

IOL EDUCATIONAL TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

IOL EDUCATIONAL TRUST
(A company limited by guarantee)

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IOL EDUCATIONAL TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2024

Trustees	H J Morgan, Chair (Appointed 25 April 2024) M A Cazzoli, Vice Chair (Appointed 25 April 2024) S Doswell, Chair of CIOL Council S Colaiacomo, Trustee C Lindner, Trustee A S Rossell, Trustee Y Vercher, Trustee (Appointed 25 April 2024) N Mair, Trustee Director (Retired 25 April 2024) J Wyburd, Former Chair (Retired 25 April 2024)
Company registered number	04297497
Charity registered number	1090263
Registered office	Star House Star Hill Rochester ME11UX
Company secretary	TC Kent Limited
Independent auditors	Cooper Parry Group Limited Statutory Auditor New Derwent House 69-73 Theobalds Road Holborn London WC1X 8TA

IOL EDUCATIONAL TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

Objectives and activities

Aims and objectives of the charitable company

The IoL Educational Trust (IoLET) is the associated charitable company of the Chartered Institute of Linguists and has the charitable object of:

The promotion of the teaching and study of modern languages and of cognate educational subjects and in or towards the advancement of educational learning, and the dissemination of knowledge of, modern languages in all their aspects, and in particular the determining of standards and criteria and the setting and holding of examinations for students of modern languages and other persons desiring to attain recognition of their proficiency in one or more of such languages.

Review of the business

IoLET has generated an operating deficit of £108k in the 2023/24 financial year, following a surplus after exceptional items. Demand for qualifications remains lower than in prior years for the key public service interpreting and translation qualifications which enable and support the pipeline of qualified language professionals, but significant cost savings and efficiencies have reduced IoLET's deficit considerably.

CIOL Council has voted to support and underwrite financially the delivery of qualifications for the financial year 2023/24 (as it did in 2022/23) which continues to underpin the charitable company. CIOL's Council considers the professional qualifications that are delivered in its name to be a vital part of delivering the mission and public benefit of the Chartered Institute of Linguists, in supporting and qualifying linguists to the highest standards of professional and linguistic competence.

In this wider endeavour, qualifications and membership work together to support the pathways which accredit, develop, support and represent professional linguists. A key part of CIOL's Royal Charter is ensuring that there is a pipeline of qualified language professionals with the linguistic skills necessary to support UK public services, education and to enable the UK and other countries to prosper and thrive in a global economy.

Key financial performance indicators

IoLET's final operating deficit was £108k. As above IoLET has a letter of ongoing financial support from CIOL which gave access to additional cash and investment reserves to support the ongoing provision of high-quality language qualifications in 2023/24. CIOL Council consider the provision of professional language qualifications a key part of delivering CIOL's Royal Charter objects and wider purpose.

Financial review

Principal funding sources

IoLET's funding comes primarily from exam fees. Expenditure in the year was principally related to the development, production, online delivery, assessment and marking of exams, with additional expenditure on ongoing Ofqual compliance, quality and assurance activities such as Assessment Associate (AA) training, policy development and update etc.

Reserves policy

IoLET has a Reserves & Investment Policy based on holding sufficient cash to cover seasonal fluctuations in cash balances caused by inflows of fees and outflows of third-party costs. CIOL Council has approved the use of CIOL's cash balances and reserves to support IoLET as needed.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Future plans

With the degree-level Certificate in Translation (CertTrans) now established in the UK and international marketplace, CIOL now has a benchmark professional qualification for early career linguists, alongside the longstanding master's level Diploma in Translation (DipTrans) and the UK-orientated Diploma in Public Service Interpreting (DPSI). To this, CIOL added Language Level Assessments and Certified English in 2023, as assessments of spoken language skills which draw on approaches successfully used in major government contracts.

Cost savings, increased productivity and systems improvements mean that if market conditions improve and candidate numbers increase, IoLET will see improved financial performance. IoLET's cost base is transformed versus prior years and unrecognisable from the cost base pre-pandemic.

As part of the Chartered Institute of Linguists' wider mission CIOL Qualifications continue to underpin professionalism within the languages sector; to provide the routes to qualifications that underpin the value of professional linguists as well as the wider educational, social and cultural infrastructure of languages, which supports learners to become future exam candidates and successful linguists. For this reason, the Chartered Institute of Linguists is committed to their ongoing support.

