

Company Registration No: 02531041

(England and Wales)

THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE

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REFERENCE AND ADMINISTRATIVE INFORMATION
YEAR ENDED 31 AUGUST 2020

TRUSTEES	
H Kuchah Kuchah	President
T Woodward	Vice President (Co-opted) <i>(Appointed as interim 14 Feb 19, stood down 2 Oct 19)</i>
G Diaz Maggioli	Vice President <i>(Appointed 2 Oct 2019)</i>
R Wright	Company Secretary
C Mackenzie	Treasurer <i>(Stood down 17 Apr 2020)</i>
B Cagnol	Treasurer <i>(Acting Treasurer 19 Apr 2020 to 21 Nov 2020, Appointed 21 Nov 2020)</i>
L McLaughlin	Associate Representative <i>(Stood down 26 Jun 2021)</i>
J Theuma	Associate Representative <i>(Appointed 26 Jun 2021)</i>
M Belak	Membership Committee Chair
S Wilden	Digital Committee Chair
J Mader	SIG Representative

COMPANY SECRETARY

R Wright

CHIEF EXECUTIVE

J Burton

REGISTERED OFFICE

No 2 & 3 The Foundry, Seager Road, Faversham, Kent, ME13 7FD

COMPANY NUMBER

02531041

CHARITY REGISTRATION NUMBER

1090853

BANKERS

Barclays Bank Plc
65 High Street, Whitstable, Kent, CT5 1AU

AUDITOR

UHY Kent LLP t/a UHY Hacker Young
Thames House, Roman Square, Sittingbourne, Kent, ME10 4BJ

THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE
TRUSTEES' REPORT
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The Trustees (who are also the Directors for the purposes of Company law) present their annual report together with the audited financial statements of The International Association of Teachers of English as a Foreign Language Limited (the charity) for the year ended 31 August 2020. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the company's Memorandum and Articles of Association and 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) – (Charities SORP (FRS 102)).

OBJECTIVES AND ACTIVITIES

The Charity's principal activity is that of a professional membership association for teachers of English as a foreign or second language, and the advancement of education for the benefit of the public in the English language as a foreign or second language sector.

The Charity's mission is to 'link, develop and support English Language Teaching professionals worldwide.' When considering the Charity's aims and objectives, and development of future plans for the Charity, the trustees refer to the Charity Commission's general guidance on public benefit.

The activities undertaken during the year to further our charitable purposes for the public benefit can be defined within the three areas of our mission:

Linking

- Regional and national teaching associations around the world are able to become IATEFL Associates free of charge. This enables them to link with one another and promote their events with the wider community on the IATEFL website as well as an eBulletin and in our bi-monthly member magazine.
- We invite a member from each of our 'IATEFL Associates' to attend and represent their Teaching Association at our Associates Day, free of charge. Associates Day is held the day before our annual conference and is a day of networking, peer learning in areas of mutual interest and best practice, and targeted training sessions. The representatives also receive a free annual conference and are invited to a networking reception to encourage collaboration with our Special Interest Groups (SIGs).
- Our Social Media platforms such as LinkedIn, Twitter and Facebook are open to anyone working in English Language Teaching (ELT). They are a key space for the ELT community to share their ideas and challenges, to advertise local events and to network with other like-minded individuals.
- Training sessions, workshops and events are held throughout the year via our SIGs. These are organised, either wholly by the SIG or in conjunction with another organisation and it is not necessary to be an IATEFL member to attend.
- We host a wide variety of webinars throughout the year as well as our annual web conference. These events are free and available for anyone to attend, and have proven to be a significant contribution to those who may not otherwise be able to attend a face to face event.

Developing

- Our annual conference is open for anyone to attend and regularly attracts over 2,800 attendees from around the world. Approximately a third of those attending are not IATEFL members. The trustees make a conscious decision when setting the delegate rate, to make it as affordable as possible to ensure that attending the conference is achievable for as many people as possible. With an extensive academic programme, this event is one of the most important professional development opportunities in the ELT calendar.
- Social Media platforms, and the use of tools such as Facebook live and moderated discussion,

can enable relevant topics to be discussed immediately. They break down geographical boundaries and can provide support, information sharing and forums for discussion.

- Our website, as well as the IATEFL YouTube channel, hosts a selection of our webinars which have been made available to the general public as well as interviews with presenters and attendees from our annual conference in Brighton.
- Webinars, our annual web conference and IATEFL online (run in partnership with the British Council) all provide opportunities for teachers around the world with internet access to participate in professional development sessions, freely disseminating the professional expertise of world class speakers.
- Our current Development Plan has, as one focus, the development of further continuous professional development opportunities such as online courses. It is anticipated this will also be available for non-members to benefit from for a reasonable charge.

Supporting

- IATEFL Projects offers grants up to £3,000 to Teaching Associations to use to undertake projects that will make an improvement to language teaching and learning in their local community. The project should be able to demonstrate a sustainable outcome and therefore benefit the broader ELT community.
- Our ELT exhibition, held at the annual conference, is open to non-paying members of the public and offers a wide range of ELT supplies, including books, courses, games and examination resources. Our Pop-Up presentations, held in the exhibition area by partner institutions, highlight new developments in English Language Teaching.
- IATEFL have a range of scholarships available to fund attendance of the annual conference, and around half of these do not require the applicant to be a member of IATEFL. Without this funding, the majority of the winners have stated that they would not have been able to access this significant opportunity.
- Our Wider Membership Scheme (WMS) and Wider Membership Individual Scheme (WMIS) help the international ELT community reach out to teachers in parts of the world who may need additional financial support in order to become part of our teaching association. The WMIS scheme offers free IATEFL membership to individuals in economically developing countries where they may not have access to a local teaching association. We have also supported them in the forming or developing of a local teaching association which then has a more sustainable impact on the community as a whole. Under the WMS scheme, associates are offered the opportunity to bid for funding to subsidise a number of IATEFL memberships.
- Our Jobs Market is available online throughout the year. It is not necessary to be a member in order to receive alerts when new adverts are placed.
- Our Careers Fair, held at the annual conference, is open to everyone and is the ideal setting for ELT employers and jobseekers to meet, conduct screenings and hold interviews. It also includes an advice zone and 'how to' sessions on different career routes in our sector, as well as a CV clinic where jobseekers can get professional advice on the presentation of their CV.
- Our online bookshop houses a selection of publications aimed at supporting and developing those working in the ELT industry.
- Our "How to" recordings are available to all from the IATEFL website and offer practical advice in the area of international conferences, from writing a speaker proposal to what to do when attending a conference for the first time.
- Our work with other bodies in our sector is a valuable input into supporting the ELT industry as a whole. IATEFL is part of the Common English Forum Council, writes regular articles for and is represented on the ELT Journal panel and management board, and has a close relationship with both English UK and the British Council.

ACHIEVEMENTS AND PERFORMANCE

IATEFL has battled against the COVID-19 pandemic during this time. It has had a range of significant effects on the association, as well as impacting on our professional sector which, by its nature, is dependent on face-to-face teaching and learning, as well as international travel.

The Board of Trustees has aimed to react to each of the challenges presented by COVID-19, whilst also continuing to focus on the objectives set out in its Development Plan: its long term, rolling plan defined by the Board of Trustees, informed by member feedback, which identifies key strategies for the association in order to ensure our continued relevance for the future.

The association has dealt with:

- The need to defer its annual international conference, including the lack of income from this as well as sunk costs incurred in the preparation for it.
- Not being able to run our normal face-to-face AGM during the annual conference.
- The inability for the SIGs to run a number of smaller face-to-face events throughout the year in a range of countries.
- A drop in membership numbers triggered by the lack of a call for proposals for the annual conference (open to members only and normally generating a significant boost in membership take-up), as well as resulting from the effects of COVID-19 on our members (individuals and institutions) livelihoods.
- Head Office staff members needing to work from home the majority of the time, presenting challenges in communication in challenging times.

The association has nonetheless had a very busy year:

- Running a one-day web conference to mark World Teachers Day in October, in partnership with the British Council.
- Running a two-day online 'Get-together' web conference at the time when the international conference would have taken place in April 2020. This was offered to members and the wider English language teaching community free of charge.
- Our Special Interest Groups running a large number and variety of online webinars, workshops, forums and training events. Some of these were offered free of charge, others were charged.
- A review of two key association documents: the SIG handbook and the Executive Committees Guidebook.
- The continued development and fine-tuning of the association's new website/CRM/member and event database.
- Running a virtual AGM, which proved more inclusive in terms of reaching a wider cross-section of our membership, and saw a doubling in the number of attendees.

Impact of COVID-19 on staff, volunteers and members:

- Staff members have been working from home for the most part, with only occasional visits to Head Office to undertake functions unable to be carried out remotely.
- Staff members have needed to address a range of implications and situations created by the pandemic, as well as maintaining normal services to members.
- In particular, the deferral of the International Conference and Exhibition created significant challenges and workloads.
- Volunteers have been unable to meet face-to-face, and so meetings have transferred to Zoom.
- Volunteers in Special Interest Group Committees have been unable to plan for, and run, face-to-face events as they would normally do throughout the year. Instead, the number and range of online

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webinars, symposiums, courses, web conferences and workshops has increased significantly.

