

Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2021
for
EIL UK

Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

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for the Year Ended 31 March 2021**

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**Report of the Trustees
for the Year Ended 31 March 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The advancement of education in the culture, circumstances, and way of life of people of different nations, races, and creeds.

Our Vision

A more tolerant and understanding world.

Our Mission

We bring people together to develop lasting understanding across communities, borders, and ideological divides.

What we do

Since 1936, the charity has provided intercultural learning opportunities to create a more peaceful, tolerant, and understanding world.

Our cultural immersion programmes include study abroad, family homestays, group educational programmes, training, and language courses.

During 2020-21 our programmes were severely curtailed by the Covid-19 pandemic, with many of our programmes put on hold because of limits on international travel, lockdowns, and social distancing to minimise the spread of infection. Those which we were able to deliver are covered later in this report.

Our Values

Forward thinking	we are dynamic, motivated, and eager to develop new opportunities so people can build a more tolerant and understanding world.
Inclusive	we welcome people from all backgrounds and provide a tailored and personal service, reflecting diversity and promoting tolerance.
Quality	we provide safe and ethical opportunities for our volunteers and clients. Working with providers and partners who share our principles, we are committed to achieving high standards and advancing best practice.

An international network

We are a founder member of Federation EIL (FEIL), the global network of not-for-profit organisations dedicated to intercultural experiential learning. A worldwide federation, Federation EIL is one of the oldest and most established hosting organisations in the world. In 1989 the United Nations Secretary General awarded Federation EIL Peace Messenger status.

EIL UK is a significant contributor to the association and remains fully supportive of the aims, ideals, and objectives of Federation EIL. Collaboration and joint-working practices with Federation partners serve to strengthen all partners and reinforce the shared mission and vision.

FEIL normally holds an annual General Assembly (GA), hosted by one of the member countries. Due to the pandemic, the face-to-face GA planned for 2020 was postponed and Federation members met online to conduct the organisation's business and to update and support each other through the crisis. EIL UK remains an active member of FEIL, with our Chief Executive currently holding office as an Executive Member of the Board. Although it slowed due to Covid, work continued on the development of a Certification Scheme to advance global practitioner standards and good practice for organisations in the international exchanges sector. We continue to actively contribute to this important and pioneering initiative.

**Report of the Trustees
for the Year Ended 31 March 2021**

OBJECTIVES AND ACTIVITIES

Public benefit

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

EIL UK enriches and transforms lives by giving people from different countries and cultures opportunities to get to know and understand each other. By living as a member of the host family, participants and hosts develop lasting friendships through the charity's structured inter-cultural learning programmes. It is this deeper understanding and appreciation of different cultures that breaks down barriers between people, fosters tolerance and respect for other perceptions and viewpoints and provides participants with a range of intercultural competencies.

Our programmes offer groups and individuals the chance to participate in cultural learning and community-based projects that improve the wellbeing and environment of people of other races, religions, and cultures in the UK and beyond.

THE COVID-19 PANDEMIC - IMPACT AND MITIGATION

The pandemic first impacted on the charity in March 2020 when the UK, along with many countries went into lockdown. Our priority was the safety and well-being of our participants and we repatriated all except one high school student who remained in the UK because of the situation in her home country. We are particularly grateful for the wonderful support our host families provided to students at this difficult time. Our staff found transport for them to return home and personally escorted them to airports and train and ferry terminals.

At this point all planned cultural group and homestay programme activity was immediately put on hold or cancelled. The office was closed and staff were provided with the IT facilities to work from home. Two staff attended the office occasionally to maintain essential services.

In the early weeks of the pandemic the Chief Executive and Board developed and implemented a new strategy, "Build Our Future". We took steps to mitigate the impact of the loss of business by reducing expenditure to a minimum, identifying programmes which could be adapted to online delivery and introducing new initiatives. We also invested in our organisational infrastructure to strengthen the charity for the future.

We avoided any compulsory staff losses and redirected staff time to develop new opportunities. We have been able to do this due to our strong financial reserves and to the UK Government grant support, in particular the Job Retention Scheme which provided furlough payments for many of our staff for at least part of this period.

LEAVING THE EUROPEAN UNION – IMPACT AND MITIGATION

The UK's decision to leave the EU ("Brexit"), fully effective from January 2021, has also had a major impact on the charity. Changes to visa requirements for international students coming to the UK and the replacement of part of the Erasmus+ programme with the Turing Scheme have a significant impact on the charity's work. In response, we are adapting our programmes to the new regulations and restrictions, including offering a shorter High School programme to meet new visa rules and developing more digital offerings.

We are concerned at the impact Brexit is having on the provision of intercultural learning opportunities and have voiced these concerns and the importance of non-formal international exchanges for young people through a submission to the British Council All Party Parliamentary Group. We will continue to express our views on the need to remove barriers to and promote the benefits of intercultural learning as opportunities arise.

