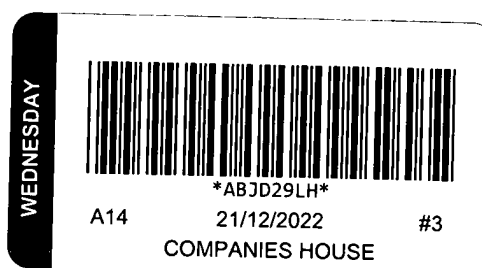


EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

Charity registration number: 1091582
Company registration number: 04384294 (England and Wales)



**EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
COMPANY INFORMATION**

Charity registration number	1091582
Company registration number	04384294
Directors	J Lupton W W Overin M A Turnbull S Fletcher A I Hellawell I Hart
Registered office	Carbury House Concorde Way Preston Farm Stockton on Tees TS18 3TB
Auditor	Haines Watts North East Audit LLP Sterling House 22 St Cuthberts Way Darlington County Durham
Bankers	Unity Trust Bank Plc Unity Trust Bank Four Brindleyplace Birmingham B1 2JB

**EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
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**EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' ANNUAL REPORT (INCLUDING THE DIRECTORS' REPORT AND STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2022**

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Trustees of the charity

The directors of the charitable company are its trustees for the purposes of charity law. The Trustees who have served during the year and since the year end were as follows:

J Lupton
W W Overin
M A Turnbull
S Fletcher
A I Hellawell
I Hart

Key management personnel

Chief operating officers: W Peacock and S O Connor
Chief finance officer: S Jones

Objectives and Public benefit statement

The objects of the charity are (as stipulated in the Memorandum of Association, updated 2009):

For the benefit of the public in the North East of England and elsewhere to work for promoting good race relations, endeavouring to eliminate discrimination on the grounds of race and encouraging equality of opportunity between persons of different racial groups by the provision of an appropriate translation service for those disadvantaged by the inability to understand and communicate effectively in English in such a way as to relieve poverty, advance education and promote other charitable purposes.

Activities

The main objective continues to be the provision of professional, confidential, impartial interpretation and translation services for the North East region of England serving community groups, individuals and local service providers. The charity has been able to achieve this through a structured strategy designed to build upon the good work already undertaken and to broaden its scope of operations by reaching more beneficiaries and service providers.

The charity has a general aim to improve the quality of life of the local BME community by providing support for them to access services and advice in the region and thereby facilitate their integration into the wider community. This is achieved through the provision of free training to anyone who wishes to support their local community through language assistance. The training is also available to "closed" community groups who wish to have the training and experience but not to utilise it for the benefit of others.

To provide a professional, confidential, impartial interpretation and translation service for the North East region of England serving community groups, individuals and local service providers. Giving fair and equal access for all. Ultimately resulting in the improvement of health inequalities and better health outcomes.

**EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' ANNUAL REPORT (INCLUDING THE DIRECTORS' REPORT AND STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2022**

To encourage local community groups to formalise their language skills to become professional translators and interpreters to enhance employment opportunities. This encouragement is especially relevant to successful asylum seekers who have non recognised or non-transferable skills and qualifications to help them find employment in the UK and to relieve them from poverty.

To encourage local agencies to create an equal access to their services for non-English speakers by acknowledging the need for professional interpretation and translation services.

To identify and understand the barriers faced by ethnic minority communities and negotiate policy issues with service providers.

To support and advise all BME voluntary and community organisations in the North East to develop and maintain them effectively, understand their statutory and non-statutory rights and establish a positive relationship with mainstream service providers.

To provide educational and other bi-lingual information, including the use of audio tapes, on mainstream and local services.

To provide translation and tutor materials and translated information on mainstream and local services.

Key to this process has been the achievement and retention of some key Service Level Agreements with local infrastructure services such as:

- National Probation Service – Covering Durham and Teesside new contract awarded in June 2015.
- IMPACT Psychological services – Contract agreed June 2020 as sole provider.
- County Durham and Darlington Foundation Trust – Sole provider contract for 3 years in July 2018 with an option to extend to 5 years.
- City Hospitals Sunderland – Awarded contract for 5 years with an option to extend to 7 years 1st December 2014. Newly amalgamated Trust incorporating South Tyneside merged onto this framework on the 31st of March 2020.
- North Tees and Hartlepool NHS Foundation Trust – Sole provider contract awarded for 4 years in October 2018 with option to extend to 5 years.
- NEPO framework for Interpreting and Translation services – Awarded a place again on this framework in September 2020 delivering services to local councils. Framework is for 3 years with an option to extend to 5 years.
- London Procurement Partnership (LPP) – Awarded a place on this Dynamic Purchasing System in 2015 which supports the NHS purchasing of Interpreting and Translation services. It was due to expire in August 2020 but has been extended for a further 1 year due to the pandemic.
- Tees Esk and Wear Valley NHS Foundation Trust – Awarded a sole provider contract in October 2019 for 3 years with a further 2-year extension option.

