

Charity Registration No. 266395

Company Registration No. 00307186 (England and Wales)

**THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS  
SUBSIDIARY**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

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FOR THE YEAR ENDED 31 DECEMBER 2020

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# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## CHAIRMAN'S REMARKS

FOR THE YEAR ENDED 31 DECEMBER 2020

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### Chairman's message

It is my great pleasure to present this my third Annual Report and Accounts. When I was approached by Lord Green, our President, to help the Institute overcome a number of operational and business challenges faced by the Institute neither of us could have imagined the full extent of that challenge. Since then, I am delighted to report that the Institute has made significant progress on a number of fronts including growth in membership, profile, level of engagement with key stakeholders and financial performance.

This has resulted in growth of income from £2.4m in 2019 to £12.8m last year generating a surplus of £7.4m and an increase in membership from 2,803 to 3,558.

Our new Director General, Marco Forgione, joined the Institute in January 2020 and, building on the platform the team had established, set about further reinvigorating the organisation and ensuring that we are doing our utmost to serve the needs of members, the wider business community and promote the benefits of international trade.

In early 2020 we all imagined that the focus for the year would be on helping companies prepare for the end of the Brexit transition period and the threatening rise of global protectionism.

In reality, the first priority we faced was responding to the impact of the Covid pandemic and the lockdown. In addition to the challenges this caused in supporting our members it had a significant impact on the services we provide as so much was based on face-to-face classroom delivery. Lockdown required the adoption of new working practices and procedures as the Export House team had to adapt overnight from being office based to remote working and a move to on-line communication, training and education.

Thanks to the commitment of the Export House team the transition took place smoothly and professionally but at the cost of investment in new IT systems to enable training and education programmes to continue on-line and maintain effective contact with members, partners and stakeholders.

Nonetheless in May, because of the uncertainty felt by many members and our key clients for training and education, the Institute had to make use of the Government's employee furlough scheme. I am grateful for the flexibility this financial support provided whilst we restructured our provision and range of services.

In April, in recognition of the difficulty being experienced by many of our members, we took the decision to offer all members a four-month free of charge extension to their annual membership.

The hard work and dedication of the Institute team began to deliver results in the second half of the year with a strong uplift in membership, strong demand for our new online webinars and consultancy services, the expansion of the UK Customs Academy, in which the Institute is a delivery partner, and our participation as a consortium member in the important Trader Support Service programme.

In addition to our increased and improved support for members and UK businesses, and as a clear sign of the Institute's increasing profile we were asked to help and support several government departments on international trade strategy with regular meetings with ministers and senior officials in HMRC, BEIS and the Dept for International Trade.

In September we worked with external advisors to facilitate the development of an updated strategy for the Institute. A strategy which sets ambitious targets, a clear programme of service development and enshrines the core, founding, charitable objectives set by our founders in 1935 as the basis for our future, working for and in the service of our members.

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

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## CHAIRMAN'S REMARKS

### FOR THE YEAR ENDED 31 DECEMBER 2020

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As a UK charity our focus is on enhancing and professionalising international trade, to which ends we have recently been commissioned to build capacity and capability in Ghana, 5 'Stans, Trinidad & Tobago and have been asked to support the development of a new programme working with AfrExImbank on a trial project for East Africa. These, and other potential programmes, are aligned with and in many cases in support of UK government policy.

In the run up to the end of the Brexit transition period on the 31<sup>st</sup> December the Institute team provided much needed advice and guidance for members, including issuing the first major analysis of the Trade Agreement when it was announced on Christmas Eve. That support continues as many thousands of businesses struggle to fully understand and implement the requirements, not only of the EU Trade and Co-operation Agreement but also the Northern Ireland Protocol which regulates trade between Northern Ireland and mainland UK.

Through the introduction of updated systems and processes, decisive decision making and a strong Executive team, led by Marco Forgione, the Institute team is forging a positive future for the Institute. We have not allowed the challenges of Covid or the uncertainty of Brexit to undermine our ambition.

As you will see in the audited accounts the Institute, rather than treading water or being buffeted by the events of the last year, has thrived.

I am proud to say that this success has enabled the Institute to repay all the support money received from the Government's Furlough scheme.

In December 2020 the Institute team had grown to 110 full time staff from 15 the previous year, a clear indication of the volume of work and support which is now being undertaken. This huge uplift, while operating remotely, has been achieved without any disruption to member service provision or support.

2020 was a transformative year for the Institute. I firmly believe we now have the talent, resources, and determination to ensure the Institute achieves its potential and plays a leading role in reshaping the UK economy to deliver an export led recovery.

