

Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2024
for
EIL UK

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

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for the Year Ended 31 March 2024**

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**Report of the Trustees
for the Year Ended 31 March 2024**

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 2024. 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 charity's objective is the advancement of education in the culture, circumstances and way of life of people of different nations, races and creeds.

Our Vision

A future where people understand and value different cultures and work together to create a more tolerant and just world.

Our Mission

Our mission is to work globally to provide intercultural learning experiences that enrich lives and promote understanding of other cultures. We offer opportunities for people to learn and live together, inspiring and empowering individuals and communities to create a fairer, more peaceful and sustainable world for all.

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 work in a difficult environment, where a straightened economic situation has been exacerbated by international instability and uncertainty.

Despite these difficult circumstances, we managed to expand our programmes over the year. This was due to the efforts of EIL staff and volunteers, including our hosts, who welcome international visitors into their homes. Through these homestays, we enrich the lives of everyone involved and continue the vision of our founder, Dr Donald B. Watt, who believed that "people learn to live together by living together".

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 2024**

OBJECTIVES AND ACTIVITIES

An international network

As a founder member of Federation EIL (FEIL), we continued 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.

We participated in the Federation's annual General Assembly (GA) held in November 2023 in Mexico City, Mexico, at which member organisations confirmed their commitment to long-standing educational principles and the international Intercultural Exchange Certification (IEC) scheme that was established by the Federation four years ago.

We look forward to continuing our active contribution to this important and pioneering initiative to advance practitioner standards and good practice to strengthen organisations in the international exchange sector and, ultimately, promote more impactful exchanges.

EIL UK will be assessed itself over the next year to underline our commitment to upholding high standards, continuous improvement and training and development for our staff and volunteers.

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 whilst learning about each other's cultures.

It is this deeper understanding and appreciation of different cultures that breaks down barriers between people, fosters tolerance and respect for other perspectives and viewpoints and provides participants with a range of intercultural communication competencies that are needed for peace and collaboration in today's world.

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.

**Report of the Trustees
for the Year Ended 31 March 2024**

ACHIEVEMENT AND PERFORMANCE

1. OUR PROGRAMMES

Overall, our programmes continued to hold steady or grow despite the post-pandemic recovery taking longer than expected. In the Financial Year 2023-24 we provided intercultural learning experiences for 324 participants and in the calendar year 2023 we delivered programmes for 465 participants.

In recent years, participant arrivals have been spread more evenly across the year. This replaced the previous 'seasonal' concentration of programmes in September and October and from May to July.

Homestays and HOST UK

Homestays are an integral part of our programmes. In 2023-24 we delivered homestays for 191 participants. These included 29 individual homestays that lasted 2-6 weeks and HOST UK day visits, weekends and festive stays for 162 international students studying at British universities.

Our volunteer hosts open their doors to visitors from around the world, offering an immersive experience; exploring other cultures and sharing their lives and extending their hands in friendship. We are always grateful to our volunteer hosts, who are at the heart of everything we do, and without whom we would be greatly diminished.

In addition, we would like to thank our partners and Subscribing Institutions along with our volunteer Coordinators and Regional Organisers (who support the HOST UK programme) for their ongoing commitment towards supporting participants, hosts and EIL.

Study Abroad

This year there was increased demand for places on our Study Abroad Programmes.

We were very pleased to deliver formal education programmes to 122 secondary school students who arrived during the year.

Over the financial year 2023-24 we welcomed:

- 42 high school students on our School Cultural Exchange Programme for 3, 4 or 6 months, compared to 27 in 2022-23 and 13 in 2021-22;
- 72 high school students who took part in our shorter School Cultural Immersion programme, lasting 2-6 weeks compared to 16 participants in 2022-23. (Note that the figure of 72 includes 32 students who would have been classified as a cultural group in past years).

Although we had no new outbound participants this year, we prepared students for opportunities in 2024-25 and we were delighted to learn that the student who started her studies the year before had completed their highly successful academic year in Japan and was returning to continue their studies at a Japanese university.

Cultural Groups

This year we did not host any cultural groups. This is predominantly due to the increased cost of living and global conflicts deterring participants' parents and group leaders. Our hosts provided homestays for a group of university students and a group of high school students who took part in our School Cultural Immersion programme. It is important to note that participant numbers that used to be included in Cultural Groups were reclassified and allocated to Individual Homestays and the School Cultural Immersion programme.

Vocational Learning

A small group of volunteers from Spain joined us in June to volunteer with local community organisations in roles ranging from supporting veterinarians and animal shelters to work experience in charities, nurseries and farm shops. Everyone involved in the short-term volunteer placement or project benefits from the impacts of the programme which are long lasting. Work is underway with our international partners to develop new inbound and outbound volunteering opportunities.

**Report of the Trustees
for the Year Ended 31 March 2024**

Cultural Awareness and Training

This year, we prepared the last of our European Solidarity Corps (ESC) volunteers to support conservation and education activities at Birdlife Malta. Sending out our final volunteers formed part of the swansong for this long running European programme that brings together young people to build a more inclusive society through international community service.

