

**Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2022
for
EIL UK**

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

**Contents of the Financial Statements
for the Year Ended 31 March 2022**

	Page
Report of the Trustees	1 to 11
Report of the Independent Auditors	12 to 14
Statement of Financial Activities	15
Balance Sheet	16 to 17
Cash Flow Statement	18
Notes to the Cash Flow Statement	19
Notes to the Financial Statements	20 to 30

**Report of the Trustees
for the Year Ended 31 March 2022**

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 2022. 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 2021-22 our programmes were severely curtailed for a second year running by the Covid-19 pandemic. Towards the end of the year our programmes were able to restart but the outbreak of the Omicron variant just before Christmas led to cancellations. Despite this setback and the burden of safety measures, EIL staff and volunteers managed to deliver high quality intercultural learning experiences that enriched the lives of everyone involved.

An international network

As a founder member of Federation EIL (FEIL), the global network of not-for-profit organisations dedicated to intercultural experiential learning, we continue to support FEIL. 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 its aims, ideals and objectives. Collaboration and joint-working practices with Federation partners serve to strengthen all organisations, advance good practice 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 2021 was postponed. Federation members met online to conduct the organisation's business and to update and support each other. Federation members are planning to meet face-to-face before the end of 2022 for a shorter GA.

EIL UK remains an active member of FEIL. Although recovery from Covid-19 has been slower than expected, work has continued on the development of a Certification Scheme to advance global practitioner standards and good practice for organisations in the international exchange sector. We continue to actively contribute to this important and pioneering initiative and support the Federation's Certification Manager.

**Report of the Trustees
for the Year Ended 31 March 2022**

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 has remained the safety and well-being of our participants.

For a second year, all planned cultural group programme activity was postponed or cancelled. Most staff continued to work from home. Two staff attended the office occasionally to maintain essential services. Staff returned to work in the office in March.

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. The UK Government grant support, in particular the Job Retention Scheme, provided furlough payments for many of our staff for part of the year and the Additional Restrictions Support (ARS) grant from Malvern Hills District Council supported us through the Omicron outbreak and additional Covid restrictions at the end of 2021.

**ACHIEVEMENT AND PERFORMANCE
OUR PROGRAMMES**

Although restrictions on international travel eased, confidence remained low which limited the recovery of face-to-face programmes.

- Cultural Group programmes were cancelled.
- A small number of Individual Homestay programmes were able to take place where it was safe to do so.
- We welcomed students on our new 3-5½ month School Cultural Exchange programme which we introduced to replace our successful academic year programme which we were forced to suspend, following the post-Brexit changes in UK high school student visas.

**Report of the Trustees
for the Year Ended 31 March 2022**

Training volunteers

Our Training and Evaluation Contract (TEC) for the European Solidarity Corps (ESC) remained in place throughout the year. This EU initiative funds training and evaluation for European volunteers coming to the UK and prepares UK volunteers for life abroad. We were delighted that the TEC contract we hold for the UK National Agency partners, British Council and Ecorys, was extended to the end of December 2023.

Over the year we delivered a total of 37 On Arrival Training and Mid-Term Training sessions to 390 volunteers over the course of the year. This was an increase from the 2020-21 total of 29 Training sessions for 270 volunteers. Participants attended from 24 countries (compared to 22 countries the year before). Our on-line trainers continued to receive outstanding levels of participant feedback which averaged 95% for the quality, relevance of content and organisation of the training.

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 because it leads to a huge increase in the understanding of different cultures that opens up career and life opportunities. Many homestays result in life-long international friendships that enrich the lives of generations.

Although able to offer only a limited number of 63 carefully arranged homestays during this year, we have kept in regular contact with our hosts through emails and newsletters.

We have also continued the hosting experience online through the Digital Cultural Exchange initiatives, exploring how Virtual Visits could bring together international university students studying in British universities and UK hosts to develop cultural understanding and reduce isolation during the pandemic.

Study abroad and school cultural programmes for high school students

Changes in visa arrangements meant that, at short notice, we had to transfer students who had booked an academic year programme onto a 3 or 5½ month school cultural exchange. Another major change was the introduction of financial contributions for publicly (state-funded) funded schools.

