

ESPERANTO-ASOCIO DE BRITIO
(REGISTERED CHARITY NUMBER 272676)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

Dains Audit Ltd
Chartered Accountants
St John's Court
Wiltell Road
Lichfield
Staffordshire
WS14 9DS

ESPERANTO-ASOCIO DE BRITIO
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

CONTENTS	PAGES
Trustees' Annual Report	1 - 9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Accounts	13 - 18

ESPERANTO-ASOCIO DE BRITIO

Registered Charity no: 272676

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2022

The trustees present their annual report and financial statements of the charity for the year ended 31 October 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, 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 (FRS102).

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The purpose of the charity is to advance education in and about the international language Esperanto and to preserve and promote the culture and heritage of Esperanto for the educational benefit of the general public.

In setting objectives and planning activities, the trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

The main activities undertaken by the charity during the year to further its charitable purposes for the public benefit are detailed below:

- Working on multiple publishing projects to provide learners with high-quality books in Esperanto, priced at a significant discount from the recommended retail price.
- Hosting free weekend courses for learners both online and in person, enabling students to enjoy a friendly and supportive environment with other learners, aided by a variety of teachers.
- Distributing free of charge or at cost price educational materials to beginners who have attended our courses.
- Operating a book service so that people have easy access to learning materials and Esperanto literature, which people can use online or in person at our headquarters, with core educational materials for sale at or around cost price.
- Providing free correspondence courses accessible via email and post with experienced Esperanto teachers.
- Investing in the Butler Library and archive in order to preserve Esperanto's cultural heritage and provide a research facility for study.
- Encouraging members to participate in local meetups and paying the costs of online accounts to promote these meetings.
- Maintaining a website up to date with information for enquirers and details of events around the country, as well as larger international ones.
- Running schemes to provide learners with grants towards the cost of educational courses.

ESPERANTO-ASOCIO DE BRITIO

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2022 (continued)

A REVIEW OF OUR ACHIEVEMENTS AND PERFORMANCE

Publishing

- This has been an exceptional year for the charity's publishing activities as we progressed our aim of making high-quality Esperanto reading material available to the public at affordable prices.
- We expanded our range of children's books to include ten new titles: *Kanto de ĝojo*, *Novulo en la urbo*, *La cent-etaĝa kosmoŝipo*, *Ekster la kuniklejo*, *Pingvena Pako*, *Ni ĉiuj estas malsamaj*, *Kvin ursoj*, *Lunkato kaj mi*, *La fajrovulpo* and *La plej eta elefanto*. Due to the special arrangements we have negotiated for print runs, we are able to sell each of these books at £5 each; the RRP for their hardcover English equivalents is £12.99.
- We republished *Ĉu li bremsis sufiĉe* by Claude Piron as a print-on-demand (POD) book this year, with the aim of making this out-of-print title accessible again for learners.
- We published a full-colour illustrated version of *Alice's Adventures in Wonderland*. The high quality and beautiful illustrations in the book mean it has been extremely well received, with 146 copies sold to date. We have applied our policy of pricing low to this book too, selling it for £15; the RRP of the English version is £25.
- Our best-selling book of the year has been *La domo ĉe Pu-Angulo*, which was published as a full-colour hardback edition at the end of October 2021. Since then, it has not only sold 171 copies but also won the prestigious *Infanlibro de la jaro* prize at the *Belartaj Konkursoj* in summer 2022.
- At the end of October 2022 we took receipt of the long-awaited *Unu animo homa*, a complete works of the poetry of Marjorie Boulton, edited by Edmund Grimley Evans. Marjorie's prodigious output means that we have published the book as a two-volume set which totals over 1,200 pages and which we will launch for sale at £20, with an RRP otherwise of £30.
- Having secured the rights to publish Esperanto translations of the seven books in Tove Jansson's *Moomins* series, in September 2022 we published the first book in the series: *Kometo en Muminalo*. Translated by Sten Johansson, this book has been made available via a POD service, meaning it can be purchased from online bookstores at the affordable price of £10.
- This was followed in October 2022 by the publication of Simon Davies' excellent translation of Mark Haddon's *The Curious Incident of the Dog in the Night-Time* using the same model. Excerpts from this book were read aloud during workshops at the British Esperanto Conference in April, were previewed in *La Brita Esperantisto*, and were presented online in an international *Bobelarto* session: it proved very popular, selling well since launch.
- During the year the charity secured the rights to translate several other well-known titles into Esperanto.
- Towards the end of the year we launched a beautiful new publishing page to present our books on the charity's website. Members of the public can subscribe to this for updates on our publishing activities.

