

**Report of the Trustees and**  
**Financial Statements**  
**for the Year Ended 31 March 2023**  
**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 2023**

	<b>Page</b>
<b>Report of the Trustees</b>	1 to 12
<b>Report of the Independent Auditors</b>	13 to 15
<b>Statement of Financial Activities</b>	16
<b>Balance Sheet</b>	17 to 18
<b>Cash Flow Statement</b>	19
<b>Notes to the Cash Flow Statement</b>	20
<b>Notes to the Financial Statements</b>	21 to 32

**Report of the Trustees  
for the Year Ended 31 March 2023**

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 2023. 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.

We are working in a challenging environment where the Covid-19 pandemic and changes to UK visas introduced in 2022 continue to impact on the delivery of programmes. Despite operational difficulties, we are pleased to report that we are starting to see our programmes recover. This is largely due to the efforts of EIL staff and volunteers, including our hosts, who managed to deliver high quality intercultural learning experiences that enriched the lives of everyone involved.

**Our Values**

In all we do, we seek to:

Be inclusive -	welcome people from all backgrounds and provide a tailored and personal service, reflecting diversity and promoting tolerance;
Be inclusive -	work as one team with a shared passion and enthusiasm for what we do, and collaborate with partners and communities in the spirit of mutual benefit and with respect;
Be responsive -	listen and adapt to meet individual needs, and respond in agile and creative ways to meet challenges;
Aim for excellence -	create high quality enriching experiences with the power to shape people's lives, continue to learn and innovate to advance good practice and seek to be the best we can be in everything we do;
Strive for sustainability -	be forward-thinking, active contributors to the future health of the planet and recognise that experiential learning and global citizenship unlock leadership qualities that are essential to help solve international challenges.

**Report of the Trustees  
for the Year Ended 31 March 2023**

**OBJECTIVES AND ACTIVITIES**

**An international network**

As a founder member of Federation EIL (FEIL), we continue to support the global network of not-for-profit organisations dedicated to intercultural experiential learning. 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.

In November 2022 we participated in the Federation's annual General Assembly (GA) in Frankfurt, Germany. 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 contribute actively to this important and pioneering initiative.

**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 immersive opportunities to get to know each other and develop a deeper understanding of how they see the world and their cultural differences and similarities. 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 individuals and groups the chance to participate in cultural learning and community-based projects that improve the wellbeing and environment of people 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. The effects continue to impact on the charity's activities and the timescales for recovery. We are pleased to report that in 2022-23 all of our programme activity increased, with the exception of ESC training which declined as volunteer projects started to wind down in anticipation of the UK's withdrawal from the EU's Erasmus+ programme.

This year there was no financial support from the Job Retention Scheme, which supported us in previous years. As planned, the charity drew on its reserves for a third year to supplement the funds generated by our charitable activities. In addition, and as reported in our previous Annual Accounts 2021-22, we applied for and secured a loan of £120,000 from the Government-backed Recovery Loan Scheme. The additional funds have provided the organisation with security while our programmes continue to recover, and we expand our charitable activities.

The introduction of the new four-year Strategic Plan has helped us focus our resources on priority activities. We will continue to rebuild our programmes so that we can strengthen the resilience of the organisation and our capacity to withstand and respond to future global events.

**Report of the Trustees  
for the Year Ended 31 March 2023**

**ACHIEVEMENT AND PERFORMANCE**

**1. OUR PROGRAMMES**

Overall, the recovery of our programmes is going well but it is taking longer than expected. Despite challenges, this year our participant numbers were exactly 600, as a result of increased programme activity.

**Homestays and HOST UK**

In 2022-23 we delivered homestays for 292 participants:

- Our volunteer hosts provided individual homestays lasting 2 - 6 weeks for 67 participants;
- HOST UK volunteer hosts welcomed 225 international students studying at British Universities for day visits, weekends and festive stays;

We would like to express our gratitude and recognise the amazing support we have received from our network of dedicated volunteer hosts who open their hearts and homes to visitors from across the world, sharing their lives, exploring cultures and offering friendship.

In addition, we would like to thank our partners and Subscribing Institutions along with our wonderful volunteer Coordinators and Regional Organisers for their ongoing commitment towards supporting participants, hosts and EIL.

**Study Abroad**

This year demand increased for our Study Abroad Programmes which we introduced last year in response to UK visa changes in January 2021 (which forced us to abandon our Academic Year Programme). We have restructured our activities to offer shorter high-quality programmes and we were very pleased to deliver formal education programmes to a total of 36 students.