Finally, I wish to thank the Executive team at Export House, my fellow Trustee-Directors, Lord Green, our President, our former Vice-Presidents, Rt Hon the Lord Empey Kt OBE, Lord Popat, Nicholas Baird, Sir Ian Davies KBE, Arne Mielken, and the volunteers who support our various committees. Most of all I thank you, our members, whom we are here to support  
Thank you.



Terry Scuoler CBE MEx

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

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## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their report and the audited financial statements of The Institute of Export & International Trade (the charity and the group) for the year ended 31 December 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

### LEGAL AND ADMINISTRATIVE INFORMATION

<b>Patron</b>	HRH The Duke of Kent, KG	
<b>President</b>	Lord Green of Hurstpierpoint	
<b>Trustee-Directors</b>	Terry Scuoler CBE MEx Marcel Landau MEx (Grad) Dominic Broom MEx	Chair Vice-Chair Hon Treasurer
	Allen Matty MBE MEx Caroline Gumble MEx Mark Lincoln MEx Maria Malinowska FEx (Grad) Nick Clark FEx (Grad) Peter Ward FEx Rob Keller FEx Prof Sangeeta Khorana MEx Sean Ramsden MBE MEx Steve McQuillan MEx	Elected 26 Nov 2020 Membership Chair  Elected 26 Nov 2020
<b>Resignations &amp; Rotations</b>	Clive Drinkwater FEx Sandy Gullis MBE MEx	(resigned 25 Nov 2020) (resigned 30 Nov 2020)
<b>Office Bearers (not Trustee-Directors)</b>	Linda Middleton-Jones MEx (Grad) Roger Arthey MEx	Academic Board Chair ECP Chair
<b>Key Management</b>	Marco Forgione Kevin Shakespeare Sam Pileggi	Director General Academy Director Marketing Director

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### LEGAL AND ADMINISTRATIVE INFORMATION (continued)

<b>Company number</b>	00307186
<b>Charity number</b>	266395
<b>Registered Office</b>	Export House Minerva Business Park Lynchwood Peterborough PE2 6FT
<b>Chair</b>	Terry Scuoler CBE MEx
<b>Independent Auditor</b>	Stephenson Smart & Co 36 Tyndall Court Commerce Road Lynchwood Peterborough PE2 6LR
<b>Bankers</b>	Barclays Bank Plc 1 Church Street Peterborough PE1 1QP
<b>Solicitors</b>	Virtuoso Legal 93 Jermyn St St James's London

### STRUCTURE, GOVERNANCE, AND MANAGEMENT

#### A. Constitution

Every member of The Institute undertakes to contribute such an amount as is required (not exceeding £1) to the charitable company's assets if it should be wound up while he or she is a member of the company or within one year of ceasing to be a member.

The continued focus on the value of export brings increased expectations and demands on the Institute which it continues to meet. The Institute has focused on education in international trade and the promotion of international trade and has been successful in both of these areas.

#### B. Method of appointment or election of Trustees

The Institute's Articles of Association applicable during 2020 were those established at the AGM on 9<sup>th</sup> November 2016 as amended by Special Resolutions approved at the AGMs on 27 November 2019 and 26<sup>th</sup> November 2020. The 2020 changes amended the method of proposing members for election and reduced the total number of Trustee Directors to 12 inclusive of co-options that the Board may determine as needed under the powers granted by the Articles of Association.

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## TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### C. Policies adopted for the induction and training of Trustees

Trustees are inducted into The Institute with a special board meeting after the AGM each year. Upon agreeing to join the board each member receives a welcome pack which carries the Articles of Association, Bye laws and Charities Commission information about the role of a trustee/director. Meetings with the Senior Leadership Team, engaging with staff and participating in a number of sub-committees pertinent to the strategic aims of the organisation provide a full understanding of the organisation's objectives and the opportunity to influence future strategy.

### D. Organisational structure and decision making

#### Executive Board of Directors and Trustees

The management of the affairs and business of The Institute is vested in the Board which consists of the Trustee-Directors who are also the directors who are elected or co-opted as outlined previously. The Director General, Chair of the Academic Board and Chair of the ECP are invited to attend Board meetings but carry no voting rights. The role of these office bearers is to deliver all the policy and objective decisions and develop full business plans to ensure delivery of these goals. The Academic Board is tasked with governance and management of education standards and will advise on all academic issues and regulations as per the bye law 5 of the Institute.

#### Administrative

The Director General holds overall responsibility for administration and management and is supported by Operational Directors, Academy Director and a Finance Director.

#### Task or Action groups

The Articles of Association contain a provision to support new Task or Action groups of members which replaced the old Special Interest groups. These groups form the basis of how the members meet and develop solutions to the challenges faced by the variety of disciplines that fall under the auspices of international trade.