- Scholarship winners for the deferred annual conference have all had their scholarship transferred to the deferred venue and date for the conference.
- Members have been unable to attend face-to-face events organised by the association, and many have been heavily impacted by COVID-19, both in terms of their personal health, but also on their job with many being redirected into teaching online, and sadly many individuals losing work and institutions closing.

Implications of COVID-19 on IATEFL

- No face-to-face events, including the annual international conference and exhibition were able to take place, resulting in a loss of revenue generating opportunities and the loss of associated sunk costs. In the case of the annual international conference this has had a very significant impact.
- There has been a drop in the value of investments.
- The English language teaching sector internationally, including member institutions and individuals, has been very hard hit, with no international travel, courses cancelled, the closure of some institutions and a loss of jobs.

EXECUTIVE COMMITTEE REPORTS

The Executive Committees summarise the work in their individual areas as follows:

Membership and Marketing Committee

Membership figures surpassed 4,000 members from September 2019 to April 2020, but then started to fall because of the COVID-19 crisis. In August 2020 there were 3,762 IATEFL members, almost 300 fewer than a year earlier.

There have been some important changes in the remit of the former Membership and Marketing Committee and Digital Committee: the re-named Membership Committee no longer helps to develop IATEFL's marketing strategy but is instead fully responsible for offering and hosting webinars and the running of the IATEFL Facebook group as well as *Views*, IATEFL's blog. *Views* has been particularly active during the COVID-19 crisis. In spring 2020, at the beginning of the first wave, we published one blog per week, and from June onwards one every two weeks.

More proposers than ever before answered this year's Call for Webinar Presenters in mid-March 2020. The Webinar Selections Committee has chosen ten high-quality webinars for 2020/21. The most popular topic this year is, logically, distance teaching.

The Membership Committee has also been reviewing the balance between non-member benefits, which help fulfil IATEFL's charitable aims, and benefits only received by members in order to ensure it is worthwhile paying to be a member of the association in tangible ways.

Special Interest Groups (SIGs)

The sixteen SIGs have continued to make significant contributions to carrying out IATEFL's mission. Each SIG has its own website, a regular periodical in the form of a newsletter, magazine or journal, as well as other publications, such as collections of articles and material, usually in the form of e-books. Regular online information is sent to members of individual SIGs as well as through the IATEFL eBulletin and in IATEFL Voices. SIGs also hold regular webinars which are open to members and non-members. Face-to-face

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conferences and one-day events have been organised in the UK and other locations internationally. Since the pandemic (March 2020), all events have been held online and have thus been able to reach many more members, both in the UK and abroad. There have been many different types of online event in addition to the regular webinars, including conferences over several days, one-day events, forums, discussion groups, informal meet-ups and celebrations, for instance of a publication or a SIG anniversary. Many events are held in cooperation with other IATEFL SIGs and / or with other ELT associations and institutions to share experience and expertise and provide a wider range of services to delegates. In some cases, delegates have been asked to pay a fee, make a donation or sponsor another delegate.

During the year, in addition to the activities described above, the SIGs have organised many activities to mitigate the deferral of the 2020 Annual Conference:

Individual and conference events, training sessions and SIG Open Forums, where members and non-members can meet and obtain information about the SIG and SIG developments and the SIGs can highlight aspects of their work. These Open Forums take various forms, such as a series of talks by invited speakers, panel and round table discussions, and talks and posters given by SIG members.

Short webinars and courses, providing information on online teaching and learning, in particular to deal with the effects of the pandemic.

Highlights from the work of individual SIGs, in particular since the pandemic, include:

- Increased activity and presence on Social Media and use of different social media, such as Twitter, Instagram and LinkedIn.
- Maintaining the numbers of scholarships, travel grants and competitive awards, which enable members to participate in SIG events and the IATEFL annual conference in 2021.
- Publication of SIG-led books and conference selections from SIG-organised conferences.
- Redevelopment of SIG websites.
- Increased number of webinars and larger web-based events throughout the year.

The SIG Coordinators as a group have also:

- Carried out online meetings successfully to discuss matters relevant to all SIGs and deal with issues arising from the pandemic.
- With Membership and Marketing Committee, Discussed membership benefits as well as the charitable mission of IATEFL to ensure the best possible balance of these.
- With Membership and Marketing committee, discussed possible membership drives
- With the IATEFL Treasurer, discussed and decided on economy measures to the benefit of members and non-members.
- Supported each other in dealing with issues arising in SIGs and SIG Committees
- Continued to use the communication channels for more effective discussion and cooperation among SIG Coordinators, making online meetings more efficient and productive.
- Continued to use, with the help of the SIGs and Publications Officer, homologue groups for the different roles within SIG committees. The committee members in these groups communicate online and discuss aspects of their SIG committee work.
- Completed the revised and updated SIG Committees Handbook and with the SIG representative and the SIGs and Publications Officer, implemented the new guidelines for nominations and elections to SIG committees and length of terms of office.

Conference Committee

The 54th Annual IATEFL Conference and Exhibition was scheduled to be held in Manchester in April 2020 but, due to the COVID-19 pandemic, it was deferred initially to March 2021 and later to June 2021 in Harrogate. The full programme of activities and events for Manchester have therefore been carried forward

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to Harrogate from Saturday 19 to Tuesday 22 June 2021 with pre-conference events on Friday 18 June.

In order to make up for this gap in our annual flagship event, we organised a two-day virtual Global Get-together on Saturday 18 and Sunday 19 April 2020. A total of 19 sessions including individual and group presentations as well as panel discussions were offered free of charge to the worldwide English language teaching community on our webinar platform, as well as being live streamed on the IATEFL Facebook page. In terms of numbers, the 2-day event attracted an excellent level of attendance with up to 500 participating in the Adobe room each day and 30,000 watching via the IATEFL Facebook page. Delegates from all four corners of the world attended the event, ensuring a truly global reach.

Seven of our conference sponsors participated at the Global get-together delivering 45min presentations on a variety of topics and themes. The sponsors included University of Sheffield ELT Centre, Oxford University Press, ETS Global, National Geographic Learning, Macmillan Education, TELC and Express Publishing.

The IATEFL Annual Conference remains a priority for members at all stages of career development and regardless of profession or status, and we look forward to holding our deferred 54th Annual conference in Harrogate in June 2021.

Associates Committee

This year the Associates Committee continued to work on developing and strengthening the Associate network with a focus on collaborating with the IATEFL SIGs (Special Interest Groups). As such, the Associates Committee have:

- Continued to offer bi-monthly eBulletins.
- Promoted *IATEFL Projects* amongst Associates to encourage engagement.
- Put out a call for presentations to be part of the programme for the next Associates Day.
- Used Associates twitter account to help raise awareness of events that Associates are running throughout the year.
- Been involved in the advertising and review of Hornby Teacher Association Project Scheme.
- Held a webinar for Associate on applying for funding as part of the Hornby Teacher Association Project Scheme 2020-2021

The Associates took part in the IATEFL Online Get Together which took place in March 2020. There was an opportunity to provide an insight into the benefit of becoming an IATEFL Associate which includes the opportunities offered to members of Associates to receive significantly reduced-price membership to IATEFL:

- Basic Membership which is the standard membership to IATEFL without the additional inclusion of a SIG, and
- Wider Membership Scheme (WMS) which offers the opportunity for Associates in High, Medium or Low HDI countries to bid for funding to be able to offer their members substantially subsidised membership to IATEFL.

It also provided a number of Associates to showcase the work and particular projects that they run in their own local context and the challenges associated with this.

The IATEFL Leadership and Development Online Course for Associates was reviewed and is being updated during 2020 to relaunch with another set of cohorts at the beginning of 2021. The course is a valuable resource for Associates and is a wonderful opportunity to liaise with one another and build the ties within the IATEFL Associate network.

Digital Committee

For the early part of the year the Digital committee operated as per its existing mandate. However, after a review of executive committees conducted by the trustees, as of June 2020 the mandate for the committee was changed. The main change being a focus on helping fulfil the IATEFL online CPD strategy. The changes in mandate allowed for a change of committee members in order to bring the skills set needed to help guide the strategy.

Particular achievements of the committee in this period were:

- Facilitated the annual web conference run in conjunction with the British Council to celebrate World Teachers' Day. The 12-hour event was attended by 1,200 participants from 129 countries.
- With the deferring of the main conference, digital committee helped organise and run an online event called 'IATEFL get together' over the weekend of 18th / 19th April. This was attended by 2800 participants within the event platform and was also live streamed on Facebook with around 30,000 engagements.

Finance Committee

With the previous Treasurer standing down and all of the members of the Finance Committee reaching the end of their tenure, a decision was made by the Board of Trustees, including the incoming Treasurer, to disband the Finance Committee in April 2020.

In doing this the trustees carefully examined each part of the committee's role to ensure there was no negative effect on the wider association. In particular support for SIGs in the production of budgets and other project spending will be dealt with by the Treasurer and SIG Representative, supported by Head Office. Resource packs have also been developed to support SIGs with budget preparation. The Treasurer felt comfortable with taking over all other functions previously assigned to the committee.

There will clearly be cost savings in the closure of this Executive Committee which is desirable and sensible at this time for the association.