**Report of the Trustees
for the Year Ended 31 March 2021**

ACHIEVEMENT AND PERFORMANCE

OUR PROGRAMMES

For most of the year travel in and out of the UK was almost impossible and when restrictions eased, confidence was too low to make face-to-face programmes viable. Our High School Study Abroad Programme 2020-21 and planned Cultural Group programmes were cancelled. A very small number of Individual Homestay programmes were able to take place where it was safe to do so. However our agile response has enabled us to run the following programmes:

Training volunteers

Our Training and Evaluation Contract (TEC) for the European Solidarity Corps (ESC) remained in place throughout the period. Through this EU funded initiative, we deliver training and evaluation to European volunteers coming to the UK and UK volunteers to prepare them for life abroad. The TEC contract we hold for the UK National Agency partners, British Council and Ecorys was extended to the end of December 2021.

In response to the pandemic we redesigned our courses to deliver them online for the first time. We delivered a total of 29 On Arrival Training and Mid-Term Training sessions to 270 volunteers over the course of the year. Participants attended from 22 countries. Our new approach attracted outstanding levels of average participant feedback over 95% for the quality, relevant content, and organisation of the training.

Participant feedback included the following comments:

"I was really impressed with the quality of training. [The trainers] brought out the best of this online training. I can't really imagine better trainers. I am highly satisfied with what they have done in these 2 days. It was useful and I am happy for the opportunity to take part" ESC volunteer, On Arrival Training 10-11 November 2020

A trainer's perspective on learning how to train online:

I am much more confident in using technology and online tools in training. Previously I was a purely 'analog' trainer who wouldn't even take a laptop to trainings, and I definitely had some resistance and fear of digital tools. But this project has demystified online learning and allowed me to tackle the things I was afraid of - tech issues, "confusing" tools, and thing going wrong etc - and learn how to deal with them, and still deliver enjoyable and engaging trainings."

Training our trainers

Working in partnership on a Transnational Cooperation Activity, we delivered the 'Go the Distance' Phase 1 Trainer competence and quality development in TEC' 2020 project to a) develop our trainers' online training competencies and b) advance good practice in the UK delivery of ESC Training and Evaluation Cycle online. The quality of our new online training was evidenced by the 288 participants' average feedback and evaluation score of over 95%. The project outputs included a Practice Manual and a new Trainer Competency Framework to support and advance good practice in non-formal online training. The project was successfully completed in December 2020 and the findings and results will be used more widely to support and advance the delivery of high quality online training for practitioners in non-formal youth settings. We would like to thank the trainers in our Training Pool for their outstanding commitment to this project and all the volunteers who helped us learn to meet their needs online.

Hosting

The immersive experience of living as a part of the family is normally a key feature of our programmes. It has a high impact on both participants and the host family; it leads to a huge increase in the understanding of different cultures that opens up career and life opportunities and many homestays lead to life-long friendships across countries and enrich the lives of generations.

Although able to offer only a few carefully arranged hosting opportunities during this year, we have kept in regular contact with our hosts through emails and newsletters. We appointed our first Communications and Marketing Officer in the summer of 2020, part of our investment to engage our past and present hosts, participants, and partners.

**Report of the Trustees
for the Year Ended 31 March 2021**

We have also continued the hosting experience online through the Digital Cultural Exchange initiatives, such as our new Virtual Visits, bringing together international university students studying in British universities and UK hosts to develop cultural understanding and reduce isolation during the pandemic. A grant from the Victoria League Scotland is supporting our work on the design and development of online cultural exchanges for international students and hosts in Scotland.

High School Programmes

Although we were unable to run any high school programmes from September 2020, we have spent considerable time and effort in adapting our programmes to meet the post-Brexit changes to visas and schools' introduction of fees. International students can no longer study for an academic year at UK high schools or take exams or return home with qualifications. At the time of writing this report, we are preparing to welcome our first international students on our new 3-6 month School Cultural Exchange programme. We hope that we will be able to return to formal education programmes lasting a full academic year at some time in the future.

HOST UK

As reported in our annual report for 2019-20, in the Spring of 2020 we were in discussion with the charity HOST UK, a hosting charity with a mission similar to our own, over the transfer of their assets to EIL UK. A Memorandum of Agreement for the transfer of assets was drawn up with the help of specialist advisors and following Charity Commission advice and guidance. This was approved by the Board of EIL UK at its meeting on 13 June 2020. The staged transfer of HOST UK assets to EIL UK was finally completed at the end of July 2020.

As a result of the transfer EIL UK received the following assets:

Unrestricted funds: £16,147

Restricted funds: £2,000 from the Tanner Trust to facilitate and support HOST UK volunteers and their integration into EIL UK.

HOST Database Application which is used to process applications and capture feedback..

In addition, we acquired a network of 20 volunteer Regional Organisers and over 700 hosts with whom we hope to continue HOST UK's day visits, weekend stays and festive stays.

We have also acquired new trustees and staff following the closure of HOST UK. - further details are given below.