Structure, governance and management
Charity constitution

In 2001 the Educational Trust became a charitable company (called initially the Institute of Linguists Educational Trust and then, with the grant of Charter, the name was changed to IoL Educational Trust (IoLET). It is the Associated Charity of CIOL and is registered as a charitable company limited by Guarantee (Registration No 04297497) with a Memorandum and Articles of Association. The IoL Educational Trust is a Registered Charity (Charity Number 1090263).

The members of IoLET are appointed annually by the Council of CIOL and normally comprise the CIOL Council members themselves. CIOL Council members confirm by signature their acceptance of appointment. A register of members is maintained by CIOL.

CIOL Council members appoint Trustee Directors to form the Educational Trust Board (ETB). Appointment of the ETB normally takes place annually at the IoLET AGM. The ETB comprises at least five members, which includes ex officio the Chair of Council of the Chartered Institute of Linguists who periodically appoint a Chair of ETB from their number.

Recruitment, training, induction and appointment of new Trustee Directors

CIOL recognises the importance of providing effective induction and training for members of the ETB. Their induction includes participation in an annual joint CIOL/CIOL Qualifications Strategy Awayday, regular 'sounding boards' on strategy and futures, comprehensive briefing documents on policies and performance and induction through online meetings with the Chief Executive and Chair of ETB, the Head of Qualifications & Responsible Officer and the Executive Officer.

Organisational structure

The ETB is responsible for the overall strategy, sustainability and performance of IoLET and is accountable for the ongoing quality and compliance of registered qualifications with Ofqual, QiW and CCEA regulations and with the range of regulatory responsibilities that come with that.

The ETB monitors the performance of qualifications and advises on quality and standards issues, development matters, reviews and on wider CIOL work in standards and other non-regulated assessment activities.

The ETB supports, challenges and guides the Chief Executive and Head of Qualifications & Responsible Officer in all aspects of the development and delivery of qualifications and work in standards and

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

assessment delivered through IoLET and is responsible for the good use of resources in line with the IoLET Memorandum and Articles of Association.

Key management remuneration

The ETB consider the Chief Executive and the Head of Qualifications to be the key management personnel of IoLET. The pay of senior staff is set with reference to the prevailing rates for the Charity, Education, Awarding Organisation and Membership sectors and is reviewed annually as part of the budget setting process.

Related parties

The IoL Educational Trust is the associated charity of the Chartered Institute of Linguists. The ETB includes the Chair of Council of the Chartered Institute of Linguists.

Risk management

The ETB closely monitors the performance and delivery of exams in the light of the prevailing market, economic, and political and social context and reviews a full risk register on a six-monthly basis. CIOL's successful move to wholly online delivery and remote working during the pandemic significantly mitigated the costs and risks associated with face-to-face and physical exam delivery.

Approved by order of the members of the board of Trustees on and signed on their behalf by: 19/12/2024



.....
H.J. Morgan
(Chair)

IOL EDUCATIONAL TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on and signed on its behalf by:



.....
H.J. Morgan
Chair

IOL EDUCATIONAL TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IOL EDUCATIONAL TRUST

Opinion

We have audited the financial statements of IOL Educational Trust (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 United Kingdom, including the Financial Reporting Council'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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IOL EDUCATIONAL TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon.

The Trustees are responsible for the other information contained within the Annual report.

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.

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 course of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IOL EDUCATIONAL TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an Auditors' report 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 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 discussed with the directors the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations, and remained alert to any indications of non-compliance.

During the audit we focused on laws and regulations which could reasonably be expected to 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 and enquiries with management.

Our procedures in relation to fraud included but were not limited to: inquires of management whether they have any knowledge of any actual, suspected or alleged fraud, and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accounting estimates. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud. Our tests include agreeing the financial statement disclosures to underlying supporting documentation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. In assessing the potential risks of material misstatement we obtained an understanding of; the entities operations, including the nature of its revenue sources and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement. We did not identify any matters relating to non-compliance with laws and regulations relating to fraud.

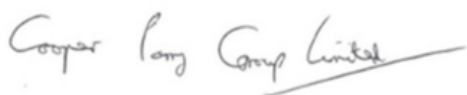
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IOL EDUCATIONAL TRUST (CONTINUED)

Use of our report

This report is made solely to the charitable Company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Cooper Parry Group Limited

Jane Wills (Statutory auditor)
New Derwent House
69-73 Theobalds Road
Holborn
London
WC1X 8TA

Date: 19/12/2024
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Cooper Parry Group Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024**

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donated Services	2	-	73,195	73,195	-
Examinations	3	-	392,905	392,905	454,892
Investment income	4	-	610	610	311
Exceptional item	5	-	127,215	127,215	-
Total income		-	593,925	593,925	455,203
Expenditure on:					
Charitable activities:	6				
Examination costs		-	402,637	402,637	425,780
Other charitable activities		-	172,566	172,566	(390,969)
Total expenditure		-	575,203	575,203	34,811
Net movement in funds		-	18,722	18,722	420,392
Reconciliation of funds:					
Total funds brought forward		10,000	(68,676)	(58,676)	(479,068)
Net movement in funds		-	18,722	18,722	420,392
Total funds carried forward		10,000	(49,954)	(39,954)	(58,676)

Continuing operations

All income and expenditure has arisen from continuing activities.