ESPERANTO-ASOCIO DE BRITIO

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2022 (continued)

Education

- We held two sessions of our free *Lernu Plu* weekend educational course for post-beginners via Zoom in February and May 2022. After two years of only being able to run online courses during the pandemic, we were pleased to also be able to offer two in-person sessions of *Lernu Plu* at Esperanto House in September and October 2022.
- We attempted to run our annual free *Somerlernejo* from Esperanto House in August 2022. Unfortunately, sign-ups were low and the event ultimately had to be cancelled.
- Learners who attended our courses continued to receive free educational books (primarily John Wells's dictionary and the vocabulary builder *First Thousand Words in Esperanto*) if they didn't already have copies.
- We continue to encourage people to supplement their Esperanto learning by selling the textbooks *Complete Esperanto* and *Enjoy Esperanto*, both published by John Murray Learning, at cost price. There continues to be a strong take-up of these books, with an additional 71 copies sold this year.
- We have also continued to sell the reference works *Plena Ilustrita Vortaro 2020* and *Plena Manlibro de Esperanta Gramatiko 2020* at low prices, in order to make it easier for learners to get these relatively expensive but very useful books onto their shelves. This has been possible due to the favourable bulk-purchase deals which we negotiated.
- The Esperanto course *Jen Nia Mondo*, incorporating two books and 50 audio tracks, continued to be available for free download from our website throughout the year.
- Our account on eBay is regularly updated with second-hand books and finds people who otherwise would have no contact with us, getting used books out of storage and to people who want to read them.
- Our distance learning courses continued to have a small take-up. During the year we made a decision to cease offering our distance examinations as the Esperanto CEFR exams, which provide learners with an internationally recognised assessment of their abilities, can now be sat online as well as at in-person exam sessions.

Educational grant-making

- Overall requests for travel grants remained low this year due to the remaining impact of the COVID-19 pandemic on international travel.
- However, we were able to make travel grants towards one person attending the *Brita Kongreso* in Conwy, a young person attending the *Internacia Junulara Kongreso* in the Netherlands and one person attending a session of *Lernu Plu* at Esperanto House during the year.
- We ran a scheme in early 2022 offering grants to cover the tuition costs of people from Britain attending the *Nord-Amerika Somera Kursaro* (NASK) in Raleigh, North Carolina in July 2022. One learner applied and was awarded a grant.
- We also made a grant towards a four-person research team meeting at the *Universala Kongreso* in Montreal over the summer to work on a book about the history of the youth Esperanto movement.

ESPERANTO-ASOCIO DE BRITIO

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2022 (continued)

Educational grant-making (continued)

- We advertised a scheme to refund examination fees to successful participants in an online session of the Esperanto CEFR examinations. Take-up of this scheme was disappointing, with only one successful applicant being awarded a grant. Additionally, we made a grant to edukado.net in support of the development of the C2 CEFR exams in Esperanto.
- In 2021 we invited applications for grants towards the tuition fees of a three-year postgraduate programme in Interlinguistic Studies at the Adam Mickiewicz University in Poznan, Poland. Grants for the second year of tuition fees were paid to successful candidates this year.
- We intended to run a grant scheme to encourage attendance at the *Somera Esperanto-Studado* in Slovakia in summer 2022. Unfortunately, the course was cancelled in the run-up.

