rule Book and adopted or updated policies as required

The Trustees appoint the Chief Executive to whom the management of the day-to-day operations of the charity and the Secretariat are delegated.



Risk Management

The Trustees undertake an annual review (a Risk Map) of strategic, operational, financial, compliance and external risk. Supervision of the Risk Map is delegated to the Audit Committee. Members of staff are involved in the risk assessment work. Procedures and processes have been established to monitor risk, mitigate and minimise the potential impact on the IPT should any of these risks materialise.

In particular, during the year, the risk from terrorism was evaluated, given the location of the IPT and its dependence on the Houses of Parliament for fulfilment of charitable activities. Staff considered issues such as potential injuries to staff, users and volunteers, damage to the office building and the effects on operational capability. Additional safety, security and data backup procedures were implemented and these are reviewed regularly.

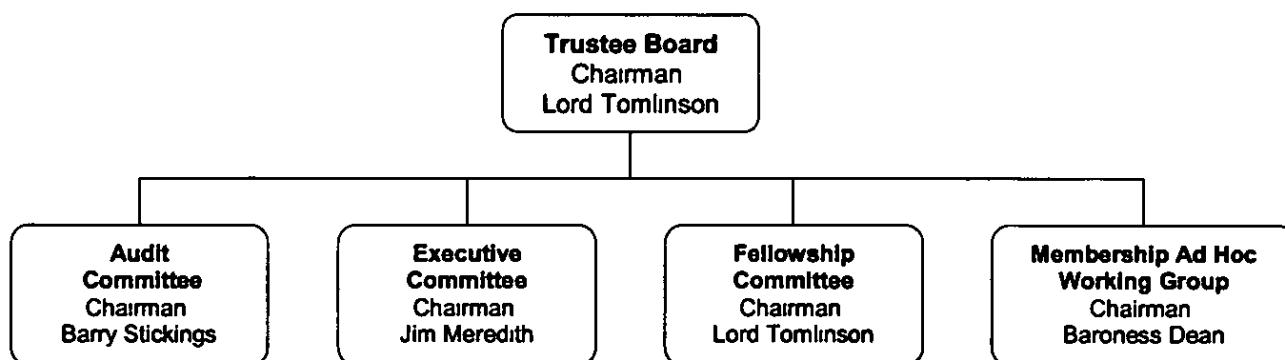
IPT faces a number of financial risks which the Trustees have reviewed. The Trustees do not consider the charity exposed to liquidity, foreign exchange and investment risk as the charity has no long term borrowings, no assets and liabilities denominated in a foreign currency and current assets consist primarily of cash at bank and debtors. The charity does have exposure to credit risk as supporters may choose to not fulfill a contribution pledge. However, the Trustees consider the charity's exposure in this regard to be low as debtors is not a significant balance. The charity manages price risk by ensuring that incoming resources from charitable activities are matched with expenditures.

Committees as at 30 September 2006

Article 49 of the IPT's Memorandum and Articles of Association states that the Board of Trustees may delegate any of its powers to committees consisting of such members of the IPT or Elected Board as it thinks fit.

The following committees and working group have Terms of Reference, approved by the Trustees.

IPT Board and Committee Structure



Executive Committee

The Executive Committee's role is to assist the Chief Executive in the performance of her duties and responsibilities, including:

- the development and implementation of strategy, operational plans, policies, procedures and budgets;
- the monitoring of operating and financial performance,
- the prioritisation and allocation of resources

The Chairman of the Executive Committee is required to be a Trustee. Other members are appointed from corporate member companies. Members serve the same term of office as Trustees.

The Executive Committee met four times during 2005-6 when they reviewed the strategy, budget and activities.

The Audit Committee

During the year the Audit Committee was established, chaired by Barry Stickings CBE. The other members of the committee are Baroness Harris of Richmond DL and Bill Oler MP. It met twice during 2005-2006. The purpose of the committee is to take responsibility on behalf of the board in

- Ensuring that there is a framework for accountability;
- Examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management; and
- Ensuring the IPT is complying with all aspects of the law, relevant regulations and good practice.