### E. Risk Management

The Trustees regularly assess the major risks to which the charity and the group is exposed, in particular those related to the operations and finances of the charity and the group, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

## OBJECTIVES AND ACTIVITIES

### A. Policies and objectives

The charitable objects registered with the Charities Commission, for which The Institute is established are:

- To promote industry and commerce and particularly international trade in goods and services of all kinds
- To advance public education as to commerce and industry and particularly the need for international trade and the method of realising the same and further to educate those who are or may become involved or interested in international trade in all aspects of the same.
- To examine research and analyse problems connected with industry and commerce and particularly international trade in goods and services of all kinds and to publish the results of such work together with recommendations and advice to make the same available to all persons, firms or companies whether or not Members of the Institute.

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

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## TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### B. Public interest statement

The section of this report above entitled 'Policies and Objectives' sets out the aims and priorities of the Institute. The Trustees have considered this matter, in conjunction with the guidance contained in the Charity Commission's general guidance on public benefit, and have concluded that:

1. the aims of the Institute continue to be charitable;
2. the aims and work performed give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need;
3. the benefits are for the public are not unreasonably restricted in any way and certainly not by ability to pay; and
4. there is no detriment or harm arising from the aims or activities.

In line with our charitable status, the Institute endeavours to maintain investment in the education standards to which it is committed to supply these to students at the best prices possible. To achieve this the Institute undertakes a regular survey of the market value of similar programmes.

### ACHIEVEMENTS AND PERFORMANCE

#### A. Going Concern

The Charity and subsidiary reported a profit for the year ended 31 December 2020. There are no going concern issues identified.

#### B. Review of Activities

The Institute's activities break down into 4 main areas education, training, membership and profile work.

For Education and Training in 2020 HMRC customs grant funding supported activity with many businesses taking the opportunity to use Institute services focused on customs learning and post Brexit impacts. The focus of UK traders and intermediaries such as freight forwarders and customs brokers were to upskill their customs knowledge. This focus was to some extent at the expense of other Institute qualifications which provide a wider focus of export activity.

Businesses also focused on accessing grant funding as opposed to apprenticeship schemes which require greater commitment from businesses in the set up and management phase.

Qualifications from the UK Customs Academy were particularly popular based on Customs procedures and Customs declarations.

As we ended 2020 focus turned towards updating learning content to account for the significant changes in the UK trading landscape.

There were several education initiatives launched in 2020 including use of Institute learning in delivery of an MSc International Business with the University of Ulster, and the launch of learning with the International Trade Centre, in Ghana in delivery of our Level 4 Diploma in International Trade. DIT also enrolled 12 learners from their graduate programme on the Level 4 as part of their learning development.

Training likewise benefitted from the HMRC Grant scheme especially the Customs specific courses and post Brexit planning courses. The Institute were able to combine both training and education into a Level 3 and Level 4 Customs Practitioners Award with the training courses supported by access to the learning platform Canvas and with appropriate assessment methodology.



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## TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### Membership

In spite of the global pandemic, IOE&IT continued to provide exceptionally well received services to its members with a series of Masterclass webinars and Covid-19 information updates. In light of the economic hardships faced by international traders in 2020, due to post-transition deadlines and Covid-19 implications, IOE&IT extended membership for all extant members by 4-months at no cost.

The administrative processes for membership were updated and enhanced including the move from paper to digital. This not only improved the onboarding experience for members, but reduced the environmental footprint of the IOE&IT and members alike.

Our members continued to receive exceptional content and training materials to enhance their professional and organisational growth.

Membership value was recognised even at a challenging and unstable time for organisations involved in international trade.

The result of the Institute's investment in membership and updating of processes and procedures has shown in continued growth of both professional and business members, the year began with 2,803 members and closed at 3,558 members.

### **C. Investment policy and performance**

Article 15.2(z) empowers The Institute to invest monies not immediately required for its purposes in or upon such investments, securities or property as may be thought fit subject nevertheless to such conditions (if any) as may for the time being be imposed by law.

## **FINANCIAL REVIEW**

### **A. Financial review**

The year-end financial position is sound with sustainable earnings performance, with sufficient cash to fund operations and a robust pipeline of new opportunities.

The financial management has been augmented by the adoption of a Risk Register which helps the board to identify and manage key risks. Since 2019 commenced, the Institute has introduced an Internal Financial Control Procedures document using Guidance Document: CC8 Charity Commission Internal Finance Controls for Charities July 2012. This is a culmination of the work and restructuring within Export House from 2017 onwards.