Despite many challenges - not least the constantly changing quarantine and Covid rules in the different countries that make up the UK - we welcomed 14 students at the start of the school term in September 2021. A 15th student started their programme in January 2022. It is worth noting that in 2020-21 there were no students on the programme.

Restrictions eased enough to allow students to enjoy a cultural excursion to London as part of the programme. Overall, we received exceptionally good feedback from students, hosts and our school partners.

More than 50% of students on the 12-week programme asked to extend their school cultural exchange to the end of term which was a tribute to the dedication and commitment of everyone who worked together deliver a high quality experience.

**Report of the Trustees
for the Year Ended 31 March 2022**

"I don't know how to explain it but I felt free and accepted without even being introduced, [by] the programme and [by] the people here. I am starting to accept myself. The best time of my life." Student from Italy living with host family and attending school in Kent.

"It's been surprisingly amazing, so full of new experiences and discoveries, I'd say the greatest experience in my life so far. It has revealed [to] me a new way of teaching, studying, living and left me with a great desire to travel and visit new places." Student from Italy living with a host family and attending school in Southport.

In the course of the year, we built on the success of the shorter programmes we have delivered for German students from Saxony to develop a new short School Cultural Immersion programme which we are piloting in the academic year 2022-23.

We welcomed new school partners to our Study Abroad programme and thank the teachers, senior managers and admin staff for their personal support for international students over the year.

Our strategy is to grow our new programmes to exceed pre-pandemic levels so that more young people can access and benefit from a combined homestay and UK high school cultural exchange experience.

We remain concerned that following Brexit, international students can no longer study for an academic year at UK high schools or take exams to return home with qualifications. We remain hopeful that, at some time in the future, we will be able to return to our formal education programmes with academic qualifications lasting a full academic year.

HOST UK

As reported in our annual report for 2019-20, the HOST UK charity's programmes and assets transferred to EIL UK in the Spring of 2020. 2021-22 was the first year we were able to open for international university students across the UK to apply to stay with a host for a Day Visit or Weekend Stay.

Unfortunately, the outbreak of a Covid-19 variant, known as Omicron, reduced the confidence of all involved and deterred both students and hosts from participating in Christmas and New Year Day Visits and Weekend Stays. Over the next few years we are committed to re-building the programme to achieve its pre-pandemic levels of participation.

We would like to express our gratitude to our wonderful volunteer Regional Coordinators for their ongoing commitment towards, and enthusiasm for, hosting opportunities for university students.

Outbound activity

Again, the opportunity to send participants overseas during this year has been very limited. Despite the difficulties, we sent 6 UK volunteers to our long-standing partner, Birdlife Malta on our Outbound ESC programme (compared to 5 volunteers the previous year).

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 pleased that the programmes that have run have been well received and had a positive impact on the participants.

**Report of the Trustees
for the Year Ended 31 March 2022**

Our people

The success of our programmes is dependent on the people who participate in them and lend their support. We are grateful to:

Our staff, who have combined home working with periods of furlough and demonstrated their commitment and flexibility. Over the year two members of staff left to pursue different career opportunities and one retired. We wish them all the best for the future.

Our trainers, who delivered on-line training throughout the year and secured excellent feedback from participants.

Our Coordinators and volunteer Regional Organisers, who tirelessly support participants and our host families to make the most of their homestays.

Our volunteer host families, who have stayed with us through the pandemic and are hosting again.

Our volunteers, including trustees, who have given additional time to respond to changing circumstances and to develop a new Strategic Plan for the future.

Our Chief Executive for her leadership and commitment in steering the organisation through another difficult year.

LOOKING TO THE FUTURE

Over the next year we will continue to work towards our five key strategic objectives 2018-22, which are to:

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

In 2022-23, our key goals are to:

- Refresh and resume our Cultural Group programmes;
- Rebuild HOST UK by working more closely with our Subscribing Institutions (SIs) and securing funding for bursaries;
- Continue to build our existing homestay and study abroad programmes;
- Introduce new programmes with a diverse customer/client base
- Complete the work on key communications investment projects, including delivery of a new website and new marketing strategy to support our partners and extend our global range and diversity of participants.

