

**ENGLISH UK LIMITED**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**ENGLISH UK LIMITED**  
**(A company limited by guarantee)**

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**ENGLISH UK LIMITED**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

<b>Trustees</b>	S Phillips, Chair M Rendell, Vice Chair J Brinkmann J Dancaster F Davis C Diamantino S Doherty S Etchells S Fordham C Moonie N Paramor
<b>Company registered number</b>	05120951
<b>Charity registered number</b>	1108792
<b>Registered office</b>	Flag House 47 Brunswick Court London SE1 3LH
<b>Company secretary</b>	Nuria Felip-Puignou
<b>Chief executive officer</b>	J Gray
<b>Director of Membership</b>	H Japes
<b>Director of Marketing</b>	A Wright
<b>Finance Manager</b>	N Felip Puignou
<b>Business Development Director</b>	T Barker
<b>Independent auditor</b>	Buzzacott LLP Statutory Auditor 130 Wood Street London EC2V 6DL
<b>Bankers</b>	National Westminster Bank plc PO Box 2354 65 Picadilly London W1A 2PP

**ENGLISH UK LIMITED**  
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**CHAIRMAN'S STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

The Chairman presents his statement for the year.

Until the pandemic struck in early 2020, the UK was a dominant player in the global ELT industry, attracting almost twice as many international students as any of our anglophone competitors. We welcomed 550,000 students each year, with around half coming from Europe. Around 90,000 students went onto study in further and higher education institutions. UK ELT adds £1.4bn and 35,000 jobs to the UK economy, underpins our £20bn international education sector, and builds positive relations between the UK and other nations.

Data from the international passenger survey collected by VisitBritain in 2019 showed that visitors who studied English in the UK spent more than twice as much as the average visitor and stayed almost three times as long. These visitors were predominantly under 35, suggesting a valuable opportunity to capture their loyalty early, and they came for a dual purpose. ELT has long straddled the tourism and education sectors.

However, since March 2020, the English language teaching centres that are members of English UK lost almost 80% of their business to Covid-19. This amounts to a direct loss of revenue of £590 million. Over 90% of staff working in the sector have been impacted – they have been furloughed, made redundant or are working reduced hours or for reduced pay.

Hopes for any significant business recovery in 2021 seem increasingly unlikely as travel restrictions continue. The sector relies entirely on an international market. We cannot replace our customers with domestic ones.

When surveyed in early 2021, one third of English UK member centres did not expect to see any recovery at all this year. Two thirds expected less than 40% of pre-Covid-19 volumes. However, the UK ELT sector is resilient and viable. Despite losing 80% of its customers in 2020, so far only 13% of its businesses have closed their doors permanently due to the pandemic.

While each of these closures is heart-breaking, the fact that this number is not higher is testament to the strength of the market before the pandemic – 2019 was a growth year for UK ELT - and the dedication of centre owners and directors to the future of their organisations and international education.

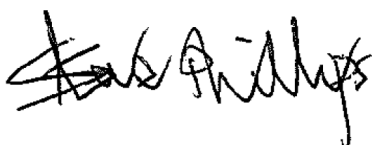
Demand to study English in the UK remains high and we expect our students to return when travel restrictions ease and confidence rises. History tells us that global economic recession drives demand as families and individuals prioritise education and personal development.

For me, what the past year shown is the strength of the community in our industry, and I am so proud of that. We have pulled together and worked together.

We have reasons to be hopeful. UK ELT is innovative. UK ELT is resourceful. UK ELT is resilient. The sector has already proven itself to be so.

To those who have served on our boards, committees and advisory groups in this most challenging of years: thank you for your generous support and advice.

We have much to do. However, we are feeling positive about what lies ahead. The English UK team has been – and remains - resourceful, brilliant and responsive. We will be here to support English UK members and UK ELT.



Chairman

Date: 28 April 2021

**ENGLISH UK LIMITED**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Trustees present their annual report together with the audited financial statements of the charity for the year 1 January 2020 to 31 December 2020.

The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The reference and administrative information set out on page 1 forms part of this report.

### **Structure, governance and management**

#### **Constitution**

English UK is a company limited by guarantee (Company No. 05120951) and a registered charity (Charity No. 1108792). The company was incorporated on 6 May 2004 and its governing documents are the Memorandum and Articles of Association. The company registered as a charity with the Charity Commission on 1 April 2005.

#### **Trustees**

The Trustees of the charity constitute directors of the company for the purposes of company law. This report is also a directors' report as required by Section 234 of the Companies Act 2006. The Articles provide for a maximum of 12 directors, elected by the representatives of member centres in a postal ballot.

The following Trustees have served throughout the year to 31 December 2020, and to the date of signing this report, except as shown:

<b>Trustees</b>	<b>Appointed/resigned</b>
S Phillips (Chair)	
M Rendell (Vice Chair)	
J Brinkmann	
J Dancaster	
F Davis	
C Diamantino	
S Doherty	
S Etchells	
S Fordham	
C Moonie	
N Paramor	
E Tyler	Resigned 8 February 2021

The Board of Trustees is recruited from the representatives of member centres by open election. The Chair and the Vice-Chair are appointed by the Board from among its number. Since board members have almost always been the representatives of member centres for a significant number of years and are therefore familiar with the sector and current issues, induction after a board election focuses on their role and responsibilities as trustees and directors, and an update on the charity's strategy, policies and current issues.

Trustees are elected by the member centres. Trustees' terms of appointment are for a period of three years at the end of which they may offer themselves for re-election. A maximum term of six years (save for the Chair which is nine years) is stipulated in the governing documents. The board consists of a maximum of 12 members.

The Board of Trustees met four times in 2020 (2019 - five).

#### **Subsidiary companies**

English UK wholly owns the £1 issued share capital of English UK Enterprises Limited (Company No. 05200973), which carries out the charity's commercial operations. The Board of English UK Enterprises Limited is appointed by the Board of Trustees of the charity and gives guidance to staff on commercial activities, primarily through the Director of Marketing.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Structure, governance and management (continued)**

**National and Regional Sub-Groups and Special Interest Groups**

These operate under a short constitution approved by the Board and their activities are controlled by their local committee, which is elected from among the members in that part of the UK. The activities range from marketing initiatives to local training and professional development sessions for centre staff, in response to perceived needs among members of the sub-group. There are also two special interest groups, one for Business English and one for Young Learners, which consider matters specific to those client groups.

The activities and assets of the sub-groups and special interest groups are not consolidated within the charity's financial statements as English UK does not control them. The total transactions of the sub-groups would not be material in the context of the charity's accounts, and there are systems in place to minimise the risk of any contingent liability from the sub-groups falling to the national association and charity.

**Pay policy for key management personnel**

The key management personnel of the charity are the Trustees and the members of the Executive Team referred to above. Trustees are not remunerated for their services to the charity. When setting staff remuneration levels terms agreed are in consultation with the Chair (and/or Chief Executive) and have regard to pay and employment conditions across the group, by obtaining reliable, up-to-date information about remuneration in other companies of comparable scale and complexity from the relevant HR consultants that we work with including reports and surveys produced by them. The charity has a performance measurement system in place to provide key performance indicators, as well as to motivate and develop staff.

**Organisation**

There is a full scheme of delegation of powers, covering both policy and financial responsibilities, agreed by the main Board.

**Statement of Trustees' responsibilities**

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

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and the charity 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 group and the charity 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 financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Objectives and activities**

**Our mission and aims**

English UK is a registered charity with a clearly defined purpose documented in the association's charitable objects. The association's three-year Strategic Plan for 2018 - 2020 states the following:

The charity's objects (the Objects) are to advance the education of international students in the English language, in particular by:

1. Promoting the teaching of the English language.
2. Promoting the pursuit of excellence in professional standards in all aspects of the provision of courses in English Language.
3. Maintaining a rigorous system of accreditation of courses in English language, based upon independent inspection and consistent standards.
4. Promoting the accredited courses in the English language provided by members of the charity as the preferred choice of students.