Outbound activity

The opportunity to send participants overseas during this year has inevitably been very limited. We have however sent 5 UK volunteers to our long-standing partner, Birdlife Malta on our Outbound ESC programme,

Our impact

In normal times we measure our impact by the number of participants and host families involved in our programmes and the number of training places taken up by volunteers as well as the quality of the feedback we receive from participants. However, we know that our programmes impact on a far greater number of people whose lives are enriched by contact with international visitors, whether in host families, schools, business environments or communities.

We are disappointed that during 2020-21 we have not been able to achieve the wide and deep impact normally gained from experiential learning but we are pleased that the programmes that have run have been well received and had a positive impact on the participants. We will continue to explore how online virtual exchange programmes can expand access to EIL's programmes and be incorporated into aspects of our work.

**Report of the Trustees
for the Year Ended 31 March 2021**

Our people

The success of our programmes is dependent on the people who support them. We are grateful to:

Our staff, who have borne the combined difficulties of home working and periods of furlough and demonstrated their commitment and flexibility as we have adapted existing programmes and developed new ones. During this year we have welcomed two new members of staff who have brought us valuable experience of the HOST UK programmes

Our trainers, who have adapted to a new form of delivery and gained us such excellent feedback from participants on the high quality of online training and content

Our Coordinators and Regional Organisers, who provide key links with our host families

Our volunteer host families, who kept their visitors safe as we went into the pandemic and are now starting to host again after a long break

Our volunteers, who we know will return as soon as circumstances permit.

LOOKING TO THE FUTURE

We will continue to work towards our five key strategic objectives 2018-22, which are to:

- Strengthen and diversify our programme portfolio
- Maintain and strengthen our financial resilience
- Grow our people
- Develop and deliver an effective and targeted communications strategy
- Develop high standards and achieve programme accreditation

In 2021-22, our key goals are to:

- Design and deliver a refreshed programme portfolio for School Cultural Exchanges
- Rebuild existing programmes and establish a portfolio of new programmes with a diverse customer/client base
- Complete the work on key communications investment projects, including delivery of a new website and development of a new marketing strategy

In conclusion, 2020-21 has been a challenging year due both to the Covid-19 pandemic and also the impact of Brexit. We are fortunate that our strong reserves combined with our ability to change and adapt have enabled us to weather the storm. During 2021-22 we look forward to resuming our most successful programmes and to working with our existing and new international partners to once again open up inter-cultural learning opportunities for people of all ages. Our role in bringing people together to deepen mutual understanding remains as important as ever.

**Report of the Trustees
for the Year Ended 31 March 2021**

FINANCIAL REVIEW

Overview

As anticipated, the curtailment of programmes led to a significant deficit of £75,748 at 31 March 2021.

The sum of £340,000, the value of the asset, Elphick House at 287 Worcester Road, Malvern, is shown as a designated sum in our accounts.

Income

Our two main sources of income were:

- The EU-funded contract for the delivery of the Training and Evaluation Cycle (TEC) contract for young adults aged 18-30 taking part in European Solidarity Corps activities that replaced European Voluntary Service (EVS)
- Government support through the Coronavirus Job Retention Scheme.

Expenditure

Staffing costs formed the majority of our expenditure. We reduced our expenditure in other areas through careful management of costs including the re-negotiation of contracts.

Investments

Under its memorandum and articles of association, the charity has the power to invest in any way the trustees wish. The trustees, having regard to liquidity requirements, to the cash flow involved in operating programmes and to the reserves policy, have maintained a policy of keeping available funds in interest-bearing deposit accounts. The trustees have sought to achieve a rate of interest that matches or exceeds inflation as measured by the retail prices index.

Reserves policy

It is the policy of the charity to hold reserves in its unrestricted funds that have not yet been committed or designated for any particular purpose. The trustees set aside these free reserves to protect the future operations of the charity from the effects of any unforeseen variations in its income streams.

As at 31 March 2021, reserves in the charity's unrestricted funds amounted to £549,211 (compared to £633,107 at 31 March 2020 and £616,528 at 31 March 2019) of which £203,400 were free reserves (compared to £285,771 at 31 March 2020 and £267,524 at 31 March 2019). Free reserves are reserves which do not include restricted funds, endowment funds of £25,000 or funds tied up in the fixed assets. As at 31 March 2021 the free reserves represented just under 9 months operating costs.

In September 2019 trustees reviewed the charity's reserves policy in line with their policy of good financial management practice and continued their policy to target a level of reserves equivalent to a minimum of 4 months of gross revenue expenditure with an optimum level of 6 months' gross expenditure. At 31 March 2021, although significantly depleted, reserves remained within the target range. During 2021-22 trustees anticipate the need to make further significant withdrawals from the charity's reserves while international mobility recovers and programmes gradually restart.

Through our reserves policy we recognise and mitigate against two key risks to the charity's future operations:

- The impact of changes to free movement across borders and consequences for future stays in the UK following BREXIT
- Our reliance on income from the European Erasmus+ funded EVS/ESC Training and Evaluation Cycle (TEC) contract. The contract for services was extended for a further 12 months and will end in December 2021.