IOL EDUCATIONAL TRUST
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REGISTERED NUMBER: 04297497

BALANCE SHEET
AS AT 31 AUGUST 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	10	218	954
		<u>218</u>	<u>954</u>
Current assets			
Debtors	11	6,452	10,006
Cash at bank and in hand		33,790	25,024
		<u>40,242</u>	<u>35,030</u>
Creditors: amounts falling due within one year	12	(70,432)	(75,309)
Net current liabilities		(30,190)	(40,279)
Total assets less current liabilities		(29,972)	(39,325)
Creditors: amounts falling due after more than one year	13	(9,982)	(19,351)
Net liabilities excluding pension asset		(39,954)	(58,676)
Total net assets		<u>(39,954)</u>	<u>(58,676)</u>
Charity funds			
Restricted funds	14	10,000	10,000
Unrestricted funds	14	(49,954)	(68,676)
Total funds		<u>(39,954)</u>	<u>(58,676)</u>

The financial statements were approved and authorised for issue by the Trustees on Complete section and signed on their behalf by: 19/12/2024



.....
H.J. Morgan
Chair

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	21	17,526	(45,804)
		<hr/>	<hr/>
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		-	387
Interest received		610	311
		<hr/>	<hr/>
Net cash provided by investing activities		610	698
		<hr/>	<hr/>
Cash flows from financing activities			
Loan repayments in year		(9,369)	(9,998)
		<hr/>	<hr/>
Net cash used in financing activities		(9,369)	(9,998)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		8,767	(55,104)
Cash and cash equivalents at the beginning of the year		25,024	80,128
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	22	<u><u>33,791</u></u>	<u><u>25,024</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies

1.1 Basis of preparation of 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.

1.2 Going concern

The Trust is dependent on the continued support of the Chartered Institute of Linguists to ensure it is able to meet its debts as they fall due. The Council of the Chartered Institute of Linguists have confirmed their commitment to support the Trust financially for a period of at least twelve months from the signing of these accounts. Accordingly, the Trustees consider it appropriate to continue to adopt the going concern basis in preparing these financial statements.

1.3 Significant judgements and estimates

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Revenue for provision of services is recognised when it is probable that an economic benefit will flow to the entity and the revenue and costs can be reliably measured. The Trust provide exams, the date of revenue recognition should be the date that the exam has taken place.

Costs are to be recognised at the date the service is provided, not the date of the invoice or payment. Accrued expenses are based on this.

1.4 Income

Incoming resources from charitable activities are 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.

Investment income arises from interest bearing bank accounts and is recognised on a receivable basis.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified as follows:

Examination costs comprising expenditure, including staff costs, directly attributable to the activity on an accruals basis. Where costs cannot be directly attributed they have been allocated to activities on a costs basis.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Database	-	33% per annum on a straight line basis
Computer equipment	-	25% per annum on a straight line basis

1.7 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.8 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies (continued)

1.9 Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the charitable company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measure at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank and bank overdrafts which are an integral part of the charitable company's cash management.

Financial liabilities and equity instruments issued by the charitable company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the charitable company after deducting all of its liabilities. Equity instruments issued by the charitable company are recorded at the proceeds received, net of direct issue costs.

1.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.11 Donated Services

The charity receives donated services from supporting company, including shared overheads and staff costs. These are recognised as income in the financial statements at the fair value of the resources provided. Corresponding expenses are recorded to reflect the use of these services, ensuring a true and fair view of the charity's financial position in compliance with FRS102 SORP.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

2. Donated Services

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations			
Overheads	27,550	27,550	-
Staff salaries costs	45,645	45,645	-
	<hr/>	<hr/>	<hr/>
Donated Services	73,195	73,195	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

3. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £
Examination fees	384,582	384,582
Centre fees	-	-
Registration fees	8,323	8,323
	<hr/>	<hr/>
	392,905	392,905
	<hr/> <hr/>	<hr/> <hr/>