Over the academic year 2022-23 we welcomed:

- 27x high school students on our School Cultural Exchange Programme for 3, 4 or 6 months, compared to 13 in the academic year 2021-22;
- 16x high school students took part in a School Cultural Immersion programme, lasting 2-6 weeks.

This year we re-started our 'outbound' programme. In addition to receiving 26x 'inbound' students, we were delighted that an 18-year-old student was accepted to study in Japan for a year.

This programme was a great success and has opened the door for future outbound students. Our partner organisation in Japan was so impressed with the success of this pioneering programme, it has been extended to other colleges and marketed to other countries.

**Cultural Groups**

After a two-year absence, we were delighted to welcome back Cultural Groups of both university and high school students. We hosted 47 participants over the year. The number of cultural groups remains low and the conflict in Ukraine has deterred group organisers from returning to Europe.

**Awareness and Training**

As an ESC sending organisation, we supported 3 volunteers on overseas volunteering projects in Malta and Spain.

Our contract with the ESC National Agency, British Council and Ecorys, to deliver the training and evaluation cycle (TEC) for ESC volunteers expires when the UK's involvement in the European Solidarity Corps (ESC) ends on 31st December 2023. Despite project closures and the dwindling number of volunteer arrivals, our pool of freelance trainers delivered online trainings of the highest quality to 212 participants (compared to 390 in 2022-23). We would like to take this opportunity to thank our trainers for their ongoing commitment to ESC training.

**Report of the Trustees  
for the Year Ended 31 March 2023**

**ACHIEVEMENT AND PERFORMANCE**

**2. HOSTING**

The immersive experience of living as a part of the family is 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 lead to life-long international friendships that enrich lifetimes and generations.

As at 31st March 2023, we had 788 registered hosts and an additional 204 inactive and paused host households. Our hosts range from couples to single-person households, and we welcome hosts from all walks of life. We continued our commitment to develop a host network that reflects the diversity of communities in the UK today.

Our strategy is to:

- a) Grow and build the capacity of our host network to increase the number of homestays available across the year;
- b) Recruit hosts in under-represented counties in England, Northern Ireland, Scotland and Wales so that we can offer more locations and reflect the rich cultural diversity found in different parts of the UK;
- c) Continue to grow our programmes to exceed pre-pandemic levels so that more young people and adults can access and benefit from our charitable activities both as participants, hosts and volunteers;
- d) Increase the support we offer hosts, volunteers and our partners, including schools, colleges and universities.

**3. OUR IMPACT**

In normal times we measure our impact by the number of participants and host families involved in our programmes, the number of training places taken up by volunteers and the quality of the feedback we receive from everyone involved in homestays. However, we know that our programmes impact on a far greater number of people including the relatives and friends of host families, schools, business environments and communities whose lives are touched by contact with international visitors. We are pleased that, for another year, our programmes were well received and had a positive impact on the participants.

**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 continue to demonstrate their commitment and flexibility. Over the year one long-serving member of staff retired and we wish her a long and happy retirement;
- Our trainers, who delivered online training throughout the year and secured excellent feedback from participants;
- Our education partners in schools, colleges and universities who welcome students from across the world;
- Our international partners who receive our outbound participants, promote our programmes and prepare applicants for their stays in the UK;
- Our Coordinators and volunteer Regional Organisers, who tirelessly support participants and 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 support volunteers, including trustees and members, who have volunteered behind the scenes to assist the charity;
- Our Chief Executive for her leadership and commitment in steering the organisation through another challenging year;
- Our funders and donors who share our vision. Their generosity makes our work possible.

**Report of the Trustees  
for the Year Ended 31 March 2023**

**ACHIEVEMENT AND PERFORMANCE  
LOOKING TO THE FUTURE**

Over the next year we will continue to work towards our five key strategic objectives (developed in 2021-22) which are to:

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

In 2023-24, our key goals are to:

- Continue to build our existing homestay and study abroad programmes;
- Continue our work to rebuild HOST UK by working more closely with our Subscribing Institutions (SIs) and securing funding for bursaries;
- Complete the work on key communications investment projects and marketing to extend our global range and diversity of participants.

In conclusion, 2022-23 has been another challenging year. We are fortunate that, with the support of our staff and volunteers, we have been able to change and adapt as we continue our journey towards post-pandemic recovery. During 2023-24 we look forward to more growth and extending cultural learning opportunities for people of all ages. In a turbulent world, our role in bringing people together to deepen mutual understanding remains as important as ever.