### **B. Reserves policy**

The Reserves policy is unchanged such that maintaining six months of operating expenses in cash is required. At year end there were sufficient reserves to cover this requirement plus additional funds to reinvest in the Institute. The Institute will be undertaking a strategic review to determine the best use of the reserves. The Finance Committee recommended to the Board the implementation of a short-term investment approach using the Insignis Platform to enable short term deposits to be made at higher interest rates in FCA insured accounts. The Board agreed that a comprehensive reserves and investment strategy is required to ensure effective use of the Institute's resources in support of its charitable objectives.

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

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## TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### PLANS FOR THE FUTURE

During the second half of 2020 the Institute invested in the development of a comprehensive five-year strategy. The purpose of which is to promote strong, healthy international trade, for the ultimate benefit of the UK.

Clear, ambitious targets have been set to be achieved by 2025 including achieving membership of 7,500 with a focus on professional and business membership categories.

This transformation project will require investment in the team and technology as many of the systems need to be updated to support the growth and engagement targets.

The Board has instigated a development programme to ensure that the Institute's resources and financial strength is optimised in support of our charitable aims and objectives. The plan includes the establishment of a new charitable foundation and investigation in to setting up a support fund for the encouragement of professionalised international trade, with a focus on sustainability in trade and women entrepreneurs.

After a year that began with such uncertainty and once in a lifetime disruption the Institute has engaged more effectively with decision makers, been recognised nationally and internationally as a global centre of excellence in international trade, attracted more members than ever before and set a clear strategic plan for the future.

#### Partnerships and profile

The Institute's profile with key partners and decision makers has grown significantly over the past year. The Institute has submitted responses to key consultations, met with leading Ministers, civil servants, and pan-national organisations.

The Institute's has established a closer involvement with the Department for International Trade, holding regular discussions on policy and implementation issues. We are delighted to have received fulsome support from DIT for the Institute's inaugural policy platform.

In July the Institute was invited to join a consortium, led by Fujitsu, bidding for the Trader Support Service to provide advice and guidance for businesses moving goods between GB and Northern Ireland. In September it was announced that the consortium had been successful and had to launch the service in December. The Institute launched the Northern Ireland Customs and trade Academy (NICTA) as the platform for initial registration and education & training resource in just 3 weeks. Since launch over 300,000 documents have been downloaded from NICTA.

The Institute continues to develop its role in support of TSS and in developing closer partnerships with DIT, BEIS, FCDO, HMRC, WTO, WCO and The World Free Zone Organisation.

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

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## TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### TRUSTEES' RESPONSIBILITIES STATEMENT

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

Company law requires the Trustees to prepare accounts for each financial year that give a true and fair view of the state of affairs of The Institute and of the income resources and application of resources, including income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make suitable judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Institute will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Institute and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### DISCLOSURE OF INFORMATION TO AUDITOR

We, the Directors of the company who held office at the date of the approval of these financial statements as set out above each confirm, so far as we are aware, that:

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

In approving the Trustees' Annual Report, we also approve the Institute's approved development strategy, in our capacity as company directors.

### AUDITOR

At the AGM of 26 November 2020 members were voted unanimously for Stephenson Smart to continue as auditors.

In preparing this report, the Trustees have taken advantage of the small companies exemptions in the Companies Act 2006.

This report was approved by the Trustees on 4th June 2021 and signed on their behalf by:



.....  
Mr Terry Scuoler CBE  
Chair

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE

FOR THE YEAR ENDED 31 DECEMBER 2020

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### Opinion

We have audited the financial statements of the Institute of Export & International Trade (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the consolidated and charity statement of financial position, the consolidated statement of cash flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 parent charitable company's affairs as at 31 December 2020, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, 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 and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### Other information

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

We have nothing to report in this regard.

### Opinion of 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have been prepared in accordance with applicable legal requirements.

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

In light of our knowledge and understanding of the group and parent charitable company and its environment obtained during the course of the audit, we have not identified material misstatements in the trustees report and the director's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

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

### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, 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 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.

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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. Due to the nature and size of the business there are no central laws or regulations for the entity to comply with. 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.