In conclusion, 2021-22 has been another challenging year due to the Covid-19 pandemic, Omicron variant and the impact of Brexit on ESC training. We are fortunate that our strong reserves, combined with our ability to change and adapt, have enabled us to bridge the gap between pre-Covid and post-pandemic recovery. During 2022-23 we look forward to resuming all of our programmes and to working with our existing and new international partners to 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 2022**

FINANCIAL REVIEW

Overview

As anticipated, the curtailment of programmes led to a significant deficit of £79,956 at 31 March 2022.

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 continued the careful management of our expenditure throughout the year.

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 accessible 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 2022, reserves in the charity's unrestricted funds amounted to £466,256 (compared to £549,212 at 31 March 2021, £633,107 at 31 March 2020 and £616,528 at 31 March 2019) of which £122,560 were free reserves (compared to £203,400 at 31 March 2021, £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 2022 the free reserves represented just over four months operating costs.

In July 2022 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 six months (compared to four months the year before) of gross revenue expenditure with a target level of nine months' gross expenditure (compared to six months the year before). At 31 March 2022, the charity's reserves are significantly depleted. During 2022-23 trustees anticipate the need to make further significant withdrawals from the charity's reserves while international mobility and programmes continue to recover from Covid and Brexit. It is likely to take some time to achieve the target level of reserves.

**Report of the Trustees
for the Year Ended 31 March 2022**

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 ESC Training and Evaluation Cycle (TEC) contract. The contract for services was extended for a further 24 months and will end in December 2023.

In 2021-22 we continued to draw on our reserves to fund the charity.

The Board has agreed the use of our reserves to support a deficit budget for 2022-23, while the organisation invests for the future. We intend to restore the reserves to the target level over future years.

Recovery Loan Scheme

In December 2021 the charity started to investigate the possibility of applying for a loan through the UK Government-backed Recovery Loan Scheme in order to provide additional stability to the charity while operations recovered from the impacts of Covid-19 and visa changes following Brexit.

Independent advice confirmed the suitability of a loan and the Board of Trustees agreed to progress the application. Further information is provided at note 21.

Fundraising

For six months the charity benefited from the government's Job Retention Scheme which was essential as it enabled the charity to retain its skilled staff. Over the year the charity's fundraising activities included:

- A successful application to the Victoria League Scotland for £5,000 to fund bursaries for international students to experience HOST UK cultural visits in Scotland.
- An Additional Restrictions Support (ARS) grant of £6,000 from Malvern Hills District Council aimed at supporting businesses suffering losses from the Omicron outbreak and additional Covid restrictions at the end of 2021.

Alongside fundraising directly for EIL UK, a number of businesses supported the charity with help in kind which was greatly appreciated.

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 2021-22.

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 is 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) is a registered charity in England and Wales and company limited by guarantee, governed by its Memorandum and Articles of Association dated 22nd February 1996, as amended by special resolutions dated: 27th June 1998; 16th November 2013; and 21st December 2020. 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.

**Report of the Trustees
for the Year Ended 31 March 2022**

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 against the specific requirements that have been identified for the vacancy. Any trustees appointed by the Board are put forward for reappointment by the members at the next 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 being invited to accept 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 2021-2022 we welcomed one new trustee who was appointed to the Board in September. The charity's members reappointed Stephen Backhouse at the AGM held on 3rd December 2021.

Members

EIL UK has appointed members. The members appoint trustees and all appointed trustees are 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 2022, there were eleven serving members (compared to eleven on 31 March 2021). 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.

Organisation

The Board of Trustees oversees the work of the charity and meets at least four times a year. In 2021-22 the Board met in person. By prior agreement, some meetings were conducted online. The Chief Executive is responsible for the day-to-day operations of the charity with delegated powers, approved by trustees.

The Board of Trustees and the Chief Executive comprise the key management personnel of the charity.