**FINANCIAL REVIEW**

**Overview**

Although programme activity increased and generated 57% higher income than in 2021-22, the recovery from COVID travel restrictions was slower than expected. Interest rates on the new Barclays loan taken out in July 2022 (noted as a post Balance Sheet event in last year's accounts) increased unexpectedly in Autumn 2022, with travel and office costs also affected by the wider financial environment. These additional costs reduced our net income which, combined with the lack of grant assistance, resulted in an end-of-year deficit of £38,641.

As anticipated, the overall end-of-year position was improved by the increased value of the properties at 287 Worcester Road. The asset at 287 Worcester Road, Malvern, Elphick House and Sterling Lodge, was revalued at £400,000 which was an increase of £60,000 from the previous value of £340,000. The asset is shown as a designated sum in our accounts. Further information on the revaluation 'gain' can be found at Note 13.

**Income**

Our two main sources of income were:

- Programme income £352,904 (compared to £224,938 in 2021-22) of which £184,953 was for School Cultural Exchange and Immersion programmes (compared to £72,355 the previous year)
- £81,493 for the EU-funded contract for the delivery of the ESC Training and Evaluation Cycle (TEC) contract (compared to £137,651 in 2021-22)

**Expenditure**

Staffing costs formed the majority of our expenditure, although posts were left vacant for as long as possible without impacting operations. We continued the careful management of our expenditure throughout the year.

**Report of the Trustees  
for the Year Ended 31 March 2023**

**FINANCIAL REVIEW**

**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. When funds have allowed, 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.

By 31 March 2023, the charity's reserves were significantly depleted, as anticipated. This demonstrated the need for the support provided by the Recovery Loan Scheme.

As at 31 March 2023, reserves in the charity's unrestricted funds amounted to £434,165 (compared to £466,256 at 31 March 2022) of which £31,447 were free reserves (compared to £122,560 at 31 March 2022).

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 2023 the free reserves represented under 2 months' operating costs.

In September 2023 trustees reviewed the charity's reserves policy in line with their policy of good financial management practice and continued their policy to work towards achieving 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). The Board recognises that it is likely to take some time to achieve the target level of reserves.

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

- a) The impact of changes to free movement across borders and consequences for future stays in the UK following BREXIT
- b) 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.

Looking forward to 2023-24 trustees anticipated the need to grow programme activity and agreed to resource fundraising activities to minimise any further withdrawals from the charity's reserves.

In 2023-24 we have already increased our programme activity and income and continue to control our costs. The Board has agreed that a small sum from reserves will be used to support a deficit budget for 2023-24 while the organisation invests for the future. It remains our intention to restore the reserves to the target level over future years.



**Report of the Trustees  
for the Year Ended 31 March 2023**

**FINANCIAL REVIEW**

**Fundraising**

This year we did not have the support of the government's Job Retention Scheme. We have worked hard to enable the charity to retain its skilled staff and have made a start on increasing the income we receive from donations and grants. 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.
- Discussions with a private trust to provide assistance for our programme activities, which secured a commitment to provide a generous grant in the first quarter of 2023-24.

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 2022-23.

**Going concern**

The financial statements have been prepared on a going concern basis as 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. Programme income increased substantially in Q1 and Q2 of 2023-24 compared to the previous year which give confidence that the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern. Plans are in place to control and reduce costs, should that prove necessary, and, if necessary, release additional income from the charity's assets.

**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.

The process to register EIL UK with the Office of the Scottish Charity Regulator (OSCR) is underway and we have submitted an Expression of Intent to confirm that the charity wishes to apply to The Charity Commission for Northern Ireland to register once the process reopens.

**Report of the Trustees  
for the Year Ended 31 March 2023**

**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 against the specific requirements that have been identified for the vacancy. The Board has the power to co-opt trustees, but 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.

In 2022-2023 we welcomed three new trustees. Karen Canham was appointed to the Board in September and was re-appointed by the charity's members in December. In addition, the charity's members appointed Steve Baylis and Laura Spencer at the AGM held on 3 December 2022.

**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 2023, there were seventeen serving members (compared to eleven on 31 March 2022) in addition to the six trustees named in this report. The members were: R Begley, B Coker, S Edgar, V Fogarty, R Godwin, M Hancox, C Hyde, R MacDonald, M Matthews, G McKeown, D Myers, S Preece, J Shaw, R Tilley, E Tilley, C Tweddell and B Worrall.

**Organisation**

The Board of Trustees oversees the work of the charity and meets at least four times a year. In 2022-23 the Board met in person. By prior agreement, some meetings were conducted online or as 'hybrid' sessions.