Publicity

- After two years of cancellation due to the COVID-19 pandemic, we were delighted to be able to run the 2022 British Esperanto Conference in Conwy in April 2022. Although the event was not as well-attended as we had hoped, generating a significant deficit to the charity, those who participated enjoyed the return to an in-person event and, in particular, the excellent lectures given by guest speaker Hans Becklin.
- The charity has continued to fund the use of Esperanto accounts on the site meetup.com, with the intention of facilitating the organisation of regular get-togethers, making Esperanto visible to people looking for something related in their vicinity, and providing people with opportunities to speak Esperanto with others. EAB has continued to fund the sites during the pandemic so that those groups initiating online meetings can still proceed, whilst those who are on hiatus until they can resume meeting in person don't lose their members and have to start again with a fresh account.
- The charity's Facebook page now has 2,036 (2021: 1,982) fans, while the Twitter account has 2,186 (2021: 2,100) followers.

Butler Library

- The charity has continued to make available on Soundcloud digitised recordings of talks given by Esperanto speakers from the past, with Bill Walker adding recordings from our *Barlastono bis!* series and a three-part recording of *La graveco de la fideleco* from 1987.
- The charity took receipt of several small book collections in the year, duplicates in which have been made available for purchase on eBay.
- The trustees are in the process of exploring options for digitising the Butler Library collection, with the aim of making its treasures accessible from people's own homes and devices.

ESPERANTO-ASOCIO DE BRITIO

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2022 (continued)

Closure of Wedgwood Memorial College

Wedgwood Memorial College, on whose Estoril site the charity has its headquarters, was sold to a new owner on 29 January 2021. The charity has sole use of the Butler Library and three Esperanto bedrooms as well as the Esperanto office in accordance with the terms of its lease. Since the closure of the college in April 2012, the condition of the site has deteriorated significantly with the former college buildings being subjected to frequent vandalism and becoming home to squatters. This year the problems on the site have begun to impact on the charity, with Esperanto House being broken into on two separate occasions during summer 2022. These incidents caused considerable damage and inconvenience, as well as financial loss to the charity. We have installed CCTV cameras in the hope of deterring future attacks, but the possibility of this happening again cannot be excluded given the derelict nature of the site. During the year the new landlord requested a meeting with the trustees to discuss surrendering the lease to Esperanto House but cancelled this meeting on the afternoon before it was due to take place.

FINANCIAL REVIEW

The charity continues to be nearly wholly reliant on income and returns from its investments. Additional income is generated from book sales, membership subscriptions, legacies and donations.

As the impact of the COVID-19 pandemic began to ease this year, the charity was able to re-start some activities which had been paused during the pandemic and increase charitable expenditure in some areas where it had been low for the past two years.

Regrettably, this has also been a year which has seen expenditure that is not directly charitable increase significantly, with the charity having to spend more than £10k on the maintenance of its leased premises. This expenditure has included replacement of the gas boiler, costs incurred to board up and replace glass panels in the exterior doors following break-ins over the summer and the installation of CCTV, as well as smaller routine repairs. The charity's lease contains a clause requiring the property to be decorated inside and out every fifth year regardless of whether such decoration is required. As 2022 was one of these so-called "decorating years" specified by the lease, significant expenditure was incurred on decorating also. Towards the end of the year the charity additionally received a number of large utilities invoices, which were recharged to us by the new landlord. The costs of some of these invoices significantly exceeded both our expectations and the amounts which we have historically budgeted for gas, water and electricity usage. The charity is in an unfortunate position as a tenant, in that these utilities are arranged by the landlord and recharged, meaning that the trustees have little control of or visibility over the costs incurred. Whilst the charity's strong cash position means that we do not face any cashflow challenges in settling such invoices, the trustees are nevertheless aware that these increases in support costs serve to reduce the proportion of the charity's income which is available to spend directly on charitable projects.

Investment policy and performance

The charity's constitution states that the trustees have the power to make investments as they see fit. Their duty is to seek adequate income and capital growth. Capital is invested in deposit accounts and unit trusts specifically designed for the charity sector, which are for the greater part socially responsible. The split between asset classes is shown in the notes to the financial statements.

ESPERANTO-ASOCIO DE BRITIO

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2022 (continued) Investment policy and performance (continued)

The COVID-19 pandemic has caused significant volatility in the stock market over the past two years. This volatility has worsened during the current financial year following Russia's invasion of Ukraine in February 2022 and was not improved by the various crises of the UK government during summer and autumn 2022. The trustees continue to monitor the performance of the charity's investments on a regular basis, in particular monitoring the level of investment income received. Some reduction in investment income is expected for the year ending 31 October 2023.