Publications Committee

Gabriel Díaz Maggioli, Vice President of IATEFL, became Chair of the Publications Committee in November 2019. There has also been a rotation of some members of the committee, with one member standing down and becoming a SIG Coordinator, and another member standing down for health reasons. Two separate, and successful, calls have led to three new committee members.

This year, the following activities have been undertaken:

- Regular publication of our bi-monthly magazine, *IATEFL Voices*, with editions published every two months.
- A new revision and updating of IATEFL's publication policy was undertaken to establish consistency across all IATEFL and SIG print and digital publications. This has been shared with all interested parties in the association and it is being enforced.
- Publication of the *Conference Selections 2019* in both digital and print editions. Printed copies were posted to members in April 2019. This publication included summaries of sessions presented at the 53rd annual conference in Liverpool and is a valued and respected resource for members.
- Continued collaboration with the *ELT Journal* resulting in the publication of IATEFL related information and activities in all Issues of volume 74 of the *ELT Journal*.
- IATEFL became a corporate member of the Society for Editors and Proof-readers (currently called the Chartered Institute of Editors - CIE) to help PubsCom members keep up-to-date with the exigencies

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of today's digital and print media landscapes. Evaluation of this first year's membership has been very positive. The official logo of the CIE, indicating our membership, appears in all issues of *Voices*.

In addition to these activities, the publications committee has continued to offer the monthly eBulletin to IATEFL members, keeping them up to date with IATEFL Head Office and SIG events and activities around the world. In this particular year, an extra issue of the eBulletin was distributed during the month of April so as to keep members apprised of developments in the field in lieu of the activities that would generally be held during the Annual Conference. There has also been a more collaborative working relationship between PubsCom and the Membership Committee through the jointly moderated IATEFL monthly blog.

FINANCIAL REVIEW

The accounts presented here are the consolidated accounts for IATEFL and its subsidiary, IATEFL Trading Ltd. Our total funds as at 31 August 2020 show a decrease in the net movement of funds of £374,119 with net outgoing resources before unrealised losses on investments amounting to a loss of £335,028. Total funds carried forward at the year-end amounted to £882,069.

Income fell by £800,495 when compared to 2019 and expenditure fell in the same period by £407,870. We have suffered an unrealised loss in our investments of £39,091 and income from investments fell by £2,808.

It has been an incredibly difficult year for IATEFL due to the implications of Covid-19. Key points to consider are:

- With current pricing structures, membership subscriptions are not self-supporting and we rely heavily on the income derived from conference, particularly through the commercial aspects of the annual conference.
- Due to Covid-19, the Trustees decided to defer the annual conference from April 2020 to March 2021 and then to June 2021 in an effort to ensure the safety of our delegates. This resulted in the loss of conference income for the financial year as all income received for the 2020 conference was deferred to the following year. At the same time sunk costs in preparation for the conference were incurred. Whilst every effort was made to recover these wherever possible, many of these costs, such as site visits and conference related staffing costs, were irrecoverable.
- Globally, the ELT industry was obliged to close in many instances leading to institutions cutting back on budgets or closing and many teachers having reduced hours or losing work. This also impacted support services to teachers, including publications and resources, contracting the entire sector. This in turn has had a detrimental impact on IATEFL membership numbers.
- We were unable to benefit fully from the initial the government funded Coronavirus Job Retention Scheme (CJRS or Furlough scheme) because initially this was not offered on a part time basis and coincided with IATEFL requiring staff to deal with administration from the deferral of the conference.

To counter these issues and the significant resultant impact on the association's finances and income streams, IATEFL has:

- Reduced expenditure through;
 1. No face to face meetings or site visits planned for all staff and volunteers for a period of at least 15 months.
 2. Staff pay frozen for a period of at least 12 months.
 3. Reduction of postage and printing costs, including no publication of *Conference Selections* for 2020.
 4. Reduction or cancellation of Head Office service contracts wherever possible.

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5. Benefitting wherever possible from the government funded CJR Scheme.
- Alternative income streams;
 1. The introduction of chargeable online events.
 2. Creation of year-round advertising opportunities via our eBulletin and website.

The trustees have also given very careful consideration to the management of cashflow and the maintenance of liquidity to ensure IATEFL can continue operating. Cashflows are analysed on a monthly basis and additional measures considered but currently held in reserve include:

- Sale or re-mortgage of the Head Office property
- Rental of Head Office facilities
- Temporary move to digital for all IATEFL publications
- Reduction in member benefits
- Liquidation of investments
- Investigation of government backed loans
- Reduction of staffing costs

Investments and investment policy

The IATEFL portfolio has continued to opt for low risk investments, however the impact of COVID-19 on share values has inevitably had a significant and changing impact on the value of IATEFL's investments throughout the year.

Our Schroders Cazenove Charity Equity Value Fund A Income investments are focused on "Value" stocks and does take slightly higher risks in search of higher rewards. It is therefore reasonable to assume that the value of these investments will return once the pandemic's impacts begin to dissipate, and this has been supported by the more recent stock market gains following the crash in March 2020. The same applies to the Cazenove Charity Bond Fund A which invests in fixed interest securities and derivatives.

The association's short/medium term strategy has been, and is, to maintain its investment portfolio as much as possible in order to allow it to recover and the value of its investments pre-COVID, and from there to return to producing a stable and sustainable return.

Other short-term deposits are intended, and have been used, to provide liquidity and cashflow assistance at this time and this has been prioritised over adding to investment funds at this time.

Reserves policy

Reserves are intended to provide the association with an amount of protection against adverse conditions and circumstances. It is clear that COVID-19 has impacted the association and its members in such a clear and specific way that it has been appropriate to use the association's reserves to support the association's on-going activities and services to members.

In its statement on the association's Reserves policy, the previous year's annual report identified a designated capital reserve of £60,000 specifically allocated to act as a protection should our annual conference or other major event not go ahead or make substantial losses. In the event, this year we were unable to run the annual conference, incurred significant sunk costs in the preparation for it, and were also unable to run any other income-generating face-to-face event during the year. Inevitably therefore the designated capital reserve allocated was not sufficient to cover these unique circumstances.

Once the COVID-19 pandemic has passed, the association is committed to restoring the pre-existing Reserves

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policy, continuing its review of the appropriate allocation of funds, as soon as is practicable and responsible, whilst continuing to operate to the benefit of the association's members.

FUTURE PLANS

As part of the ongoing strategy and development plan, which is shared with members on our website and reviewed at AGM, the following areas have been identified as being our priority areas for the forthcoming year:

- The development of online courses and training for members and non-members as part of an online CPD Hub.
- Continued review of the balance between member benefits and non-member benefits to ensure we fulfil our charitable aims whilst also ensuring that members of the association get clear and tangible benefits for their membership fee.
- Reacting to the challenges presented by COVID-19.

We will also be focussing on:

- Review of Articles of Association and Memorandum, following recent review of Executive Committee Guidelines and Special Interest Groups Handbook.
- New 'Career Guides' webinar series for members looking at a range of career choices and employment locations.

Having said this, the Board of Trustees realises and accepts that the impact of COVID-19 on the association, in particular financially, may mean progress on future plans occurs slower as IATEFL's financial situation is carefully monitored on an on-going basis.

Risk review

The Trustees have reviewed the major risks to the Charity. An assessment has been made on the likelihood of those risks occurring, and the potential impact if the risk did occur. Some of the principal risks identified during the conduct of the risk assessment include:

- The continued risk and impacts of COVID-19 on the association.
- The potential risk of any other such virus or mutation having a similar effect on the association.
- Over dependence on surpluses derived from the annual conference.
- Decline in some membership types, and advertising and sponsorship revenue. Particularly following the effects of COVID-19 on the English language teaching sector nationally and internationally.
- Potential impacts of the United Kingdom leaving the European Union after the transition phase has ended.

The directors have thoroughly reviewed their risk assessment and are implementing further action in areas identified as medium or high risk. The review is an ongoing process and every effort is being made to mitigate these areas.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status

The Charity was formed on 17 March 1967 and incorporated as a charitable company limited by guarantee on 14 August 1990. The Charity is governed by its Memorandum and Articles of Association.

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Trustees

The Trustees of the company (who are also Directors for the purposes of Company law), are all listed on page 1 of these accounts and all served throughout the year, except where shown as “appointed” or “resigned”. A trustee will “resign” when they step down from the Board of Trustees at the end of their term.

The current board consists of eight Trustees (Directors). The roles assigned to the eight trustees are: President, Vice President, Treasurer, Secretary, Membership Committee Chair, Digital Committee Chair, Associates Representative and Special Interest Groups (SIGs) Representative.

Apart from the SIG Representative and Associate Representative roles, trustees are currently appointed using the following method:

- A call for nominations is circulated with a role description. To be put forward as a nominee, you must be a current and fully paid up individual member of IATEFL (i.e. not be a member via an institutional membership) at the time of being nominated and any subsequent elections being held.
- The proposer and seconder must also be current members of IATEFL.
- If more than one nomination is received for a position, a vote of the membership will be held.
- The candidate with the most votes will be put forward for ratification at the annual general meeting.

The SIG Representative and Associate Representative are appointed using the same method outlined above but only from within the groups they represent.

The incoming Vice President serves for one year before becoming President for two years and outgoing Vice President for a further year. All other trustees serve for an initial three-year term which can be renewed for an additional three-year term.