The Chief Executive is responsible for the day-to-day operations of the charity with delegated powers, 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 at the start of each Board, committee and working group meeting. Trustees with a declared, identified or apparent conflict of interest are required to leave Trustee 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 2022-23, there were no related party transactions.

**Report of the Trustees  
for the Year Ended 31 March 2023**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

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

Trustees determine the charity's strategic direction 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.

**The appointment of Co-Chairs**

At the board meeting held on 2nd December 2022, the Board:

- a) Appointed Stephen Backhouse as Secretary to the Board;
- b) Confirmed that the honorary position of Secretary has the same powers as the Chair;
- c) Agreed Stephen Backhouse and Karen Canham would share the duties of Chair and act as co-chairs.

**Committees and working groups**

In Spring 2023, the Board reviewed the four committees created in 2021 for Governance, Finance, Nominations and Safeguarding. Following the review, the Board agreed that:

- i) The Finance Committee would continue to meet when required and at least twice a year;
- ii) Two trustees will have additional responsibilities as part of the safeguarding team that convenes to track, review and address safeguarding issues, and provide support on addressing causes for concern and incidents; and
- iii) Ad-hoc working groups comprised of trustees, staff and advisors (as appropriate) will be assembled for specific tasks with a limited timescale.

**Trustee training**

A training programme for trustees is under way and will continue to support the development of individual trustees and the Board as a whole.

**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.

**Report of the Trustees  
for the Year Ended 31 March 2023**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**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 risks. Trustees review and assess the Risk Register on a regular basis to take account of changes, consider new risks and to update mitigating actions.

The lasting effects of the Covid-19 pandemic and the war in Ukraine have impacted on the charity. The trustees have monitored the risks. 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 the charity's safeguarding standards and practices alongside reviews of our policies and procedures. We seek opportunities to benchmark our safeguarding against good practice elsewhere. We continue to carry out safeguarding checks on our hosts and renew them as appropriate.

In 2022-23, we had no reportable safeguarding incidents. Safeguarding standards are managed through our Safeguarding policies, systems and procedures which include participants, host family households and everyone involved in the delivery of EIL UK programmes. We thank our school partners and our Independent Listener for supporting student safeguarding and wellbeing.

As reported last year, the changes to immigration rules and visa arrangements for incoming students following BREXIT are a significant risk for the charity. The lack of access to European funding for multi-national initiatives, reciprocal international exchange 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 the benefit of qualifications both restrict UK and European citizens' access to multi-national learning opportunities and provide significant threats to the charity's programmes.

The impact of the COVID-19 pandemic remains another major risk. Infections are a risk to the health and the wellbeing of hosts and applicants, programme cancellations and reputational risks. We continue to adapt our programmes so that we can re-build our programme activities until they are closer to (or exceed) 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 2023**

**Trustees**

S Backhouse  
S P Baylis (appointed 2.12.22)  
K M Canham (appointed 3.9.22)  
K Dance  
S C G Kuenssberg (resigned 31.10.22)  
S Lange (resigned 19.1.23)  
D M Myers (resigned 23.3.23)  
M E Pellew  
J Shaw (resigned 8.11.22)  
L J Spencer (appointed 2.12.22)

**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.

**EIL UK (Registered number: 03166809)**

**Report of the Trustees  
for the Year Ended 31 March 2023**

**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 1 December 2023 and signed on its behalf by:

A handwritten signature in black ink, consisting of a stylized, cursive 'S' followed by a horizontal line.

S Backhouse - 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 2023 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 2023 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.

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.



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

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.

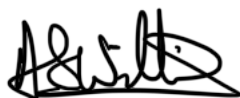
There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating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