Despite the market turbulence, the charity's investments have continued to perform well compared to their relevant benchmarks. The COIF Charities Global Equity Income Fund produced a gross dividend yield of 2.80% compared to an average of dividend yield of 1.32% from the MSCI World Index over the same period. The annualised total return performance of the fund was -6.81% compared to a comparator benchmark of -2.93%. The COIF Charities Ethical Investment Fund performed better, having a gross dividend yield of 3.12% compared to an average yield of 2.22% from MSCI World ex UK Index over the same period. The annualised total return performance of the fund was -4.14% compared to a comparator benchmark of -5.47%. The EdenTree Amity Balanced Fund for Charities produced a yield of 5.6%. The cumulative performance of the fund over the 12 months was -7.32%. 69% of this fund is invested in UK equities and bonds (compared to only 8% of the COIF Charities Global Equity Income Fund and 9% of the COIF Charities Ethical Investment Fund). It is therefore more significantly impacted by economic conditions in the UK.

Grant-making

The charity uses money donated by the Norwich Jubilee Esperanto Foundation in the years ended 31 October 2020 and 31 October 2021 to continue the work of that charity, implementing a system of travel grants to allow young people to request funding to participate in Esperanto events at home and internationally. The charity additionally makes grants to allow learners to access a contribution towards their costs to participate in events of educational value. The trustees also consider other grants to facilitate participation in educational events on an ad-hoc basis. The trustees believe such grants contribute to the overall charitable purpose of the charity by reducing financial barriers to the participation of the public in Esperanto education. Significant grants are approved by a sub-committee of the trustees or the trustee board as a whole.

Membership

Life members = 14 (2021: 14), full members = 259 (2021: 269), family members = 10 (2021: 14), supporters = 10 (2021: 11). Total = 293 (2021: 308).

Reserves

Total funds of the charity amounted to £3,392,111 at 31 October 2022. This comprises endowment funds of £96,230 designated funds of £1,406,218 and unrestricted funds of £1,889,663.

The trustees have agreed a reserves policy which requires reserves to be maintained at a level that, when prudently invested, will generate sufficient income for the charity to continue operating. £20k is currently held on deposit with Scottish Widows and can be accessed with seven days' notice in the event of unforeseen expenditure arising.

Risk management

The trustees have examined the major internal and external risks which the charity faces and confirm that systems have been established to minimise these risks. A formal risk register has been drawn up by the trustees during the year to enable more detailed monitoring of relevant risks.

ESPERANTO-ASOCIO DE BRITIO

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2022 (continued)

PLANS FOR THE FUTURE

- Hold a translation competition for Daphne du Maurier's *Rebecca* and Roald Dahl's *Matilda*, generating awareness internationally of the charity's publishing expansion and putting us into contact with people who may be willing and able to work on translations.
- Publish further translations, including children's books but branching out also into lengthier material suitable for new learners and people who are making progress and are looking for interesting and accessible reading.
- Investigate developing relationships with excellent translators who would be willing to translate books for which EAB has translation rights and develop the talents of emerging translators.
- Continue to run our successful free weekend courses, either in the classroom, whether at Esperanto House or elsewhere, or online.
- Continue to run a system of travel grants, allowing young people to request funding to participate in Esperanto events at home and internationally, and for learners who have never used Esperanto overseas to access a contribution towards their costs to participate in events of educational value.
- Run a bursary scheme for people who have never attended an Esperanto event abroad before to participate in *Somera Esperanto-Studado* and consider expanding this approach for other approved events.
- Encourage people to receive accreditation for their skills in Esperanto by refunding people who successfully take CEFR exams.
- Investigate options to improve our delivery of online education.
- Maintain a regular presence on eBay, as a mechanism for placing second-hand books which may interest people where they can see them, and for potentially making sales internationally of our own publications to Esperanto-speakers overseas, since it appears that eBay somehow makes it possible to buy with customs charges waived.
- Monitor our bookshop offering, adding to it items of general educational interest.
- Organise a successful British Esperanto Conference in Cambridge in April 2023.
- Investigate options for the digitisation of the Butler Library.
- Continue to obtain formal permission for the charity to sublicense the republishing of works by British Esperanto authors who are willing to give such permission to the charity, thus ensuring that it will be possible to republish those works in future.
- Continue to send out relevant information to the public regarding our activities.
- Remind the members that the charity cannot function without trustees and make general request for others to think about becoming trustees.
- Discuss in the 2023 AGM options for revising the quorum to a more realistic number, following low attendance at the 2022 AGM, with the aim of voting on a solution at the AGM in 2024.