Trustees determine the charity's strategic direction, which is informed by stakeholder engagement, and delegate to the Chief Executive the management, administration, organisation and operations of the charity on a day-to-day basis. All trustees give of their time freely and none received remuneration during the year.

In September 2021 the Board established three committees for Governance, Finance and Safeguarding. In addition, a Nominations Committee was formed to assist in the recruitment of members and trustees, as and when needed. Committee recommendations are considered by the Board of Trustees for decision. After a year of operation, the Board will review the committees.

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.

**Report of the Trustees
for the Year Ended 31 March 2022**

Pay policy for senior staff

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 increases awarded 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 the principal risks and uncertainties facing the charity and documents the policies, systems and procedures which help to mitigate exposure to and the impacts of those risks. Trustees review and assess the Risk Register on a quarterly basis to take account of changes, consider and new risks and to update mitigating actions.

The Covid-19 pandemic continued to present 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 2021-22, safeguarding risks were reduced for a further year 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, host family households and hosts and everyone involved in the delivery of EIL UK programmes.

As reported last year, the changes 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, reciprocal activities, changes to the 'free movement' rights within the EU and restricting international student attendance at state-funded UK 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, including risks to health and wellbeing, programme cancellations and reputational risks in the event of infection. 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 2022**

Trustees

K Dance
C Lavalette (resigned 3.12.21)
D M Myers
J Shaw
S Lange
C Tweddell (resigned 3.12.21)
S C G Kuenssberg
M E Pellew
S Backhouse (appointed 4.9.21)

Chief Executive

K M Davis

Auditors

Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
c/o 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 2022**

AUDITORS

The auditors, Locke Williams Associates LLP, have indicated their willingness to continue in office. In accordance with good practice, EIL will conduct a tender for the provision of auditor services in preparation for the appointment of the auditor at the charity's Annual General Meeting in December 2022.

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 2 December 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'D M Myers', with a long horizontal flourish extending to the right.

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 2022 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 2022 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.

**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.

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

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
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL



TRUSTED ACCOUNTING SOLUTIONS

2 December 2022



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 2022**

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	31.3.22 Total funds £	31.3.21 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	23,259	5,000	-	28,259	65,360
Charitable activities						
Cultural Groups		819	-	-	819	729
Homestays		329	-	-	329	740
Study Abroad		72,355	-	-	72,355	3,170
Training & Skills		137,651	-	-	137,651	148,075
Explore		1,547	-	-	1,547	-
HOST UK		12,237	-	-	12,237	4,466
Investment income	3	27,985	-	-	27,985	27,244
Total		276,182	5,000	-	281,182	249,784
EXPENDITURE ON						
Charitable activities	5					
Programme expenditure		-	-	-	-	-
Cultural Groups		42,171	-	-	42,171	28,396
Homestays		28,903	-	-	28,903	23,636
Study Abroad		116,536	-	-	116,536	24,926
Training & Skills		162,415	-	-	162,415	244,157
Explore		1,046	-	-	1,046	-
HOST UK		8,067	2,000	-	10,067	4,416
Total		359,138	2,000	-	361,138	325,531
NET INCOME/(EXPENDITURE)		(82,956)	3,000	-	(79,956)	(75,747)
RECONCILIATION OF FUNDS						
Total funds brought forward		549,212	8,148	25,000	582,360	658,107
TOTAL FUNDS CARRIED FORWARD		466,256	11,148	25,000	502,404	582,360