The Fellowship Committee

Terms of reference for the Fellowship Committee were agreed by the Trustees in January 2006. The purpose of the committee is to involve the Fellows of the IPT in assisting the Trustees to further the objects of the Trust. The Chairman is Lord Tomlinson. The Committee did not meet during the year.

Membership Working Group

During the year, the Membership Working Group (MWG), chaired by Rt Hon Baroness Dean of Thornton-le-Fylde, met several times to consider possible changes to the membership scheme.

The MWG will continue this work into 2006-7.

Membership of the IPT

Membership of the IPT is available to businesses. Conditions of membership are governed by the Articles of Association. Members have the right to receive a copy of the Annual Report and vote at General Meetings of the IPT.



Secretariat

Employment of all staff within the Secretariat is delegated to the Chief Executive who may refer major matters to the Executive Committee or Chairman of the Board of Trustees as appropriate. At the end of September 2006 the IPT Secretariat numbered eight full-time and two part-time staff, plus one civil servant seconded on a fixed term contract. Two staff joined during 2005/6.

During the year, one member of staff was employed under the Barclays Community Programme. This scheme enables a manager close to retirement to provide service on an employed basis within a charity with the cost of employment heavily subsidised by Barclays Bank plc.

Training and Development is considered a priority and all members of the Secretariat have an Annual Development Plan agreed with the Chief Executive and line management. In 2005/6 members of staff received training and personal development in finance, communications, advertising, computer skills, data protection, marketing, governance, team building, project management and strategy

The salaries of the Secretariat are reviewed annually by the Chief Executive with increases given broadly in line with inflation and the costs of working in Central London and reflected fully in the budget for the forthcoming year. The Chief Executive separately reviews salaries throughout the year based on acquisition of additional skills or responsibilities thus ensuring that salary progression takes place where appropriate.

The Chief Executive is employed by the Board of Trustees under a Contract of Employment with annual salary review.



Statement of Trustees' responsibilities for the financial statements

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 IPT at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year. In preparing financial statements giving a true and fair view, the Trustees are required to

- elect suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis in accordance with the Companies Act 1985 unless it is inappropriate to presume that IPT will continue in operation,

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of IPT and which enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of IPT and hence for taking reasonable steps for the prevention of fraud and other irregularities

The Trustees state that, so far as they are aware, there is no relevant audit information of which IPT's auditors are unaware and, they have taken all the steps that ought to be taken as Trustees in order to make themselves aware of any relevant audit information and to establish that IPT's auditors are aware of that information

The accounts for the year, which are presented on pages 36-41 of this report, were approved by the Board on 30 January 2007.

BY ORDER OF THE TRUSTEES



Trustees, Officers and Advisers

Trustees

The following served as members of the Board, and therefore as Trustees of the IPT, during the year and to date

Lord Tomlinson (Chairman of Board of Trustees and Chairman of Fellowship Committee)
Re-elected AGM 7 March 2005

David Amess MP
Nomination accepted at Trustee meeting on 30 January 2007

Sir David Arculus
Director O2, Telefonica and Pearson
Elected AGM 14 March 2006

Miss Rosemary Brook
Chairman, The Argyll Consultancies PLC
Elected AGM 14 March 2006

Rt Hon Richard Caborn MP
Re-elected AGM 7 March 2005

Rt Hon Baroness Dean of Thornton-le-Fylde
(Chairman, Membership Working Group)
Re-elected AGM 7 March 2005

Rt Hon Sir David Edward KCMG QC
Re-elected AGM 7 March 2005

Dr Evan Harris MP
Nomination accepted at Trustee meeting on 4 July 2006

Paul Hayter LVO
Clerk of the Parliaments, House of Lords
Re-elected AGM 7 March 2005

Baroness Harris of Richmond DL
Elected AGM 14 March 2006

Baroness Hooper CMG
Re-elected AGM 7 March 2005

Miller R McLean FCIBS
Group Secretary and General Counsel
The Royal Bank of Scotland plc
Re-elected AGM 7 March 2005