#### Risks identified

#### Audit response

Fraud:

- We identified the laws and regulations applicable to the group through discussion with management and our knowledge of the business.
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- Assessing whether the judgements made in accounting estimates are indicative of a potential basis;
- Evaluating the rationale of any significant transactions that are unusual or outside the normal course of operations;
- Analytical procedures are performed as well as substantive testing to identify any potential misstatement due to fraud;
- The audit procedures would also involve being aware of any such items from reviewing reports and discussions held with staff and management to obtain an understanding;
- Enquiring of management as to actual and potential litigation and claims; and
- Making enquires of management as to their knowledge of actual and suspected fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

# **THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY**

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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Kerry Hilliard ACA FCCA CTA** (Senior Statutory Auditor)  
for and on behalf of Stephenson Smart & Co  
Statutory Auditor  
36 Tyndall Court  
Commerce Road  
Lynch Wood  
Peterborough  
PE2 6LR

Dated: 4 June 2021

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

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## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

### INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds	
		Total 2020	Total 2019
	Notes	£	£
<b><u>Income and endowments from:</u></b>			
Charitable activities	3	11,598,806	1,218,428
Other trading Activities	4	1,190,509	1,066,369
Investments	5	2,169	836
Other income	6	52,533	136,096
<b>Total income and endowments</b>		<b>12,844,017</b>	<b>2,421,729</b>
<b><u>Expenditure on:</u></b>			
Raising funds		463,573	649,835
Charitable activities	7	4,964,139	1,070,694
<b>Total resources expended</b>		<b>5,427,712</b>	<b>1,720,529</b>
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>7,416,305</b>	<b>701,200</b>
Fund balances at 1 January		998,816	297,616
<b>Fund balances at 31 December</b>		<b>8,415,121</b>	<b>998,816</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on page 20 to 33 form part of these accounts.

Company Registration No. 00307186



# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	14		6,300		7,020
Tangible assets	15		332,667		276,492
<b>TOTAL FIXED ASSETS</b>			338,967		283,512
<b>Current assets</b>					
Stocks	17	3,298		1,903	
Debtors	18	3,219,451		293,860	
Cash at bank and in hand		8,160,165		1,202,576	
<b>TOTAL CURRENT ASSETS</b>		11,382,914		1,498,339	
<b>Creditors: amounts falling due within one year</b>	19	(3,306,760)		(783,035)	
Net current assets/(liabilities)			8,076,154		715,304
<b>Total assets less current liabilities / Total Net Assets</b>			8,415,121		998,816
<b>THE FUNDS OF THE CHARITY</b>					
Unrestricted funds			8,415,121		998,816
<b>TOTAL CHARITY FUNDS</b>			8,415,121		998,816

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

These statements were approved and authorised for issue by the board on .....

.....  
Mr Terry Scuoler CBE  
Chairman

The notes on page 20 to 33 form part of these accounts.  
Company Registration No. 00307186

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## CHARITY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	14		6,300		7,020
Tangible assets	15		332,667		276,492
Investments	16		100		100
<b>TOTAL FIXED ASSETS</b>			339,067		283,612
<b>Current assets</b>					
Stocks	17	-		634	
Debtors	18	3,091,606		239,444	
Cash at bank and in hand		7,111,773		746,550	
<b>TOTAL CURRENT ASSETS</b>		10,203,379		986,628	
<b>Creditors: amounts falling due within one year</b>	19	(2,836,336)		(699,159)	
Net current assets/(liabilities)			7,367,043		287,469
<b>Total assets less current liabilities</b>			7,706,110		571,081
<b>THE FUNDS OF THE CHARITY</b>					
Unrestricted funds			7,706,110		571,081
<b>TOTAL CHARITY FUNDS</b>			7,706,110		571,081

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

These statements were approved and authorised for issue by the board on .....

.....  
Mr Terry Scuoler CBE  
Chairman

The notes on page 20 to 33 form part of these accounts.  
Company Registration No. 00307186

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019
	Note	£	£
<b>Cash flow from operating activities</b>	<b>23</b>	7,029,084	1,036,556
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(73,664)	(10,214)
Purchase of intangible fixed assets		-	(7,200)
Interest received		2,169	836
<b>Cash (used in) / provided by investing activities</b>		<u>6,957,589</u>	<u>1,019,978</u>
<b>Cash flows from financing activities</b>			
Interest paid		-	-
<b>Cash (used by) / provided by financing activities</b>		<u>6,957,589</u>	<u>1,019,978</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		6,957,589	1,019,978
<b>Cash and cash equivalents at 1 January</b>		1,202,576	182,598
<b>Cash and cash equivalents at 31 December</b>		<u>8,160,165</u>	<u>1,202,576</u>

The notes on page 20 to 33 form part of these accounts.

Company Registration No. 00307186

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Summary of significant accounting policies

#### (a) General information and basis of preparation

The Institute of Export and International Trade is a private limited company, incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 6 of these financial statements. The nature of the charity's operations and principal activities are that of promoting export and providing training in the areas of exporting.