**Our mission:** to lead the UK ELT industry to success, through innovation and intelligence.

**Our vision:** to provide a high-quality service to our members to ensure the industry delivers the best possible student experience, and to speak for UK ELT at the highest level of influence.

**Our values:** quality, integrity, innovation and respect.

The mission is supported by key strategic objectives in five key areas:

- Quality
- Membership
- Intelligence
- Promotion
- Public affairs

These are underpinned by clear objectives in:

- Governance
- Resources
- Communications

**Achievements and performance**

**Main achievements of the charity**

As UK ELT's national association, English UK exists to help its members and the wider sector to succeed in a tough operating environment, representing their interests at all levels. 2020 would have been the third year of our 2018 – 2020 strategic plan to 'to lead the UK ELT industry to success through innovation and intelligence'.

However, the impact of Covid-19 from early 2020 on English UK and UK ELT was unexpected and unprecedented.

We pivoted English UK's focus and adapted the association's strategy in response. Our aim was and continues to be to support English UK members through the crisis and to maximise the recovery of the UK ELT sector. Following are details of English UK's Covid-19 response and recovery strategy, and progress against objectives so far.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Achievements and performance (continued)**

**Quality**

To support, develop and promote the quality of UK ELT to maximise the student experience and sustain our reputation.

- We will ensure the accreditation of UK ELT is fit for purpose in the Covid-19 context.
- We will support the industry with expert guidance and consultancy.
- We will support members through the development and sharing of guidance on how to operate safely in the context of Covid-19.
- We will provide Student Emergency Support in the event of the permanent closure of a British Council accredited ELT centre.
- We will operate the student complaints procedure, presided over by an independent Ombudsman, upholding the highest possible ethical and legal standards.

In English UK's role as partners with the British Council in the Accreditation UK scheme, and through the governance mechanisms of the Accreditation UK Executive Board and Accreditation Scheme Advisory Committee, we ensured that the scheme adapted during 2020 in response to Covid-19. These responses included a temporary suspension of inspections and extending the current accreditation cycle by one year, reducing annual fees, developing a voluntary Code of Practice for online teaching, piloting remote inspections, developing the concept of provisional accreditation and reviewing the status of centres undergoing financial restructuring.

We built, grew and constantly updated the Covid-19 hub on our website to give members the latest information, which had 48,000+ visits by the end of 2020. We circulated countless Covid-19 e-bulletins. In June, we created the first Covid-19 secure guidance for ELT centres, and updated it regularly, ending the year on version six.

We placed over 150 students on new courses (largely online) through the Student Emergency Support scheme and provided guidance to far more.

**Membership**

To serve all our members by building a proactive, responsive and sustainable membership association.

- We will offer support and advice to members and listen to their needs through informal 1:1 consultations, townhall style Q&A webinars and advisory groups.
- We will reflect the financial hardship of members by offering the highest possible value membership fees and flexible payment plans wherever possible.
- We will maximise the association's role as a community of peers by facilitating networking and discussion between members through digital, hybrid and face-to-face channels when safe to do so.
- We will support and amplify the work of the English UK subgroups.

Since March 2020, we have held weekly Q&As for members with English UK's executive team, attracting 50 – 100 participants each week.

Considering the extraordinary pressure the Covid-19 pandemic has placed on the UK ELT industry, the English UK Board of Trustees carefully reviewed membership fees for 2020, reducing supplementary subscriptions by 50% and offering flexible payment plans wherever possible.

In the later part of the year, we launched a refreshed online forum as a space where owners, directors and staff of member centres can easily connect with each other to take part in peer-to-peer discussion, share information and ask advice.

We engaged with members and the wider sector via 734 posts to our 49,500 social media followers with 8,800 reactions, comments, shares and 15,300 clicks.

Quotes from English UK members, December 2020:

'The team have excelled themselves in support of all its members over the last 6 months - you are the glue that has bonded us all - long may it continue.'

'You have been the light at the end of the tunnel, the voice of re-assurance and positivity. We can't thank the team enough for what they have been doing for us. What a difficult task, but done with so much passion and enthusiasm.'



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Achievements and performance (continued)**

**Intelligence**

To build a comprehensive knowledge base which helps us and our members to make evidence-informed decisions backed by robust insight and data.

- We will own the most authoritative data on the UK ELT industry, conducting snapshot and longitudinal studies of the impact of Covid-19 and post-pandemic recovery trends (including annual student statistics and QUIC).
- We will research specific markets to investigate business opportunities for members and how these have been impacted by Covid-19.
- We will provide expert advice, information sharing and training through digital, hybrid and face-to-face channels.
- We will innovate and reflect the financial hardship of members by offering high value training and conferences focussing on essential content for the Covid-19 operating environment and mandatory qualifications (i.e. safeguarding).
- We will leverage our position as a thought leader by commercialising our training for non-members (i.e. international DELTM).

Working with Bonard, English UK's insight partner, we published a report assessing the impact of Covid-19 on UK ELT in summer 2020 and again at the end of the year.

We adapted our quarterly intelligence scheme, QUIC, collecting 816 data submissions from members, which in addition to our annual student statistics report, will help us track the pattern of recovery.

We ran a successful international DELTM course for 19 participants in China via online channels.

In partnership with the British Council and Bonard, we commenced work on a market report based on primary and secondary research, focussing on Europe as a source market in the future. This report will look at perspectives and trends post-Brexit and post-pandemic.

Mainly from our homes, over the course of 2020 we ran 135 webinars and Q&As, attracting over 12,500 attendees and recording views. Our free online members conference in May attracted record numbers – 488 delegates - as our community gathered together and took stock.

**Promotion**

To maximise business opportunities for our members and the wider UK ELT sector through targeted promotional activity, led by intelligence.

- We will run an online 2020 recovery summit, providing members and international partners with a chance to meet and discuss how the UK ELT industry will recover and rebuild from Covid-19 together.
- We will adapt StudyWorld to an online event, hosting international agents and influencers from around the world and promoting positive messages about the UK student experience in the context of Covid-19.
- We will engage with international agents and buyers through digital channels, global networks, agent associations and the partner agency scheme.
- We will develop an innovative programme of high value, low risk/cost in-market activities when travel restrictions allow, prioritising those markets likely to return first.
- We will work with the Department for International Trade and the British Council to support the promotion of UK ELT.
- We will focus messaging on reassurance and re-building market confidence.

We held an online three-day international summit in September on a 'pay-what-you-can' model for 618 members and international partners. Following this event, at a time when member centres were struggling with the impact of no high season, 70% of attendees said the event 'made them feel more confident going forwards' and 78% said the event gave them a 'greater sense of the UK ELT community'. The summit featured 22 seminars (17 hours of content) on UK ELT and 2,000 one-to-one meetings, pre-scheduled between participants from the UK and internationally. 97% said these meetings were 'good' or 'excellent'.

We planned and launched two online StudyWorld events for January and March 2021, priced in such a way as to be accessible and affordable for as many member centres as possible.

Towards the end of 2020, we published English UK's ambitious, achievable roadmap for how UK ELT can rebuild lost trade, targeting five audience groups in phase one.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Achievements and performance (continued)**

**Public Affairs**

To be the voice of the industry, involving the widest possible group of stakeholders in our campaigning.

- We will be the voice of the membership and the wider UK ELT industry, lobbying for fiscal and regulatory support from the Government in response to the crisis and through recovery.
- We will represent the association, liaising with stakeholders including but not limited to the Home Office, HMT, DIT, DfE, DCMS, MHCLG, Cabinet Office and the Tourism Alliance.
- We will engage experts from Westminster Public Affairs for targeted support focused on lobbying for the removal of obstacles to post-Covid-19 recovery and future growth posed by the Immigration Bill.
- We will engage with English UK members in public affairs through building grassroots campaigns targeting local MPs and councillors.
- We will maximise local and national media coverage of English UK and UK ELT.