Trustee induction

Elections for trustee positions are held in sufficient time to enable the incoming trustee to attend the February trustee meeting in an observer capacity. At the February trustee meeting, a half day training session is usually held which allows incoming trustees to participate and gain relevant skills and knowledge. The two-day meeting also allows them the opportunity to gain an understanding of the current strategy and development plan and to get to know the current board and Head Office staff.

A comprehensive trustee induction pack is provided and follow up sessions with a current member of the board and senior member of staff from Head Office are also scheduled.

Executive Committees

There are four Executive Committees and a trustee acts as Chair on each of them:

- Conference Committee (currently chaired by the IATEFL Company Secretary)
- Publications Committee (currently chaired by the President)
- Membership Committee
- Digital Committee

Various aspects of the association's work are devolved to these Executive Committees. A Head Office Representative also sits on each of these Executive Committees. Other members of the Executive Committee are appointed following a call for nominations with a role description and must also be current individual members of the Association. The number of members appointed to an Executive Committee varies depending on the work the committee needs to undertake.

THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE
TRUSTEES' REPORT
YEAR ENDED 31 AUGUST 2020

The trustees can seek guidance, input and advice on various aspects of the association's work, from the Advisory Council, a body made up from internal and external representatives.

Other Committees exist within IATEFL to provide input into specific areas. These include:

- Scholarship Committee
- Proposals Committee
- Conference Selections Committee
- Wider Membership Scheme representative

The Charity has a Patron, David Crystal, and a Chief Executive, Jon Burton. Jon Burton is employed to manage a small Head Office team of ten staff. The trustees delegate the day to day management of the charity to the Chief Executive and he reports directly to the trustees. The other key management personnel would be the Deputy Chief Executive, Louise Atkins.

Related parties

IATEFL Trading Limited is the wholly owned trading subsidiary and is therefore a related party. The directors in IATEFL are also the directors in the trading subsidiary. All profits generated in the trading subsidiary are gift aided across to the charity.

Our relationship with the wider community

The ability of IATEFL to continue to "link, develop and support" on a global level is dependent on its ability to forge and maintain strong relationships with other Teaching Associations across the world. We would like to pay tribute to our volunteers for all of their time, support and commitment through their work on the SIGs and IATEFL Committees. Without their continued co-operation, the ability to make an effective contribution would be much diminished.

Statement of Trustees Responsibilities

The Trustees (who are also directors for the purpose of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charitable company and the results of the charitable company 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 in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the

THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE
TRUSTEES' REPORT
YEAR ENDED 31 AUGUST 2020

financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

Disclosure of information to auditors

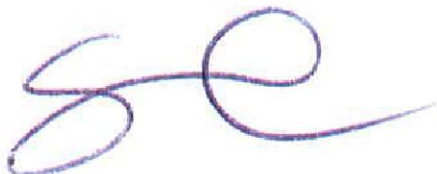
In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information

Small Companies exemption

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

By order of the Board:



Shaun Wilden
Chair of Digital Committee

10 August 2021

THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE

YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the financial statements of The International Association of Teachers of English as a Foreign Language (the 'parent charity') and its subsidiary ('the group') for the year ended 31 August 2020, which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheets, the Group 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 group and the parent charity's affairs as at 31 August 2020 and of the group's profit 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 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group or parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Notwithstanding the above, we do draw attention to note 2 of the financial statement explaining the trustees' reasons why they have concluded the going concern basis remains appropriate.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our Auditor's report thereon. Our

INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE

YEAR ENDED 31 AUGUST 2020

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion 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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report 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 group and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities on pages 13 and 14, the Trustees 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 group and parent charity'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 group or parent charity or to cease operations, or have no realistic alternative but to do so.

The International Association of Teachers of English as a Foreign Language

Independent Auditor's Report to the Members of The International Association of Teachers of English as a Foreign Language

Auditor's 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 an Auditor's 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.

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 Auditor's report.

Use of our report

This report is made solely to the charity's Trustees 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 charity's trustees those matters we are required to state to them in an Auditor's 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 charity and the charity's Trustees as a body for our audit work, for this report, or for the opinions we have formed.



Allan Hickie BSc FCA (Senior Statutory Auditor)

for and on behalf of

UHY Kent LLP

Chartered Accountants

Statutory Auditors

Thames House

Roman Square

Sittingbourne

Kent

ME10 4BJ

Date: 24 August 2021

THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE

GROUP STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an income and expenditure account)
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	4	4,204	9,565	13,769	1,574
Charitable activities	5	121,968	118,072	240,040	970,879
Other trading activities	8	15,682	-	15,682	94,216
Investments	6	7,548	3,901	11,449	14,257
Other		1,709	21	1,730	2,239
TOTAL INCOME		151,111	131,559	282,670	1,083,165
EXPENDITURE ON:					
Other trading activities	8	2,751	-	2,751	7,892
Charitable activities	10	533,494	81,453	614,947	1,017,676
TOTAL EXPENDITURE		536,245	81,453	617,698	1,025,568
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT LOSSES	9	(385,134)	50,106	(335,028)	57,597
Net loss on investments	13d	(39,091)	-	(39,091)	(18,227)
NET (EXPENDITURE) / INCOME BEFORE TRANSFERS		(424,225)	50,106	(374,119)	39,370
Transfers between funds		21,796	(21,796)	-	-
NET MOVEMENT IN FUNDS		(402,429)	28,310	(374,119)	39,370
Reconciliation of funds					
Total funds brought forward		686,957	569,231	1,256,188	1,216,818
TOTAL FUNDS CARRIED FORWARD	19	284,528	597,541	882,069	1,256,188

All income and expenditure derive from continuing activities.

The notes on pages 21 to 39 form part of these financial statements

THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE

**BALANCE SHEET
AS AT 31 AUGUST 2020**

	Notes	Group		Charity	
		31 August 2020 £	31 August 2019 £	31 August 2020 £	31 August 2019 £
FIXED ASSETS					
Intangible assets	13	36,312	13,845	36,312	13,845
Tangible assets	13	283,719	303,427	283,719	303,427
Investments	13	258,656	297,747	258,657	297,748
		<u>578,687</u>	<u>615,019</u>	<u>578,688</u>	<u>615,020</u>
CURRENT ASSETS					
Debtors	14	108,540	97,247	133,406	135,622
Cash at bank and in hand	23	730,849	670,126	663,415	595,954
		<u>839,389</u>	<u>767,373</u>	<u>796,821</u>	<u>731,576</u>
CREDITORS: amounts falling due within one year	15	536,007	109,797	480,300	91,913
NET CURRENT ASSETS		<u>303,382</u>	<u>657,576</u>	<u>316,521</u>	<u>639,663</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>882,069</u>	<u>1,272,595</u>	<u>895,209</u>	<u>1,254,683</u>
CREDITORS: amounts falling due after one year	16	-	16,407	-	16,407
NET ASSETS		<u>882,069</u>	<u>1,256,188</u>	<u>895,209</u>	<u>1,238,276</u>
THE FUNDS OF THE CHARITY:					
UNRESTRICTED FUNDS (incl. revaluation reserve £61,553 [2019 - £100,644])	17	284,528	686,957	297,668	669,045
RESTRICTED FUNDS	18	597,541	569,231	597,541	569,231
TOTAL FUNDS	19	<u>882,069</u>	<u>1,256,188</u>	<u>895,209</u>	<u>1,238,276</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 21 to 39 form part of these financial statements.

Approved by the Board for issue on 10 August 2021

Bethany Cagnol
Director



S Wilden
Director



Company Registration No. 02531041

THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE

GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 Total £	2019 Total £
Cash flows from operating activities:			
Net cash provided by operating activities	22	118,841	99,718
Cash flows from investing activities:			
Dividends and interest from investments		11,449	14,257
Purchase of property, plant and equipment		(7,221)	(1,753)
Purchase of intangible assets		(28,938)	(14,200)
Net cash used in investing activities		(24,710)	(1,696)
Cash flows from financing activities:			
Repayments of borrowing		(33,408)	(16,972)
Cash inflows from new borrowing		-	-
Net cash used in financing activities		(33,408)	(16,972)
Change in cash and cash equivalents in the year		60,723	81,050
Cash and cash equivalents at the beginning of the year	23	670,126	589,076
Cash and cash equivalents at the end of the year	23	730,849	670,126

Analysis of changes in net debt	As at 01 09 2019	Cashflows	As at 31 08 2020
Cash equivalents	670,126	60,723	730,849
Debt:			
Loans falling due within one year	17,001	(17,001)	-
Loans falling due after more than one year	16,407	(16,407)	-
Finance lease obligations	-	-	-
Total	703,534	27,315	730,849

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1 GENERAL INFORMATION

The International Association of Teachers of English as a Foreign Language (IATEFL) is a company limited by guarantee registered in England and Wales (company number 02531041), which is also registered as a charity with the Charity Commission (charity number 1090853). The registered office is No 2 & 3 The Foundry, Seager Road, Faversham, Kent ME13 7FD.

2 ACCOUNTING POLICIES

The principal policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of accounting

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these financial statements.