	Unrestricted funds 2023 £	Total funds 2023 £
Examination fees	393,782	393,782
Centre fees	56,145	56,145
Registration fees	4,965	4,965
	<hr/>	<hr/>
	454,892	454,892
	<hr/> <hr/>	<hr/> <hr/>

IOL EDUCATIONAL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

4. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Deposit account interest	610	610
	<u>610</u>	<u>610</u>

	Unrestricted funds 2023 £	Total funds 2023 £
Deposit account interest	311	311
	<u>311</u>	<u>311</u>

5. Exceptional item

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
CIOL Donated Support	127,215	127,215	-
	<u>127,215</u>	<u>127,215</u>	<u>-</u>

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Total 2024 £
Direct costs	403,717	403,717
Support costs	171,486	171,486
	<u>575,203</u>	<u>575,203</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

6. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	Unrestricted funds 2023 £	Total 2023 £
Direct costs	425,780	425,780
Support costs	(390,969)	(390,969)
	<u>34,811</u>	<u>34,811</u>

7. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Direct costs	403,717	-	403,717
Support costs	-	171,486	171,486
	<u>403,717</u>	<u>171,486</u>	<u>575,203</u>

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Direct costs	425,780	-	425,780
Support costs	-	(390,969)	(390,969)
	<u>425,780</u>	<u>(390,969)</u>	<u>34,811</u>

IOL EDUCATIONAL TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2024 £	Total funds 2024 £
Staff salaries	232,020	232,020
Social security	19,095	19,095
Pensions	18,334	18,334
Printing	270	270
Marketing	464	464
Cost of setting exams	86,115	86,115
Examiners' fees & expenses	28,894	28,894
Moderators' fees & expenses	14,446	14,446
Interlocutors' fees	4,079	4,079
	<hr/> 403,717 <hr/>	<hr/> 403,717 <hr/>
	Activities 2023 £	Total funds 2023 £
Staff salaries	213,129	213,129
Social security	25,371	25,371
Pensions	8,496	8,496
Printing	9,808	9,808
Marketing	17,330	17,330
Cost of setting exams	86,479	86,479
Examiners' fees & expenses	36,347	36,347
Moderators' fees & expenses	23,079	23,079
Interlocutors' fees	5,741	5,741
	<hr/> 425,780 <hr/>	<hr/> 425,780 <hr/>

IOL EDUCATIONAL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2024 £	Total funds 2024 £
Insurance	485	485
Sundries	1,334	1,334
Bank charges	7,633	7,633
Telephone	28,212	28,212
Postage & Stationery	90	90
General expenses	28,685	28,685
Consultancy fees	238	238
Accountancy fees	49,800	49,800
Plant and machinery	71	71
Computer equipment	666	666
Auditors' remuneration	8,627	8,627
Overhead staff salaries	45,645	45,645
	<u>171,486</u>	<u>171,486</u>

IOL EDUCATIONAL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Activities 2023 £	Total funds 2023 £
Hire of plant and machinery	624	624
Insurance	682	682
Sundries	1,991	1,991
Management fee	183,779	183,779
Bank charges	9,227	9,227
Telephone	27,107	27,107
Wages	63,662	63,662
Social security	7,578	7,578
Pensions	12,196	12,196
Postage and stationery	973	973
General expenses	1,933	1,933
Consultancy fees	2,500	2,500
Annual prize giving	597	597
Accountancy fees	55,282	55,282
Fixtures and fittings	524	524
Computer equipment	1,606	1,606
Auditors' remuneration	7,921	7,921
Intercompany loan write off	(769,151)	(769,151)
	<u>(390,969)</u>	<u>(390,969)</u>

8. Staff costs

The average number of persons employed by the Company during the year was as follows:

	2024 No.	2023 No.
Employees	<u>5</u>	<u>9</u>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charitable company comprise the Chief Executive and the Head of Qualifications and Responsible Officer. The total employee benefits of key management personnel chargeable to the Trust were £129,911 (2023: £117,144).

IOL EDUCATIONAL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 August 2024, no Trustee expenses have been incurred (2023 - £NIL).