The charity operates a wholly owned subsidiary, IOEx Limited (Company Number 01335229) which carries out trading activity, primarily the provision of training and events, which do not fall under the principal charitable purposes. The primary reason for the operation of a limited subsidiary is to protect the charity's assets from being exposed to the risks of trading activity. Any profit realised by the trading entity is usually invested in further operations or donated to the parent charity in order to further its work in the public interest.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and The Companies Act 2006, and generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements consolidate the accounts of The Institute of Export and International Trade, and its subsidiary undertaking. The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account. The income and expenditure account for the year dealt with in the accounts of the charity was £6,718,157 (2019: £283,987).

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

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

#### (b) Funds

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Summary of significant accounting policies (cont'd)

#### (c) Income recognition

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

Income from trading activities includes income earned from membership, training and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Other income includes other income such as gains on disposals of tangible fixed assets.

Education income is deferred in accordance with the charity's policy. An initial 55% of the education income is recognised at the start of the course, the remainder is deferred and released over the term of the course. In accordance with the policy, an average term of 16 months is used, except for foundation courses which are a defined 12 month term.

The membership income is deferred and released over the term of the membership.

The training course income received prior to the course being held is deferred and released when the course is delivered.

#### (d) Expenditure recognition

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

- Costs of raising funds includes the costs of providing training;
- Expenditure on charitable activities include memberships and education; and
- Other expenditure represents those items not falling into the categories above.

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

#### (e) Support costs allocation

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

The analysis of these costs is included in note 8.

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Summary of significant accounting policies (cont'd)

#### (f) Intangible assets - other

Intangible assets are amortised on a straight-line basis over their useful lives. The useful lives of intangible assets are as follows:

<i>Intangible type</i>	<i>Useful life</i>
Website development	10 years
Education development	7 years

Provision is made for any impairment.

#### (g) Tangible fixed assets

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

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

Freehold land	Not depreciated
Freehold buildings	2% on cost
Fixtures and fittings	10% on cost
Office equipment	25% on cost
CRM database	25% on cost
Computer equipment	33.33% on net book value

#### (h) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

#### (i) Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

#### (j) Debtors and creditors receivable / payable within one year

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

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

---

### 1 Summary of significant accounting policies (cont'd)

#### (k) Impairment

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

#### (l) Financial instruments

The charity 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 that are subsequently measured at amortised cost using the effective interest method.

#### (m) Provisions

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

#### (n) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

#### (o) Employee benefits

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

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

#### (p) Tax

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

#### (q) Going concern

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

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

---

### 2 Judgements and key sources of estimation uncertainty

#### *Deferred Income*

Education income is deferred in accordance with the policy at 1(c). Judgement is required in determining the percentage recognised at the start of each course and the amounts released over the remainder of the course.

#### *Cost Allocation*

Support costs are allocated to charitable activities. Judgement is required in determining the cost allocation appropriate for each category.

### 3 Income from charitable activities

	2020	2019
	£	£
Education, membership and profile work	11,598,806	1,218,428
	<hr/>	<hr/>
	11,598,806	1,218,428
	<hr/>	<hr/>

All income from charitable activities was attributable to unrestricted funds.

### 4 Income from other trading activities

	2020	2019
	£	£
Training income	1,190,509	1,066,369
	<hr/>	<hr/>
	1,190,509	1,066,369
	<hr/>	<hr/>

All income from trading activities was attributable to unrestricted funds.



# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 5 Income from investments

	2020	2019
	£	£
Interest - deposits	2,169	836
	<u>2,169</u>	<u>836</u>

All income was attributable to unrestricted funds.

### 6 Other income

	2020	2019
	£	£
Queen's awards	-	26,550
Member's Summit	105	11,000
Member's Dinner	-	1,775
Other	52,428	96,771
	<u>52,533</u>	<u>136,096</u>

All other income was attributable to unrestricted funds.

### 7 Analysis of expenditure on charitable activities

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total £
Memberships	180,686	-	28,636	209,322
Education	4,067,580	-	687,237	4,754,817
	<u>4,248,266</u>	<u>-</u>	<u>715,873</u>	<u>4,964,139</u>

All of the above costs were attributable to unrestricted funds.