At the end of December 2023 our ESC training and evaluation cycle (TEC) contract expired. This ended our long association with British Council and Ecorys, the National Agency delivering ESC in the UK.

Despite project closures and the dwindling number of volunteer arrivals, our pool of freelance trainers delivered online trainings of the highest quality to 15 participants (compared to 212 in 2022-23 and 390 in 2021-22). We would like to take this opportunity to thank our trainers for their outstanding commitment to ESC training over the years.

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 deeper understanding of different cultures that opens up career and life opportunities for everyone involved. Many homestays lead to life-long international friendships that enrich lifetimes for generations.

As of 31 March 2024, we had 777 registered hosts compared to 788 the previous year. Over the year:

- 4 EIL UK hosts and 14 HOST UK hosts retired or left because of a change in their circumstances,
- 97 hosts in 49 households completed their registration as an EIL host of which 68 people in 37 households registered for any EIL UK programme and 29 people in 12 households registered to host the HOST UK programme.

This year we made further improvements to the host registration process. Recruiting a Volunteers Manager to support the host registration and re-registration process has enabled further improvements to be made to the registration process and home visits.

We welcome hosts from all walks of life and the EIL hosting communities across the UK include couples, single-person households and families. We continue our commitment to develop a host network that reflects the diverse communities and cultures that make up modern Britain today.

3. COMMUNICATIONS AND ENGAGEMENT

The appointment of our first Communications and Business Development Manager in 2023 has had a significant impact across all of the charity's marketing, communications and engagement activities. Adding this expertise to the team in the Malvern office has helped us digitise our communications which enables us to engage participants, hosts and partners in new ways.

Over the year our successes have included:

- Introducing a regular on-line newsletter for hosts - Hosting Herald is published every two months and aims to engage past and present hosts through news, hosting stories and updates on forthcoming hosting opportunities.
- Creating 'the BIG Welcome' - a new marketing campaign to attract international students studying at British Higher Education Institutions to apply for a HOST UK Weekend Stay and Festive Visit soon after they arrive in the UK.
- Sustaining an active social media presence - our thanks go to Monika Strell for coordinating the EIL UK and HOST UK Facebook accounts;
- Boosting our online presence - by creating new videos and opening an EIL UK YouTube channel and by updating and improving the EIL and HOST websites;
- Refreshing the contents of, and adding security to, the EIL and HOST websites.
- Establishing an online subscription-based mailing service to facilitate host, partner and participant communications and engagement;
- Introducing policies and procedures to facilitate our communications activities, from developing our first Intranet through to supporting the wider team and moving our photographic permissions online to help us keep our activities compliant;
- Fundraising and making more of business development opportunities;
- Exploring opportunities to grow our outbound programmes within current limitations.

**Report of the Trustees
for the Year Ended 31 March 2024**

4. OUR IMPACT

Previously we measured our impact by the number of participants and host families involved in our programmes, the number of training places taken up by ESC 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 host's relatives and friends, schools, business environments and communities whose lives are touched by contact with international visitors and friendship. Over the next year we will be exploring how we can capture this wider impact. In 2023-24 we were pleased that our programmes continued to be well received by hosts and participants and had a positive impact.

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

- Our staff, who continue to demonstrate their commitment and flexibility.
- Our volunteer host families who provide homestays;
- Our Local Coordinators and volunteer Regional Organisers, who support participants and host families to help them make the most of their experiences;
- Our support volunteers, including trustees, our governance members and our new volunteer transport team, all of whom have volunteered behind the scenes to assist the charity;
- Our trainers, who delivered the final ESC online trainings throughout the first half of the year and secured excellent feedback from participants. It was our pleasure to recognise their achievements at our Annual General Meeting in December 2023.
- 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 funders and donors who share our vision. Their generosity in these trying times makes our work possible.
- Our Chief Executive for her leadership and commitment in steering the organisation through another challenging year.

In memoriam

We would like to remember and recognise Elliot Kulick, who kindly left EIL UK a legacy in 2023; his generosity to EIL and intercultural learning is greatly appreciated. Throughout his life, Mr Kulick had a personal, academic and corporate interest in international affairs and supported charities in the UK, his adopted country.

We would also like to recognise the enormous contribution made by Margaret Matthews who supported EIL for almost 40 years until she passed away in February 2024. Margaret was made a life-member of the charity and in more recent years continued her involvement by volunteering twice a week in the office to support the staff team. She was delighted to receive an award for her voluntary work from Malvern Hills District Council. Margaret regarded EIL as her 'family' and will be remembered for her positive presence and encouragement for our activities.

**Report of the Trustees
for the Year Ended 31 March 2024**

ACHIEVEMENT AND PERFORMANCE

5. LOOKING TO THE FUTURE

The introduction of our four-year Strategic Plan in 2021-22 helps us focus our resources on priority activities. We will continue to grow our programmes and strengthen the resilience of the organisation and our capacity to withstand and respond to future global events.

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 the Federation EIL's Intercultural Exchange Certification (IEC)
- Maintain and strengthen our financial resilience and diversify our sources of income.