We engaged with the UK government through our participation in the Education Sector Advisory Group (chaired by DIT and DfE ministers) and direct relationships with the Home Office, Department for International Trade, Department for Education and Department for Digital, Culture, Media and Sport. We corresponded directly and via members with 70+ MPs and published our policy asks in our Covid-19 position paper calling on the government to help kickstart UK ELT. In June 2020 Caroline Ansell MP raised and led an adjournment debate in the House of Commons. In a short but moving debate, MPs from all parties warmly praised the industry and asked the government to extend the support it is providing.

We created a new External Relations Advisory Group for members to review our campaigns and coordinate these in a local context. The group met once in 2020.

We were able to win significant concessions in the form of discretionary business rates relief and a range of Covid-19 support grants from key local authorities, although our fight for blanket national relief continues. The six-month flexible work and study route was a significant visa success, and a nine-month reprieve on the end of ID card travel from the EU is critical to any short-term recovery.

**Public benefit**

The trustees are mindful that they need to consider and explain how the charity fulfils its charitable objects and confers an appreciable public benefit. They have given careful consideration to the Charity Commission's general guidance on public benefit and consider that effectively all the operations of the charity tend towards that end, for example:

- The partnership with the British Council in the Accreditation UK scheme gives international students a guarantee of quality which they have no other practicable way of obtaining, since by its nature international education is an 'experience good', meaning that one has no way of judging its quality and appropriateness before actually going on a course, so some surrogate indicator such as accreditation is an important safeguard for students.
- The information, marketing and promotional work undertaken ensures that international students and their counsellors are aware of the range of accredited centres and courses and have all the data they require to help them make an informed decision in easily accessible and searchable formats.
- StudyWorld and other overseas fairs for agents are low-cost ways of familiarising agents with what is on offer and so helping them to counsel students fairly and accurately, leading again to better choices by international students.
- The professional development and training events run for the staff of member centres enable them to give an enhanced experience to international students, both in terms of the quality of education and in terms of other customer services.
- The Student Emergency Support scheme allows the charity to offer to international students an assurance that if a centre closes, they will be able to complete their course.
- The complaints process, including an independent Ombudsman, offers international students a free, speedy and impartial process for resolving disputes with member centres.
- The public affairs and government relations work in the UK and in student source countries which the charity's senior staff carry out is directed to the objective of increasing international student mobility, without which the charity could not deliver its object since students would not be able to travel to the UK.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Achievements and performance (continued)**

Overall the Trustees are of the opinion that English UK's key operations, both on its own account and with partner organisations, are planned and directed to fulfil its key charitable objective of the advancement of the education of international students in the English language.

**Financial review**

**Results for the year**

A summary of the year's results can be found on page 15 of the financial statements. Total income for the group for the year ended 31 December 2020 amounted to £1,104,115 (2019 - £2,095,370). The income is principally derived from the subscriptions payable by member centres and the revenues earned from the events and fairs hosted by the group.

The group's expenditure for the year ended 31 December 2020 totalled £1,166,767 (2019 - £2,222,008). As shown in the financial statements, the great majority of expenditure was directed towards the main objective of English UK Limited of advancing the education of international students in the English language.

The net expenditure for the year was therefore £62,652 (2019 – net expenditure of £126,638).

**Financial position**

A summary of the charity's financial position as at the year-end can be found on page 16 of the financial statements. At 31 December 2020, the group held net assets totalling £1,875,461 (2019 - £1,938,113).

Of the total funds of £1,875,461 (2019 - £1,938,113) of the group at 31 December 2020, £85,779 (2019 - £80,581) is attributable to the assets of the Student Emergency Support Fund, a designated fund which steps in if a centre closes to allow the students to complete their course (at other member centres) and to return home (see note 19). The fund was originally established in 1992 and has been built up by contributions through an additional subscription and transfers from the general fund. It gives international students at English UK member centres a degree of assurance and therefore contributes to the overall charitable objective. During the year, £2,344 was utilised from the fund and an additional £7,542 was designated in the year. This fund will continue to be utilised as and when required.

A further £11,291 (2019 - £10,866) of the total fund balances at 31 December 2020 is in relation to the Eddie Byers Scholarship fund. This is an unrestricted designated fund which will be used to provide financial support to aspiring students seeking to study English in the UK (see note 19).

Following the sale of the St John Street property and purchase of the new property in Bermondsey in 2018, management considered it appropriate to designate the fixed assets of the group as they are expected to be used in the long term to assist in meeting the Group's charitable objects and are not considered to be liquid free reserves. The balance on this fund amounted to £1,507,585 (2019 - £1,561,451) at 31 December 2020.

Total funds also included a restricted fund balance £4,908 at 31 December 2019 in relation to the visa review (see note 19). This was set up in 2010 for the judicial review of policies adopted by the UK Border Agency regarding student visas. The balance of the fund was used in 2020 towards future action undertaken by the charity in relation to student visa issues.

**Reserves policy**

The Trustees believe the free reserves of the group should represent around half of the total expenditure of the group in a typical year, which for 2020 was approximately £0.6m (2019 - £1.1m). The free reserves are held partly to ensure that the very seasonal cash flow due to the timing of StudyWorld does not require English UK to arrange a temporary overdraft, and partly to ensure that if income should decrease unexpectedly and significantly in any year, orderly retrenchment could be carried out.

The free reserves of the group at 31 December 2020, which the charity defines as net current assets held within the general fund (see note 18), were £270,606 (2019 - £280,307).

This is substantially below the desired level as indicated in the reserves policy above. However, the trustees note the unprecedented impact of Covid-19 on UK ELT and English UK. In view of this, the Finance Panel and Trustees will review the reserves policy for 2021 and beyond.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Impact of COVID-19 and going concern**

From early 2020 to the date that the financial statements were approved, the coronavirus (Covid-19) outbreak had spread worldwide and caused extensive disruptions to businesses as well as economic activities globally including the UK.

We have considered the effects of the Covid-19 pandemic on the charity's operations and have concluded that the impact is significant, but manageable. Following the advice issued by the UK Government regarding employees working from home and other social distancing measures, we have enacted procedures to facilitate this and have a detailed plan that enables effective operation to continue whilst employees are not physically present in the charity's offices.

Trustees acknowledge and recognise the potential impact of the Covid-19 pandemic on the future operations of the charity, its beneficiaries, partners and stakeholders and on wider society. As well as the personal risk to the health of its staff, the charity will lose planned income as the result of the cancellation of events, loss of member centres and/or the absence of key personnel although there will be some expenditure savings also. The reduced opportunities for scheduled face to face interaction may well impact on the ability to plan effectively for the medium term but it is not anticipated at the current time that the financial solvency of the charity will be threatened.

**Principal risks and uncertainties**

The Trustees have assessed the major risks to which the charity and the group are exposed, in particular those relating to the specific operational areas of the charity and the group and its finances.

The principal risks which the charity is exposed to are:

- Loss of membership subscription income through members withdrawing from or losing their accreditation and/or permanent closure.
- Loss of revenue from other activities, including training, conferences and events.
- Members permanently closing their centres and needing to activate the Student Emergency Support scheme.
- Loss of staff resulting in a shortage of resources.

The Trustees believe that by monitoring reserves levels, ensuring controls exist over key financial systems and examining the operational and business risks faced by the charity and the group, they have established effective systems to mitigate those risks. A summary of the major risks is formally considered and updated by the Board each year.

**Future plans**

As UK ELT's national association, English UK exists to help its members and the wider sector to succeed in a tough operating environment, representing their interests at all levels.

Hopes for any significant business recovery in 2021 are increasingly uncertain as new variants and a third wave in Europe keep travel restrictions in place. The sector relies entirely on a mobile international market. Our customers have been cut off by Covid-19 restrictions and we cannot replace them with domestic ones or with customers online.

One third of English UK member centres do not expect to see any recovery at all in 2021. Two thirds expect less than 40% of pre-Covid-19 student volumes.

Our continued aim is to support English UK members through the crisis and to maximise the recovery of the UK ELT sector.