ESPERANTO-ASOCIO DE BRITIO

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2022 (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

EAB is a registered charity, number 272676, and was founded on 13 March 1976. The charity is an unincorporated organisation, governed by a constitution which was last amended on 18 May 2018. Members of the Management Committee (trustees) are elected individually by the Annual General Meeting, to serve until the end of the next Annual General Meeting. The trustees are incorporated as a body.

The first full committee meeting after the election is a residential planning weekend which incorporates an induction for new trustees.

All trustees give of their time freely and no trustee remuneration was paid during the year. Details of trustee expenses are disclosed in the notes to the financial statements.

Trustees

The Management Committee are the trustees of the charity. Those who served from 1 November 2021 to 31 October 2022 were:

Edmund Grimley Evans (President)
Simone Davis (Vice president)
Clare Hunter (Treasurer)
Jane Anna Langlely
Laura Miller (until 24 April 2022)

Staff and key volunteers

Staff and key volunteers who assisted the charity during the year were as follows:

Honorary President: John Wells | **Director of Education and Development and editor of *La Brita Esperantisto*:** Tim Owen | **Director of Operations and Events:** Viv O'Dunne | **Editor of *EAB Update*:** Maurizio Giacometto

Principal office

Esperanto House, Station Road, Barlaston, Stoke-on-Trent, ST12 9DE.

Working names

The charity also uses the working names Esperanto Association of Britain, EAB and Esperanto UK.

Independent examiner

AP Morris of Dains Audit Ltd, St John's Court, Wiltell Road, Lichfield, Staffordshire, WS14 9DS.

Solicitors

Tinsdills, Hays House, 25 Albion Street, Hanley, Staffordshire, ST1 1QF.

Bankers

Santander, 62 Hagley Road, Birmingham, B16 8PE.
CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ.
Barclays, PO Box 738, London, W6 9HY.

ESPERANTO-ASOCIO DE BRITIO

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2022 (continued) REFERENCE AND ADMINISTRATIVE INFORMATION

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the applicable Charities (Accounts and Reports) Regulations. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 4 February 2023 and signed on their behalf by:

Clare Hunter
Treasurer

ESPERANTO-ASOCIO DE BRITIO

Independent examiner's report to the trustees of Esperanto-Asocio De Britio

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 October 2022 which are set out on pages 11 to 18.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act;
or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

A.P. Morris
Chartered Accountant
of Dains Audit Ltd
St Johns Court
Wiltell Road
Lichfield
Staffordshire
WS14 9DS

4 February 2023

Esperanto-Asocio De Britio

Statement of Financial Activities

For the year ended 31 October 2022

	Notes	Unrestricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	2	5,272		5,272	557,813
Investments	3	113,285		113,285	87,755
Charitable activities					
Income from membership subscriptions and sales	4	27,020		27,020	24,744
Total income		145,577		145,577	670,312
Expenditure					
Charitable activities	5				
Education		5,632		5,632	7,400
Education/travel grants		5,686		5,686	3,214
Books and publications		61,387		61,387	51,663
Library		1,004		1,004	2,367
Publicity		18,225		18,225	13,321
Membership		1,718		1,718	2,794
Depreciation		1,840		1,840	1,840
Other	6	20,884		20,884	15,676
Total		116,376		116,376	98,275
Other recognised gains/(losses)					
Gains/(losses) on listed investments					
- realised	11				61,224
-unrealised	11	(357,890)	(9,802)	(367,692)	433,821
Net income/(expenditure)					
Net movement in funds		(328,689)	(9,802)	(338,491)	1,067,082
Total funds brought forward		3,624,570	106,032	3,730,602	2,663,520
Total funds carried forward		3,295,881	96,230	3,392,111	3,730,602