Date: 01/12/2023



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 2023**

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	31.3.23 Total funds £	31.3.22 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	2	345	-	-	345	28,259
<b>Charitable activities</b>	4					
Homestays		14,760	-	-	14,760	329
HOST UK		21,103	-	-	21,103	12,237
Study Abroad		184,953	-	-	184,953	72,355
Cultural Groups		45,015	-	-	45,015	819
Awareness & Training		81,493	-	-	81,493	137,651
Outbound		5,580	-	-	5,580	1,547
Investment income	3	27,652	-	-	27,652	27,985
Other income		42	-	-	42	-
<b>Total</b>		<b>380,943</b>	<b>-</b>	<b>-</b>	<b>380,943</b>	<b>281,182</b>
<b>EXPENDITURE ON</b>						
<b>Charitable activities</b>	5					
Homestays		27,852	-	-	27,852	28,903
HOST UK		45,007	6,542	-	51,549	10,067
Study Abroad		241,080	-	-	241,080	116,536
Cultural Groups		55,263	-	-	55,263	42,171
Awareness & Training		95,660	-	-	95,660	162,415
Outbound		6,750	-	-	6,750	1,046
Other		-	8	-	8	-
<b>Total</b>		<b>473,034</b>	<b>6,550</b>	<b>-</b>	<b>479,584</b>	<b>361,138</b>
Net gains on investments		60,000	-	-	60,000	-
<b>NET INCOME/(EXPENDITURE)</b>		<b>(32,091)</b>	<b>(6,550)</b>	<b>-</b>	<b>(38,641)</b>	<b>(79,956)</b>
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		466,256	11,148	25,000	502,404	582,360
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>434,165</b>	<b>4,598</b>	<b>25,000</b>	<b>463,763</b>	<b>502,404</b>

The notes form part of these financial statements

**Balance Sheet**  
**31 March 2023**

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	<b>31.3.23 Total funds £</b>	31.3.22 Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	12	<b>2,718</b>	-	-	<b>2,718</b>	3,696
Investment property	13	<b>400,000</b>	-	-	<b>400,000</b>	340,000
		<b>402,718</b>	-	-	<b>402,718</b>	343,696
<b>CURRENT ASSETS</b>						
Debtors	14	<b>49,525</b>	-	-	<b>49,525</b>	68,083
Cash at bank and in hand		<b>176,172</b>	<b>4,598</b>	<b>25,000</b>	<b>205,770</b>	128,100
		<b>225,697</b>	<b>4,598</b>	<b>25,000</b>	<b>255,295</b>	196,183
<b>CREDITORS</b>						
Amounts falling due within one year	15	<b>(107,583)</b>	-	-	<b>(107,583)</b>	(37,475)
<b>NET CURRENT ASSETS</b>		<b>118,114</b>	<b>4,598</b>	<b>25,000</b>	<b>147,712</b>	158,708
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>520,832</b>	<b>4,598</b>	<b>25,000</b>	<b>550,430</b>	502,404
<b>CREDITORS</b>						
Amounts falling due after more than one year	16	<b>(86,667)</b>	-	-	<b>(86,667)</b>	-
<b>NET ASSETS</b>		<b>434,165</b>	<b>4,598</b>	<b>25,000</b>	<b>463,763</b>	502,404
<b>FUNDS</b>	20					
Unrestricted funds:						
General fund					<b>34,165</b>	126,256
Property fund					<b>400,000</b>	340,000
					<b>434,165</b>	466,256
Restricted funds:						
Victoria League in Scotland					<b>1,458</b>	8,000
Tanner Trust					<b>2,000</b>	2,000
QA Higher Education					<b>1,140</b>	1,140
Chevening Secretariat					-	8
					<b>4,598</b>	11,148
Endowment funds:						
Marie Benson-Stott Scholarship					<b>25,000</b>	25,000
<b>TOTAL FUNDS</b>					<b>463,763</b>	502,404

The notes form part of these financial statements

**EIL UK (Registered number: 03166809)**

**Balance Sheet - continued**  
**31 March 2023**

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 1 December 2023 and were signed on its behalf by:

A handwritten signature in black ink, consisting of a stylized initial 'S' followed by a long, horizontal, wavy line.

S Backhouse - Trustee

The notes form part of these financial statements

**EIL UK**

**Cash Flow Statement  
for the Year Ended 31 March 2023**

	Notes	31.3.23 £	31.3.22 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(28,099)</u>	<u>(43,404)</u>
Net cash used in operating activities		<u>(28,099)</u>	<u>(43,404)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(900)	(1,196)
Interest received		<u>2</u>	<u>-</u>
Net cash used in investing activities		<u>(898)</u>	<u>(1,196)</u>
<b>Cash flows from financing activities</b>			
New loans in year		120,000	-
Loan repayments in year		<u>(13,333)</u>	<u>-</u>
Net cash provided by financing activities		<u>106,667</u>	<u>-</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>77,670</b>	<b>(44,600)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b><u>128,100</u></b>	<b><u>172,700</u></b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b><u><u>205,770</u></u></b>	<b><u><u>128,100</u></u></b>