Like most organisations, we did not anticipate the pandemic which hit us in 2020 nor the devastating impact that would have on UK businesses. However, the reserves we have built up are giving us considerable cushioning against our financial losses.

The Board has agreed the use of our reserves to support a deficit budget for 2021-22, while the organisation invests for the future. We intend to restore the reserves to the target level over future years.

**Report of the Trustees
for the Year Ended 31 March 2021**

FINANCIAL REVIEW

Fundraising

During the pandemic, the charity has benefited from the government's Job Retention Scheme. Other fundraising activities included:

A successful application to the Victoria League Scotland for the design and development of online cultural exchanges for international students and hosts in Scotland and facilitator training.

A £2,000 grant from the Tanner Trust who agreed to the transfer of restricted funds from HOST UK to EIL UK as part of the transfer of assets.

The trustees would like to thank the staff of Malvern solicitors, Paytons, for selecting EIL UK as their charity of the month and raising funds from clients and friends.

In 2020 the charity established its first payroll giving scheme also known as Give As You Earn (GAYE), a simple way for taxpayers to make regular gifts to support the charity's work. We welcomed our first regular donors and thank them for their ongoing support.

Alongside fundraising directly for EIL UK, a number of businesses supported the charity with help in kind which was of a significant value. The charity's auditors, Locke Williams, advised on the Memorandum of Agreement for the Transfer of HOST UK Assets, Missing Pixel supported the IT set-up for staff to work remotely from home and our management accountants, Kendall Wadley, volunteered their services to process all of the charity's monthly claims for the Coronavirus Job Retention Scheme.

Support was also provided by the Department of International trade in the form of specialist advice.

The trustees would like to express their gratitude to the charitable trusts, businesses and individual donors who supported the charity in 2020-21.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Status and governing document

EIL UK (also known as EIL and formerly known as E.I.L. Limited) is a registered charity in England and Wales and company limited by guarantee, governed by its Memorandum and Articles of Association dated 22 February 1996, as amended by special resolution dated 27 June 1998 and again amended by special resolution dated 16th November 2013. The liability of the trustees, as members, is limited to £1.

The trustees of the charity are directors of the company and are referred to as trustees throughout this report.

Change of registered name to EIL UK

At the Annual General Meeting held on 22 November 2019 the charity's members adopted the special resolution changing the charity's registered name from E.I.L. Limited to EIL UK. The new name, EIL UK, was approved by and registered at Companies House and the Charity Commission.

**Report of the Trustees
for the Year Ended 31 March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Appointment of Trustees and Induction

There is a requirement for one third of trustees to retire by rotation. If their number is not three or a multiple of three, the number nearest to one third shall retire from office. A new Trustee may be appointed either by the Company at a General Meeting or by written resolution signed by a majority of the members of the Company.

When trustee vacancies occur, nominations for new trustees are received from the charity's stakeholders and are considered by the whole trustee body against the specific requirements that have been identified for the vacancy. Trustees are appointed by the members at the Annual General Meeting.

On appointment, new trustees receive a detailed information pack on both their role as a trustee and on the charity. They are invited to attend a trustees' meeting before formally accepting the position. All trustees are invited and encouraged to visit the charity's offices and take part in various aspects of the charity's work to increase their understanding of the charity's work and impact.

During 2020-2021 we welcomed two new trustees who were appointed to the Board by members at the AGM held on 4th December 2020 - Sally Kuenssberg and Mark Pellew. Sally and Mark were both previously trustees of HOST UK. As well as bringing continuity of experience and understanding of HOST UK, they both hold extensive public sector and charity experience which is enriching the range of skills and experience held in EIL UK's trustee board.

Members

EIL UK has appointed members. The members appoint trustees and all appointed trustees automatically become members. The Memorandum and Articles allows for thirty members. All members agree to contribute £1 in the event of the charity having to be wound up.

As at 31 March 2021, there were eleven serving members (compared to eleven on 31 March 2020). In addition to the trustees named in this report, the members were: R Begley, B Coker, R Godwin, M Hancox, C Hyde, R MacDonald, M Matthews, G McKeown, R Tilley, E Tilley, and B Worrall (appointed 4th December 2020).

It is with sadness that we report the death during this year of Mike Butler, who served EIL UK for over 40 years as both a former host, local representative, trustee, and member of Council.

Organisation

The Board of Trustees oversees the work of the charity and meets at least four times a year. In 2020-21 the Board met more frequently, and all meetings were conducted online. The Chief Executive is responsible for the day-to-day operations of the charity with delegated powers, sufficient for the purpose, approved by trustees.

Conflict of Interest

The trustees have full regard to any perceived and actual conflict of interest that exists or may arise. They review conflicts on a regular basis and trustees with a conflict of interest are required to leave Trustee Board meetings so that any issues may be considered in full and decisions taken in the charity's sole interests.

Related parties and cooperation with other organisations

None of the trustees receive remuneration from their work with the charity. Any connection between a trustee or senior manager with a third-party contractor must be disclosed to the full Board of Trustees. In 2020-21, no such related party transactions were reported.