1. Agility: listen, understand and respond to the sectors' needs
2. Knowledge: provide expert advice and information sharing
3. Representation: lobby for fiscal and regulatory support from the UK Government in response to the crisis and through recovery
4. Community of peers: facilitate peer-to-peer networking and support
5. Global engagement: support the international market to maximise recovery
6. Balance: manage financial risk for the association while continuing to offer a critical service to members.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Fundraising activities**

English UK does not actively solicit donations directly from the public and does not use third parties for fundraising. Therefore it is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. Were donations from individuals or trusts and foundations to be received, English UK would ensure personal data is appropriately protected. English UK received no complaints within the year regarding fundraising.

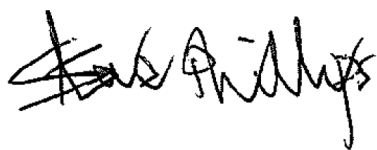
**Disclosure of information to auditor**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

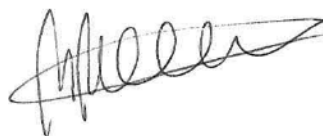
- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by order of the Trustees and signed on their behalf by:



**S Phillips**  
(Chair of Trustees)  
Date: 28 April 2021



**M Rendell**  
(Trustee)

**ENGLISH UK LIMITED**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGLISH UK LIMITED**

**Opinion**

We have audited the financial statements of English UK Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated 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's and of the parent charitable company's affairs as at 31 December 2020 and of the group's 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 and the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and charitable parent 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.

**Emphasis of matter**

We draw attention to the Trustees' report and accounting policies, which describe the economic and social disruption the group is facing as a result of COVID-19 which is impacting the group's ability to deliver its activities. The crisis has created economic, social and operational uncertainties which cannot be fully quantified or predicted particularly in the sector that the group operates.

Our opinion is not modified in respect to this matter.

**ENGLISH UK LIMITED**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGLISH UK LIMITED (CONTINUED)**

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**ENGLISH UK LIMITED**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGLISH UK LIMITED (CONTINUED)**

**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:

- We obtained an understanding of the legal and regulatory frameworks applicable to the charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: 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), the Companies Act 2006, and the Charities Act 2011.
- We understood how the charitable company is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes and papers provided to the Audit Committee.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
  - Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;
  - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process such as authorisation of expenditure;
  - Challenging assumptions and judgements made by management in its significant accounting estimates;
  - Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
  - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant financial statement item to which they relate.

We did not identify any irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Katharine Patel (Senior Statutory Auditor)**  
for and on behalf of  
**Buzzacott LLP**  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Date: 17 June 2021



**ENGLISH UK LIMITED**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>					
Donations	2	128,174	-	128,174	1,169
Charitable activities	3	731,269	-	731,269	969,088
Other trading activities	4	230,136	-	230,136	1,080,565
Investments	5	449	-	449	1,616
Other income	6	14,087	-	14,087	42,932
<b>Total income</b>		<b>1,104,115</b>	<b>-</b>	<b>1,104,115</b>	<b>2,095,370</b>
<b>Expenditure on:</b>					
Raising funds		87,245	-	87,245	748,100
Charitable activities		1,074,614	4,908	1,079,522	1,473,908
<b>Total expenditure</b>		<b>1,161,859</b>	<b>4,908</b>	<b>1,166,767</b>	<b>2,222,008</b>
<b>Net movement in funds</b>		<b>(57,744)</b>	<b>(4,908)</b>	<b>(62,652)</b>	<b>(126,638)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		1,933,205	4,908	1,938,113	2,064,751
Net movement in funds		(57,744)	(4,908)	(62,652)	(126,638)
<b>Total funds carried forward</b>		<b>1,875,461</b>	<b>-</b>	<b>1,875,461</b>	<b>1,938,113</b>

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

The notes on pages 19 to 43 form part of these financial statements.

**ENGLISH UK LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 05120951**

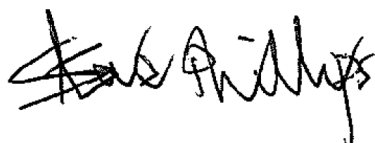
**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	14	19,758	22,380
Tangible assets	15	1,488,029	1,539,072
		<u>1,507,787</u>	<u>1,561,452</u>
<b>Current assets</b>			
Debtors	17	191,596	227,009
Cash at bank and in hand		631,929	836,960
		<u>823,525</u>	<u>1,063,969</u>
Creditors: amounts falling due within one year	18	(455,851)	(687,308)
<b>Net current assets</b>		<u>367,674</u>	<u>376,661</u>
<b>Total net assets</b>		<u><u>1,875,461</u></u>	<u><u>1,938,113</u></u>
<b>Group funds</b>			
Restricted funds	19	-	4,908
Unrestricted funds			
. Designated funds	19	1,604,857	1,652,898
. General funds	19	270,604	280,307
<b>Total funds</b>		<u><u>1,875,461</u></u>	<u><u>1,938,113</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



**S Phillips**  
(Chair of Trustees)



**M Rendell**  
(Trustee)

Date: 28 April 2021

The notes on pages 19 to 43 form part of these financial statements.

**ENGLISH UK LIMITED**  
(A company limited by guarantee)  
REGISTERED NUMBER: 05120951

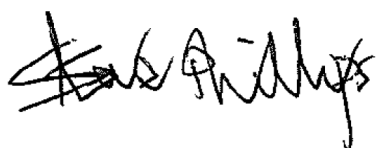
**CHARITY BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	14	19,758	22,380
Tangible assets	15	1,488,029	1,539,072
Investments	16	1	1
		<u>1,507,788</u>	<u>1,561,453</u>
<b>Current assets</b>			
Debtors	17	177,122	222,670
Cash at bank and in hand		587,891	739,014
		<u>765,013</u>	<u>961,684</u>
Creditors: amounts falling due within one year	18	(415,809)	(657,558)
<b>Net current assets</b>		<u>349,204</u>	<u>304,126</u>
<b>Total net assets</b>		<u><u>1,856,992</u></u>	<u><u>1,865,579</u></u>
<b>Charity funds</b>			
Restricted funds	19	-	4,908
Unrestricted funds			
. Designated funds	19	1,604,857	1,652,898
. General funds	19	252,135	207,773
<b>Total funds</b>		<u><u>1,856,992</u></u>	<u><u>1,865,579</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



**S Phillips**  
(Chair of Trustees)



**M Rendell**  
(Trustee)

Date: 28 April 2021

The notes on pages 19 to 43 form part of these financial statements.

**ENGLISH UK LIMITED**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Net cash (used in)/provided by operating activities (note 22)	<b>(251,062)</b>	136,586
<b>Cash flows from investing activities</b>		
Proceeds from the sale of tangible fixed assets	-	2,216
Purchase of tangible fixed assets	<b>(4,418)</b>	(31,039)
Interest received	<b>449</b>	1,616
<b>Net cash used in investing activities</b>	<b>(3,969)</b>	(27,207)
<b>Cash flows from financing activities</b>		
Cash inflows from new borrowing	<b>50,000</b>	-
<b>Net cash provided by financing activities</b>	<b>50,000</b>	-
<b>Change in cash and cash equivalents in the year</b>	<b>(205,031)</b>	109,379
Cash and cash equivalents at 1 January 2020	<b>836,960</b>	727,581
<b>Cash and cash equivalents at 31 December 2020</b>	<b>631,929</b>	836,960

The notes on pages 19 to 43 form part of these financial statements

**ENGLISH UK LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

English UK Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

The financial statements are presented in sterling and are rounded to the nearest pound.

**1.2 Income**

Income is recognised in the period in which the charity and group have entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received. Income comprises revenues from the charity's primary purpose trading activities, subscriptions fees from members, investment and sundry income including any surplus on the disposal of tangible fixed assets. The income excludes VAT wherever charged.

**1.3 Expenditure**

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

All expenditure is stated inclusive of irrecoverable VAT.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support and governance costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds includes all expenditure associated with the charity's primary purpose trading activities, principally the direct costs of hosting fairs and exhibitions, the costs of its missions and an allocation of support and governance costs.
- Expenditure on charitable activities includes the costs associated with servicing the members of English UK and includes premises and administrative costs, and an allocation of support and governance costs.