The financial statements have been prepared in accordance with 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) (Charities SORP (FRS 102) (second edition)), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) (March 2018) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees have to assess whether the use of the going concern basis to prepare the accounts is appropriate. They have to consider whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern.

The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

The impact of Covid-19 continues to be of great concern and has had significant impact on liquidity for IATEFL. The impact of the virus and the measures of governments to contain the virus has impacted heavily on the English language teaching (ELT) industry. Many private schools rely on international travel of students and teachers but travel restrictions have meant traditional study destinations have not been able to be reached, resulting in closures of schools and loss of teaching jobs. This in turn has impacted IATEFL with significant losses in membership numbers, both institutional and individual.

Travel restrictions, bans on gatherings and lockdowns have all meant that we have not been able to hold our face to face annual conference. IATEFL generates a large proportion of surplus revenue from conference related sponsorship and exhibition income and the loss of this income in the 2020 year has impacted the association heavily. Alternative methods of delivering our annual conference are being researched so that even if a face to face event is not possible in 2021, we can still fulfill contractual responsibilities in respect of deferred bookings for the 2020 conference and ticketed online events are being investigated as alternative methods of generating revenue. Cost savings continue to be sought wherever possible and planned expenditure on improvements continues to be delayed. A decision has been made that salaries will not be increased in 2021 and the government backed furlough scheme will be taken advantage of in areas where staff workload has significantly decreased. Whilst acknowledging the significant uncertainties that remain, the trustees remain confident that IATEFL will be able to weather the ongoing impact.

Prudent cashflow forecasts have been prepared for the coming year, taking reduction in income into account. On reflection of this, the trustees have concluded that there are no material uncertainties about the charity's ability to continue as a going concern and that it remains appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

b) Consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiary, IATEFL Trading Limited.

The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account. The results of the charity for the year ended 31 August 2020 are included in note 25.

Exemption from the requirement to disclose transactions between the charity and its subsidiary company has been taken under section 33.1A of FRS 102 as the transactions occur between wholly owned members.

The charity has taken advantage of the disclosure exemption permitted by FRS 102 of the requirements of Section 7, 'Statement of Cash Flow', to not disclose a charity-only Statement of Cash Flows.

c) Volunteers

The charity relies heavily on its volunteers to allow it to carry out the wide variety of work that it does, across its diverse range of special interest groups.

The charity benefits greatly from the involvement and enthusiastic support of its volunteers. These include our Trustees, Special Interest Group (SIG) Coordinators and committee members. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not included in the financial statements

d) Income

Income is included in the Statement of Financial Activities when the charity has entitlement, receipt is probable and the amount can be valued with reasonable accuracy.

Income received relating to an event or conference which is to be held after the balance sheet date is deferred to the following year, or until the charity has entitlement.

Grant income received as compensation for expenses already incurred is recognised in income in the period in which it becomes receivable.

Investment income is recognised when receivable and the amount can be measured reliably, which is usually on notification of the dividend payable.

e) Expenditure

Expenditure is accounted for on an accrual basis, is recognised where there is a legal and constructive obligation to pay for the expenditure, and includes irrecoverable VAT where appropriate.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its members. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

f) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation, as adjusted for any impairment losses. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Freehold land and buildings:	Land	Nil
	Buildings	50 years
	Fixed Plant	10 years
Fixtures, fittings and equipment		4 years
Computer equipment		3 years

Depreciation is not charged on assets capitalised until the assets are brought into use. It is IATEFL policy that only assets above £250 are capitalised.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

g) Intangible fixed assets

Intangible fixed assets comprise software and website development costs and are measured at cost, less any accumulated amortisation and any accumulated impairment losses.

This asset is amortised on a straight line basis, over its useful economic life which is considered by the charity to be 5 years. Amortisation is not charged on assets capitalised until the asset is brought into use.

h) Impairments

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. When the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the Statement of Financial Activities unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

i) Investments

Unlisted investments comprise investments in subsidiaries which are measured at cost less impairment.

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently re-measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

A source of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities, particularly currency risk, and within particular sectors or sub sectors.

j) Fund accounting

Funds held by the Charity are either:-

Unrestricted general funds: These are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds: These are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects. Investment income is allocated to designated funds in proportion to the fund value. A proportion of membership fees is allocated to Special Interest Groups (SIGs) when a SIG subscription is included in the membership price. Members can also purchase additional subscriptions to other SIGs and the full amount of these subscriptions are allocated to the relevant SIG. A transfer between the SIG designated fund and the general fund is made to cover overhead costs.

Restricted funds: These are funds that 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 used for particular restricted purposes. Investment income is allocated to restricted funds in proportion to the fund value.

k) Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Debtors

Trade and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

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.

THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

Creditors

Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

l) Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

m) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rate 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 the transaction. Exchange differences are taken into the Statement of Financial Activities for the year.

n) Pension Costs

The charity operates a defined contribution scheme for the benefit of its employees. The pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity during the year.

o) Judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no estimates and assumptions that are considered to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 LEGAL STATUS

IATEFL is a charitable company in England limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities is to provide an association for teachers of English as a foreign language and so advance education for the benefit of the public in the field of English language teaching.

4 DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Donations from individuals	334	1,130	1,464	1,574
Donations from other charitable bodies	-	8,435	8,435	-
Grants	3,870	-	3,870	-
	<u>4,204</u>	<u>9,565</u>	<u>13,769</u>	<u>1,574</u>

During the period the group benefitted from £3,870 of government grants in the form of the Coronavirus Job Retention Scheme. In accordance with our accounting policy, this credit is included in income over the same period as the staff costs for which it compensates.

THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

5 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Subscriptions	121,692	58,628	180,320	239,240
Conference	-	-	-	658,753
Events Income	160	59,168	59,328	71,502
Fundraising	-	-	-	1,177
Publications	116	276	392	207
	<u>121,968</u>	<u>118,072</u>	<u>240,040</u>	<u>970,879</u>

In 2019, £818,484 was derived from unrestricted funds and £152,395 from restricted funds.

Due to the Covid-19 global pandemic, IATEFL was unable to hold an annual conference in 2020. The decision was made to defer the conference to 2021 and any fees already received in relation to services for the conference were also deferred to 2021. Deferred income for the year ending 31 August 2020 is shown in note 15 and can be seen to be significantly higher than in previous years.

6 INVESTMENT INCOME

	Unrestricted £	Restricted £	2020 £	2019 £
Dividends - fixed interest	1,556	803	2,359	3,623
- equity funds	5,080	2,626	7,706	8,906
Interest on short term deposits	912	472	1,384	1,728
	<u>7,548</u>	<u>3,901</u>	<u>11,449</u>	<u>14,257</u>

In 2019, £4,378 represented unrestricted funds and £9,879 represented restricted funds.

7 INCOME

Approximately £171,684, 62.83% (2019 - £604,259, 55.63%) of the Group's income relates to markets outside the United Kingdom.

THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

8 INCOME AND EXPENDITURE OF TRADING SUBSIDIARY

The Charity, which is registered in England, owns the whole of the issued share capital of IATEFL Trading Limited, Company number 07085385. The results of this company are summarised below:

	Year ended 31 August 2020 £	Year ended 31 August 2019 £
Turnover	15,682	94,216
Direct costs	-	(4,472)
	<u>15,682</u>	<u>89,744</u>
Management charge from parent company	(26,070)	(38,412)
Administrative expenses	(2,751)	(3,420)
(LOSS) / PROFIT BEFORE TAX	<u>(13,139)</u>	<u>47,912</u>
Corporation tax on profit on ordinary activities	-	-
(LOSS) / PROFIT AFTER TAX	<u>(13,139)</u>	<u>47,912</u>
Gift aided to the charity	-	(30,000)
RETAINED IN SUBSIDIARY	<u>(13,139)</u>	<u>17,912</u>

The aggregate of assets, liabilities and funds was:

	2020 £	2019 £
Assets	69,952	78,681
Liabilities	(83,090)	(78,680)
Net liabilities / assets	<u>(13,138)</u>	<u>1</u>

Represented by:

Ordinary shares of £1 each	1	1
Profit and loss account	(13,139)	17,912
TOTAL FUNDS	<u>(13,138)</u>	<u>17,913</u>

9 NET EXPENDITURE

Group net expenditure is stated after charging:

	2020 £	2019 £
Depreciation and amortisation	33,400	25,089
Auditor's remuneration: audit	7,050	7,300
non-audit	250	275
Interest on bank loans	851	1,427
Amounts payable under operating leases - equipment	919	919

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FOR THE YEAR ENDED 31 AUGUST 2020

10 EXPENDITURE ON CHARITABLE ACTIVITIES

	Services to Members £	Annual Conference £	2020 Total £	2019 Total £
Costs directly allocated to activities				
Wages and salaries	40,232	108,241	148,473	151,884
Staff training	251	-	251	273
Cost of publishing & publications	52,875	-	52,875	95,202
Cost of events	54,446	-	54,446	50,143
Scholarships	-	389	389	28,618
Grants	3,500	-	3,500	5,649
IATEFL Projects	300	-	300	4,891
Plenary speaker costs	-	-	-	4,909
Conference travel and accommodation	127	6,511	6,638	32,502
Conference venue and equipment hire	-	1,305	1,305	246,899
Conference Programmer fee	-	2,217	2,217	2,318
Conference app	-	-	-	3,518
Publicity & marketing	1,572	1,957	3,529	6,894
Committee meeting expenses	10,536	651	11,187	37,800
Website, database & online solutions costs	29,108	-	29,108	23,837
Printing, post & stationery	2,874	762	3,636	9,367
Telephone	940	-	940	1,538
Equipment leasing	919	-	919	1,313
Sundry	940	-	940	885
Auditor's remuneration	4,800	-	4,800	4,900
Mortgage interest	852	-	852	1,427
Irrecoverable VAT	23,682	-	23,682	46,786
Support costs allocated to activities				
Wages and salaries	121,248	26,801	148,049	143,407
Rent, rates and water	5,904	-	5,904	4,384
Light and heat	2,688	-	2,688	2,259
Insurance	4,532	-	4,532	8,196
Cleaning & security disposal	2,409	-	2,409	2,811
Repairs & maintenance	4,424	-	4,424	1,351
Legal and professional	14,195	-	14,195	6,672
Bank & credit card charges	12,489	-	12,489	20,862
Exchange rate variance	2,556	-	2,556	2,015
Depreciation and amortisation	33,400	-	33,400	25,089
Governance	34,098	216	34,314	39,077
Total expenditure	465,897	149,050	614,947	1,017,676

In 2019, £881,580 represented unrestricted funds expenditure and £136,096 represented restricted funds expenditure.