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Allocation of support costs

Support cost	Basis of allocation	Membership £	Education £	Total £
Governance	Split in the ratio of direct membership costs to direct education costs (4% / 96%)	6,282	150,762	157,044
Finance		966	23,171	24,137
Information technology		1,202	28,834	30,036
Human resources		2,474	59,374	61,848
Depreciation		700	16,789	17,489
Amortisation		29	691	720
Office costs		10,853	260,484	271,337
Pension contributions		828	19,880	20,708
Other		5,302	127,252	132,554
Total		28,636	687,237	715,873

### 9 Governance costs

	Notes	2020 £	2019 £
Trustee remuneration	12	-	-
Trustee expenses	12	3,536	5,436
Consultancy		139,331	5,438
Auditor's remuneration	11	14,151	5,065
Legal fees		26	5,526
		157,044	21,465

### 10 Net income / (expenditure) for the year

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

	2020 £	2019 £
Depreciation of tangible fixed assets	17,489	11,421
Amortisation of intangible assets	720	180
Loss on sale of fixed assets	-	695
Operating lease rentals	17,829	3,014

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 11 Auditor's remuneration

	2020	2019
Fees payable to the charity's auditor for:	£	£
Audit of these financial statements – charity	6,105	3,102
Audit of the financial statements of the subsidiary (included in 'Raising funds')	2,988	1,870
Other non-audit services	8,046	1,963
	<u>17,139</u>	<u>6,935</u>

### 12 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2019: Nil).

The total amount of employee benefits received by key management personnel is £296,079 (2019: £186,490). The Trustees consider the key management personnel comprise the Director General, the Director of Commercial Operations and the Director of Stakeholder Engagement.

In 2019, a member of key management personnel received compensation payments for termination of employment and loss of office amounting to £92,275, including a £62,275 employer pension contribution.

During the year, 4 (2019: 16) Trustees were reimbursed travelling and subsistence expenses during the execution of trustees' responsibilities totalling £3,536 (2019: £5,436).

### 13 Staff costs and employee benefits

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

	Group		Charity	
	2020	2020	2020	2020
	Number	FTE	Number	FTE
Raising funds	7	6	3	2
Charitable activities	9	8	9	8
Governance	4	4	4	4
	<u>20</u>	<u>18</u>	<u>16</u>	<u>14</u>

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 13 Staff costs and employee benefits (cont'd)

The total staff costs and employees' benefits were as follows:

	2020 £	2019 £
Wages and salaries	1,012,501	558,203
Social security	88,261	50,422
Defined contribution pension costs	27,063	77,340
	<u>1,127,825</u>	<u>685,965</u>

Total severance payments amount to £nil (2019: £92,275).

During the year, 3 (2019: 1) employees received total employee benefits (excluding employer pension costs but including termination benefits) of more than £60,000, split into the following income bands:

	2020 Number	2019 Number
£60,000 - £70,000	1	-
£70,000 - £80,000	1	-
£100,000 - £110,000	-	1
£130,000 - £140,000	1	-
	<u>3</u>	<u>1</u>

### 14 Intangible fixed assets (Group and Charity)

	Website Development £	Education Development £	Total £
Cost:			
At 1 January 2020	28,950	750	29,700
Additions	-	-	-
Disposals	-	-	-
At 31 December 2020	<u>28,950</u>	<u>750</u>	<u>29,700</u>
Amortisation:			
At 1 January 2020	21,930	750	22,680
Charge for the year	720	-	720
Impairment	-	-	-
Eliminated on disposals	-	-	-
At 31 December 2020	<u>22,650</u>	<u>750</u>	<u>23,400</u>
Net book value:			
At 31 December 2020	<u>6,300</u>	<u>-</u>	<u>6,300</u>
At 31 December 2019	<u>7,020</u>	<u>-</u>	<u>7,020</u>

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 15 Tangible fixed assets (Group and Charity)

	Land and buildings £	Computers £	Fixtures and fittings £	Total £
Cost or valuation:				
At 1 January 2020	287,529	30,078	34,310	351,917
Additions	-	68,489	5,175	73,664
Disposals	-	-	-	-
Revaluation	-	-	-	-
At 31 December 2020	287,529	98,567	39,485	425,581
Depreciation:				
At 1 January 2020	28,713	22,748	23,964	75,425
Charge for the year	5,700	9,655	2,134	17,489
Impairment	-	-	-	-
Revaluation	-	-	-	-
Eliminated on disposals	-	-	-	-
At 31 December 2020	34,413	32,403	26,098	92,914
Net book value:				
At 31 December 2020	253,116	66,164	13,387	332,667
At 31 December 2019	258,816	7,330	10,346	276,492

The net book value of land and buildings comprised:

	2020 £	2019 £
Land and buildings:		
Freehold	253,116	258,816
Long leasehold	-	-
Short leasehold	-	-
	253,116	258,816

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 16 Fixed asset investments

There were no group investments.