Allocation of support and governance costs

The majority of costs are directly attributable to the above headings. Governance costs (which comprise the costs associated with the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice) are split across the above expenditure headings. The major part of the support costs are attributed to the cost of charitable activities as this is the principal reason for the charity's existence. Certain specific costs have been attributed to the cost of raising funds.

**ENGLISH UK LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. Accounting policies (continued)**

**1.4 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the consolidated statement of financial activities.

**1.5 Intangible assets and amortisation**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Computer software	- 10 % reducing balance
-------------------	-------------------------

**1.6 Tangible fixed assets and depreciation**

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

The estimated useful lives range as follows:

Buildings	2 % straight line
Building improvements	10 % straight line
Fixtures and fittings	25 % reducing balance
Computer equipment	10 - 33 % reducing balance

**1.7 Investments**

Investments in companies are valued at cost with provision being made for any permanent diminution in value.

**1.8 Debtors**

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

**1.9 Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

**ENGLISH UK LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. Accounting policies (continued)**

**1.10 Liabilities and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

**1.11 Financial instruments**

The group 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.

**1.12 Operating leases**

Rentals paid under operating leases are charged to the consolidated statement of financial activities on a straight line basis over the lease term.

**1.13 Pensions**

Contributions in respect of employees' personal pension plans are charged to the statement of financial activities in the year in which they fall due.

**1.14 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the group 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 group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**1.15 Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires the trustees to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- the useful economic life attributed to the various components of tangible and intangible fixed assets;
- the provision made in respect of bad and doubtful debts; and
- the basis for determining the management charge payable by English UK Enterprises Limited.

In addition to the above, the full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy. Estimates used in the accounts are subject to a greater degree of uncertainty and volatility.

As set out in these accounting policies under "going concern", the Trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

**ENGLISH UK LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. Accounting policies (continued)**

**1.16 Assessment of going concern**

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

In a typical year, 40% of English UK's turnover is derived from membership subscriptions and 60% from other revenue-generating activities including events and training (professional development and market development) and corporate partnerships.

Due to ongoing Covid-19 restrictions, our revenue-generating activities have been severely curtailed in 2020, and we anticipate this to continue into 2021 and 2022. Revenue from membership subscriptions is reduced due to the inevitable insolvency of several member centres. The Board of Trustees decided to reduce supplementary subscriptions for 2020 by 50% in recognition of the financial challenges facing UK ELT. We expect supplementary subscriptions to be low in 2021 as these are based on student volume in 2020 (70% reduction of student weeks in 2020 compared to 2019).

We have pivoted English UK's focus and adapted the association's strategy in response. Our aim is to support English UK members through the crisis and to maximise the recovery of the UK ELT sector.

- Agility: listen, understand and respond to the sectors' needs
- Knowledge: provide expert advice and information sharing
- Representation: lobby for fiscal and regulatory support from the UK Government in response to the crisis and through recovery
- Community of peers: facilitate peer-to-peer networking and support
- Global engagement: support the international market to maximise recovery
- Balance: manage financial risk for the association while continuing to offer a critical service to members

The engagement of members in our activities has been higher than ever before during this period. It is our expectation that the sector will see a 60-80% recovery between 2021 and 2022 and full recovery by 2023, and this will lead to subscriptions being collected at close to pre-Covid-19 levels from 2023. We have also developed plans to pivot our face-to-face events to profitable online activities.

The staff restructure that we have already undertaken has reduced salary costs and made the organisation more flexible, agile and responsive.

Recognising that English UK's continued ability to deliver its programme of activities will depend on continued forward secured funding from membership subscriptions, the Trustees have considered several factors in concluding that the adoption of the going concern basis in the preparation of these financial statements is appropriate. These have included:

- Payment of membership subscriptions to date throughout 2021, despite the impact of Covid-19.
- The forward pipeline of funding from prospective membership subscriptions for a period of at least two years from the date of approval of these accounts.
- The rigour of pipeline monitoring and cost controls that are in place to ensure cash balances stay positive while still maintaining delivery of English UK's activities.
- Cash management and working capital controls in place to manage the potential risks of late payments and higher than expected rates of member insolvencies and ensure restricted and unrestricted assets and reserves are appropriately managed.

After making this assessment, the Trustees are confident the organisation has adequate resources to operate for the foreseeable future and can adopt the going concern basis in preparing its financial statements.



**ENGLISH UK LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**2. Income from donations and legacies**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Donations	2,111	<b>2,111</b>
Local authority discretionary grant	25,000	<b>25,000</b>
Coronavirus Job Retention Scheme income	101,063	<b>101,063</b>
	<hr/> 128,174	<hr/> <b>128,174</b>
	<hr/> <hr/>	<hr/> <hr/>
	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Donations	1,169	1,169
Local authority discretionary grant	-	-
Coronavirus Job Retention Scheme income	-	-
	<hr/> 1,169	<hr/> 1,169
	<hr/> <hr/>	<hr/> <hr/>

**3. Income from charitable activities**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Member subscriptions - Basic	538,644	<b>538,644</b>
Member subscriptions - Supplementary	144,596	<b>144,596</b>
Member subscriptions - Corporate	40,487	<b>40,487</b>
Other income - Annual conference and AGM	-	-
Other income - SESF receipts	7,542	<b>7,542</b>
Brexit Readiness	-	-
	<hr/> 731,269	<hr/> <b>731,269</b>
	<hr/> <hr/>	<hr/> <hr/>

**ENGLISH UK LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**3. Income from charitable activities (continued)**

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Member subscriptions - Basic	547,098	-	547,098
Member subscriptions - Supplementary	270,737	-	270,737
Member subscriptions - Corporate	44,250	-	44,250
Other income - Annual conference and AGM	26,655	-	26,655
Other income - SESF receipts	15,401	-	15,401
Brexit Readiness	-	64,947	64,947
	<u>904,141</u>	<u>64,947</u>	<u>969,088</u>

**4. Income from other trading activities**

**Income from non charitable trading activities**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
StudyWorld London	-	-
Overseas fairs	-	-
Professional training and qualifications	201,336	<b>201,336</b>
Intelligence	-	-
Promotions	28,800	<b>28,800</b>
	<u>230,136</u>	<u><b>230,136</b></u>

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
StudyWorld London	487,058	487,058
Overseas fairs	199,925	199,925
Professional training and qualifications	256,927	256,927
Intelligence	25,450	25,450
Promotions	111,205	111,205
	<u>1,080,565</u>	<u>1,080,565</u>

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**5. Investment income**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Interest received	449	<b>449</b>

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Interest received	1,616	1,616

**6. Other income**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
VAT reclaim	5,238	<b>5,238</b>
Insurance commission	8,849	<b>8,849</b>
	<b>14,087</b>	<b>14,087</b>

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
VAT reclaim	18,378	18,378
Insurance commission	24,554	24,554
	<b>42,932</b>	<b>42,932</b>

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**7. Expenditure on raising funds**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
StudyWorld London	33,605	<b>33,605</b>
Overseas fairs	3,453	<b>3,453</b>
Intelligence	7,908	<b>7,908</b>
Promotions	17,996	<b>17,996</b>
Administration costs	23,256	<b>23,256</b>
Support and governance (note 9)	1,027	<b>1,027</b>
	<hr/> 87,245 <hr/>	<hr/> <b>87,245</b> <hr/>

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
StudyWorld London	388,733	388,733
Overseas fairs	179,882	179,882
Intelligence	22,116	22,116
Promotions	91,412	91,412
Administration costs	64,004	64,004
Support and governance (note 9)	1,953	1,953
	<hr/> 748,100 <hr/>	<hr/> 748,100 <hr/>