The notes form part of these financial statements

Balance Sheet
31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	31.3.22 Total funds £	31.3.21 Total funds £
FIXED ASSETS						
Tangible assets	12	3,696	-	-	3,696	5,812
Investment property	13	<u>340,000</u>	<u>-</u>	<u>-</u>	<u>340,000</u>	<u>340,000</u>
		343,696	-	-	343,696	345,812
CURRENT ASSETS						
Debtors	14	68,083	-	-	68,083	120,070
Cash at bank and in hand		<u>91,952</u>	<u>11,148</u>	<u>25,000</u>	<u>128,100</u>	<u>172,700</u>
		160,035	11,148	25,000	196,183	292,770
CREDITORS						
Amounts falling due within one year	15	<u>(37,475)</u>	<u>-</u>	<u>-</u>	<u>(37,475)</u>	<u>(56,222)</u>
NET CURRENT ASSETS		<u>122,560</u>	<u>11,148</u>	<u>25,000</u>	<u>158,708</u>	<u>236,548</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>466,256</u>	<u>11,148</u>	<u>25,000</u>	<u>502,404</u>	<u>582,360</u>
NET ASSETS		<u>466,256</u>	<u>11,148</u>	<u>25,000</u>	<u>502,404</u>	<u>582,360</u>
FUNDS	17					
Unrestricted funds:						
General fund					126,256	209,212
Property fund					<u>340,000</u>	<u>340,000</u>
					<u>466,256</u>	<u>549,212</u>
Restricted funds:						
Victoria League in Scotland					8,000	5,000
Tanner Trust					2,000	2,000
QA Higher Education					1,140	1,140
Chevening Secretariat					<u>8</u>	<u>8</u>
					<u>11,148</u>	<u>8,148</u>
Endowment funds:						
Marie Benson-Stott Scholarship					<u>25,000</u>	<u>25,000</u>
TOTAL FUNDS					<u>502,404</u>	<u>582,360</u>

EIL UK (Registered number: 03166809)

Balance Sheet - continued
31 March 2022

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 2 December 2022 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'D M Myers', with a long horizontal flourish extending to the right.

D M Myers - Trustee

The notes form part of these financial statements

EIL UK

**Cash Flow Statement
for the Year Ended 31 March 2022**

	Notes	31.3.22 £	31.3.21 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(43,404)</u>	<u>(47,724)</u>
Net cash used in operating activities		<u>(43,404)</u>	<u>(47,724)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,196)	(1,926)
Interest received		<u>-</u>	<u>59</u>
Net cash used in investing activities		<u>(1,196)</u>	<u>(1,867)</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(44,600)	(49,591)
Cash and cash equivalents at the beginning of the reporting period		<u>172,700</u>	<u>222,291</u>
Cash and cash equivalents at the end of the reporting period		<u><u>128,100</u></u>	<u><u>172,700</u></u>

The notes form part of these financial statements

EIL UK

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2022**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.22	31.3.21
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(79,956)	(75,747)
Adjustments for:		
Depreciation charges	3,312	3,450
Interest received	-	(59)
Decrease in debtors	51,987	12,068
(Decrease)/increase in creditors	<u>(18,747)</u>	<u>12,564</u>
Net cash used in operations	<u>(43,404)</u>	<u>(47,724)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21	Cash flow	At 31.3.22
	£	£	£
Net cash			
Cash at bank and in hand	<u>172,700</u>	<u>(44,600)</u>	<u>128,100</u>
	<u>172,700</u>	<u>(44,600)</u>	<u>128,100</u>
Total	<u>172,700</u>	<u>(44,600)</u>	<u>128,100</u>

**Notes to the Financial Statements
for the Year Ended 31 March 2022**

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 (£).

Critical accounting judgements and key sources of estimation uncertainty

In preparing the financial statements, the trustees are required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The key estimations used in these financial statements include:

Investment property

The trustees have revalued the property to fair value at the year end. In doing so, they have considered the last professional valuation undertaken in 2017 and the current condition and occupation of the property. The directors consider that there are no significant areas of key judgement or estimation uncertainty other than those identified in the accounting policies above.

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:

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

1. ACCOUNTING POLICIES - continued

Allocation and apportionment of costs

- 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 can not 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

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 expenses 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.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

1. ACCOUNTING POLICIES - continued

Debtors

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.