**Report of the Trustees
for the Year Ended 31 March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Pay policy for senior staff

The Board of Trustees and the Chief Executive comprise the key management personnel of the charity in charge of directing and controlling, running, and operating the charity on a day-to-day basis. All trustees give of their time freely and none received remuneration during the year. The pay of senior staff is reviewed annually and, where appropriate, increased.

Key management remuneration

The Chief Executive's pay is reviewed annually and, where appropriate, increased in line with other payments given to all staff. The trustees regularly benchmark the pay of the Chief Executive and managers against levels of pay in other charities of similar size and complexity.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Trustees take a proactive approach to the management of risks. The charity maintains a Risk Register which identifies all the principal risks and uncertainties the charity faces and the policies, systems and procedures which mitigate against those risks. Trustees review the Risk Register on a quarterly basis to take account of changes and new risks and update mitigating actions.

During 2020-21 the Covid-19 pandemic presented a major risk to the charity. The trustees have closely monitored this risk and implemented the mitigating actions outlined elsewhere in this report. The financial risks have been managed through regular reviews of available funds and the reserves.

The other major risk to the charity is that associated with safeguarding children, young people, and vulnerable adults. The safeguarding risks are managed through regular monitoring of our safeguarding standards and practices against our policies and procedures and through benchmarking them against good practice elsewhere

In 2020-21, safeguarding risks reduced due to the low level of programme activity. We had no safeguarding incidents and no causes for concern. Safeguarding standards are managed through our Safeguarding Policy, systems and procedures which include participants and hosts and everyone involved in EIL UK programmes.

The change to immigration rules and visa arrangements for incoming students following BREXIT are a significant risk for the charity. Specifically, the lack of access to European funding for multi-national initiatives, changes to the 'free movement' rights within the EU and restricting student attendance at state-funded high schools to a maximum of six months without qualifications provide significant threats to the charity's programmes and restrict UK and European citizens' access to inter-cultural and multi-national learning opportunities.

The impact of the COVID-19 pandemic remains another major risk. Even at the time of writing when there is a high rate of vaccination among adults in the UK and restrictions have eased, risks remain. These include risks to health and wellbeing, risk of programme cancellations and reputational risks in the event of infections among participants. We continue to adapt our programmes so that we can return to a level of activity that returns us to our former levels of success and financial security.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03166809 (England and Wales)

Registered Charity number

1070440

Registered office

17 Graham Road
Great Malvern
Worcestershire
WR14 2HR

**Report of the Trustees
for the Year Ended 31 March 2021**

Trustees

K Dance
C Lavalette
D M Myers
J Shaw
S Lange
C Tweddell
S C G Kuenssberg (appointed 4.12.20)
M E Pellew (appointed 4.12.20)

Chief Executive

K M Davis

Auditors

Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of EIL UK for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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 those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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 auditors are unaware; and
- 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 auditors are 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.

**Report of the Trustees
for the Year Ended 31 March 2021**

AUDITORS

The auditors, Locke Williams Associates LLP, have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 3.12.21 and signed on its behalf by:


.....
D M Myers - Trustee

**Report of the Independent Auditors to the Members of
EIL UK (Registered number: 03166809)**

Opinion

We have audited the financial statements of EIL UK (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- 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 Auditors' 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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



TRUSTED ACCOUNTING SOLUTIONS



Registered number: OC350146
Registered in England and Wales.
Katrina Williams FCA CTA TEP
David Williams FCA FCCA

Locke Williams Associates LLP
Blackthorn House, St Pauls Square
Birmingham B3 1RL T: 0121 262 3980

**Report of the Independent Auditors to the Members of
EIL UK (Registered number: 03166809)**

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our 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 a Report of the Independent Auditors 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.



TRUSTED ACCOUNTING SOLUTIONS



Registered number: OC350146
Registered in England and Wales.
Katrina Williams FCA CTA TEP
David Williams FCA FCCA

Locke Williams Associates LLP
Blackthorn House, St Pauls Square
Birmingham B3 1RL T: 0121 262 3980

**Report of the Independent Auditors to the Members of
EIL UK (Registered number: 03166809)**

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

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to these risks, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of third parties where appropriate.

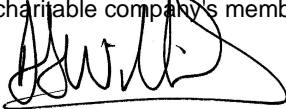
There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and checking the authorisation of expenditure as part of our substantive testing, using analytical review to identify any significant or unusual transactions and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 auditors' 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.