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**8. Expenditure on charitable activities**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
<b>Servicing members</b>			
Staff costs and recruitment	693,328	-	<b>693,328</b>
General promotions	21,586	-	<b>21,586</b>
Premises	26,507	-	<b>26,507</b>
Public affairs	38,327	4,908	<b>43,235</b>
Administration	77,064	-	<b>77,064</b>
Depreciation and amortisation	58,084	-	<b>58,084</b>
Annual conference and AGM	958	-	<b>958</b>
Corporate member services	-	-	<b>-</b>
Training and qualifications	138,637	-	<b>138,637</b>
Student emergency support fund costs	2,344	-	<b>2,344</b>
Eddie Byers Scholarship	1,686	-	<b>1,686</b>
Support and governance costs (note 9)	16,093	-	<b>16,093</b>
	<hr/> 1,074,614	<hr/> 4,908	<hr/> <b>1,079,522</b>
<b>Brexit readiness</b>			
Training and qualifications	-	-	<b>-</b>
	<hr/> -	<hr/> -	<hr/> <b>-</b>
	<hr/> 1,074,614	<hr/> 4,908	<hr/> <b>1,079,522</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
<b>Servicing members</b>			
Staff costs and recruitment	864,743	-	864,743
General promotion	88,078	-	88,078
Premises	33,639	-	33,639
Public affairs	-	24,036	24,036
Administration	91,815	-	91,815
Depreciation and amortisation	59,799	-	59,799
Annual conference and AGM	36,778	-	36,778
Corporate member services	212	-	212
Training and qualifications	164,400	-	164,400
Student emergency support fund costs	4,054	-	4,054
Eddie Byers Scholarship	10,813	-	10,813
Support and governance costs (note 9)	30,594	-	30,594
	<hr/> 1,384,925	<hr/> 24,036	<hr/> 1,408,961
<b>Brexit readiness</b>			
Training and qualifications	-	64,947	-
	<hr/> -	<hr/> 64,947	<hr/> -
	<hr/> 1,384,925	<hr/> 88,983	<hr/> 1,473,908
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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**9. Support and governance costs**

	<b>Unrestricted funds</b>	<b>Total funds</b>
	<b>2020</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration		
- Statutory audit services	9,600	<b>9,600</b>
- Other services	5,268	<b>5,268</b>
Professional fees	587	<b>587</b>
	1,665	<b>1,665</b>
Board and sub-committee expenses		
	17,120	<b>17,120</b>
	<u>17,120</u>	<u>17,120</u>
Attributed to:		
Expenditure on raising funds	1,027	<b>1,027</b>
	16,093	<b>16,093</b>
Expenditure on charitable activities		
	17,120	<b>17,120</b>
	<u>17,120</u>	<u>17,120</u>
	<i>Unrestricted funds</i>	<i>Total funds</i>
	<i>2019</i>	<i>2019</i>
	<i>£</i>	<i>£</i>
Auditor's remuneration		
- Statutory audit services	7,620	7,620
- Other services	5,694	5,694
Professional fees	11,031	11,031
	8,202	8,202
Board and sub-committee expenses		
	32,547	32,547
	<u>32,547</u>	<u>32,547</u>
Attributed to:		
Expenditure on raising funds	1,953	1,953
	30,594	30,594
Expenditure on charitable activities		
	32,547	32,547
	<u>32,547</u>	<u>32,547</u>

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**10. Staff costs**

	<b>Group 2020 £</b>	<i>Group 2019 £</i>	<b>Charity 2020 £</b>	<i>Charity 2019 £</i>
Wages and salaries	<b>553,260</b>	699,679	<b>553,260</b>	699,679
Social security costs	<b>55,254</b>	58,761	<b>55,254</b>	58,761
Contribution to defined contribution pension schemes	<b>72,554</b>	73,595	<b>72,554</b>	73,595
Other employee benefits	<b>12,260</b>	17,146	<b>12,260</b>	17,146
	<b>693,328</b>	849,181	<b>693,328</b>	849,181

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

	<b>Group 2020 No.</b>	<i>Group 2019 No.</i>	<b>Charity 2020 No.</b>	<i>Charity 2019 No.</i>
Employees	<b>14</b>	17	<b>14</b>	17

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>Group 2020 No.</b>	<i>Group 2019 No.</i>
In the band £60,001 - £70,000	<b>1</b>	1
In the band £140,001 - £150,000	-	1

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees and the members of the Executive Team (referred to at page 1). The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £275,071 (2019 - £368,490).

**11. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2019 - £nil).

During the year ended 31 December 2020, out of pocket travelling expenses totalling £1,266 were reimbursed or paid directly to 7 Trustees (2019 - £3,077 to 8 Trustees).

Trustee indemnity insurance was purchased by the charity during the year to protect it from any loss arising from the neglect or defaults of its trustees, and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The total premium paid amounted to £1,393 (2019 - £1,326), providing cover up to a maximum of £1,000,000 (2019 - £1,000,000).

**12. Taxation**

English UK Limited is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.



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**13. Net expenditure**

This is stated after charging:

	<b>2020</b> £	<b>2019</b> £
Staff costs	<b>693,328</b>	<b>847,597</b>
Auditor's remuneration - English UK		
- Statutory audit fees	<b>9,600</b>	<b>7,620</b>
- Other services	<b>5,268</b>	<b>5,694</b>
Auditor's remuneration - English UK Enterprises Limited		
- Statutory audit fees	<b>2,460</b>	<b>3,660</b>
- Other services	<b>2,370</b>	<b>2,370</b>
Depreciation	<b>55,462</b>	<b>56,778</b>
Amortisation	<b>2,622</b>	<b>3,020</b>
Operating lease charges	<b>1,821</b>	<b>4,397</b>
	<b>=====</b>	<b>=====</b>

**14. Intangible assets**

**Group and Charity**

	<b>Computer software £</b>
<b>Cost</b>	
At 1 January 2020	<b>34,877</b>
At 31 December 2020	<b>34,877</b>
<b>Amortisation</b>	
At 1 January 2020	<b>12,497</b>
Charge for the year	<b>2,622</b>
At 31 December 2020	<b>15,119</b>
<b>Net book value</b>	
At 31 December 2020	<b>19,758</b>
At 31 December 2019	<b>22,380</b>

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**15. Tangible fixed assets**

**Group and Charity**

	Long-term leasehold property £	Building improve- ments £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 January 2020	1,373,762	174,882	28,580	31,894	1,609,118
Additions	-	-	-	4,418	4,418
At 31 December 2020	<u>1,373,762</u>	<u>174,882</u>	<u>28,580</u>	<u>36,312</u>	<u>1,613,536</u>
<b>Depreciation</b>					
At 1 January 2020	34,344	18,666	7,654	9,382	70,046
Charge for the year	27,475	17,488	5,231	5,267	55,461
At 31 December 2020	<u>61,819</u>	<u>36,154</u>	<u>12,885</u>	<u>14,649</u>	<u>125,507</u>
<b>Net book value</b>					
At 31 December 2020	<u>1,311,943</u>	<u>138,728</u>	<u>15,695</u>	<u>21,663</u>	<u>1,488,029</u>
At 31 December 2019	<u>1,339,418</u>	<u>156,216</u>	<u>20,926</u>	<u>22,512</u>	<u>1,539,072</u>

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**16. Fixed asset investments**

	Investments in subsidiary companies £
<b>charity</b>	
<b>Cost</b>	
At 1 January 2020	1
<b>At 31 December 2020</b>	<u>1</u>

**Principal subsidiaries**

The following was a subsidiary undertaking of the charity:

Name	Company number	Registered office or principal place of business	Class of shares	Holding
English UK Enterprises Limited	05200973	Flag House, 47 Brunswick Court, London, SE1 3LH	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
English UK Enterprises Limited	89	(54,154)	(54,065)	18,470

**17. Debtors**

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Due within one year</b>				
Trade debtors	120,505	34,065	120,505	20,162
Amounts owed by group undertakings	-	-	-	39,338
Other debtors	9,000	104,842	9,000	104,842
Prepayments and accrued income	62,091	88,102	47,617	58,328
	<u>191,596</u>	<u>227,009</u>	<u>177,122</u>	<u>222,670</u>

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**18. Creditors: Amounts falling due within one year**

	<b>Group 2020 £</b>	<i>Group 2019 £</i>	<b>Charity 2020 £</b>	<i>Charity 2019 £</i>
Bank loans	<b>50,000</b>	-	<b>50,000</b>	-
Trade creditors	<b>158,530</b>	404,008	<b>158,468</b>	398,964
Amounts owed to group undertakings	-	-	<b>16,947</b>	-
Other taxation and social security	<b>57,112</b>	16,504	<b>57,112</b>	16,504
Other creditors	<b>78,692</b>	62,777	<b>78,692</b>	62,777
Accruals and deferred income	<b>111,517</b>	204,019	<b>54,590</b>	179,313
	<b>455,851</b>	687,308	<b>415,809</b>	657,558

A Bounce Back Loan of £50,000 was taken in July 2020 to use as a cash buffer to be able to cope with any unexpected reduction of income due to the impact of COVID-19.