Jim Meredith
(Chairman, Executive Committee)
Chief Executive, Waste Recycling Group Limited
Re-elected AGM 7 March 2005

Douglas Millar
Clerk Assistant, House of Commons
Re-elected AGM 7 March 2005

Bill Oiner MP
Re-elected AGM 7 March 2005

Mark Prisk MP
Nomination accepted at Trustee meeting on 30 January 2007

John Sacher CBE
Stood down as Trustee 14 March 2006 to become a Vice-President

Barry Stickings CBE
(Chairman, Audit Committee)
Re-elected AGM 7 March 2005



Honorary Officers

The following were Honorary Officers of the IPT for the year:

Joint Presidents

Rt Hon Lord Falconer of Thoroton
Secretary of State for Constitutional Affairs and Lord Chancellor

Rt Hon Michael J Martin MP
The Speaker of the House of Commons

Vice-Presidents

Rt Hon Lord Weatherill DL
Former Chairman of Board of Trustees

John Sacher CBE

Secretariat

Sally Muggendge, MBA, FCIM, Chartered
FCIPD, Chartered Marketer, FRSA

Eunice Anthony

Sharon Bray

Maggie Deighton

Sarah Hutchison, FCCA

Barbara Keller

Amelia Knott

Andrew MacThomas

Emma Massey

Louise Randall

Paola Spina

Chief Executive

Events Manager

Fellowship Coordinator

Administration Manager

Chief Financial Officer

Civil Service Programme Manager

Communications Manager

Development Director

Events Manager

Relationship Manager

Bookkeeper



Legal and Statutory Information

Address and Registered Office

Suite 101
3 Whitehall Court
London
SW1A 2EL

Company Registration Number
1308583

Date of Incorporation
14 April 1977

Charity Registration Number 287527

Constitution
Company limited by guarantee, no share capital, section 30 of the Companies Act, with Memorandum and Articles of Association

Company Secretary
Miss Sally Muggendge

Bankers

Lloyds TSB
Butler Place Branch
PO Box 132
1 Butler Place
London
SW1H 0PR

Solicitors

Bond Pearce Solicitors
Oceana House
39-49 Commercial Road
Southampton
Hampshire
SO15 1GU

Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Adviser on Governance & Strategy

Tess Harris
Elektra Associates
91 Royal College Street
London
NW1 0SE



Independent auditors' report to the members of Industry and Parliament Trust

We have audited the financial statements of Industry and Parliament Trust for the year ended 30 September 2006 which comprise the statement of financial activities, the balance sheet, and the related notes. These financial statements have been prepared under the accounting policies therein

Respective responsibilities of directors and auditors

The trustees are also directors of Industry and Parliament Trust for the purpose of Company Law. As described in the Statement of Trustees' Responsibilities the trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume any responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the Trustees' Report is consistent with the financial statements. We also report to you, if in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises the Messages of Support, Report from the Chairman of the Board of Trustees, the Report from the Chief Executive and the Report of the Trustees. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.



Opinion

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs at 30 September 2006 and of its net incoming resources, including its income and expenditure, and cash flows for the year then ended,
- have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors

7 February 2007



Statement of Financial Activities

including the income and expenditure account, for the year ended 30 September 2006