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 is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. DONATIONS AND LEGACIES

	31.3.22	31.3.21
	£	£
Donations	6,395	16,628
Grants	<u>21,864</u>	<u>48,732</u>
	<u>28,259</u>	<u>65,360</u>

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

	31.3.22	31.3.21
	£	£
Victoria League in Scotland	5,000	5,000
HMRC Coronavirus Job Retention Scheme	<u>16,864</u>	<u>43,732</u>
	<u>21,864</u>	<u>48,732</u>

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2022

3. INVESTMENT INCOME

	31.3.22	31.3.21
	£	£
Rents received	27,985	27,185
Deposit account interest	-	59
	<u>27,985</u>	<u>27,244</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.22	31.3.21
		£	£
Incoming programme	Cultural Groups	819	729
Incoming programme	Homestays	329	740
Incoming programme	Study Abroad	72,355	3,170
Incoming programme	Training & Skills	137,651	148,075
Outbound programme	Explore	1,547	-
Incoming programme	HOST UK	12,237	4,466
		<u>224,938</u>	<u>157,180</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Cultural Groups	26,401	15,770	42,171
Homestays	13,400	15,503	28,903
Study Abroad	78,787	37,749	116,536
Training & Skills	105,436	56,979	162,415
Explore	493	553	1,046
HOST UK	4,719	5,348	10,067
	<u>229,236</u>	<u>131,902</u>	<u>361,138</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.22	31.3.21
	£	£
Staff costs	110,771	135,025
Incoming programme expenses	118,465	55,080
	<u>229,236</u>	<u>190,105</u>

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2022

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Cultural Groups	15,742	15	13	15,770
Homestays	15,490	7	6	15,503
Study Abroad	35,263	1,356	1,130	37,749
Training & Skills	52,247	2,614	2,118	56,979
Explore	500	29	24	553
HOST UK	5,070	229	49	5,348
	<u>124,312</u>	<u>4,250</u>	<u>3,340</u>	<u>131,902</u>

8. NET INCOME/(EXPENDITURE)

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

	31.3.22 £	31.3.21 £
Auditors' remuneration	3,340	3,540
Depreciation - owned assets	3,312	3,450
Hire of plant and machinery	3,856	5,309
Other operating leases	<u>7,500</u>	<u>7,500</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

10. STAFF COSTS

	31.3.22 £	31.3.21 £
Wages and salaries	157,065	178,443
Social security costs	12,532	14,197
Other pension costs	<u>7,592</u>	<u>9,615</u>
	<u>177,189</u>	<u>202,255</u>

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

	31.3.22	31.3.21
Direct charitable work	5	7
Administration	<u>2</u>	<u>2</u>
	<u>7</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 (2021 - £45,500). The charity considers its key management personnel comprises the Chief Executive.

EIL UK

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	13,480	51,880	-	65,360
Charitable activities				
Cultural Groups	729	-	-	729
Homestays	740	-	-	740
Study Abroad	3,170	-	-	3,170
Training & Skills	148,075	-	-	148,075
HOST UK	4,466	-	-	4,466
Investment income	<u>27,244</u>	<u>-</u>	<u>-</u>	<u>27,244</u>
Total	<u>197,904</u>	<u>51,880</u>	<u>-</u>	<u>249,784</u>
EXPENDITURE ON				
Charitable activities				
Programme expenditure	-	-	-	-
Cultural Groups	28,193	203	-	28,396
Homestays	23,430	206	-	23,636
Study Abroad	24,044	882	-	24,926
Training & Skills	202,959	41,198	-	244,157
HOST UK	<u>3,173</u>	<u>1,243</u>	<u>-</u>	<u>4,416</u>
Total	<u>281,799</u>	<u>43,732</u>	<u>-</u>	<u>325,531</u>
NET INCOME/(EXPENDITURE)	(83,895)	8,148	-	(75,747)
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>633,107</u>	<u>-</u>	<u>25,000</u>	<u>658,107</u>
TOTAL FUNDS CARRIED FORWARD	<u>549,212</u>	<u>8,148</u>	<u>25,000</u>	<u>582,360</u>

EIL UK

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

12. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2021	16,499	25,741	42,240
Additions	<u>1,106</u>	<u>90</u>	<u>1,196</u>
At 31 March 2022	<u>17,605</u>	<u>25,831</u>	<u>43,436</u>
DEPRECIATION			
At 1 April 2021	13,598	22,830	36,428
Charge for year	<u>1,118</u>	<u>2,194</u>	<u>3,312</u>
At 31 March 2022	<u>14,716</u>	<u>25,024</u>	<u>39,740</u>
NET BOOK VALUE			
At 31 March 2022	<u><u>2,889</u></u>	<u><u>807</u></u>	<u><u>3,696</u></u>
At 31 March 2021	<u><u>2,901</u></u>	<u><u>2,911</u></u>	<u><u>5,812</u></u>

13. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2021 and 31 March 2022	<u>340,000</u>
NET BOOK VALUE	
At 31 March 2022	<u><u>340,000</u></u>
At 31 March 2021	<u><u>340,000</u></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 2022 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 2022

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Trade debtors	53,711	84,589
Other debtors	3,524	8,071
Accrued income	9,379	19,483
Prepayments	1,469	7,927
	<u>68,083</u>	<u>120,070</u>

Included in other debtors is an amount of \$5,325 (2021 \$5,325) which is held as a deposit by the Federation EIL.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Trade creditors	12,564	38,675
Social security and other taxes	5,191	3,647
Other creditors	484	269
Deferred income	6,153	2,522
Accrued expenses	13,083	11,109
	<u>37,475</u>	<u>56,222</u>

Deferred Income

	31.3.20	31.3.20
	£	£
Balance as at 1 April	2,522	3,053
Released in the year	(2,522)	(3,053)
Deferrals in the year	6,153	2,522
	<u>6,153</u>	<u>2,522</u>
Balance as at 31 March	<u>6,153</u>	<u>2,522</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.

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**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

16. LEASING AGREEMENTS

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

	31.3.22	31.3.21
	£	£
Within one year	1,030	12,851
Between one and five years	<u>772</u>	<u>9,045</u>
	<u>1,802</u>	<u>21,896</u>

17. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	209,212	(82,956)	126,256
Property fund	<u>340,000</u>	<u>-</u>	<u>340,000</u>
	549,212	(82,956)	466,256
Restricted funds			
Victoria League in Scotland	5,000	3,000	8,000
Tanner Trust	2,000	-	2,000
QA Higher Education	1,140	-	1,140
Chevening Secretariat	<u>8</u>	<u>-</u>	<u>8</u>
	8,148	3,000	11,148
Endowment funds			
Marie Benson-Stott Scholarship	<u>25,000</u>	<u>-</u>	<u>25,000</u>
	<u>582,360</u>	<u>(79,956)</u>	<u>502,404</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	276,182	(359,138)	(82,956)
Restricted funds			
Victoria League in Scotland	<u>5,000</u>	<u>(2,000)</u>	<u>3,000</u>
	<u>281,182</u>	<u>(361,138)</u>	<u>(79,956)</u>

EIL UK

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

17. MOVEMENT IN FUNDS - continued

Comparatives for 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	<u>340,000</u>	<u>-</u>	<u>340,000</u>
	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	<u>-</u>	<u>8</u>	<u>8</u>
	-	8,148	8,148
Endowment funds			
Marie Benson-Stott Scholarship	<u>25,000</u>	<u>-</u>	<u>25,000</u>
TOTAL FUNDS	<u><u>658,107</u></u>	<u><u>(75,747)</u></u>	<u><u>582,360</u></u>

Comparative 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	<u>8</u>	<u>-</u>	<u>8</u>
	51,880	(43,732)	8,148
TOTAL FUNDS	<u><u>249,784</u></u>	<u><u>(325,531)</u></u>	<u><u>(75,747)</u></u>

The balance on the unrestricted 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 E I L, 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.

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2022

17. MOVEMENT IN FUNDS - continued

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.

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 £7,592 (2021 £9,615). £4,317 remains unpaid at 31 March 2022 (2021 £13,223).

19. CONTINGENT LIABILITIES

EIL UK contracts in advance for certain programmes. Should EIL UK 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 2022.

21. POST BALANCE SHEET EVENTS

After the balance sheet date, but before the date of approval of these financial statements, the charity secured loan finance, under the Government backed Covid Recovery Scheme of £120,000. The loan is repayable in monthly instalments over six years, at an interest rate of 3.95% above base.