The Bounce Back Loan Scheme (BBLs) is managed by the British Business Bank on behalf of, and with the financial backing of, the Secretary of State for Business, Energy and Industrial Strategy. The scheme is part of a wider package of Government support for UK business, due to the impact of COVID-19. The loan is guaranteed by the UK Government.

The interest rate agreed with the bank, Natwest plc, was 2.5% fixed rate. Under the BBLs, for the first 12 months of the loan period, interest is paid by the UK Government and there is a capital repayment holiday.

Deferred income in the main includes income received in advance for the StudyWorld event and other fairs which will take place during 2021.

A reconciliation of the movement on the deferred income balance, included in creditors above, is as follows:

	<b>Group 2020 £</b>	<i>Group 2019 £</i>	<b>Charity 2020 £</b>	<i>Charity 2019 £</i>
Deferred income at 1 January 2020	<b>88,516</b>	78,113	<b>70,310</b>	53,365
Resources deferred during the year	<b>136,460</b>	88,516	<b>62,975</b>	70,310
Amounts released from previous periods	<b>(88,516)</b>	(78,113)	<b>(70,310)</b>	(53,365)
<b>Deferred income at 31 December 2020</b>	<b>136,460</b>	88,516	<b>62,975</b>	70,310

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**19. Statement of funds**

**Group statement of funds - 2020**

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Student Emergency Support Fund	80,581	7,542	(2,344)	-	85,779
Eddie Byers Scholarship	10,866	2,111	(1,686)	-	11,291
Fixed asset fund	1,561,451	-	(58,084)	4,420	1,507,787
	<u>1,652,898</u>	<u>9,653</u>	<u>(62,114)</u>	<u>4,420</u>	<u>1,604,857</u>
<b>General funds</b>					
General fund	280,307	1,094,462	(1,099,745)	(4,420)	270,604
	<u>280,307</u>	<u>1,094,462</u>	<u>(1,099,745)</u>	<u>(4,420)</u>	<u>270,604</u>
<b>Total Unrestricted funds</b>	<u>1,933,205</u>	<u>1,104,115</u>	<u>(1,161,859)</u>	<u>-</u>	<u>1,875,461</u>
<b>Restricted funds</b>					
Visa review	4,908	-	(4,908)	-	-
	<u>4,908</u>	<u>-</u>	<u>(4,908)</u>	<u>-</u>	<u>-</u>
<b>Total funds</b>	<u>1,938,113</u>	<u>1,104,115</u>	<u>(1,166,767)</u>	<u>-</u>	<u>1,875,461</u>

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**19. Statement of funds (continued)**

**Group statement of funds - 2019**

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2019 £</i>
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Student Emergency Support Fund	69,234	15,401	(4,054)	-	80,581
Eddie Byers Scholarship	20,510	1,169	(10,813)	-	10,866
Fixed asset fund	1,592,427	-	(62,015)	31,039	1,561,451
	<u>1,682,171</u>	<u>16,570</u>	<u>(76,882)</u>	<u>31,039</u>	<u>1,652,898</u>
<b>General funds</b>					
General fund	353,636	2,013,853	(2,056,143)	(31,039)	280,307
	<u>353,636</u>	<u>2,013,853</u>	<u>(2,056,143)</u>	<u>(31,039)</u>	<u>280,307</u>
<b>Total Unrestricted funds</b>	<u>2,035,807</u>	<u>2,030,423</u>	<u>(2,133,025)</u>	<u>-</u>	<u>1,933,205</u>
<b>Restricted funds</b>					
Visa review	28,944	-	(24,036)	-	4,908
Brexit Readiness	-	64,947	(64,947)	-	-
	<u>28,944</u>	<u>64,947</u>	<u>(88,983)</u>	<u>-</u>	<u>4,908</u>
<b>Total funds</b>	<u>2,064,751</u>	<u>2,095,370</u>	<u>(2,222,008)</u>	<u>-</u>	<u>1,938,113</u>

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**19. Charity statement of funds - 2020**

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Student Emergency Support Fund	80,581	7,542	(2,344)	-	85,779
Eddie Byers Scholarship Fund	10,866	2,111	(1,686)	-	11,291
	<b>1,561,451</b>	<b>-</b>	<b>(58,084)</b>	<b>4,420</b>	<b>1,507,787</b>
Fixed Asset Fund					
	<b>1,652,898</b>	<b>9,653</b>	<b>(62,114)</b>	<b>4,420</b>	<b>1,604,857</b>
<b>General funds</b>					
General fund	207,773	1,094,373	(1,045,591)	(4,420)	252,135
	<b>1,860,671</b>	<b>1,104,026</b>	<b>(1,107,705)</b>	<b>-</b>	<b>1,856,992</b>
<b>Total Unrestricted funds</b>					
<b>Restricted funds</b>					
Visa Review	4,908	-	(4,908)	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Brexit Readiness					
	<b>4,908</b>	<b>-</b>	<b>(4,908)</b>	<b>-</b>	<b>-</b>
	<b>1,865,579</b>	<b>1,104,026</b>	<b>(1,112,613)</b>	<b>-</b>	<b>1,856,992</b>
<b>Total funds</b>					

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	<i>Balance at 1 January 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 December 2019</i>
	£	£	£	£	£
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Student Emergency Support Fund	69,234	15,401	(4,054)	-	80,581
Eddie Byers Scholarship Fund	20,510	1,169	(10,813)	-	10,866
Fixed Asset Fund	1,592,427	-	(62,015)	31,039	1,561,451
	<u>1,682,171</u>	<u>16,570</u>	<u>(76,882)</u>	<u>31,039</u>	<u>1,652,898</u>
<b>General funds</b>					
General fund	281,102	933,288	(975,578)	(31,039)	207,773
Total Unrestricted funds	<u>1,963,273</u>	<u>949,858</u>	<u>(1,052,460)</u>	<u>-</u>	<u>1,860,671</u>
<b>Restricted funds</b>					
Visa Review	28,944	-	(24,036)	-	4,908
Brexit Readiness	-	64,947	(64,947)	-	-
	<u>28,944</u>	<u>64,947</u>	<u>(88,983)</u>	<u>-</u>	<u>4,908</u>
<b>Total funds</b>	<u><u>1,992,217</u></u>	<u><u>1,014,805</u></u>	<u><u>(1,141,443)</u></u>	<u><u>-</u></u>	<u><u>1,865,579</u></u>

The Student Emergency Support Fund steps in as a guarantor if a member centre closes down to allow the students to complete their course and return home without additional expense.

The Eddie Byers Scholarship Fund has been created in memory of our late Chief Executive, Eddie Byers, to help aspiring students study English in the UK and further the associations' charitable mission of advancing the education of international students in the English language.

The Fixed Assets Fund represents the fixed assets of the group. The Trustees designated these as they are expected to be used in the long term to assist in meeting the group's charitable objectives and also to enable a clear understanding of the free reserves and underlying activities of the group.