David Williams (Senior Statutory Auditor)
for and on behalf of Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

3 December 2021

Date:



TRUSTED ACCOUNTING SOLUTIONS



Registered number: OC350146
Registered in England and Wales.
Katrina Williams FCA CTA TEP
David Williams FCA FCCA

Locke Williams Associates LLP
Blackthorn House, St Pauls Square
Birmingham B3 1RL T: 0121 262 3980

EIL UK

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	13,480	51,880	-	65,360	574
Charitable activities	4					
Cultural Groups		729	-	-	729	86,514
Homestays		740	-	-	740	32,003
Study Abroad		3,170	-	-	3,170	107,659
Training & Skills		148,075	-	-	148,075	318,945
HOST UK		4,466	-	-	4,466	-
Investment income	3	27,244	-	-	27,244	27,423
Other income		-	-	-	-	372
Total		197,904	51,880	-	249,784	573,490
EXPENDITURE ON						
Charitable activities	5					
Cultural Groups		28,193	203	-	28,396	123,233
Homestays		23,430	206	-	23,636	54,846
Study Abroad		24,044	882	-	24,926	113,460
Training & Skills		202,959	41,198	-	244,157	265,372
HOST UK		3,173	1,243	-	4,416	-
Total		281,799	43,732	-	325,531	556,911
NET INCOME/(EXPENDITURE)		(83,895)	8,148	-	(75,747)	16,579
RECONCILIATION OF FUNDS						
Total funds brought forward		633,107	-	25,000	658,107	641,528
TOTAL FUNDS CARRIED FORWARD		<u>549,212</u>	<u>8,148</u>	<u>25,000</u>	<u>582,360</u>	<u>658,107</u>

The notes form part of these financial statements

Balance Sheet
31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	31.3.21 Total funds £	31.3.20 Total funds £
FIXED ASSETS						
Tangible assets	12	5,812	-	-	5,812	7,336
Investment property	13	<u>340,000</u>	<u>-</u>	<u>-</u>	<u>340,000</u>	<u>340,000</u>
		345,812	-	-	345,812	347,336
CURRENT ASSETS						
Debtors	14	120,070	-	-	120,070	132,138
Cash at bank and in hand		<u>139,552</u>	<u>8,148</u>	<u>25,000</u>	<u>172,700</u>	<u>222,291</u>
		259,622	8,148	25,000	292,770	354,429
CREDITORS						
Amounts falling due within one year	15	<u>(56,222)</u>	<u>-</u>	<u>-</u>	<u>(56,222)</u>	<u>(43,658)</u>
NET CURRENT ASSETS		<u>203,400</u>	<u>8,148</u>	<u>25,000</u>	<u>236,548</u>	<u>310,771</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>549,212</u>	<u>8,148</u>	<u>25,000</u>	<u>582,360</u>	<u>658,107</u>
NET ASSETS		<u>549,212</u>	<u>8,148</u>	<u>25,000</u>	<u>582,360</u>	<u>658,107</u>
FUNDS	17					
Unrestricted funds:						
General fund					209,212	293,107
Property fund					<u>340,000</u>	<u>340,000</u>
					<u>549,212</u>	<u>633,107</u>
Restricted funds:						
Victoria League in Scotland					5,000	-
Tanner Trust					2,000	-
QA Higher Education					1,140	-
Chevening Secretariat					<u>8</u>	<u>-</u>
					<u>8,148</u>	<u>-</u>
Endowment funds:						
Marie Benson-Stott Scholarship					<u>25,000</u>	<u>25,000</u>
TOTAL FUNDS					<u>582,360</u>	<u>658,107</u>

EIL UK (Registered number: 03166809)

Balance Sheet - continued
31 March 2021

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 3.12.21 and were signed on its behalf by:


D M Myers - Trustee

The notes form part of these financial statements

EIL UK

**Cash Flow Statement
for the Year Ended 31 March 2021**

	Notes	31.3.21 £	31.3.20 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(47,724)</u>	<u>101,459</u>
Net cash (used in)/provided by operating activities		<u>(47,724)</u>	<u>101,459</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(1,926)</u>	<u>(2,360)</u>
Interest received		<u>59</u>	<u>236</u>
Net cash used in investing activities		<u>(1,867)</u>	<u>(2,124)</u>
Change in cash and cash equivalents in the reporting period		<u>(49,591)</u>	<u>99,335</u>
Cash and cash equivalents at the beginning of the reporting period		<u>222,291</u>	<u>122,956</u>
Cash and cash equivalents at the end of the reporting period		<u><u>172,700</u></u>	<u><u>222,291</u></u>

The notes form part of these financial statements

EIL UK

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2021**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.21	31.3.20
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(75,747)	16,579
Adjustments for:		
Depreciation charges	3,450	4,028
Interest received	(59)	(236)
Decrease in debtors	12,068	179,501
Increase/(decrease) in creditors	12,564	(98,413)
Net cash (used in)/provided by operations	<u>(47,724)</u>	<u>101,459</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20	Cash flow	At 31.3.21
	£	£	£
Net cash			
Cash at bank and in hand	<u>222,291</u>	<u>(49,591)</u>	<u>172,700</u>
	<u>222,291</u>	<u>(49,591)</u>	<u>172,700</u>
Total	<u>222,291</u>	<u>(49,591)</u>	<u>172,700</u>

**Notes to the Financial Statements
for the Year Ended 31 March 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

The presentation currency of the financial statements is the Pound Sterling (£).

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing.

No amount is included in the financial statements for volunteer time in line with the Charities SORP (FRS102). Further detail is given in the Trustees' Annual Report.