The notes form part of these financial statements

**EIL UK**

**Notes to the Cash Flow Statement  
for the Year Ended 31 March 2023**

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

	<b>31.3.23</b>	31.3.22
	£	£
<b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b>	<b>(38,641)</b>	(79,956)
<b>Adjustments for:</b>		
Depreciation charges	<b>1,878</b>	3,312
(Gains)/losses on investments	<b>(60,000)</b>	-
Interest received	<b>(2)</b>	-
Decrease in debtors	<b>18,558</b>	51,987
Increase/(decrease) in creditors	<b><u>50,108</u></b>	<u>(18,747)</u>
<b>Net cash used in operations</b>	<b><u>(28,099)</u></b>	<u>(43,404)</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	<b><u>128,100</u></b>	<b><u>77,670</u></b>	<b><u>205,770</u></b>
	<b><u>128,100</u></b>	<b><u>77,670</u></b>	<b><u>205,770</u></b>
<b>Debt</b>			
Debts falling due within 1 year	-	<b>(20,000)</b>	<b>(20,000)</b>
Debts falling due after 1 year	-	<b><u>(86,667)</u></b>	<b><u>(86,667)</u></b>
	-	<b><u>(106,667)</u></b>	<b><u>(106,667)</u></b>
<b>Total</b>	<b><u>128,100</u></b>	<b><u>(28,997)</u></b>	<b><u>99,103</u></b>

**Notes to the Financial Statements  
for the Year Ended 31 March 2023**

**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 May 2023 and the current condition and occupation of the property.

The trustees consider that there are no significant areas of key judgement or estimation uncertainty other than those identified in the accounting policies below.

**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.

**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 2023**

**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 treat any capital expenditure items costing £500 and over as tangible fixed assets with depreciation applied as above. Items costing less than £500 are recognised within the Statement of Financial Activities in the year they are incurred. In exceptional circumstances, items costing less or more than £500 may qualify to be included or excluded from the Fixed Asset Register.

**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 2023**

**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**

	<b>31.3.23</b>	31.3.22
	£	£
Donations	<b>345</b>	6,395
Grants	<u>-</u>	<u>21,864</u>
	<b><u>345</u></b>	<b><u>28,259</u></b>

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

	<b>31.3.23</b>	31.3.22
	£	£
Victoria League in Scotland	-	5,000
HMRC Coronavirus Job Retention Scheme	<u>-</u>	<u>16,864</u>
	<b><u>-</u></b>	<b><u>21,864</u></b>

# EIL UK

## Notes to the Financial Statements - continued for the Year Ended 31 March 2023

### 3. INVESTMENT INCOME

	31.3.23	31.3.22
	£	£
Rents received	27,650	27,985
Deposit account interest	2	-
	<u>27,652</u>	<u>27,985</u>

### 4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.23	31.3.22
		£	£
Incoming programme	Homestays	14,760	329
Incoming programme	HOST UK	21,103	12,237
Incoming programme	Study Abroad	184,953	72,355
Incoming programme	Cultural Groups	45,015	819
Incoming programme	Awareness & Training	81,493	137,651
Outbound programme	Outbound	5,580	1,547
		<u>352,904</u>	<u>224,938</u>

### 5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Homestays	20,835	7,017	27,852
HOST UK	42,262	10,709	52,971
Study Abroad	159,508	81,572	241,080
Cultural Groups	35,392	19,871	55,263
Awareness & Training	59,914	35,746	95,660
Outbound	4,293	2,457	6,750
	<u>322,206</u>	<u>157,370</u>	<u>479,576</u>

## EIL UK

### Notes to the Financial Statements - continued for the Year Ended 31 March 2023

#### 6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.23	31.3.22
	£	£
Staff costs	106,146	110,771
Incoming programme expenses	<u>216,060</u>	<u>118,465</u>
	<u><b>322,206</b></u>	<u><b>229,236</b></u>

There has been a change in the allocation of costs, primarily around the allocation of staff costs directly to programmes for non-programme managers, which impacts the comparison between years. The change is designed to improve accuracy.

#### 7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Homestays	5,276	392	1,349	7,017
HOST UK	7,659	560	2,489	10,708
Study Abroad	65,149	4,119	12,303	81,571
Cultural Groups	15,827	1,195	2,849	19,871
Awareness & Training	28,613	2,163	4,970	35,746
Outbound	<u>1,960</u>	<u>148</u>	<u>349</u>	<u>2,457</u>
	<u><b>124,484</b></u>	<u><b>8,577</b></u>	<u><b>24,309</b></u>	<u><b>157,370</b></u>

In addition to the changes in note 6 which affect the allocation between direct and support costs, there have been some changes in the composition of these categories to better reflect costs. Governance costs now include those related to the running of trustee board meetings and part of the Chief Executive's employment costs.