During 2024-25 we look forward to extending cultural learning opportunities for people of all ages. Our key goals are to:

- Strengthen our hosting communities
- Continue to build and extend our existing homestay and study abroad programmes;
- Continue to rebuild HOST UK by working more closely with our Subscribing Institutions (SIs) and securing funding for bursaries;
- Support and develop our staff and volunteers
- Invest in our communications and marketing to extend our global range, engage with new partners and increase the diversity of participants;
- Establish a portfolio of outbound programmes for UK participants;

In conclusion, 2023-24 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 following the pandemic and Brexit.

In a turbulent world, 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 2024**

FINANCIAL REVIEW

Overview

As a result of the Covid-19 pandemic and the tighter economic situation in the last few years leading to reduced opportunities to raise funds, either through our activities or through fundraising, EIL has made deficits rather than surpluses for several years. As a result, in the year to 31 March 2024, EIL ended up in a position of having negative "free reserves", which is to say the total of unrestricted funds of £389,886 is less than the amount tied up in fixed assets of £400,956. Although there is no risk to the restricted funds, the negative free reserves reflect a cashflow issue which, if perpetuated, presents a threat to the financial stability of the charity.

However, this is an issue of which the Trustees are aware and to which they have given active attention. In the year to 31 March 2023, EIL drew a loan under the Recovery Loan Scheme to provide liquid funds to aid the rebuilding of activities after the pandemic, following Charity Commission guidance and professional advice. In the year to 31 March 2024, the Board paid close attention to programme growth and financial sustainability to monitor the ongoing situation. Although programmes have grown and have continued to do so, having taken additional professional advice, the Trustees decided to release funds through the sale of some, though not all, of the charity's fixed assets which had partly been held as a contingency against such a risk. Releasing cash will help to secure EIL's future for years to come by providing liquid funds and will also help to fuel the continued recovery of our activities.

In order to progress towards our goals of organisational sustainability and financial stability, we added two roles to our team this year. We welcomed our Volunteers Manager, who filled the post that had been vacant since 2020, and we appointed our first Communications and Business Development Manager. After many months of contracting out our bookkeeping, we were also pleased to recruit a Finance Officer.

These posts will help us:

- Better engage with our hosting communities and partners;
- Retain, recruit and register volunteer hosts from a range of backgrounds to open up more opportunities for intercultural learning;
- Extend our programmes into new areas;
- Develop outbound programmes for UK participants;
- Diversify our sources of income to achieve a greater proportion of grants and donations; and
- Rebuild our reserves, which were used to sustain EIL through the pandemic and after.

Income

We were pleased that programme activity increased and that, overall, we achieved a 39% increase in income compared to the 2022-23 increase of 57% on the year before.

Our two main sources of income were:

- Programme income £471,230 (compared to £352,904 in 2022-23 and £224,938 in 2021-22) of which £398,668 was for School Cultural Exchange and Immersion programmes (compared to £184,953 the previous year and £72,355 in 2021-22) and
- £30,199 from donations and legacies

Income from training was £11,065 for the EU-funded delivery of the ESC Training and Evaluation Cycle (TEC) contract (compared to £81,493 in 2022-23 and £137,651 in 2021-22).

Expenditure

From 2020 onwards, posts were left vacant for as long as possible without impacting core operations. We continued our careful management of administrative and discretionary expenditure in the year.

As in previous years, staffing costs formed the majority of our operational expenditure. The Board would not wish to restrict these unduly, recognising the vital service the staff provides. As a result, expenditure on staff increased in the year to retain the skills and expertise needed to support growth.

**Report of the Trustees
for the Year Ended 31 March 2024**

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 accessible.

Endowment

In line with Charity Commission guidance and advice, the Trustees released the Marie Stott Benson Endowment into general funds to assist in the provision of Homestays and HOST UK Weekend Stays and Festive Visits. This was in line with her wish for the endowment be used to benefit International University Students studying at the University of Worcester and other British Universities.

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.

Recent years have shown that unforeseen and unforeseeable events can result in significant fluctuations in levels of income that impact on cash flow.

The Charity is vulnerable to these financial shocks as its operations are based on contracts for individual programmes with international partners. The main income risks are those resulting from programmes not being renewed or not taking place when expected. Expenditure risks include unforeseen day-to-day operational costs (such as long-term sickness cover) and emergency needs (such as urgent equipment replacement). There is also a risk of short-term cashflow issues when spending is needed on a programme prior to the receipt of related income.

The Charity holds reserves to mitigate these risks, so that it is able to continue providing a service to its beneficiaries without disruption. It also wishes to hold reserves at a level that would allow investment in the expansion of its charitable programmes without increasing the risk for pre-existing operations.

As uncertainty of income is the greatest risk, the Board has decided to set the reserves level in reference to operating costs. Based on a review of future strategic plans, along with a risk assessment of key areas of income and expenditure, the Board considers a minimum reserves level of six months operating costs and a target reserves level of nine months operating costs to be appropriate. Owing to fluctuations in programme activities, operating costs will be based on the budgeted operating costs for the current year.

In the event of significant programme cancellations or deferments this would provide time to develop alternative programmes or other sources of income, or to reduce expenditure without damaging continuing programmes.