Esperanto-Asocio de Britio

Balance Sheet at 31 October 2022

	Notes	2022	2021
Fixed Assets		£	£
Tangible Assets	10	145,360	147,200
Investments	11	3,171,505	3,539,197
		<u>3,316,865</u>	<u>3,686,397</u>
Current Assets			
Stock		37,228	21,479
Debtors	12	5,031	1,886
Bank balances		71,071	57,818
		<u>113,330</u>	<u>81,183</u>
Creditors: amounts falling due within one year	13	38,084	36,978
		<u></u>	<u></u>
Net Current Assets		75,246	44,205
Total Assets less current liabilities		<u>3,392,111</u>	<u>3,730,602</u>
Endowment Funds		96,230	106,032
Unrestricted Funds	14		
Designated – Capital Fund		871,902	873,742
NoJEF Fund		534,316	620,211
Other		1,889,663	2,130,617
		<u>3,392,111</u>	<u>3,730,602</u>

These accounts were approved and authorised for issue by the trustees on 4 February 2023 and were signed on their behalf by:

.....
 Clare Hunter
 Treasurer

Notes to the Accounts

For the year ended 31 October 2022

1. Basis of Preparation of Accounts

The accounts have been prepared in accordance with Statement of Recommended Practice: Accounting and Reporting by 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 Charities Act 2011 and applicable regulations.

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

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value, unless otherwise stated in the relevant notes to these accounts.

Income

Legacies are included in the accounts as soon as the sum due is known with reasonable certainty, in practice this is often not until the legacy is actually received.

Other income is accounted for in the period in which it arises. The value of services provided by volunteers has not been included.

Expenditure

Expenditure is recognised in the period in which it is incurred and is allocated directly to either activities in furtherance of the charitable objectives or to other costs wherever possible. Costs common to both areas are apportioned either on the basis of staff time spent on each area or, where an alternative split is considered more appropriate to the nature of the expenditure, that split is used.

Fixed Assets and Depreciation

All assets costing over £1,000 which will be used by the charity on a continuing basis are capitalised at cost and are depreciated at the following rates in order to write off all assets over their useful lives:

Equipment	10% on cost
Leasehold premises	Written down over the period of the lease
Computer equipment	Written off in year of acquisition

Listed Investments

Investments held as fixed assets are revalued at closing market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

Stock

Stock is valued by the Trustees at the lower of cost and net realisable value.

Funds

Endowment funds are those funds which are retained permanently in accordance with the donor's wishes. Income arising from these funds may be applied to the general purposes of the Charity.

Restricted funds are to be used for specific purposes laid down by the donor. Expenditure which meets these is charged to the fund.

Unrestricted funds are those incoming resources which are subject to no restrictions.

Designated funds are unrestricted funds which have been earmarked by the trustees for particular purposes.

Esperanto-Asocio De Britio**For the year ended 31 October 2022****Notes to the Accounts****2. Donations and legacies**

	2022	2021
	£	£
Donations	1,821	837
Donation - NoJEF	-	556,476
Grant	3,355	-
Legacies	96	500
	<u>5,272</u>	<u>557,813</u>

3. Income from Investments

	2022	2021
	£	£
Income from listed investments	113,227	87,735
Bank interest and similar income	58	20
	<u>113,285</u>	<u>87,755</u>

4. Income from Charitable Activities

	2022	2021
	£	£
Subscriptions including Gift Aid	7,101	7,532
Books and publications	19,204	16,971
Other	715	241
	<u>27,020</u>	<u>24,744</u>

5. Charitable Activities

	Direct Costs	Support Costs	Total 2022	Total 2021
	£	£	£	£
Education	1,336	4,296	5,632	7,400
Educational/travel grants (NOJEF)	5,686	-	5,686	3,214
Books and publications	14,987	46,400	61,387	51,663
Library	145	859	1,004	2,367
Publicity	4,477	13,748	18,225	13,321
Membership	-	1,718	1,718	2,794
	<u>26,631</u>	<u>67,021</u>	<u>93,652</u>	<u>80,759</u>