The charity also provides services to a range of public, private and voluntary organisations such as solicitors, Crown and Magistrates Courts, Police, Schools, local government departments, local prisons as well as voluntary sector groups such as local CAB's the Refugee Service and smaller community groups.

The charity's main areas of activity continue to be the provision of face to face interpretation services for local BME communities and asylum seekers to ensure that they received treatment, advice and support that is equitable and fair and encourages integration with the wider community.

These activities continue to be a source of sustainable income for the charity by ensuring that those organisations that can pay for the service do so. This means that the charity is not reliant upon the vagaries of public sector funding or having to expend physical and fiscal resources in the pursuit of donations and trust funding.

**EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' ANNUAL REPORT (INCLUDING THE DIRECTORS' REPORT AND STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2022**

Strategic Report

Achievements and performance

- Volunteered for our local Covid Community Champion Team to help disseminate guidance, advice and training within the communities we support
- Successfully retained our ISO 9001 certification.
- Successfully retained our cyber essentials accreditation.
- Successfully maintained operations to remote working for staff and Interpreters following the Covid 19 outbreak.

Financial review (including reserves policy)

The charity's principle source of funding comes from its delivery of translation and interpretation services across the Tees Valley. Key clients include local Councils, mental health providers, Hospital Trusts, the court system, police and immigration authorities.

The reserves policy operated by the charity ensures that the charity has sufficient funds to operate for 3 months without the need for an income. These funds are invested to ensure that the charity, its staff and customers can be assured of a level of financial security. This would be more than adequate to wind up the affairs of the charity should the need arise.

The costs associated with the governance of the charity were £1,700 with £982,538 being expended on meeting our charitable objects. The charity currently has reserves of £440,120

The charity has an investment approach that takes environmental, social, ethical and governance (ESG) factors into consideration in investment decisions. It is based on achieving the greatest impact from investments by both pursuing maximum financial return and ensuring investments compliment rather than undermine the wider aims of the charity. In the current financial climate, the Trustees are aware of the risks associated with an investment and continue to obtain the best return for minimum risk.

As permitted under the Companies Act 1989 and under the charity's Articles of Association, the charity has obtained insurance in respect of the Trustees liability incurred in connection with the discharge of their duties.

The charity has appointed Haines Watts to act as the charity's accountants and auditors and have commissioned them to prepare financial statements required under the Companies and Charities Act.

Plans for future periods

1. In line with the possible decrease in demand for our services alongside a more competitive marketplace a programme of advanced technology solutions to deliver the same quality and level of service will take priority this next financial year.
2. To continue to consolidate the charity's position within the new contract frameworks ensuring all our clients still use our organisation as a priority. This is of paramount importance as the charity needs to be accessible through national frameworks due to organisations having less available funding to tender locally.
3. Continue to support local schools with language education and practical work experience.
4. Work closely within the local Healthwatch organisations to ensure we can continue to support those in need of our services.
5. Provision of a tutor for ESOL/English classes for the local community in the Stockton area.

**EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' ANNUAL REPORT (INCLUDING THE DIRECTORS' REPORT AND STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2022**

6. Continue to build relationships and partnerships with organisations in Tyne and Wear to help support the communities better in that area.

Structure, governance and management

Everyday Language Solutions (ELS) is a company limited by Guarantee incorporated on the 28th of February 2002, and registered as a charity on 10th April 2002. The liability of the members is limited to an amount not exceeding £10 per member.

The company was established under a Memorandum of Association which established the object and powers of the charitable company and is governed under its Articles of Association.

Everyday Language Solutions (ELS) is a company limited by guarantee and not having a share capital under the Companies Act 2006 governed by its Memorandum and Articles of Association dated 12th June 1997 and amended in 2008 to reflect current governance arrangements and Charitable law.

Membership to the board of trustees is open to anyone aged 18 years or over and currently there are six active members who also constitute the board of trustees.

Every member of the charity undertakes to contribute such amount as may be required but not exceeding £10.