The Charity owns a Freehold property, the value of this asset is not considered as part of the main reserves due to liquidity. If the Charity were to close, the charity would dispose of this asset and the resulting funds could be used to cover final staff payments and other related costs such as accountancy and legal fees. Decisions made relating to the raising of any funds against the value of the property take due regard of these costs.

Fund levels will be reviewed quarterly by the Trustees as part of financial monitoring. Trustees will review this Reserves Policy on an annual basis.

Looking forward from 31 March 2024, the relevant figures were:

	£
Total reserves	393,512
Free reserves (excludes restricted funds and property)	(10,114)
Annual operating costs (based on Budget for 2024/25 as at 19/08/24, excluding programme costs)	295,400
Six months' operating costs	147,700
Nine months' operating costs	221,550
Number of months free reserves are equivalent to	(0.4)

**Report of the Trustees
for the Year Ended 31 March 2024**

FINANCIAL REVIEW

For comparison, as of 31 March 2023 the charity's total reserves totalled £463,763, of which £34,165 were Free Reserves, excluding restricted funds and property. At that time the free reserves were equivalent to <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 affirmed the policy objective to work towards restoring the charity's reserves. The Board recognises that it is likely to take some time to achieve the target level.

Fundraising

Over the year staff invested time to fundraise and diversify the charity's income. Over the year we received:

- A generous grant of £10,000 from the John R. Murray Trust;
- A legacy gift of \$25,000 from Elliot Kulick;
- Smaller gifts from individual donors.

The trustees would like to express their gratitude to the charitable trusts, businesses and individual donors who supported the charity in 2023-24.

Going concern

Having considered the level of funds held, and the deficit generated in the year, the Trustees consider that an uncertainty exists around liquidity. However, the trustees have made a decision to release funds through the sale of a proportion of the charity's fixed assets in the next accounting period. As a result of this plan, the financial statements are prepared on the going concern basis as the Trustees are confident that funds from the sale combined with the income from projected programme activity will provide funds which are sufficient to support the charity's activities for the foreseeable future. Thus, the uncertainty and associated risks will be adequately mitigated.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal status and governing document

EIL UK (also known as EIL or the Experiment in International Living) 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.

This year we completed the registration of EIL UK as a Section 167 Institution with the Charity Commission Northern Ireland. Organisations which are established outside of Northern Ireland, but which operate for charitable purposes in or from Northern Ireland are called Section 167s under the Charities Act (Northern Ireland) 2008. These organisations are not charities under the law of Northern Ireland but would be registered as a charity in another jurisdiction, such as Ireland, England and Wales, or Scotland.

The process to register EIL UK with the Office of the Scottish Charity Regulator (OSCR) is expected to be completed by the end of 2024.

**Report of the Trustees
for the Year Ended 31 March 2024**

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 2023-24 no new trustees were appointed.

Members

EIL UK Board of Trustees appoints members. The members appoint trustees, and all appointed trustees are members. The Memorandum and Articles allows for a maximum of thirty members. All members agree to contribute £1 in the event of the charity having to be wound up.

As of 31 March 2024, there were fourteen serving members (compared to fifteen on 31 March 2023 and eleven on 31 March 2022) in addition to the six trustees named in this report. The members were: R Begley, B Coker, R Godwin, M Hancox, C Hyde, R MacDonald, 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 2023-24 the Board met in person. By prior agreement, meetings were conducted as 'hybrid' sessions to facilitate the participation of trustees who live further away.

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. Related party transactions are disclosed in note 9 of the Financial Statements.

**Report of the Trustees
for the Year Ended 31 March 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management and governance structure

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 election of Trustees

At the Annual General Meeting held on 1st December 2023, Members re-elected two trustees to the Board:

1. M Pellew
2. K Dance

Committees and working groups

The Finance Committee's activities over the year included monitoring the charity's finances and to review the 2023-24 budget.

Trustee training

Training trustees in safeguarding children and vulnerable adults is underway and plans are in place for further trustee training and development in 2024-25.

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 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.

This year the Board of Trustees considered the organisation's appetite for risks in relation to operations. This led to improvements in host registration and safeguarding to further reduce risks to children and vulnerable adults.

The financial risks have been managed through regular reviews of available funds and the reserves. The forthcoming sale of some of the charity's assets will help mitigate the risks associated with the charity's cashflow and help restore unrestricted cash reserves.

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 and we continue to carry out safeguarding checks on all members of the host household aged 18+ years and renew them as appropriate.

**Report of the Trustees
for the Year Ended 31 March 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management (continued)

In 2023-24, 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 previously, the changes to immigration rules and visa arrangements for incoming students following BREXIT continue to be 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 global diseases and pandemics, remains another major risk. Infections are a risk to the health and the wellbeing of hosts and applicants. We remain alert to the possibility of future border closures and restrictions on movement related to infectious diseases.

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

Trustees

K Dance
M E Pellew
S Backhouse
S P Baylis
K M Canham
L J Spencer

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

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for the Year Ended 31 March 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

HCR Legal LLP
HCR Hewitsons
Lancaster House
Nunn Mills Road
Northampton
Northamptonshire
NN1 5GE

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.