Programme income includes charges made to participants or sponsoring bodies for programmes run throughout the year and is recognised when entitlement has occurred.

Other income includes management charges and recharges to other related parties.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Allocation and apportionment of costs

Expenditure on charitable activities includes:

- Programme expenditure, being directly related programme costs and staff costs incurred in the performance of the programmes.
- Management and administration expenditure, being those costs that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

It is the policy of the charity to include any capital expenditure below a sum of £500 within the Statement of Financial Activities during the financial year in which the expense was incurred.

Investment property

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities.

Taxation

The charity is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds represent those assets which must be held permanently by the charity. Income arising on the endowment fund can be used in accordance with the restrictions placed on the endowment.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

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.

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.

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for twelve months from authorising these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. DONATIONS AND LEGACIES

	31.3.21	31.3.20
	£	£
Donations	16,628	574
Grants	<u>48,732</u>	<u>-</u>
	<u>65,360</u>	<u>574</u>

Grants received, included in the above, are as follows:

	31.3.21	31.3.20
	£	£
Victoria League in Scotland	5,000	-
HMRC Coronavirus Job Retention Scheme	<u>43,732</u>	<u>-</u>
	<u>48,732</u>	<u>-</u>

3. INVESTMENT INCOME

	31.3.21	31.3.20
	£	£
Rents received	27,185	27,187
Deposit account interest	<u>59</u>	<u>236</u>
	<u>27,244</u>	<u>27,423</u>

EIL UK

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

4. INCOME FROM CHARITABLE ACTIVITIES

		31.3.21	31.3.20
	Activity	£	£
Incoming programme	Cultural Groups	729	86,514
Incoming programme	Homestays	740	32,003
Incoming programme	Study Abroad	3,170	107,659
Incoming programme	Training & Skills	148,075	318,945
Incoming programme	HOST UK	4,466	-
		<u>157,180</u>	<u>545,121</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Cultural Groups	310	28,086	28,396
Homestays	1,054	22,582	23,636
Study Abroad	3,922	21,004	24,926
Training & Skills	180,956	63,202	244,158
HOST UK	3,864	552	4,416
	<u>190,106</u>	<u>135,426</u>	<u>325,532</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.21	31.3.20
	£	£
Staff costs	135,025	136,171
Incoming programme expenses	55,081	244,846
	<u>190,106</u>	<u>381,017</u>

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Cultural Groups	28,063	7	16	28,086
Homestays	22,558	7	17	22,582
Study Abroad	20,904	29	71	21,004
Training & Skills	58,510	1,357	3,335	63,202
HOST UK	410	41	101	552
	<u>130,445</u>	<u>1,441</u>	<u>3,540</u>	<u>135,426</u>

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.21	31.3.20
	£	£
Auditors' remuneration	3,540	3,540
Depreciation - owned assets	3,450	4,028
Hire of plant and machinery	5,309	5,151
Other operating leases	<u>7,500</u>	<u>8,125</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

During the year there were no expenses claimed by trustees (2020 £nil).

10. STAFF COSTS

	31.3.21	31.3.20
	£	£
Wages and salaries	178,443	181,712
Social security costs	14,197	10,875
Other pension costs	<u>9,615</u>	<u>11,006</u>
	<u>202,255</u>	<u>203,593</u>

The average monthly number of employees during the year was as follows:

	31.3.21	31.3.20
Direct charitable work	7	7
Administration	<u>2</u>	<u>2</u>
	<u>9</u>	<u>9</u>

No employees received emoluments in excess of £60,000.

The total amount of employee benefits received by key management personnel is £45,500 (2020 - £45,500). The charity considers its key management personnel comprise the Chief Executive.

EIL UK

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	574	-	-	574
Charitable activities				
Cultural Groups	86,514	-	-	86,514
Homestays	32,003	-	-	32,003
Study Abroad	107,659	-	-	107,659
Training & Skills	318,945	-	-	318,945
Investment income	27,423	-	-	27,423
Other income	<u>372</u>	<u>-</u>	<u>-</u>	<u>372</u>
Total	573,490	-	-	573,490
EXPENDITURE ON				
Charitable activities				
Cultural Groups	123,233	-	-	123,233
Homestays	54,846	-	-	54,846
Study Abroad	113,460	-	-	113,460
Training & Skills	265,372	-	-	265,372
Total	<u>556,911</u>	<u>-</u>	<u>-</u>	<u>556,911</u>
NET INCOME	16,579	-	-	16,579
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>616,528</u>	<u>-</u>	<u>25,000</u>	<u>641,528</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>633,107</u></u>	<u><u>-</u></u>	<u><u>25,000</u></u>	<u><u>658,107</u></u>

EIL UK

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

12. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2020	16,499	23,815	40,314
Additions	<u>-</u>	<u>1,926</u>	<u>1,926</u>
At 31 March 2021	<u>16,499</u>	<u>25,741</u>	<u>42,240</u>
DEPRECIATION			
At 1 April 2020	12,437	20,541	32,978
Charge for year	<u>1,161</u>	<u>2,289</u>	<u>3,450</u>
At 31 March 2021	<u>13,598</u>	<u>22,830</u>	<u>36,428</u>
NET BOOK VALUE			
At 31 March 2021	<u>2,901</u>	<u>2,911</u>	<u>5,812</u>
At 31 March 2020	<u>4,062</u>	<u>3,274</u>	<u>7,336</u>

13. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2020 and 31 March 2021	<u>340,000</u>
NET BOOK VALUE	
At 31 March 2021	<u>340,000</u>
At 31 March 2020	<u>340,000</u>

The investment property is freehold.