The Trustees of ELS undertake to adhere to the three key strands of governance which cover strategic thinking, performance & risk measurement and are categorised as follows:

Corporate/fiduciary governance: The bedrock of governance. Covers oversight of finances and assets. It covers regulatory and legal compliance. It ensures internal controls regarding finance are strong and board policies regarding health & safety, data protection etc. are complied with.

Strategic governance: The Board recognise their responsibility to think and work strategically and to plan for the future. For the organisation to be successful depends on the clarity and execution of the strategy, the ability to look outward, constantly scanning the environment and the ability to adapt to a rapidly changing environment and to sometimes abrupt unexpected external changes is paramount to this success.

Impact governance: Assess the charity's performance and the impact it is having towards achieving its charitable objectives.

Each new Trustee will receive an induction into the role and responsibilities of a trustee and the operation of the charity in accordance with the Memorandum and Articles of Association.

Every Trustee will receive a copy of the Board Procedures and Protocols which cover in detail their role and the procedures that need to be followed during meetings.

Each new Trustee will be required to complete and submit such documentation as required by Companies House and the Charities Commission prior to their appointment.

Trustees are introduced to all members of staff and meet with key employees to gain a better understanding of the work of ELS. This is done on an informal basis but also makes up part of their induction to the charity.

All Trustees are encouraged to employ continuous professional development that enhances their skills as a Trustee and attend appropriate training and seminars.

The Board of Trustees shall not at any time be less than 2 in number but has no upper limit on the number of members who may become trustees.

The Trustees may at times allow the co-opting of individuals on a short term basis to provide additional support and resources to the charity as they see fit so long as such appointments are made and approved at a general meeting of the trustees.

**EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' ANNUAL REPORT (INCLUDING THE DIRECTORS' REPORT AND STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees meet on a regular basis to review the development and administration of its affairs communicated via the Director and the Finance Manager.

The Director, appointed by the trustees, will oversee the day to day running of the charity in accordance with the organisations laid down policies and procedures. To facilitate operations the Director has delegated authority, within the terms set by the Trustees for operational matters, which include financial, employment and HR performance.

Risk management

The Trustees regularly review all risks associated with the operation of the charity, be they financial, Health & Safety or employment related and have at their disposal systems and procedures to facilitate the effective management of those risks.

These policies and systems are reviewed when required by changes in legislation but as a matter of course yearly. The charity continues to have a contract with a company called Citation who look after all the charity's policies and procedures for Health and Safety and Employment Law.

Key to the management of those risks is the reserves policy adopted by the charity to ensure that the Charity provides a stable environment for employees and beneficiaries alike.

The Charity also operates an investment policy designed to provide a maximum return with minimum risk, this is implemented in line with the Articles of Association and at the discretion of the Trustees.

Trustees' responsibilities

The Charity is a charitable company and the Trustees are directors of the charitable company and so the Trustees are responsible for preparing 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 statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently:
- Make judgements and estimates that are reasonable and prudent: and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue on that basis.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charitable Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other regularities.

Disclosure of information to the auditors

We, the Trustees of the charity who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the charity's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' ANNUAL REPORT (INCLUDING THE DIRECTORS' REPORT AND STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2022**

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as charity Trustees.

On behalf of the Board


M A Turnbull
Chairman

Date: 18/10/22

**EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS REPORT TO THE MEMBER OF EVERYDAY LANGUAGE SOLUTIONS**

Opinion

We have audited the financial statements of Everyday Language Solutions for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS REPORT TO THE MEMBER OF EVERYDAY LANGUAGE SOLUTIONS**

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' Annual Report (incorporating the Directors' report and strategic report) for the financial Year for which the financial statements are prepared is consistent with the financial statements; and
- The Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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.

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

**EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS REPORT TO THE MEMBER OF EVERYDAY LANGUAGE SOLUTIONS**

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as FRS102, Charities SORP (FRS 102), Companies Act 2006 and Charities Act 2011.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquires of directors and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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 charitable company'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 charitable company'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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Stephen Easton FCA, Senior Statutory Auditor
For and on behalf of Haines Watts North East Audit LLP**

**Chartered Accountants
Statutory Auditor
Date**

14/12/2022

Sterling House
22 St Cuthberts Way
Darlington
County Durham

EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022 Total £	Unrestricted funds 2021 Total £
Income from:			
Charitable activities	2	1,183,853	971,054
Investments	3	2,062	3,606
Total income		1,185,915	974,660
Expenditure on:			
Charitable activities	4	(1,215,974)	(982,538)
Total expenditure		(1,215,974)	(982,538)
Net income		(30,059)	(7,878)
Reconciliation of funds:			
Total funds brought forward	15	440,120	447,998
Total funds carried forward	15	410,061	440,120

All income and expenditure derive from continuing activities.