	Notes	Unrestricted £	Restricted £	2006 Total £	2005 Total £
Voluntary income					
Contribution of supporters	1	461,368 00		461,368 00	454,928 00
Incoming resources from charitable activities					
Study programmes for industry	1	337,668 00		337,668 00	178,982 00
Civil Service MP/MEP Attachment Scheme	1	135,165 00		135,165 00	140,640 00
Incoming resources from generated funds					
Interest receivable		24,632 00		24,632 00	13,144 00
Donations		1,000 00	48,750 00	49,750 00	44,740 00
Other incoming resources					
Miscellaneous income		2,933 00		2,933 00	2,016 00
Total incoming resources		962,766 00	48,750 00	1,011,516 00	834,450 00
Resources expended					
Charitable Activities					
Fellowship programmes and briefings for parliamentarians	2	120,930 00	14,625 00	135,555 00	108,042 00
Study programmes for industry	2	242,445 00	34,125 00	276,570 00	244,582 00
Civil Service MP/MEP Attachment Scheme	2	101,386 00		101,386 00	87,517 00
Induction and information events		76,249 00		76,249 00	51,929 00
Governance costs	2,3	140,149 00		140,149 00	112,036 00
Total resources expended		681,159 00	48,750 00	729,909 00	604,106 00
Net incoming/(outgoing) resources for the year/ Net incoming/(expenditure) for the year		281,607 00	0 00	281,607 00	230,344 00
Total funds brought forward 1 October 2005		266,980 00	2,000 00	268,980 00	38,636 00
Total funds carried forward 30 September 2006	5	548,587 00	2,000 00	550,587 00	268,980 00

There were no acquisitions in the year and no operations were discontinued. The IPT has no recognised gains or losses other than those included in the surplus above and therefore no separate statement of gains and losses has been presented.

A number of prior year figures have been re-stated in accordance with SORP 2005 to ensure that information is presented in a consistent manner



Balance Sheet

As at 30 September 2006

	Notes	Unrestricted £	Restricted £	2006 Total £	2005 Total £
Fixed assets					
Investments	8	35,666 00		35,666 00	33,916 00
Office equipment	8	14,399 00		14,399 00	19,992 00
		50,065 00		50,065 00	53,908 00
Current Assets					
Trade debtors		34,791 00		34,791 00	43,538 00
Other debtors		1,745 00		1,745 00	1,702 00
Prepayments		33,275 00		33,275 00	19,623 00
Accrued income		5,062 00		5,062 00	2,795 00
Cash at bank and in hand	5	725,831 00	26,375 00	752,206 00	613,850 00
		800,704 00	26,375 00	827,079 00	681,508 00
Current liabilities					
Creditors due within less than one year					
Trade creditors		-14,835 00		-14,835 00	-39,339 00
Other creditors		-2,311 00		-2,311 00	-5,756 00
Accrued expenses		-23,058 00		-23,058 00	-5,262 00
Deferred income	6	-248,568 00	-24,375 00	-272,943 00	-404,484 00
Other taxation and social security		-13,410 00		-13,410 00	-11,595 00
		-302,182 00	-24,375 00	-326,557 00	-466,436 00
Net Current Assets		498,522 00	2,000 00	500,552 00	215,072 00
Accumulated Fund		548,587 00	2,000 00	550,587 00	268,980 00

The notes on the following pages form part of these accounts

Approved by the Trustees on the 30 January 2007

Lord Tomlinson
Chairman of the Trustees



Barry Stickings CBE
Chairman of the Audit Committee




Notes to the Accounts

30 September 2006

1. Principal Accounting Policies

a) Basis of preparation of Accounts

The financial statements have been prepared under the historic cost convention and comply with the Companies Act 1985. The IPT qualifies as a small entity and as a consequence, it is exempt from the requirement to publish a cash flow statement under Financial Reporting Standard 1 (revised) 'Cash Flow Statements'. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and reporting by Charities: Statement of recommended practice' published in 2005. Where appropriate, prior year figures have been restated.

b) Fund accounting

The IPT maintains two types of fund

- restricted where the purposes for which the funds may be used have been restricted by donors. In the current year the IPT has received 1 donation that is restricted, the donation from Barclays for salaries
- unrestricted where the fund is not restricted as to use

c) Incoming resources

All income is included in the accounting period on a receivable basis, where there is a legal entitlement and the amount can be quantified with reasonable accuracy. When income is received in advance it is treated as deferred income.

d) Resources expended

All expenditure is accounted for on an accruals basis and has been listed under headings that relate to a specific activity. Where costs cannot be directly attributed they have been allocated on a percentage basis consistent with the resources expended.

Direct costs are all direct attributable salaries to the activity. Overheads and other salaries are allocated between the activities and expense headings based on time spent.