6. Other Costs

Independent Examiner (2021 - Audit)	1,980	-	1,980	4,500
Management/Administration	-	18,904	18,904	11,176
	<u>1,980</u>	<u>18,904</u>	<u>20,884</u>	<u>15,676</u>

7. Support Costs

	£	£
Staff/ Contractor Costs	56,086	55,155
Office Running Costs	29,839	14,694
	<u>85,925</u>	<u>69,849</u>

Support costs are allocated on the following percentages based on employee and volunteer hours:
 Education 5% (2021 – 9%), Publicity 16% (2021 – 16%), Library 1% (2021 – 3%), Other 22%
 (2021 – 16%), Books and publications 54% (2021 – 52%), Membership 2% (2021 – 4%).

Esperanto-Asocio De Britio**Notes to the Accounts****For the year ended 31 October 2022 (continued)****8. Staff costs and numbers**

	2022	2021
	£	£
Salaries	30,780	29,784
Defined Contribution Pension Contributions	736	706
	<u>31,516</u>	<u>30,490</u>

No employees received emoluments of more than £60,000 in the year (2021 – none)

The average number of employees during the year was one (2021 – one)

9. Trustees Remuneration, Expenses and Related Party Transactions

No trustee received any remuneration during the year. (2021 – nil)

Travel and subsistence expenses totalling £225 were paid to 4 trustees (2021: £nil).

During the year Mr Tim Owen was engaged as Director of the charity and was paid £24,570. (2021 - £24,592). He is in a co-habiting relationship and financially interdependent with trustee, Clare Hunter. Charity Commission consent was obtained prior to his appointment.

In addition, Tim Owen received an educational grant of £668 (2021 - £680).

10. Fixed Assets

	Leasehold Premises	Library	Equipment	Total
	£	£	£	£
Cost at 01.11.21 and 31.10.22	<u>183,999</u>	<u>1</u>	<u>5,095</u>	<u>189,095</u>
Depreciation at 01.11.21	36,800	-	5,095	41,895
Charge for the year	<u>1,840</u>	<u>-</u>	<u>-</u>	<u>1,840</u>
Depreciation at 31.10.22	<u>38,640</u>	<u>-</u>	<u>5,095</u>	<u>43,735</u>
Net Book value 31.10.22	<u>145,359</u>	<u>1</u>	<u>-</u>	<u>145,360</u>
Net Book value 31.10.21	<u>147,199</u>	<u>1</u>	<u>-</u>	<u>147,200</u>

No information on historical cost and accumulated depreciation is available for the library.

Esperanto-Asocio De Britio

Notes to the Accounts

For the year ended 31 October 2022 (continued)

11. Listed Investments	Unrestricted Funds £	Designated Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
UK Listed Investments	2,550,843	504,432	96,230	3,151,505	3,519,197
Scottish Widows Deposit	20,000			20,000	20,000
	<u>2,570,843</u>	<u>504,432</u>	<u>96,230</u>	<u>3,171,505</u>	<u>3,539,197</u>
Listed Investments at 01.11.21	2,798,673	614,492	106,032	3,519,197	2,359,422
Additions at cost	-	-	-	-	1,091,776
Disposals	-	-	-	-	(427,046)
Profit on disposal	-	-	-	-	61,224
Increase/(Decrease) in market value	<u>(247,830)</u>	<u>(110,060)</u>	<u>(9,802)</u>	<u>(367,692)</u>	<u>433,821</u>
Investments held at 31.10.22	<u>2,550,843</u>	<u>504,432</u>	<u>96,230</u>	<u>3,151,505</u>	<u>3,519,197</u>
Historic cost	<u>1,806,164</u>	<u>614,776</u>	<u>56,000</u>	<u>2,474,714</u>	<u>2,474,714</u>

Listed investments comprise the following:

Holding 31.10.21		2022 £	2021 £
Unrestricted Fund			
434,985	COIF Charities Global Equity Income Fund	1,079,719	1,216,130
377,618	COIF Charities Ethical Investment Fund	1,049,136	1,156,002
187,667	Charities Property Fund	269,449	240,721
165,911	EdenTree Amity Balanced Fund for Charities	152,539	185,820
		<u>2,550,843</u>	<u>2,798,673</u>
Designated Fund			
548,653	EdenTree Amity Balanced Fund for Charities	504,432	614,492
Endowment Fund			
34,636	COIF Charities Ethical Investment Fund (Brownlee)	96,230	106,032
		<u>3,151,505</u>	<u>3,519,197</u>