11 STAFF COSTS AND TRUSTEES' REMUNERATION

	2020 £	2019 £
Staff costs of the Group were:-		
Wages and salaries	284,029	279,976
Pension costs	16,647	22,660
Social security costs	22,428	18,612
	323,104	321,248

No employee received total employee benefits (excluding pension contributions) of more than £60,000 (2019 - none).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

11 STAFF COSTS AND TRUSTEES' REMUNERATION (Cont'd)

The average number of employees including temporary staff during the year was as follows:

	2020 Number	2019 Number
Services to members	4	4
Annual Conference	4	7
Administration and support	3	4
	<u>11</u>	<u>15</u>

The Charity usually employs several stewards during the week of its annual conference on a temporary basis. As the conference was deferred in 2020, no stewards were employed in 2020 but comparative figures for 2019 would still include the stewards. The average number of employees including temporary staff during the year calculated on the basis of full time equivalent was as follows:

	2020 Number	2019 Number
Services to members	2	2
Annual Conference	3	4
Administration and support	3	4
	<u>8</u>	<u>10</u>

The trustees consider the key management personnel of the charity to be the trustees, the Chief Executive and the Deputy Chief Executive.

The trustees received no remuneration or benefits-in-kind during the year. Eight trustees (2019 - 8 trustees) were reimbursed expenses of £3,850 (2019 - £7,016). Expenses reimbursed were for costs personally incurred in travelling to attend trustee meetings and other meetings where they were representing IATEFL and the purchase of equipment required for filming. The 2019 comparative figures also include costs reimbursed for attending annual conference.

The total employee benefits (including employer's pension contributions and employer's national insurance contributions) paid to key management personnel amounted to £100,996 (2019: £100,670).

12 TAXATION

The International Association of Teachers of English as a Foreign Language is a registered charity and is therefore potentially exempt from taxation on its income and gains as the Charity falls within the definition of a charitable company as defined in Part 1, Schedule 6 of the Finance Act 2010. No tax charge has arisen during the year.

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FOR THE YEAR ENDED 31 AUGUST 2020

13(a) INTANGIBLE FIXED ASSETS - GROUP AND CHARITY

	Website and database £
Cost	
At 31 August 2019	14,200
Additions	28,938
Disposals	-
	<u>43,138</u>
Amortisation	
At 31 August 2019	355
Charge in year	6,471
Disposals	-
	<u>6,826</u>
Net Book Value	
At 31 August 2020	<u>36,312</u>
At 31 August 2019	<u>13,845</u>

13(b) TANGIBLE FIXED ASSETS - GROUP

	Freehold land and buildings £	Fixtures, Fittings and Equipment £	Computer Equipment £	Total £
Cost				
At 31 August 2019	427,427	29,553	38,400	495,380
Additions	-	-	7,221	7,221
Disposals	-	(899)	(18,089)	(18,988)
At 31 August 2020	<u>427,427</u>	<u>28,654</u>	<u>27,532</u>	<u>483,613</u>
Depreciation				
At 31 August 2019	130,669	26,696	34,588	191,953
Charge in year	21,778	1,020	4,131	26,929
Disposals	-	(899)	(18,089)	(18,988)
At 31 August 2020	<u>152,447</u>	<u>26,817</u>	<u>20,630</u>	<u>199,894</u>
Net Book Value				
At 31 August 2020	<u>274,980</u>	<u>1,837</u>	<u>6,902</u>	<u>283,719</u>
At 31 August 2019	<u>296,758</u>	<u>2,857</u>	<u>3,812</u>	<u>303,427</u>

Included in the cost above is land with a value of £100,000 that is not depreciated.

THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE

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FOR THE YEAR ENDED 31 AUGUST 2020

13(c) TANGIBLE FIXED ASSETS - CHARITY

	Freehold land and buildings £	Fixtures, Fittings and Equipment £	Computer Equipment £	Total £
Cost				
At 31 August 2019	427,427	29,553	37,725	494,705
Additions	-	-	7,221	7,221
Disposals	-	(899)	(18,089)	(18,988)
At 31 August 2020	427,427	28,654	26,857	482,938
Depreciation				
At 31 August 2019	130,669	26,696	33,913	191,278
Charge in year	21,778	1,020	4,131	26,929
Disposals	-	(899)	(18,089)	(18,988)
At 31 August 2020	152,447	26,817	19,955	199,219
Net Book Value				
At 31 August 2020	274,980	1,837	6,902	283,719
At 31 August 2019	296,758	2,857	3,812	303,427

Included in the cost above is land with a value of £100,000 that is not depreciated

13(d) FIXED ASSET INVESTMENTS - GROUP

	2020 £	2019 £
Listed investments:		
Market value at 1 September 2019	297,747	315,974
Additions	-	-
Disposal proceeds	-	-
Net loss in year	(39,091)	(18,227)
Market value at 31 August 2020	258,656	297,747
	Market value £	Market value £
The above is made up of the following:		
SUTL Cazenove Charity Equity Value Fund A Income	140,060	178,965
SUTL Cazenove Charity Bond Fund A Income	118,596	118,782
	258,656	297,747

NOTES TO THE FINANCIAL STATEMENTS
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13(e) FIXED ASSET INVESTMENTS - CHARITY

	2020 £	2019 £
Listed investments:		
Market value at 1 September 2019	297,747	315,974
Additions	-	-
Disposal proceeds	-	-
Net loss in year	(39,091)	(18,227)
Market value at 31 August 2020	258,656	297,747
Unlisted investments:		
Equity investment in IATEFL Trading Limited	1	1
	258,657	297,748
Listed investments include the following material amounts:		
SUTL Cazenove Charity Equity Value Fund A Income	140,060	178,965
SUTL Cazenove Charity Bond Fund A Income	118,596	118,782
	258,656	297,747

The investment in IATEFL Trading Limited, a company incorporated in England and Wales, represents a 100% shareholding.

14 DEBTORS

	Group 31 August 2020 £	Group 31 August 2019 £	Charity 31 August 2020 £	Charity 31 August 2019 £
Trade debtors	7,338	11,924	4,819	7,415
Amount owed by group company	-	-	27,384	42,884
Other debtors	1,003	592	1,003	592
Prepayments and accrued income	100,199	84,731	100,200	84,731
	108,540	97,247	133,406	135,622

15 CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	Group 31 August 2020 £	Group 31 August 2019 £	Charity 31 August 2020 £	Charity 31 August 2019 £
Bank loans	-	17,001	-	17,001
Trade creditors	6,355	4,714	5,437	4,105
Defined contribution pension scheme	2,058	1,748	2,058	1,748
Other creditors	3,809	6,222	3,809	6,222
Taxation and social security	12,775	7,909	12,211	5,692
Accruals	11,218	8,494	8,718	5,969
Deferred income	499,792	63,709	448,067	51,176
	536,007	109,797	480,300	91,913

Deferred Income

Deferred income as at 1 September 2019	63,709	39,230	51,176	25,605
Resources deferred in the period	492,281	63,709	444,056	51,176
Amounts released from previous period	(56,198)	(39,230)	(47,165)	(25,605)
Deferred income as at 31 August 2020	499,792	63,709	448,067	51,176

Deferred income is recognised in respect of fees for future events which have been received in advance.

THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16	CREDITORS: AMOUNTS DUE AFTER ONE YEAR	Group 31 August 2020 £	Group 31 August 2019 £	Charity 31 August 2020 £	Charity 31 August 2019 £
	Bank Loans	-	16,407	-	16,407

In 2013, the charity took out a 10 year mortgage with Barclays bank, secured against the freehold property purchased in the year, being No 2 & 3 The Foundry, Seager Road, Faversham, Kent. The mortgage was on a variable interest rate being 2.49% above base rate. The decision was made to pay off the total outstanding debt during the year to 31st August 2020 and therefore, the total balance of secured creditors outstanding as at 31 August 2020 amounted to £nil (2019: £33,408)

17	UNRESTRICTED FUNDS	As at 01 09 19 £	Income £	Expenditure * £	Transfers £	As at 31 08 20 £
	GROUP:					
	Designated Funds :					
	Capital Reserve	60,000	-	-	(60,000)	-
	Wider Membership Scheme	195,432	6,999	-	-	202,431
	Gillian Porter Ladousse Travel Scholarship Fund	4,270	153	-	-	4,423
	Gillian Sturtridge First Time Speakers Scholarship Fund	11,052	396	-	-	11,448
	Property Fund	280,350	-	-	(5,370)	274,980
	General Fund	135,853	143,563	(575,336)	87,166	(208,754)
		686,957	151,111	(575,336)	21,796	284,528
		As at 01 09 18 Restated £	Income £	Expenditure * £	Transfers £	As at 31 08 19 £
	GROUP:					
	Designated Funds :					
	Capital Reserve	60,000	-	-	-	60,000
	Wider Membership Scheme	187,152	3,280	-	5,000	195,432
	Gillian Porter Ladousse Travel Scholarship Fund	4,197	73	-	-	4,270
	Gillian Sturtridge First Time Speakers Scholarship Fund	11,770	196	-	(914)	11,052
	Property Fund	285,157	-	-	(4,807)	280,350
	General Fund	86,015	916,399	(907,699)	41,138	135,853
		634,291	919,948	(907,699)	40,417	686,957

* including (gains) / losses on investments

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

UNRESTRICTED FUNDS (cont'd)	As at 01 09 19 £	Income £	Expenditure * £	Transfers £	As at 31 08 20 £
CHARITY					
Designated Funds :					
Capital Reserve	60,000	-	-	(60,000)	-
Wider Membership Scheme	195,432	6,999	-	-	202,431
Gillian Porter Ladousse Travel Scholarship Fund	4,270	153	-	-	4,423
Gillian Sturtridge First Time Speakers Scholarship Fund	11,052	396	-	-	11,448
Property Fund	280,350	-	-	(5,370)	274,980
General Fund	117,941	145,793	(546,514)	87,166	(195,614)
	669,045	153,341	(546,514)	21,796	297,668

	As at 01 09 18 <i>Restated</i> £	Income £	Expenditure * £	Transfers £	As at 31 08 19 £
CHARITY					
Designated Funds :					
Capital Reserve	60,000	-	-	-	60,000
Wider Membership Scheme	187,152	3,280	-	5,000	195,432
Gillian Porter Ladousse Travel Scholarship Fund	4,197	73	-	-	4,270
Gillian Sturtridge First Time Speakers Scholarship Fund	11,770	196	-	(914)	11,052
Property Fund	285,157	-	-	(4,807)	280,350
General Fund	86,015	852,183	(861,395)	41,138	117,941
	634,291	855,732	(861,395)	40,417	669,045

Purposes of designated funds:

Capital Reserve	It was considered appropriate by the trustees to maintain a capital reserve to act as protection should the charity incur substantial losses at a conference or major event. Given the current years circumstances and the implications of COVID-19, these funds have been transferred to the General Fund.
Wider Membership Scheme	The fund was created to enable the Charity to provide, if required, discounted membership to teachers not able to afford it throughout the world. A commitment was made to transfer £5,000 per year from general funds for a period of 10 years. The final instalment was due to be made in 2020 but due to the financial implications of COVID-19 on the charity, the trustees agree that the final transfer would not be made.
Gillian Porter Ladousse Travel Scholarship Fund	A designated fund has been established for the Gillian Porter Ladousse Fund. This is in addition to the restricted fund and will enable IATEFL to better fulfil the aims of this scholarship and finance scholarship winners appropriately.
Gillian Sturtridge First Time Speaker Scholarship Fund	A designated fund has been established for the Gillian Sturtridge First Time Speaker Fund. This is in addition to the restricted fund and will enable IATEFL to better fulfil the aims of this scholarship and finance scholarship winners appropriately.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

17 UNRESTRICTED FUNDS (cont'd)

Property Fund

It was considered appropriate by the trustees to create a separate fund to hold the net book value of the land and buildings purchased in 2013, net of the long term mortgage liability, to give a more transparent representation of the funds available to the trustees for general expenditure purposes. The mortgage is now fully repaid and the balance just represents the net book value of the land and buildings.

18 RESTRICTED FUNDS	As at 01 09 19 £	Income £	Expenditure £	Transfers £	As at 31 08 20 £
GROUP AND CHARITY:					
Special Interest Group Funds:					
Business English	42,927	59,388	(53,702)	6,174	54,787
Learning Technologies	40,809	5,287	(1,150)	(2,510)	42,436
Leadership & Management	28,920	2,851	(1,530)	(1,283)	28,958
ES(O)L	18,119	1,688	(172)	(760)	18,875
ESP	46,568	3,563	(1,516)	(1,842)	46,773
Global Issues	9,007	2,221	(1,410)	(969)	8,849
Learner Autonomy	7,850	5,429	(3,134)	(1,457)	8,688
Literature	7,324	1,552	(175)	(763)	7,938
Pronunciation	15,401	5,377	(2,049)	(1,291)	17,438
Research	23,298	3,157	(2,740)	(1,500)	22,215
Teacher Development	46,046	4,518	(571)	(2,398)	47,595
Teacher Trainers & Educators	77,459	6,166	(1,419)	(2,874)	79,332
Testing, Eval'n & Asses'm't	69,107	3,596	(2,059)	(1,734)	68,910
Young Learners & Teenagers	10,255	4,513	(5,081)	(501)	9,186
Materials Writing	16,059	5,248	(1,411)	(2,367)	17,529
Inclusive Practices and SEN	(1,131)	1,344	(52)	(623)	(462)
Wider Membership Scheme	41,253	3,999	-	(8,052)	37,200
W R Lee Scholarship Fund	42,903	1,577	-	-	44,480
Ray Tongue Scholarship Fund	10,623	380	-	-	11,003
Gillian Porter Ladousse Travel Scholarship Fund	4,934	228	-	-	5,162
Gillian Sturtridge First Time Speakers Scholarship Fund	-	25	-	-	25
Creativity Group Scholarship	227	44	-	-	271
Wider Membership Individual					
- Founding	5,857	305	-	(65)	6,097
- Matching	5,606	296	-	(65)	5,837
African Scholarship	-	8,435	(282)	-	8,153
Latin America	-	266	-	-	266
IATEFL Projects	(190)	106	(3,000)	3,084	-
	569,231	131,559	(81,453)	(21,796)	597,541

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18 RESTRICTED FUNDS (cont'd)

	As at 01 09 18	Income	Expenditure	Transfers	As at 31 08 19
	£	£	£	£	£
GROUP AND CHARITY:					
<i>Special Interest Group Funds:</i>					
Business English	50,172	31,415	(40,126)	1,466	42,927
Learning Technologies	38,196	11,128	(6,743)	(1,772)	40,809
Leadership & Management	30,963	7,243	(7,399)	(1,887)	28,920
ES(O)L	18,151	4,180	(3,349)	(863)	18,119
ESP	44,744	8,967	(4,939)	(2,204)	46,568
Global Issues	8,519	3,837	(2,164)	(1,185)	9,007
Learner Autonomy	5,683	14,408	(10,798)	(1,443)	7,850
Literature	6,884	3,113	(1,673)	(1,000)	7,324
Pronunciation	14,944	5,275	(3,293)	(1,525)	15,401
Research	23,027	7,164	(4,693)	(2,200)	23,298
Teacher Development	42,625	11,438	(5,702)	(2,315)	46,046
Teacher Trainers & Educators	71,987	11,876	(2,524)	(3,880)	77,459
Testing, Eval'n & Asses'm't	68,467	11,490	(10,538)	(312)	69,107
Young Learners & Teenagers	10,924	10,142	(10,683)	(128)	10,255
Materials Writing	15,069	10,190	(6,515)	(2,685)	16,059
Inclusive Practices and SEN	(854)	2,870	(2,402)	(745)	(1,131)
Wider Membership Scheme	52,821	5,284	-	(16,852)	41,253
W R Lee Scholarship Fund	43,254	819	(1,000)	(170)	42,903
Ray Tongue Scholarship Fund	12,446	208	(1,800)	(231)	10,623
Gillian Porter Ladousse Travel Scholarship Fund	8,200	188	(3,000)	(454)	4,934
Gillian Sturtridge First Time Speakers Scholarship Fund	198	115	(1,000)	687	-
Creativity Group Scholarship	1,201	120	(863)	(231)	227
Wider Membership Individual					
- Founding	5,949	152	-	(244)	5,857
- Matching	5,699	151	-	(244)	5,606
IATEFL Projects	3,258	1,444	(4,892)	-	(190)
	582,527	163,217	(136,096)	(40,417)	569,231

Purposes of Restricted Funds:

Special Interest Groups:

Business English	BESIG represents the interests and needs of the international business English teaching community.
Learning Technologies	LTSIG focuses on all aspects of technology used by teachers and students in language teaching, from online tools, computer-mediated communication, corpora and mobile technology.
Leadership and Management	LAMSIG aims to raise awareness among the ELT profession about management issues and contribute to the development of good management practices.
ES(O)L	ES(O)L is a SIG dedicated to teachers who teach English to people whose first language is not English and who are settled in a country or environment where English is the main language spoken. These language learners may include refugees, asylum seekers and migrant workers. ESOLSIG aims to promote effective language learning opportunities and best practice across different countries and educational systems.
ESP	ESPSIG focuses on English for Specific Purposes, English for Academic Purposes and English for Occupational / Professional Purposes / English for work.