AUDITORS

The auditors, Locke Williams Associates LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting..

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 6 December 2024 and signed on its behalf by:



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 2024 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 2024 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.

Material uncertainty relating to going concern

We draw attention to note 21 in the financial statements, which indicates that the charitable company incurred a deficit in its general funds for the year ended 31 March 2024 of £44,279 and that it had negative available free general funds at 31 March 2024 of £(10,114). As stated in note 1, the combination of these events and the other matters as set forth in note 1, indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern.

Our audit opinion is not modified in respect of this matter.

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. 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.

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the sector in which it operates, and considered the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud. We designed our 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 the most significant laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, the Charities Act 2011, the Charities SORP (FRS102) and UK tax legislation. Our audit procedures included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management, trustees and enquiries of third parties, where appropriate.

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

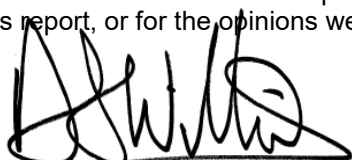
As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and checking the authorisation of expenditure as part of our substantive testing, using analytical review to identify any significant or unusual transactions and evaluating whether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

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.

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

Date: 6 December 2024



TRUSTED ACCOUNTING SOLUTIONS



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

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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 2024**

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	31.3.24 Total funds £	31.3.23 Total funds as restated £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	30,199	-	-	30,199	345
Charitable activities	4					
Homestays		28,529	-	-	28,529	14,760
HOST UK		30,619	-	-	30,619	21,103
Study Abroad		398,668	-	-	398,668	189,853
Cultural Groups		-	-	-	-	45,015
Vocational Learning		5,349	-	-	5,349	773
Cultural Awareness and Training		11,065	-	-	11,065	81,400
Investment income	3	27,731	-	-	27,731	27,652
Other income		90	-	-	90	42
Total		532,250	-	-	532,250	380,943
EXPENDITURE ON						
Charitable activities	5					
Homestays		29,719	-	25,000	54,719	27,852
HOST UK		50,097	972	-	51,069	52,971
Study Abroad		471,210	-	-	471,210	247,007
Programme expenditure		-	-	-	-	-
Cultural Groups		7,388	-	-	7,388	55,263
Vocational Learning		7,462	-	-	7,462	1,159
Cultural Awareness and Training		11,728	-	-	11,728	95,324
Other		(1,075)	-	-	(1,075)	8
Total		576,529	972	25,000	602,501	479,584
Net gains on investments		-	-	-	-	60,000
NET INCOME/(EXPENDITURE)		(44,279)	(972)	(25,000)	(70,251)	(38,641)
RECONCILIATION OF FUNDS						
Total funds brought forward		434,165	4,598	25,000	463,763	502,404
TOTAL FUNDS CARRIED FORWARD		389,886	3,626	-	393,512	463,763

The notes form part of these financial statements

Balance Sheet
31 March 2024

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	31.3.24 Total funds £	31.3.23 Total funds as restated £
FIXED ASSETS						
Tangible assets	13	956	-	-	956	2,718
Investment property	14	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>400,000</u>	<u>400,000</u>
		400,956	-	-	400,956	402,718
CURRENT ASSETS						
Debtors	15	60,430	-	-	60,430	49,525
Cash at bank and in hand		<u>124,200</u>	<u>3,626</u>	<u>-</u>	<u>127,826</u>	<u>205,770</u>
		184,630	3,626	-	188,256	255,295
CREDITORS						
Amounts falling due within one year	16	<u>(129,033)</u>	<u>-</u>	<u>-</u>	<u>(129,033)</u>	<u>(107,583)</u>
NET CURRENT ASSETS		<u>55,597</u>	<u>3,626</u>	<u>-</u>	<u>59,223</u>	<u>147,712</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		456,553	3,626	-	460,179	550,430
CREDITORS						
Amounts falling due after more than one year	17	<u>(66,667)</u>	<u>-</u>	<u>-</u>	<u>(66,667)</u>	<u>(86,667)</u>
NET ASSETS		<u>389,886</u>	<u>3,626</u>	<u>-</u>	<u>393,512</u>	<u>463,763</u>
FUNDS	21					
Unrestricted funds:						
General fund					(10,114)	34,165
Property fund					<u>400,000</u>	<u>400,000</u>
					389,886	434,165
Restricted funds:						
Victoria League in Scotland					486	1,458
Tanner Trust					2,000	2,000
QA Higher Education					<u>1,140</u>	<u>1,140</u>
					3,626	4,598
Endowment funds:						
Marie Benson-Stott Scholarship					<u>-</u>	<u>25,000</u>
TOTAL FUNDS					<u>393,512</u>	<u>463,763</u>

The notes form part of these financial statements

EIL UK (Registered number: 03166809)

Balance Sheet - continued
31 March 2024

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 6 December 2024 and were signed on its behalf by:

A handwritten signature in black ink, consisting of a large, 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 2024**