The trustees do not consider the fair value of the property to be materially different at the 31 March 2021 than from the last independent valuation.

The investment property was last subject to an independent professional valuation at 27 June 2017. The valuation was undertaken by Ian Humphries B.Sc.(Est.Man.) FRICS. The methods and significant assumptions used to ascertain the fair value of £340,000 are as follows:

The valuation is at a 'Fair Value' defined as 'The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date'.

The price that would be achieved is based on the income generated by the investment, which at the valuation date was £23,135pa and with the expectation of an initial return on investment of just under 7%.

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Trade debtors	84,589	126,171
Other debtors	8,071	3,525
Accrued income	19,483	-
Prepayments	7,927	2,442
	<u>120,070</u>	<u>132,138</u>

Included in other debtors is an amount of \$5,325 (2020 \$5,325) which is held as a deposit by the Federation EIL.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Trade creditors	38,675	10,213
Social security and other taxes	3,647	3,154
Other creditors	269	4,492
Deferred income	2,522	3,053
Accrued expenses	11,109	22,746
	<u>56,222</u>	<u>43,658</u>

Deferred Income

	31.3.20	31.3.20
	£	£
Balance as at 1 April	3,053	59,620
Released in the year	(3,053)	(59,620)
Deferrals in the year	<u>2,522</u>	<u>3,053</u>
Balance as at 31 March	<u>2,522</u>	<u>3,053</u>

Income under contractual arrangements is deferred where it is subject to the performance of certain terms or conditions. Where these have not been met at the balance sheet date, the income is not recognised in the statement of financial activities.

Income from property rentals is deferred where this is demanded and received in advance of the period of let.

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.21 £	31.3.20 £
Within one year	12,851	12,851
Between one and five years	9,045	17,575
	<u>21,896</u>	<u>30,426</u>

The charitable company's lease in respect of its premises was renewed on 19 April 2019.

17. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	293,107	(83,895)	209,212
Property fund	340,000	-	340,000
	633,107	(83,895)	549,212
Restricted funds			
Victoria League in Scotland	-	5,000	5,000
Tanner Trust	-	2,000	2,000
QA Higher Education	-	1,140	1,140
Chevening Secretariat	-	8	8
	-	8,148	8,148
Endowment funds			
Marie Benson-Stott Scholarship	25,000	-	25,000
TOTAL FUNDS	<u>658,107</u>	<u>(75,747)</u>	<u>582,360</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	197,904	(281,799)	(83,895)
Restricted funds			
Victoria League in Scotland	5,000	-	5,000
Tanner Trust	2,000	-	2,000
HMRC Coronavirus Job Retention Scheme	43,732	(43,732)	-
QA Higher Education	1,140	-	1,140
Chevening Secretariat	8	-	8
	51,880	(43,732)	8,148
TOTAL FUNDS	<u>249,784</u>	<u>(325,531)</u>	<u>(75,747)</u>

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	276,528	16,579	293,107
Property fund	<u>340,000</u>	<u>-</u>	<u>340,000</u>
	616,528	16,579	633,107
Endowment funds			
Marie Benson-Stott Scholarship	25,000	-	25,000
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>641,528</u>	<u>16,579</u>	<u>658,107</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	573,490	(556,911)	16,579
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>573,490</u>	<u>(556,911)</u>	<u>16,579</u>

The balance on the un restricted general fund has arisen from accumulated surpluses and is held for the general purposes of the charity. The fund is considered by the Trustees to be sufficient for the charity's needs.

The balance on the designated property fund has arisen from the transfer of the investment property from T E I L and is being held for investment purposes to generate income.

The Marie Benson-Stott Scholarship fund has been established by way of a legacy granted to EIL UK, from which an income is to be generated. The income from this endowment is to be used to support the promotion of international living through homestays, for students at the University of Worcester.

Funding from the Victoria League Scotland is for the design and development of online cultural exchanges for international students and hosts in Scotland and facilitator training.

The Tanner Trust fund is established to facilitate and support HOST UK volunteers and their integration into EIL UK.

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

18. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £9,615 (2020 £11,006). £13,223 remains unpaid at 31 March 2021 (2020 £12,888).

19. CONTINGENT LIABILITIES

EIL UK contracts in advance for certain programmes. Should E I L Ltd be unable to fulfil those contracts, it could be liable to meet claims for breach of contract. The cost of any such claims is unquantifiable.

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.