#### 8. NET INCOME/(EXPENDITURE)

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

	31.3.23	31.3.22
	£	£
Auditors' remuneration	3,540	3,340
Depreciation - owned assets	1,878	3,312
Hire of plant and machinery	1,258	3,856
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 2023 nor for the year ended 31 March 2022.

##### Trustees' expenses

During the year ended 31 March 2023 1 trustee (2022 - nil) was directly reimbursed £222 for expenses incurred.

# EIL UK

## Notes to the Financial Statements - continued for the Year Ended 31 March 2023

### 10. STAFF COSTS

	31.3.23	31.3.22
	£	£
Wages and salaries	157,668	157,065
Social security costs	10,555	12,532
Other pension costs	8,432	7,592
	<u>176,655</u>	<u>177,189</u>

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

	31.3.23	31.3.22
Direct charitable work	5	5
Administration	1	2
	<u>6</u>	<u>7</u>

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

The total amount of employee benefits received by key management personnel is £47,500 (2022 - £45,500). The charity considers its key management personnel comprises the Chief Executive.

### 11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	23,259	5,000	-	28,259
<b>Charitable activities</b>				
Homestays	329	-	-	329
HOST UK	12,237	-	-	12,237
Study Abroad	72,355	-	-	72,355
Cultural Groups	819	-	-	819
Awareness & Training	137,651	-	-	137,651
Outbound	1,547	-	-	1,547
Investment income	<u>27,985</u>	<u>-</u>	<u>-</u>	<u>27,985</u>
<b>Total</b>	<u>276,182</u>	<u>5,000</u>	<u>-</u>	<u>281,182</u>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Homestays	28,903	-	-	28,903
HOST UK	8,067	2,000	-	10,067
Study Abroad	116,536	-	-	116,536
Programme expenditure	-	-	-	-
Cultural Groups	42,171	-	-	42,171
Awareness & Training	162,415	-	-	162,415
Outbound	<u>1,046</u>	<u>-</u>	<u>-</u>	<u>1,046</u>
<b>Total</b>	<u>359,138</u>	<u>2,000</u>	<u>-</u>	<u>361,138</u>
<b>NET INCOME/(EXPENDITURE)</b>	(82,956)	3,000	-	(79,956)

**EIL UK**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2023**

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total funds £
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	549,212	8,148	25,000	582,360
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>466,256</u>	<u>11,148</u>	<u>25,000</u>	<u>502,404</u>

**12. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 April 2022	17,605	25,831	43,436
Additions	<u>-</u>	<u>900</u>	<u>900</u>
At 31 March 2023	<u>17,605</u>	<u>26,731</u>	<u>44,336</u>
<b>DEPRECIATION</b>			
At 1 April 2022	14,716	25,024	39,740
Charge for year	<u>1,114</u>	<u>764</u>	<u>1,878</u>
At 31 March 2023	<u>15,830</u>	<u>25,788</u>	<u>41,618</u>
<b>NET BOOK VALUE</b>			
At 31 March 2023	<u>1,775</u>	<u>943</u>	<u>2,718</u>
At 31 March 2022	<u>2,889</u>	<u>807</u>	<u>3,696</u>

**13. INVESTMENT PROPERTY**

	£
<b>FAIR VALUE</b>	
At 1 April 2022	340,000
Revaluation	<u>60,000</u>
At 31 March 2023	<u>400,000</u>
<b>NET BOOK VALUE</b>	
At 31 March 2023	<u>400,000</u>
At 31 March 2022	<u>340,000</u>

The investment property is freehold.

Fair value at 31 March 2023 is represented by:

	£
Valuation in 2023	60,000
Cost	<u>340,000</u>
	<u>400,000</u>

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2023**

**13. INVESTMENT PROPERTY - continued**

The investment property was last subject to an independent professional valuation at 18 May 2023 and the trustees consider the valuation provided to be appropriate as at 31 March 2023. The valuation was undertaken by Ian Humphries B.Sc.(Est.Man.) FRICS. The methods and significant assumptions used to ascertain the fair value of £400,000 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 £27,185pa and with the expectation of a net return on investment of around 7%.

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31.3.23</b>	31.3.22
	£	£
Trade debtors	<b>27,084</b>	53,711
Other debtors	<b>4,315</b>	3,524
Accrued income	<b>9,402</b>	9,379
Prepayments	<b><u>8,724</u></b>	<u>1,469</u>
	<b><u>49,525</u></b>	<u>68,083</u>

Included in other debtors is an amount of \$5,325 (2022 \$5,325) which is held as a deposit by the Federation EIL.