Governance costs are those that are expended in connection with constitutional and statutory requirements.

e) Fixed assets

Investments in original cartoon artwork are included in the financial statements at cost at the end of the year. Cost consists of the artwork and framing of the cartoons. The Trustees consider that the value shown in the balance sheet continues to be appropriate.

Costs of operating leases are charged on a straight line basis over the lease term.

f) Depreciation

Fixed assets in excess of £500 are capitalised and are over the lease term. Computer equipment is depreciated on a straight line basis over four years.

The company has been granted charitable status and is exempt from direct taxation on its charitable activities.

g) Pensions

The IPT contributes to a number of money purchase pension schemes on behalf of certain of its employees. The IPT has a stakeholder fund and contributes 5% towards an employees' pension if it is matched by the employee. Two members of staff are exempted from this.

2. Total resources expended in 2006

a) Analysis of total resources expended

Unrestricted funds Charitable Activities	Staff costs £	Support costs £	Other Direct costs £	Total 2006 £	Total 2005 £
Fellowships	84261	32951	3718	120930	100730
Seminars	106135	48435	87875	242445	227519
Civil Service attachments	73341	20595	7450	101386	112036
Other events	52551	13182	10516	76249	51929
Governance Costs	81874	34726	23549	140149	87517
Total unrestricted resources expended	398162	149889	133108	681159	579731

Restricted funds Charitable expenditure	Staff costs £	Support costs £	Other direct costs £	Total 2006 £	Total 2005 £
Fellowships	14625			14625	7312
Seminars/ educational programmes	34125			34125	17063
Total unrestricted resources expended	48750	0	0	48750	24375

Total resources expended	446912	149889	133108	729909	604106
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b) Analysis of support costs

	Fellowships	Seminars	Civil Service Attachments	Other events	Governance costs	Total 2006	Total 2005
	£	£	£	£	£	£	£
Travel/Subsistence	2277	3528	1424	912	2513	10654	9768
Premises/Maintenance	12752	18066	7970	5102	13390	57280	57086
Communications & IT	7873	11331	4921	3149	8269	35543	30777
Postage & printing	3122	4601	1951	1249	3279	14202	12429
Financial Costs	573	803	358	229	604	2567	3614
Depreciation	2833	4896	1645	1053	2764	12991	11542
Bad debt	3721	5210	2326	1488	3907	16652	12346
Total support costs	32951	48435	20595	13182	34726	149889	137562

Support costs are allocated on the basis of staff time

c) Analysis of governance costs

	Total 2006	Total 2005
	£	£
Legal and professional fees	16419	23703
Audit fees	6844	4994
Cost of AGM and Trustee travel	667	2748
Apportionment of staff and support costs	116219	80591
Total governance costs	140149	112036

3. Net incoming/(outgoing) resources

These are stated after charging

	Total 2006	Total 2005
	£	£
Auditor's remuneration	6844	4994
Depreciation	12991	11542
Operating leases-land and buildings	31968	31968
Operating leases-office equipment	5980	6181
Bad debt	16653	12346

4. Trustee and employee information

a) Trustee information

No remuneration was paid to the Trustees during the year (2005 £Nil) Expenses of £121 for travel was paid to one Trustee (2005 £294)

b) Employee information

Employee costs during the year	Total 2006	Total 2005
	£	£
Salaries	358539	277555
Seconded staff	32588	38276
Social security	39903	30568
Pension	12992	13845
Training/other staff costs	2890	3213
	446912	363457

There were 2 members of staff whose emoluments amounted to over £60,000 during the year (2005 1)

One member of staff earned between £60,000 to £70,000, the other earned between £90,000 to £100,000 Pension contributions of £8.4K were made on behalf of this member of the Secretariat.

The average number of employees during the year was 11, which includes two part time staff and one seconded Civil servant.