10. Tangible fixed assets

	Computer equipment £	Plant and machinery £	Total £
Cost or valuation			
At 1 September 2023	4,338	98,446	102,784
At 31 August 2024	4,338	98,446	102,784
Depreciation			
At 1 September 2023	3,491	98,339	101,830
Charge for the year	666	70	736
At 31 August 2024	4,157	98,409	102,566
Net book value			
At 31 August 2024	181	37	218
At 31 August 2023	847	107	954

11. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	395	-
Other debtors	-	1,020
Prepayments and accrued income	6,057	8,986
	6,452	10,006

IOL EDUCATIONAL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

12. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Other loans	10,649	10,649
Trade creditors	598	285
Other taxation and social security	5,365	6,875
Other creditors	3,707	4,070
Accruals and deferred income	50,113	53,430
	<u>70,432</u>	<u>75,309</u>

13. Creditors: Amounts falling due after more than one year

	2024	2023
	£	£
Other loans	<u>9,982</u>	<u>19,351</u>

IOL EDUCATIONAL TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2023 £	Income £	Expenditure £	Balance at 31 August 2024 £
Unrestricted funds				
Reserves	(68,676)	520,730	(502,008)	(49,954)
	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds				
The Susan Tolman Award Fund	5,000	-	-	5,000
The Simeon Potter Book Fund	5,000	-	-	5,000
	<hr/>	<hr/>	<hr/>	<hr/>
	10,000	-	-	10,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	(58,676)	520,730	(502,008)	(39,954)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

IOL EDUCATIONAL TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2022 £	Transfers in/out £	Balance at 31 August 2023 £
Unrestricted funds			
General Funds - all funds	(489,068)	420,392	(68,676)
	<hr/>	<hr/>	<hr/>
Restricted funds			
The Susan Tolman Award Fund	5,000	-	5,000
The Simeon Potter Book Fund	5,000	-	5,000
	<hr/>	<hr/>	<hr/>
	10,000	-	10,000
	<hr/>	<hr/>	<hr/>
Total of funds	(479,068)	420,392	(58,676)
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15. Summary of funds

Summary of funds - current year

	Balance at 1 September 2023 £	Income £	Expenditure £	Balance at 31 August 2024 £
General funds	(68,676)	520,730	(502,008)	(49,954)
Restricted funds	10,000	-	-	10,000
	<hr/>	<hr/>	<hr/>	<hr/>
	(58,676)	520,730	(502,008)	(39,954)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

IOL EDUCATIONAL TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

15. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 September 2022 £	Transfers in/out £	Balance at 31 August 2023 £
General funds	(489,068)	420,392	(68,676)
Restricted funds	10,000	-	10,000
	<u>(479,068)</u>	<u>420,392</u>	<u>(58,676)</u>

16. Summary of funds - continued

The Susan Tolman Continuing Professional Development Prize exists to provide a prize to the best DPSI candidate. During the year £nil (2023: £nil) was awarded and is deemed to be the interest earned on the fund.

The Simeon Potter Award has been generously established and is awarded to the best CBS candidate. During the year £nil (2023: £nil) was awarded and is deemed to be the interest earned on the fund.

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	218	218
Current assets	10,000	30,242	40,242
Creditors due within one year	-	(70,432)	(70,432)
Creditors due in more than one year	-	(9,982)	(9,982)
Total	<u>10,000</u>	<u>(49,954)</u>	<u>(39,954)</u>

IOL EDUCATIONAL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	954	954
Current assets	10,000	25,030	35,030
Creditors due within one year	-	(75,309)	(75,309)
Creditors due in more than one year	-	(19,351)	(19,351)
Total	<u>10,000</u>	<u>(68,676)</u>	<u>(58,676)</u>

18. Employee benefit obligations

The charitable company offers a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company. The unpaid contributions included in other creditors at the balance sheet date amount to £2,923 (2022: £3,370).

19. Related party disclosures

During the year, the Chartered Institute of Linguists (an associated company) fully wrote off the remaining balance as a donation. This included the total amount owed by the charity for management charges and loans, amounting to £127,215.

20. Liability of members

The charitable company is limited by guarantee and has no share capital. In the event of the charitable company being wound-up, the liability in respect of the guarantee is limited to £1 per member of the charitable company during the time they are a member or within one year of ceasing to be a member, as stated in the Memorandum and Articles of Association.

IOL EDUCATIONAL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net income for the period (as per Statement of Financial Activities)	18,722	420,392
Adjustments for:		
Depreciation charges	737	2,130
Interest received	(610)	(311)
Decrease / (increase) in debtors	3,554	14,494
(Decrease)/increase in creditors	(4,877)	(482,509)
Net cash provided by/(used in) operating activities	17,526	(45,804)

22. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	33,791	25,024
Total cash and cash equivalents	33,791	25,024

23. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	25,024	8,766	33,790
Debt due within 1 year	(10,649)	-	(10,649)
Debt due after 1 year	(19,351)	9,369	(9,982)
	(4,976)	18,135	13,159