		31.3.24	31.3.23 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	<u>(32,241)</u>	<u>(28,099)</u>
Net cash used in operating activities		<u>(32,241)</u>	<u>(28,099)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(709)	(900)
Interest received		<u>6</u>	<u>2</u>
Net cash used in investing activities		<u>(703)</u>	<u>(898)</u>
Cash flows from financing activities			
New loans in year		-	120,000
Loan repayments in year		(20,000)	(13,333)
Expenditure attributable to endowment		<u>(25,000)</u>	<u>-</u>
Net cash (used in)/provided by financing activities		<u>(45,000)</u>	<u>106,667</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(77,944)	77,670
Cash and cash equivalents at the beginning of the reporting period		<u>205,770</u>	<u>128,100</u>
Cash and cash equivalents at the end of the reporting period		<u><u>127,826</u></u>	<u><u>205,770</u></u>

The notes form part of these financial statements

EIL UK

Notes to the Cash Flow Statement for the Year Ended 31 March 2024

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

	31.3.24	31.3.23 as restated
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(70,251)	(38,641)
Adjustments for:		
Depreciation charges	564	1,878
Losses on investments	-	(60,000)
Loss on disposal of fixed assets	1,907	-
Interest received	(6)	(2)
Expenditure attributable to endowment	25,000	-
(Increase)/decrease in debtors	(10,905)	18,558
Increase in creditors	21,450	50,108
Net cash used in operations	<u>(32,241)</u>	<u>(28,099)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23 £	Cash flow £	At 31.3.24 £
Net cash			
Cash at bank and in hand	<u>205,770</u>	<u>(77,944)</u>	<u>127,826</u>
	<u>205,770</u>	<u>(77,944)</u>	<u>127,826</u>
Debt			
Debts falling due within 1 year	(20,000)	-	(20,000)
Debts falling due after 1 year	<u>(86,667)</u>	<u>20,000</u>	<u>(66,667)</u>
	<u>(106,667)</u>	<u>20,000</u>	<u>(86,667)</u>
Total	<u>99,103</u>	<u>(57,944)</u>	<u>41,159</u>

**Notes to the Financial Statements
for the Year Ended 31 March 2024**

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 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.

Expenditure

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

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

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

Allocation and apportionment of costs

Expenditure on charitable activities includes:

- Programme expenditure, being directly related programme costs and staff costs incurred in the performance of the programmes

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

1. ACCOUNTING POLICIES - continued

Allocation and apportionment of costs

- 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 or 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 2024**

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

Having considered the level of funds held, and the deficit generated in the year, the Trustees consider that an uncertainty exists around liquidity. However, the trustees have made a decision to release funds through the sale of a proportion of the charity's fixed assets in the next accounting period. As a result of this plan, the financial statements are prepared on the going concern basis as the Trustees are confident that funds from the sale combined with the income from projected programme activity will provide funds which are sufficient to support the charity's activities for the foreseeable future. Thus, the uncertainty and associated risks will be adequately mitigated.

2. DONATIONS AND LEGACIES

	31.3.24	31.3.23 as restated
	£	£
Donations	397	345
Legacies	19,802	-
Grants	<u>10,000</u>	<u>-</u>
	<u>30,199</u>	<u>345</u>

A donation in kind of eight bottles of champagne was received from S Backhouse (Trustee). The bottles were gifted to people who were involved in the delivery of the ESC project, either in person at the AGM on 1 December 2023 or by post (delivery arranged by supplier, paid by EIL). The donation and corresponding expense are included in the accounts.

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

	31.3.24	31.3.23 as restated
	£	£
The John R Murray Charitable Trust	<u>10,000</u>	<u>-</u>

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

3. INVESTMENT INCOME

	31.3.24	31.3.23 as restated
	£	£
Rents received	27,725	27,650
Deposit account interest	6	2
	<u>27,731</u>	<u>27,652</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	31.3.24	31.3.23 as restated
Activity	£	£
Homestays	28,529	14,760
HOST UK	30,619	21,103
Study Abroad	398,668	189,853
Cultural Groups	-	45,015
Vocational Learning	5,349	773
Cultural Awareness and Training	11,065	81,400
	<u>474,230</u>	<u>352,904</u>

Three changes have been made in relation to activities:

- The previous 'Outbound' activity no longer exists as a separate entity, with programmes being classified solely by activity type and shared outcomes for beneficiaries rather than as Incoming or Outbound. This is felt to be clearer as the level of outgoing activity varies between programme types across years.
- 'Vocational Learning', which covers volunteering, work experience placements and internships, has been separated from 'Cultural Awareness and Training' to provide greater transparency.
- Some programmes that previously would have come under 'Cultural Groups' now fall under 'Study Abroad'. This better reflects the principal activity of the programmes, with participants spending significant time immersed in schools.

To allow clearer year on year comparison the figures are given below using the previous activity classifications:

		As previously stated
	31.3.24	31.3.23
	£	£
Homestays	28,528	14,760
HOST UK	30,619	21,103
Study Abroad	341,263	184,953
Cultural Groups	54,605	45,015
Awareness and Training	16,281	81,493
Outbound	2,934	5,580
	<u>474,230</u>	<u>352,904</u>

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Homestays	30,116	24,603	54,719
HOST UK	41,978	9,091	51,069
Study Abroad	304,744	166,466	471,210
Cultural Groups	7,388	-	7,388
Vocational Learning	3,317	4,145	7,462
Cultural Awareness and Training	10,826	902	11,728
	<u>398,369</u>	<u>205,207</u>	<u>603,576</u>

In addition to the activity changes listed in Note 4, a new method has been introduced for the allocation of support costs to activities. Previously they were allocated out in proportion to the revenue earned by each activity. They are now allocated out in line with the number of participant days spent on programme. Given the variation between the styles of programme this provides a fairer comparison across activity.