5. Restricted Funds

	Incoming Resources £	Resources Expended £	Balance at Year end £
BT cartoon donation	2 000	0	2,000

6. Deferred Income

	Year ended 30 September 2006 £	Year ended 30 September 2005 £
Balance as at 1 October	404,484	164,010
Income received	272,943	404,484
Released to income and expenditure account	(404,484)	(164,010)
Balance as at 30 September	272,943	404,484

Deferred income balance at 30/09/06 includes the following Barclays' donation £24,375, Civil servant scheme £138,359, European study programme £14,400, Contribution from member companies £64,179, Westminster seminars £11,380, Donations to the 30th anniversary programmes £20,250

7. Operating Leases

At 30 September the IPT had annual commitments under operating leases as follows, being non-cancellable except as shown

Operating leases which expire	Year ended 30 September 2006 £ Land and buildings	Year ended 30 September 2006 £ Other	Year ended 30 September 2005 £ Land and buildings	Year ended 30 September 2005 £ Other
within one year		5,978		778
in the second to the fifth year	35,000 ¹	5,978	35,000 ¹	

¹Rent lease for 5 years with a 3 year break clause

8. Asset movement note

	Fixed assets £	Investments £
Cost/Valuation		
As at 1 October 2005		
Additions	50,379	33,916
Cartoons		1,750
Computer installation	7,398	
As at 30th September 2006	57,777	35,666
Accumulated depreciation		
As at 1 October 2005	30,387	
Charge for the year	12,991	
As at 30 September 2006	43,378	
NBV at 30 September 2006	14,399	35,666
NBV at 30 September 2005	19,992	33,916

9. Related party transactions

There were no related party transactions during the year

10 Company limited by guarantee



The guarantee given by the subscribing members comprises an undertaking that they will each contribute the maximum sum of £1000 and the Trustees each contribute the maximum sum of £1 in the event that the charitable company is wound up owing money to its creditors



Subscribing Member Companies at 30 September 2006

Abbey PLC	Marsh Ltd
Aberdeen Asset Management plc	Motorola Ltd
Aggregate Industries plc	Muncaster Visitors Management Ltd
AGN Shipleys	Nestlé UK Ltd
ARM Ltd	Network Rail Infrastructure Ltd
BAE Systems plc	Norsk Hydro (UK) Ltd
Barclays plc	Northumbrian Water Limited
BASF plc	O2 plc
Bloomberg LP	Pfizer Limited
Bovince Limited	Pilkington plc
BP Marsh & Partners Limited	Pineapple Developments Ltd
BP plc	PricewaterhouseCoopers LLP
British American Tobacco (Holdings) Limited	Rank Group Gaming Division Plc
British Telecommunications plc	Reed Elsevier Group plc
BUPA	Rio Tinto plc
Cadbury Schweppes	Royal Armouries
Cannons Group plc	Royal Holloway University of London
Centrica plc	RWE Npower
ConocoPhillips	Severn Trent Water Limited
David Ramsden Associates	Shell International Limited
Degussa UK Holdings Limited	Short Brothers plc
DHL Express	Smiths Group plc
EMAP plc	Tesco Stores Ltd
ExxonMobil	Thales plc
Finmeccanica UK	The Argyll Consultancies
FlowerCity (London) Limited	The Bank of England
Gala Group Limited	The BOC Group plc
GE Healthcare	The Boots Group plc
GKN plc	The Carbon Neutral Company
GlaxoSmithKline UK Ltd	The Federation of Small Businesses
Hepher Dixon	The Go-Ahead Group plc
Imperial College London	The Royal Bank of Scotland plc
Imperial Tobacco Ltd	The Standard Life Assurance Company
Irwin Mitchell	Throgmorton
ITN plc	Thomas H Loveday Ltd
ITV plc	Total Holdings UK Ltd
John Lewis Partnership	Tunstall Group plc
Johnson & Johnson	Unilever UK Ltd
KPMG LLP	United Kingdom Nirex Limited
Ladbrokes Ltd.	Universities UK
Lloyd's of London	University of Bristol
Lloyds TSB Bank plc	UPS Ltd
Manchester Airports Group	Waste Recycling Group Limited
Marks and Spencer plc	