	Shares in group undertaking £	Total £
<b>Charity</b>		
Cost		
At 1 January and 31 December 2020	100	100
Historic cost		
At 1 January and 31 December 2020	100	100

The charity has a 100% holding in the ordinary share capital of IOEX Ltd, a company incorporated in England and Wales (No. 01335229). At the year end, the aggregate capital and reserves of the company amounted to £709,111 (2019: £427,835). The subsidiary had a turnover of £1,190,614 (2019: £1,066,369) and profit for the year amounted to £698,147 (2019: £417,213).

### 17 Stocks

	<b>Group</b>		<b>Charity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	£	£	£	£
Publicity materials	3,298	1,903	-	634
	3,298	1,903	-	634

### 18 Debtors

	<b>Group</b>		<b>Charity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	£	£	£	£
Trade debtors	404,835	243,362	242,050	192,268
Amounts owed by group undertakings	-	-	36,718	-
Other debtors	18,426	22,982	16,878	19,660
Prepayments and accrued income	2,796,190	27,516	2,795,960	27,516
	3,219,451	293,860	3,091,606	239,444

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 19 Creditors: amounts falling due within one year

	<b>Group</b>		<b>Charity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	£	£	£	£
Trade creditors	943,107	104,843	908,095	74,769
Amounts owed to group undertakings	-	-	-	166,994
Taxation and social security	729,043	68,397	631,798	24,941
Other creditors	18,693	4,719	18,693	4,719
Accruals and deferred income	1,615,917	605,076	1,277,750	427,736
	<b>3,306,760</b>	<b>783,035</b>	<b>2,836,336</b>	<b>699,159</b>

### 20 Operating leases - lessee

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

<b>Group</b>	<b>2020</b>	<b>2019</b>
	£	£
Not later than one year	672,270	2,574
Later than one and not later than five years	12,189	914
Later than five years	Nil	Nil
<b>Charity</b>	<b>2020</b>	<b>2019</b>
	£	£
Not later than one year	672,270	1,218
Later than one and not later than five years	12,189	914
Later than five years	Nil	Nil

### 21 Deferred income

	<b>Under 1 Year</b>	<b>Over 1 year</b>	<b>Total</b>
	£	£	£
<b>Group</b>			
At 1 January 2020	535,760	-	535,760
Amounts deferred in the year	2,378,023	-	2,378,023
Amounts released to income and expenditure	(1,818,522)	-	(1,818,522)
At 31 December 2020	<b>1,095,261</b>	<b>-</b>	<b>1,095,261</b>
<b>Charity</b>			
At 1 January 2020	362,681	-	362,681
Amounts deferred in the year	1,108,005	-	1,108,005
Amounts released to income and expenditure	(693,032)	-	(693,032)
At 31 December 2020	<b>777,654</b>	<b>-</b>	<b>777,654</b>

# THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 21 Deferred income - continued

Income has been deferred for memberships (where the term finishes after the year end), education (where the course ends after the year end) and training (which has been invoiced but not taken at the year end), in accordance with the accounting policy detailed at note 1(c).

### 22 Fund reconciliation

#### Unrestricted funds

	Balance at 1 Jan 2020	Income	Expenditure	Transfers	Gains / (losses)	Balance at 31 Dec 2020
	£	£	£	£	£	£
General fund	998,816	12,844,017	(5,427,712)	-	-	8,415,121

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

	2020	2019
	£	£
Net income / (expenditure) for year	7,416,305	701,200
Rents received from investment properties	-	-
Interest receivable	(2,169)	(836)
Interest payable	-	-
Depreciation and impairment of tangible fixed assets	17,489	11,421
Amortisation and impairment of intangible fixed assets	720	180
(Gains) / losses on disposal of tangible fixed assets	-	695
(Increase) / decrease in stock	(1,395)	(1,570)
(Increase) / decrease in debtors	(2,925,591)	(33,635)
Increase / (decrease) in creditors	2,523,725	359,101
Net cash flow from operating activities	7,029,084	1,036,556

### 24 Pensions and other post-retirement benefits

#### Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £27,063 (2019 - £77,340).



# **THE INSTITUTE OF EXPORT AND INTERNATIONAL TRADE AND ITS SUBSIDIARY**

(A company limited by guarantee)

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **25 Financial commitments**

The group and Charity had no contractual capital commitments for the year ended 31 December 2020 (2019: £nil).

### **26 Events after the end of the period**

There were no material events after the year end for which disclosure or adjustment is required in these financial statements.

### **27 Related party transactions**

During the year, some of the Trustee Directors purchased membership to the Institute of Export & International Trade at normal published rates.

During the year, the Trustee Directors received reimbursement for the expenses incurred during the undertaking of their duties for the group and charity. Details are included in note 12.

The group and charity incurred £15,280 (2019: £22,500) in relation to the Director General travelling and subsistence costs.