Due to the format the information is held in for the year ending 31 March 2023, it has not been possible to re-state the support costs for that year using the new allocation method. Therefore, the expenditure figures given for 2022/23 in the Statement of Financial Activities have been adjusted for activity name changes but not the allocation of support costs.

The figures for the year ending 31 March 2024 are given again below using the previous activity classifications and allocation method, so that year on year comparisons can be made.

	Direct Costs £	Support Costs £	Totals £
Homestays	30,115	12,340	42,455
HOST UK	41,978	13,166	55,144
Study Abroad	266,284	147,607	413,891
Cultural Group	43,416	23,619	67,035
Awareness and Training	14,142	7,206	21,348
Outbound	2,434	1,269	3,703
	<u>398,369</u>	<u>202,207</u>	<u>603,576</u>

The adjustment of £1,075 is the result of a change to the reconciliation of a previous year foreign currency bank transaction.

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.24	31.3.23 as restated
	£	£
Staff costs	80,629	106,146
Incoming programme expenses	<u>317,740</u>	<u>216,060</u>
	<u>398,369</u>	<u>322,206</u>

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Homestays	23,005	1,463	135	24,603
HOST UK	8,500	541	50	9,091
Study Abroad	155,650	9,900	916	166,466
Vocational Learning	3,875	247	23	4,145
Cultural Awareness and Training	<u>843</u>	<u>54</u>	<u>5</u>	<u>902</u>
	<u>191,873</u>	<u>12,205</u>	<u>1,129</u>	<u>205,207</u>

8. NET INCOME/(EXPENDITURE)

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

	31.3.24	31.3.23 as restated
	£	£
Auditors' remuneration	3,680	3,540
Depreciation - owned assets	564	1,878
Hire of plant and machinery	722	1,258
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 2024 nor for the year ended 31 March 2023.

Trustees' expenses

During the year ended 31 March 2024 expenses were reimbursed to two trustees totalling £86 (2023 one trustee received expenses totalling £222).

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Notes to the Financial Statements - continued for the Year Ended 31 March 2024

10. STAFF COSTS

	31.3.24	31.3.23 as restated
	£	£
Wages and salaries	194,237	157,668
Social security costs	12,669	12,508
Other pension costs	9,597	9,263
	<u>216,503</u>	<u>179,439</u>

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

	31.3.24	31.3.23 as restated
Direct charitable work	5	5
Administration	<u>2</u>	<u>1</u>
	<u>7</u>	<u>6</u>

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

The total amount of employee benefits received by key management personnel is £47,748 (2023 - £47,500). 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 as restated
	£	£	£	£
INCOME AND ENDOWMENTS FROM				
Donations and legacies	345	-	-	345
Charitable activities				
Homestays	14,760	-	-	14,760
HOST UK	21,103	-	-	21,103
Study Abroad	189,853	-	-	189,853
Cultural Groups	45,015	-	-	45,015
Vocational Learning	773	-	-	773
Cultural Awareness and Training	81,400	-	-	81,400
Investment income	27,652	-	-	27,652
Other income	<u>42</u>	<u>-</u>	<u>-</u>	<u>42</u>
Total	<u>380,943</u>	<u>-</u>	<u>-</u>	<u>380,943</u>
EXPENDITURE ON				
Charitable activities				
Homestays	27,852	-	-	27,852
HOST UK	46,429	6,542	-	52,971
Study Abroad	247,007	-	-	247,007
Programme expenditure	-	-	-	-
Cultural Groups	55,263	-	-	55,263
Vocational Learning	1,159	-	-	1,159
Cultural Awareness and Training	95,324	-	-	95,324

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds	Restricted funds	Endowment fund	Total funds as restated £
	£	£	£	£
Other	<u>-</u>	<u>8</u>	<u>-</u>	<u>8</u>
Total	<u>473,034</u>	<u>6,550</u>	<u>-</u>	<u>479,584</u>
Net gains on investments	<u>60,000</u>	<u>-</u>	<u>-</u>	<u>60,000</u>
NET INCOME/(EXPENDITURE)	(32,091)	(6,550)	-	(38,641)
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>466,256</u>	<u>11,148</u>	<u>25,000</u>	<u>502,404</u>
TOTAL FUNDS CARRIED FORWARD	<u>434,165</u>	<u>4,598</u>	<u>25,000</u>	<u>463,763</u>

12. PRIOR YEAR ADJUSTMENT

Notes 4 to 7 have been restated purely in the allocation between activities. Further details of these changes are included within those notes.

13. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2023	17,605	26,731	44,336
Additions	-	709	709
Disposals	<u>(17,605)</u>	<u>(18,235)</u>	<u>(35,840)</u>
At 31 March 2024	<u>-</u>	<u>9,205</u>	<u>9,205</u>
DEPRECIATION			
At 1 April 2023	15,830	25,788	41,618
Charge for year	-	564	564
Eliminated on disposal	<u>(15,830)</u>	<u>(18,103)</u>	<u>(33,933)</u>
At 31 March 2024	<u>-</u>	<u>8,249</u>	<u>8,249</u>
NET BOOK VALUE			
At 31 March 2024	<u>-</u>	<u>956</u>	<u>956</u>
At 31 March 2023	<u>1,775</u>	<u>943</u>	<u>2,718</u>

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

14. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2023	
and 31 March 2024	<u>400,000</u>
NET BOOK VALUE	
At 31 March 2024	<u>400,000</u>
At 31 March 2023	<u>400,000</u>

The investment property is freehold.

Fair value at 31 March 2024 is represented by:

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

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%.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23 as restated
	£	£
Trade debtors	14,787	27,084
Other debtors	4,216	4,315
Accrued income	21,026	9,402
Prepayments	<u>20,401</u>	<u>8,724</u>
	<u>60,430</u>	<u>49,525</u>

Included in other debtors is an amount of \$5,325 (2023 \$5,325) which is held as a deposit by the Federation EIL.

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23 as restated
	£	£
Bank loans and overdrafts (see note 18)	20,000	20,000
Trade creditors	11,785	19,786
Social security and other taxes	3,432	4,034
Other creditors	3,064	3,477
Deferred income	78,468	42,728
Accrued expenses	12,284	17,558
	<u>129,033</u>	<u>107,583</u>

Deferred Income

	31.3.24	31.3.23
	£	£
Balance as at 1 April	42,728	6,153
Released in the year	(42,728)	(6,153)
Deferrals in the year	<u>78,469</u>	<u>42,728</u>
Balance as at 31 March	<u>78,469</u>	<u>42,728</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.

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.24	31.3.23 as restated
	£	£
Bank loans (see note 18)	<u>66,667</u>	<u>86,667</u>

18. LOANS

An analysis of the maturity of loans is given below:

	31.3.24	31.3.23 as restated
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>20,000</u>	<u>20,000</u>
Amounts falling due between two and five years:		
Bank loans	<u>66,667</u>	<u>86,667</u>

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

19. LEASING AGREEMENTS

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

	31.3.24	31.3.23 as restated
	£	£
Within one year	<u>-</u>	<u>772</u>

20. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.24	31.3.23 as restated
	£	£
Bank loans	<u>86,667</u>	<u>106,667</u>

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

21. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	34,165	(44,279)	(10,114)
Property fund	<u>400,000</u>	<u>-</u>	<u>400,000</u>
	434,165	(44,279)	389,886
Restricted funds			
Victoria League in Scotland	1,458	(972)	486
Tanner Trust	2,000	-	2,000
QA Higher Education	<u>1,140</u>	<u>-</u>	<u>1,140</u>
	4,598	(972)	3,626
Endowment funds			
Marie Benson-Stott Scholarship	<u>25,000</u>	<u>(25,000)</u>	<u>-</u>
TOTAL FUNDS	<u>463,763</u>	<u>(70,251)</u>	<u>393,512</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

21. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	532,250	(576,529)	(44,279)
Restricted funds			
Victoria League in Scotland	-	(972)	(972)
Endowment funds			
Marie Benson-Stott Scholarship	-	(25,000)	(25,000)
TOTAL FUNDS	<u>532,250</u>	<u>(602,501)</u>	<u>(70,251)</u>

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
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
Restricted funds			
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
Endowment funds			
Marie Benson-Stott Scholarship	<u>25,000</u>	<u>-</u>	<u>25,000</u>
TOTAL FUNDS	<u>502,404</u>	<u>(38,641)</u>	<u>463,763</u>

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

21. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	380,943	(473,034)	-	(92,091)
Property fund	-	-	60,000	60,000
	380,943	(473,034)	60,000	(32,091)
Restricted funds				
Victoria League in Scotland	-	(6,542)	-	(6,542)
Chevening Secretariat	-	(8)	-	(8)
	-	(6,550)	-	(6,550)
TOTAL FUNDS	<u>380,943</u>	<u>(479,584)</u>	<u>60,000</u>	<u>(38,641)</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 was established by way of a legacy granted to EIL, from which an income could be generated to promote international living through homestays for students at the University of Worcester. Given the value of the fund a resolution was made during the year (in accordance with s281 Charities Act 2011) to spend the fund, rather than generate income, and therefore the fund amount has been fully expended during the year to provide opportunities for international students at Worcester and other higher education institutions.

Funding from the Victoria League in Scotland is now comprised of one grant 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 was established by way of a grant to facilitate and support HOST UK volunteers and their integration into EIL UK.

22. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £9,597 (2023 £8,432). £5,655 remains unpaid at 31 March 2024 (2023 £5,401), of which £3,951 is being held pending the provision of pension scheme details by a former employee (2023 £3,951).

EIL UK

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

23. 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.

24. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024.