Esperanto-Asocio De Britio

Notes to the Accounts

For the year ended 31 October 2022 (continued)

12. Debtors	2022	2021
	£	£
VAT	658	155
Other debtors and prepayments	4,373	1,731
	<u>5,031</u>	<u>1,886</u>

13. Creditors: Amounts falling due within one year	2022	2021
	£	£
Funds held on behalf of others	7,902	8,013
PAYE and NI	521	492
Other creditors and accruals	29,661	28,473
	<u>38,084</u>	<u>36,978</u>

Funds held on behalf of others are as follows:

	Balance 31.10.21	Income	Expenditure	Balance 31.10.22
	£	£	£	£
Junularo Esperantista Brita	1,006	-	-	1,006
Southampton Esperanto Group	1,734	-	-	1,734
South Midlands Esperanto Federation	106	-	-	106
North West Esperanto Federation	3,301	-	45	3,256
Yorkshire Esperanto Federation	668	-	51	617
Eastern Esperanto Federation	838	-	-	838
Scottish Esperanto Association	15	-	15	-
Esperanto Lobby	2	-	-	2
International League of Esperanto Radio Amateurs (British Section)	343	-	-	343
	<u>8,013</u>	<u>-</u>	<u>111</u>	<u>7,902</u>

14. Unrestricted Funds	Balance at 31.10.21	Incoming Resources	Resources Expended	Investment gain/(loss)	Balance At 31.10.22
Designated Funds					
“Capital Fund”	873,742		1,840		871,902
NoJEF Fund	620,211	29,851	5,686	(110,060)	534,316
Unrestricted	<u>2,130,617</u>	<u>115,726</u>	<u>108,850</u>	<u>(247,830)</u>	<u>1,889,663</u>
	<u>3,624,570</u>	<u>145,577</u>	<u>116,376</u>	<u>(357,890)</u>	<u>3,295,881</u>

The “Capital Fund” represents the sale proceeds of property sold in 1999 less the depreciation charged on the leasehold property.

The NoJEF Fund represents amounts donated by the Norwich Jubilee Esperanto Foundation and designated to further the original purposes of that charity, being the advancement of education in the study and practice of Esperanto, in particular by awarding grants.

Esperanto-Asocio De Britio

Notes to the Accounts

For the year ended 31 October 2022 (continued)

14. continued

Unrestricted Funds	Balance at 31.10.20	Incoming Resources	Resources Expended	Investment Gain/(loss)	Balance At 31.10.21
Designated Funds					
“Capital Fund”	875,582		1,840		873,742
NoJEF Fund	58,300	565,409	3,214	(284)	620,211
Unrestricted	<u>1,640,148</u>	<u>104,903</u>	<u>93,221</u>	<u>478,787</u>	<u>2,130,617</u>
	<u>2,574,030</u>	<u>670,312</u>	<u>98,275</u>	<u>478,503</u>	<u>3,624,570</u>

15. Analysis of net assets between funds

	Unrestricted Funds £	Endowment Funds £	Total 2022 £
Tangible Fixed Assets	145,360		145,360
Investments	3,075,275	96,230	3,171,505
Net Current Assets	75,246		75,246
	<u>3,295,881</u>	<u>96,230</u>	<u>3,392,111</u>

Analysis of net assets between funds

	Unrestricted Funds £	Endowment Funds £	Total 2021 £
Tangible Fixed Assets	147,200		147,200
Investments	3,433,165	106,032	3,539,197
Net Current Assets	44,205		44,205
	<u>3,624,570</u>	<u>106,032</u>	<u>3,730,602</u>

16. Operating Lease

In 2002 the Charity entered into a 99 year lease on Esperanto House, the property from which it operates. Rent payable is as follows:

	£
Within one year	2,208
Within two to five years	8,832
After more than five years	163,392