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31.3.23</b>	31.3.22
	£	£
Bank loans and overdrafts (see note 17)	<b>20,000</b>	-
Trade creditors	<b>19,786</b>	12,564
Social security and other taxes	<b>4,034</b>	5,191
Other creditors	<b>3,477</b>	484
Deferred income	<b>42,728</b>	6,153
Accrued expenses	<b><u>17,558</u></b>	<u>13,083</u>
	<b><u>107,583</u></b>	<u>37,475</u>

**Deferred Income**

	<b>31.3.20</b>	31.3.22
	£	£
Balance as at 1 April	<b>6,153</b>	2,522
Released in the year	<b>(6,153)</b>	(2,522)
Deferrals in the year	<b><u>42,728</u></b>	<u>6,153</u>
Balance as at 31 March	<b><u>42,728</u></b>	<u>6,153</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 2023

### 16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.23	31.3.22
	£	£
Bank loans (see note 17)	<u>86,667</u>	<u>-</u>

### 17. LOANS

An analysis of the maturity of loans is given below:

	31.3.23	31.3.22
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>20,000</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans	<u>86,667</u>	<u>-</u>

The bank loan was taken out under the Governments Recovery Loan Scheme.

### 18. LEASING AGREEMENTS

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

	31.3.23	31.3.22
	£	£
Within one year	772	1,030
Between one and five years	<u>-</u>	<u>772</u>
	<u>772</u>	<u>1,802</u>

### 19. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.23	31.3.22
	£	£
Bank loans	<u>106,667</u>	<u>-</u>

The charity has provided a fixed and floating charge over its assets and undertakings, as security for its bank loan.

EIL UK

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2023

20. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
<b>Unrestricted funds</b>			
General fund	126,256	(92,091)	34,165
Property fund	<u>340,000</u>	<u>60,000</u>	<u>400,000</u>
	466,256	(32,091)	434,165
<b>Restricted funds</b>			
Victoria League in Scotland	8,000	(6,542)	1,458
Tanner Trust	2,000	-	2,000
QA Higher Education	1,140	-	1,140
Chevening Secretariat	<u>8</u>	<u>(8)</u>	<u>-</u>
	11,148	(6,550)	4,598
<b>Endowment funds</b>			
Marie Benson-Stott Scholarship	<u>25,000</u>	<u>-</u>	<u>25,000</u>
<b>TOTAL FUNDS</b>	<u>502,404</u>	<u>(38,641)</u>	<u>463,763</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	380,943	(473,034)	-	(92,091)
Property fund	<u>-</u>	<u>-</u>	<u>60,000</u>	<u>60,000</u>
	380,943	(473,034)	60,000	(32,091)
<b>Restricted funds</b>				
Victoria League in Scotland	-	(6,542)	-	(6,542)
Chevening Secretariat	<u>-</u>	<u>(8)</u>	<u>-</u>	<u>(8)</u>
	-	(6,550)	-	(6,550)
<b>TOTAL FUNDS</b>	<u>380,943</u>	<u>(479,584)</u>	<u>60,000</u>	<u>(38,641)</u>



**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2023**

**20. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
<b>Unrestricted funds</b>			
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
<b>Restricted funds</b>			
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
<b>Endowment funds</b>			
Marie Benson-Stott Scholarship	<u>25,000</u>	<u>-</u>	<u>25,000</u>
<b>TOTAL FUNDS</b>	<u><u>582,360</u></u>	<u><u>(79,956)</u></u>	<u><u>502,404</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	276,182	(359,138)	(82,956)
<b>Restricted funds</b>			
Victoria League in Scotland	<u>5,000</u>	<u>(2,000)</u>	<u>3,000</u>
<b>TOTAL FUNDS</b>	<u><u>281,182</u></u>	<u><u>(361,138)</u></u>	<u><u>(79,956)</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 arose from the transfer of the investment property following the closure of an associated trust 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.

Funding from the Victoria League Scotland is comprised of two grants, with the first being for online cultural exchanges. The second grant is for the promotion of Scottish culture and way of life to international students studying at British universities through the provision of bursaries for day visits and weekend stays with hosts.

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

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2023**

**21. EMPLOYEE BENEFIT OBLIGATIONS**

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £8,432 (2022 £7,592). £5,401 remains unpaid at 31 March 2023 (2022 £4,317), of which £3,951 is being held pending the provision of pension scheme details by a former employee (2022 £3,951).

**22. 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.

**23. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 March 2023.