The Visa Review Fund was set up in 2010 when the charity successfully sought a judicial review of policies adopted by the UK Border Agency (UKBA) in relation to student visas. Income was provided by membership subscriptions as well as costs awarded by the Secretary of State for the Home Office, in part, to English UK.

The Brexit Readiness Fund was a grant received from the Department for Business, Energy & Industrial Strategy ('BEIS') in October 2019. The grant was given with the aim of preparing businesses for no deal scenario if UK would have left the EU on 31 October 2019. The grant was used to cover the cost of running four training sessions organised in London, Bristol, Manchester and Edinburgh before the end of October.



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**20. Group analysis of net assets between funds**

**Group analysis of net assets between funds - 2020**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Tangible fixed assets	1,488,029	1,488,029
Intangible fixed assets	19,758	19,758
Current assets	823,525	823,525
Creditors due within one year	(455,851)	(455,851)
<b>Total</b>	<b>1,875,461</b>	<b>1,875,461</b>

**Group analysis of net assets between funds - 2019**

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	1,539,072	-	1,539,072
Intangible fixed assets	22,380	-	22,380
Current assets	1,059,061	4,908	1,063,969
Creditors due within one year	(687,308)	-	(687,308)
<b>Total</b>	<b>1,933,205</b>	<b>4,908</b>	<b>1,938,113</b>

**21. Charity analysis of net assets between funds**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
<b>Charity analysis of net assets between funds - 2020</b>		
Intangible assets	19,758	19,758
Tangible fixed assets	1,488,029	1,488,029
Investments	1	1
Current assets	1,022,481	1,022,481
Creditors due within one year	(673,277)	(673,277)
	<b>1,856,992</b>	<b>1,856,992</b>

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	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
<b>Charity analysis of net assets between funds - 2019</b>			
Intangible assets	22,380	-	22,380
Tangible fixed assets	1,539,072	-	1,539,072
Investments	1	-	1
Current assets	1,181,280	4,908	1,186,188
Creditors due within one year	(882,062)	-	(882,062)
	<u>1,860,671</u>	<u>4,908</u>	<u>1,865,579</u>

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

	<b>Group 2020 £</b>	<i>Group 2019 £</i>
Net expenditure for the period (as per Statement of Financial Activities)	<b>(62,652)</b>	<i>(126,638)</i>
<b>Adjustments for:</b>		
Depreciation charges	<b>55,461</b>	<i>56,778</i>
Amortisation charges	<b>2,622</b>	<i>3,020</i>
Dividends, interests and rents from investments	<b>(449)</b>	<i>(1,616)</i>
(Increase)/decrease in debtors	<b>(20,445)</b>	<i>81,622</i>
(Decrease)/increase in creditors	<b>(225,599)</b>	<i>123,420</i>
<b>Net cash (used in)/provided by operating activities</b>	<b><u>(251,062)</u></b>	<i><u>136,586</u></i>

**23. Analysis of cash and cash equivalents**

	<b>Group 2020 £</b>	<i>Group 2019 £</i>
Cash at bank and in hand	<b>631,929</b>	<i>836,960</i>
<b>Total cash and cash equivalents</b>	<b><u>631,929</u></b>	<i><u>836,960</u></i>

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**24. Analysis of changes in net debt**

	At 1 January 2020	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	836,960	(205,031)	631,929
Loan due within one year	-	(50,000)	(50,000)
	<u>836,960</u>	<u>(255,031)</u>	<u>581,929</u>

**25. Operating lease commitments**

At 31 December 2020 the group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Not later than 1 year	1,958	2,568	1,958	2,568
Later than 1 year and not later than 5 years	3,427	5,386	3,427	5,386
	<u>5,385</u>	<u>7,954</u>	<u>5,385</u>	<u>7,954</u>

**26. Related party transactions**

All trustees of English UK Limited are employed by organisations who are members of English UK.

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	<b>Total funds</b>	<i>Total funds</i>
	<b>2020</b>	<i>2019</i>
	<b>£</b>	<i>£</i>
Basic subscriptions	<b>538,644</b>	547,098
Supplementary subscriptions	<b>144,596</b>	270,737
<b>Total subscription income</b>	<b>683,240</b>	817,835
Corporate subscriptions	<b>40,487</b>	44,250
Corporate member services	<b>-</b>	(212)
<b>Net corporate membership income</b>	<b>40,487</b>	44,038
Annual conference and AGM income	<b>-</b>	26,655
Annual conference and AGM expenditure	<b>(958)</b>	(36,778)
<b>Net annual conference and AGM income</b>	<b>(958)</b>	(10,123)
Tradeshaw Access Programme income	<b>17,600</b>	73,000
Tradeshaw Access Programme expenditure	<b>(17,839)</b>	(72,172)
<b>Net Tradeshaw Access Programme income</b>	<b>(239)</b>	828
Overseas missions (incl the China Roadshow) income	<b>-</b>	199,925
Overseas missions (incl the China Roadshow) expenditure	<b>(3,453)</b>	(179,882)
<b>Net overseas missions income</b>	<b>(3,453)</b>	20,043
Project QUIC income	<b>-</b>	25,450
Project QUIC expenditure	<b>(7,908)</b>	(22,116)
<b>Net Project QUIC income</b>	<b>(7,908)</b>	3,334
Inward missions income	<b>-</b>	14,930
Inward missions expenditure	<b>-</b>	(14,795)
<b>Net inward missions income</b>	<b>-</b>	135
Training and qualifications income	<b>175,850</b>	256,927
Training and qualifications expenditure	<b>(118,810)</b>	(164,400)
<b>Net professional services income</b>	<b>57,040</b>	92,527
Student emergency support fund income	<b>7,542</b>	15,401
Student emergency support fund expenditure	<b>(2,344)</b>	(4,054)
<b>Net student emergency support fund income</b>	<b>5,198</b>	11,347
Eddie Byers scholarship income	<b>2,111</b>	1,169
Eddie Byers scholarship expenditure	<b>(1,686)</b>	(10,813)
<b>Net Eddie Byers scholarship income</b>	<b>425</b>	(9,644)

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Brexit readiness income	-	64,947
Brexit readiness expenditure	-	(64,947)
<b>Net Brexit readiness income</b>	-	-
2020 recovery summit income	22,267	-
2020 recovery summit expenditure	(11,379)	-
<b>Net 2020 recovery summit income</b>	10,888	-
COVID webinar income	3,219	-
COVID webinar expenditure	(7,982)	-
<b>Net COVID webinar income</b>	(4,763)	-
<b>Other income</b>		
English UK Enterprises Management charge	-	39,338
Interest receivable	360	1,361
Insurance commission	8,849	24,554
VAT reclaim	5,238	18,378
Coronavirus Job Recovery Scheme income	101,063	-
Other sundry income	11,200	32,275
Discretionary grant fund income	25,000	-
	<b>151,710</b>	<b>115,906</b>
<b>Other expenditure</b>		
Staff costs and recruitment	(693,328)	(849,181)
General promotion	(21,743)	(101,523)
Premises	(26,507)	(32,933)
Public affairs	(43,235)	(24,036)
Included in restricted expenditure below	4,908	24,036
Administration	(67,722)	(101,071)
Irrecoverable VAT and Capital Goods Scheme	(12,515)	(11,774)
Depreciation and amortisation	(58,084)	(59,799)
Auditor's remuneration	(14,868)	(13,314)
Professional fees	(587)	(11,031)
Board and sub-committee fees	(1,665)	(8,202)
	<b>(935,346)</b>	<b>(1,188,828)</b>
<b>Total income</b>	<b>1,104,026</b>	<b>1,656,395</b>
<b>Total expenditure</b>	<b>(1,107,705)</b>	<b>(1,758,997)</b>
Net income/(expenditure)	(3,679)	(102,602)
Net expenditure on Visa review restricted fund	(4,908)	(24,036)
Fund balances at 1 January 2020	1,865,579	1,992,217
Fund balances at 31 December 2020	<b>1,856,992</b>	<b>1,865,579</b>