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18 RESTRICTED FUNDS (cont'd)

Global Issues	GISIG is for those who not only see themselves as language teachers but also as educators on real world issues and are keen to instil a sense of social responsibility and develop critical thinking skills into their students.
Learner Autonomy	LASIG aims to raise awareness amongst language teachers, advisors and researchers about the issues related to developing and implementing independent or autonomous learning.
Literature SIG	The objective of LitSIG is to promote teaching and research in the area of English language, literature, extensive reading, the creative arts and various related cultural manifestations in English language education.
Pronunciation	PronSIG is for teachers interested in integrating pronunciation skills in language teaching.
Research	The ReSIG is for anyone interested in the research of teaching and learning processes within ELT.
Teacher Development	TDSIG is for teachers interested in the interplay between personal and professional development as a teacher.
Teacher Trainers & Educators	TTEdSIG aims to support ELT teachers, teacher educators and teacher trainers on the aspects of pre and in service teacher education.
Testing, Evaluation and Assessment	TEASIG is for anyone interested or involved in testing, evaluation and assessment in ELT.
Young Learners and Teenagers	YLTSIG leads, drives change and sets standards in teaching English to young learners and teenagers (ages 3 to 17) for training and development, classroom practice and assessment.
Materials Writing	MaWSIG aims to share and develop best practice in ELT material writing and offers professional development for writers and editors.
Inclusive Practices and SEN	IPSENSIG shares best practices and experiences in accurately identifying language learners' additional needs and disseminates information about inclusive teaching methods, materials and resources for working with learners who experience barriers in accessing education.
Wider Membership Scheme	This scheme encourages reduced rate membership in IATEFL for teachers who could not otherwise afford it. Associate members are able to submit a bid for WMS funding with which they can offer a number of subsidised IATEFL associate memberships to their members.
WR Lee Scholarship Fund	The WR Lee Scholarship Fund was set up in memory of our late Founder and Chair with the purpose of helping IATEFL members in the countries concerned to attend the IATEFL Annual Conference.
Ray Tongue Scholarship	The Ray Tongue Scholarship Fund was set up in memory of our late Treasurer, with the purpose of helping IATEFL members in the countries concerned to attend the IATEFL Annual Conference.
Gillian Porter Ladousse Travel Scholarship Fund	The Gillian Porter Ladousse Travel Scholarship Fund has been set up to enable a teacher trainer and/or a trainee, who would not normally be able to do so, to attend the annual IATEFL conference. It was renamed the Gillian Porter Ladousse Fund in 2002 in memory of Gillian Porter Ladousse.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18 RESTRICTED FUNDS (cont'd)

Gillian Sturtridge First Time Speaker Scholarship Fund	This fund was started from the transfer of the Gillian Sturtridge Memorial Fund held by the University of Reading and the balance of the 1st Time Speakers Fund was added to this as the two funds were set up with the same purpose. The funds were fully spent in 2017 but donations can still be received into the fund.
Creativity Group	This scholarship was set up in 2016 to celebrate the 50th IATEFL conference and is aimed at funding a practising teacher to attend and present at conference.
Wider Membership Individual Scheme	The Wider Membership Individual Scheme aims to help teachers living in countries where there are no Associates of IATEFL, initially in Africa, and where therefore, they cannot take part in the original Wider Membership Scheme, to join IATEFL. The WMIS fund consists of two parts. One part was raised via donations from the IATEFL membership: the other is the matching fund set up when the scheme was introduced. Memberships provided under the scheme are paid by these two in equal parts.
Africa Scholarship	The IATEFL Africa scholarship has been funded for many years by a private Trust called the Murphy Scholarship Trust. In June 2020 the trust was closed and the balance of funds was transferred to IATEFL. The terms of this transfer were that IATEFL would use the funds to cover scholarships awarded in 2020 and any surplus funds could be used for additional Africa scholarships in later years. If this was not practical, the Scholarship Committee were given permission to allocate the balance, at their discretion, in an appropriate manner.
Latin America Scholarship	The Latin America Scholarship is part funded by donations and part funded by the IATEFL General Fund. As the scholarship awarded for 2020 has not yet been paid out because of the deferred conference, the donations received have been transferred to a restricted fund and held until payout is made.
IATEFL Projects	IATEFL Projects aims to provide a grant of up to £3,000 on an annual basis to a Teaching Association in order for them to fund a project to make an improvement to language teaching and learning in their local community.
Transfers between funds	The transfers between funds relate to an amalgamation of administration costs, internal cost transfers and income generated by individual SIG's which is included in the charity's trading income.

19 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

As at 31 August 2020	General Funds £	Designated Funds £	Restricted Funds £	Total £
Tangible fixed assets	8,739	274,980	-	283,719
Intangible assets	36,312	-	-	36,312
Investments	258,656	-	-	258,656
Net current assets	(512,461)	218,302	597,541	303,382
Long term liabilities	-	-	-	-
	(208,754)	493,282	597,541	882,069

THE INTERNATIONAL ASSOCIATION OF TEACHERS OF ENGLISH AS A FOREIGN LANGUAGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

<i>As at 31 August 2019</i>	<i>General Funds £</i>	<i>Designated Funds £</i>	<i>Restricted Funds £</i>	<i>Total £</i>
<i>Tangible fixed assets</i>	20,514	296,758	-	317,272
<i>Investments</i>	297,747	-	-	297,747
<i>Net current assets</i>	(182,409)	270,754	569,231	657,576
<i>Long term liabilities</i>	-	(16,407)	-	(16,407)
	135,852	551,105	569,231	1,256,188

20 PENSION SCHEME

The charitable company operates a defined contribution pension scheme open to all permanent employees. During the year the charitable company contributed £16,460 (2019: £18,451) on behalf of employees who have opted into the scheme. Of these contributions £2,058 (2019: £1,748) remained outstanding as at the balance sheet date and is included within current liabilities.

21 RELATED PARTY TRANSACTIONS

Under the terms of the charity's Memorandum and Articles of Association, the charity is empowered to make reasonable and proper payments to members for services actually rendered to the charity. In their capacity as members of IATEFL, Trustees are obliged to pay annual subscriptions due to the charity and are entitled to take advantage of the services offered by the charity and its subsidiary company, on the same terms offered to all members, or to the general public. Where members or their connections provide services to, or utilise any other services or facilities of the charity, the amounts paid to, or charged by the charity are based on either:

- standard rates paid by the charity to members and non-members alike for services such as conference plenary fees, publication design work and conference programming; or
- rates negotiated on behalf of the charity, independently of the member involved, by the Board, or their delegated committee, based on competitive tenders or general commercial rates.

During the year the charity is aware that payments have been made by IATEFL for commercial services provided to it, or charges made by the institution for utilising other services or facilities of the charity, by certain members of the Board of Trustees, or their connections, as follows:

The charity engages the services of European Language Competence (ELC) to undertake design work on the TEASIG publication. ELC is owned by Mr Rudolf Camerer, an IATEFL member, who is the husband of Judith Mader, a Trustee of the charity. During the year the charity was invoiced £1,100 (2019: £1,100) to ELC in respect of services provided of which £nil (2019: £nil) was owing at the year end.

22 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net (expenditure) / income for the year (as per Statement of Financial Activities)	(374,119)	39,370
Adjustments for:		
Depreciation and amortisation charges	33,400	25,088
Losses on investments	39,091	18,227
Dividends and interest from investments	(11,449)	(14,257)
(Increase) / decrease in debtors	(11,293)	20,387
Increase in creditors	443,211	10,903
Net cash provided by operating activities	118,841	99,718

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

23 ANALYSIS OF CASH AND CASH EQUIVALENTS	2020 £	2019 £
Cash in hand	730,849	670,126
Notice deposits (less than 3 months)	-	-
Overdraft facility (payable on demand)	-	-
Total	730,849	670,126

24 OPERATING LEASE COMMITMENTS

At 31 August 2020, the group had total future minimum commitments under non-cancellable operating leases as follows:

	Group		Charity	
Amounts due:	2020 £	2019 £	2020 £	2019 £
Within one year	919	919	919	919
Within one to five years	1,072	1,991	1,072	1,991
	1,991	2,910	1,991	2,910

25 RESULTS OF CHARITY

	2020 £	2019 £
Total income	266,988	988,949
Total expenditure	(614,947)	(1,017,676)
Net expenditure before loss on investments	(347,959)	(28,727)
Net loss on investments	(39,091)	(18,227)
Net expenditure for the year	(387,050)	(46,954)

26 FINANCIAL ASSETS AND LIABILITIES

	2020 £	2019 £
CHARITY:		
Financial assets measured at fair value through income and expenditure	922,071	893,701
GROUP:		
Financial assets measured at fair value through income and expenditure	989,505	967,873

Financial assets measured at fair value through income and expenditure comprise of listed fixed asset investments and cash at bank and in hand.