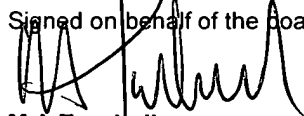
The statement of financial activities includes all gains and losses recognised during the year.

**EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	18,440	16,266
Current assets			
Debtors	12	345,411	288,029
Cash at bank and in hand		345,693	400,011
		<u>691,104</u>	<u>688,040</u>
Creditors: amounts falling due within one year	13	(299,484)	(264,186)
Net current assets		<u>391,621</u>	<u>423,854</u>
Total assets less current liabilities		<u>410,061</u>	<u>440,120</u>
Net assets		<u>410,061</u>	<u>440,120</u>
Charity Funds			
Unrestricted funds	15	410,061	440,120
Total charity funds / (deficit)	15	<u>410,061</u>	<u>440,120</u>

The financial statements were approved and authorised for issue by the Board on 18/10/2022

Signed on behalf of the board of trustees



M A Turnbull
Trustee

Date: 18/10/22

The notes on pages Page 13 to Page 22 form part of these financial statements.

Company registration number: 04384294

**EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS**

	Note	2022 £	2021 £
Cash flow from operating activities	17	(48,040)	7,429
Net cash flow from operating activities		<u>(48,040)</u>	<u>7,429</u>
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(8,340)	(2,311)
Interest received		2,062	3,606
Net cash flow from investing activities		<u>(6,278)</u>	<u>1,295</u>
Net increase / (decrease) in cash and cash equivalents		(54,318)	8,724
Cash and cash equivalents at 1 April 2021		400,011	391,287
Cash and cash equivalents at 31 March 2022		<u>345,693</u>	<u>400,011</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		345,693	400,011
Cash and cash equivalents at 31 March 2022		<u>345,693</u>	<u>400,011</u>

**EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

1 Summary of significant accounting policies

(a) General information and basis of preparation

Everyday Language Solutions is a company limited by Guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are provision of professional, confidential, impartial interpretation, translation service for the North East region of England serving community groups, individuals and local service providers.

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued in October 2019, the Charities Act 2011, the Companies Act 2006, and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from trading activities includes income earned from interpretation and translation fees to raise funds for the charity. Income is received in exchange for supplying services in order to raise funds and is recognised when entitlement has occurred.

Investment income includes interest which is recognised when receivable.

(d) Expenditure recognition

**EVERYDAY LANGUAGE SOLUTIONS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities represents costs of supplying translation services to organisations including management and administration support costs; and
- Other expenditure represents those items not falling into the categories above.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to other expenditure on a basis consistent with use of the resources.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Computer Equipment	33% Straight line
Fixtures and fittings	15% Reducing balance

(g) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(h) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(i) Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

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(j) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(k) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(l) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(m) Judgements and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

The company recognised that normal payment terms from certain customers may not be adhered to when assessing recoverability of trade debtors.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

The charge in respect of periodic depreciation is derived after determining an estimate of an assets expected useful economic life which is determined by management at the time the asset is acquired and reviewed annually for appropriateness.

2 Income from charitable activities

	2022	2021
	£	£
Interpretation and translation services	1,183,853	971,054
	<u>1,183,853</u>	<u>971,054</u>

Income from charitable activities was £1,183,853 (2021 - £971,054) of which £1,183,853 (2021 - £971,054) was attributable to unrestricted funds.

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3 Income from investments

	2022 £	2021 £
Interest - deposits	2,062	3,606
	<u>2,062</u>	<u>3,606</u>

4 Analysis of expenditure on charitable activities

	Activities undertaken directly £	Support costs £	Total 2022 £	Total 2021 £
Language Services	924,847	291,127	1,215,127	982,538
	<u>924,847</u>	<u>291,127</u>	<u>1,215,127</u>	<u>982,538</u>

£1,215,127 (2021 - £982,538) of the above costs were attributable to unrestricted funds.

5 Allocation of support costs

Support cost	Basis of allocation £	Language services £	2021 Total £
Management and finance staff	Time	220,577	228,253
Service costs	Area	12,823	12,462
Rent	Area	19,008	19,008
Depreciation of assets	Usage	6,165	6,131
Legal and professional	Usage	8,387	7,376
Administration costs	Usage	18,862	16,612
Bank charges	Usage	507	851
Sundry	Usage	4,798	5,120
Total		<u>291,127</u>	<u>295,812</u>

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6 Governance costs

		2022 £	2021 £
Trustee remuneration	9	-	-
Trustee expenses		-	-
Auditor's remuneration (including expenses and benefits in kind)	8	1,700	1,700
		<u>1,700</u>	<u>1,700</u>

7 Net income for the year

Net income is stated after charging / (crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	6,165	6,131
Loss on disposal of tangible fixed assets	-	14
Operating lease rentals	24,264	24,045
	<u></u>	<u></u>

8 Auditor's remuneration

The auditor's remuneration amounts to an audit fee of £ 1,700 (2021 - £1,700).

9 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2021: £Nil).

The trustees did not have any expenses reimbursed during the year (2021: £Nil).

The total amount of employee benefits received by key management personnel is £72,523.64 (2021 - £85,204.19). The Trust considers its key management personnel comprise chief operating and finance officers.

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10 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2022 Number	2022 FTE	2021 Number	2021 FTE
Charitable activities (including management and finance)	9	6	10	8
	<u>9</u>	<u>6</u>	<u>10</u>	<u>8</u>

The total staff costs and employees benefits were as follows:

	2022 £	2021 £
Wages and salaries	199,361	206,188
Social security	12,625	13,144
Defined contribution pension costs	8,179	8,546
	<u>220,165</u>	<u>227,878</u>

No employees received total employee benefits (excluding employer pension costs) of more than £60,000.

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11 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation:			
At 1 April 2021	14,731	80,107	94,838
Additions		8,339	8,339
	<u>14,731</u>	<u>88,446</u>	<u>103,177</u>
At 31 March 2022			
Depreciation:			
At 1 April 2021	7,330	71,242	78,571
Charge for the year	1,110	5,055	6,165
	<u>8,440</u>	<u>76,296</u>	<u>84,736</u>
At 31 March 2022			
Net book value:			
At 31 March 2022	<u>6,291</u>	<u>12,150</u>	<u>18,440</u>
At 31 March 2021	<u>7,401</u>	<u>8,866</u>	<u>16,267</u>

12 Debtors

	2022 £	2021 £
Trade debtors	325,958	266,331
Other debtors	19,453	21,697
	<u>345,411</u>	<u>288,028</u>

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	176,164	147,699
Other tax and social security	96,705	90,035
Accruals and deferred income	26,614	26,451
	<u>299,484</u>	<u>264,185</u>

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14 Leases

Operating leases - lessee

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
Not later than one year	25,201	25,730
Later than one and not later than five years	25,943	51,144
Later than five years		-
	<u>51,144</u>	<u>76,874</u>

15 Fund reconciliation

Unrestricted funds

For the year ended 31 March 2022

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Balance at 31 March 2022 £
Unrestricted	440,120	1,185,915	(1,215,974)	-	-	410,061
	<u>440,120</u>	<u>1,185,915</u>	<u>(1,215,974)</u>	<u>-</u>	<u>-</u>	<u>410,061</u>

For the year ended 31 March 2021

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Balance at 31 March 2021 £
Unrestricted	447,998	974,660	(982,538)	-	-	440,120
	<u>447,998</u>	<u>974,660</u>	<u>(982,538)</u>	<u>-</u>	<u>-</u>	<u>440,120</u>

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16 Analysis of net assets between funds

Unrestricted funds

	2022 £	2021 £
Fixed assets	18,440	16,266
Cash and current investments	345,693	400,011
Other current assets	345,411	288,599
Creditors more than one year	(299,484)	(264,756)
Total	410,061	440,120

17 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2022 £	2021 £
Net income / (expenditure) for year	(30,059)	(7,878)
Interest receivable	(2,062)	(3,606)
Loss on disposal of tangible fixed assets	-	14
Depreciation and impairment of tangible fixed assets	6,165	6,131
(Increase) / decrease in debtors	(57,382)	(18,501)
Increase / (decrease) in creditors	35,298	31,269
Net cash flow from operating activities	(48,040)	7,429

18 Pensions and other post-retirement benefits

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £8,179 (2021 - £8,546).

The defined contribution liability is allocated to unrestricted funds and charitable activities.

19 Related party transactions

There are no related party transactions during the period (2021: £ nil).

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20 Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	2022 £	2021 £
<i>Financial assets</i>		
Debt instruments measured at amortised cost:		
- Trade debtors (note 12)	<u>325,958</u>	<u>266,331</u>
<i>Financial liabilities</i>		
Measured at amortised cost		
- Trade creditors (note 13)	<u>176,164</u>	<u>147,699</u>