



**THE ENGLISH-SPEAKING UNION OF THE COMMONWEALTH
ANNUAL REPORT AND ACCOUNTS**

1st April 2022 to 31st March 2023

Charity Number: 273136

Royal Charter Registration Number: RC000177

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CHAIR AND DIRECTOR-GENERAL'S STATEMENT

Welcome to the Annual Report and Accounts for the English-Speaking Union (ESU) for 2022/23.

Over the last two years the pandemic has disrupted the lives of people across the world and like many organisations, the ESU worked hard to overcome the financial and operational challenges that this brought. Throughout the period the ESU delivered as many services as possible, making use of technology to bring people together from across the world through competitions, debates and other events.

By the start of the 2022/23 period, most of the coronavirus restrictions had been lifted and we were able to resume our in-person activities, while continuing to embrace the opportunities to reach more people online.

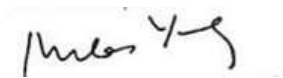
Over the last year we have been focussed on delivering educational, international and membership activities. We launched Oracy in Action, a new primary school programme, which equips teachers with the resources they require to teach speaking and listening skills to children and young people. Our unique summer school programme, Debate Academy, has doubled in capacity and we have been able to provide the much-needed financial support to open up opportunities for the disadvantaged.

The Charity has developed and launched a new Membership Modernisation Strategy, which includes ambitious plans to grow our membership over the next year, deliver an enriched events programme and build on our digital presence so that we can reach members across the country and internationally.

We were delighted to hold our 2022 International Council Meeting in Karachi, Pakistan, where 42 delegates from 24 countries came together to discuss ways in which the ESU can deliver oracy and promote cultural understanding across the globe.

Our members and beneficiaries are at the heart of everything we do. We continue to champion the right of all to develop a confident voice, good listening skills, critical-thinking and the ability to debate, enabling everyone to play a full part in society and to become advocates for themselves and others.

We are grateful to our partners, donors, members, alumni and volunteers for continuing to support the ESU and our vision to enable learning and the worldwide exchange of ideas through the English language, so encouraging cultural understanding, friendship and dialogue.



Miles Young
Chair



Jane Easton
Director-General

TRUSTEES' REPORT

Structure and Objectives

1. The full name of the Charity is The English-Speaking Union of the Commonwealth. The registered office and principal operating address is Dartmouth House, 37 Charles Street, London, W1J 5ED. The Charity is registered in England and Wales under registration number 273136.
2. The ESU was founded in 1918 as an unincorporated association. The association was incorporated in 1922 under the Companies Act as a company limited by guarantee and without share capital.
3. In 1957 the ESU was granted a Royal Charter in which its charitable objectives are "... to promote within our United Kingdom and other countries of the Commonwealth, the United States of America, Europe and elsewhere the mutual advancement of education of the English-speaking peoples of the world, in particular (but without in any way limiting the generality of the foregoing) respecting their heritage, traditions and aspirations, the events and issues of the day affecting them, their inter-relationships and the use of English as a shared language and means of international communication of knowledge and understanding: provided always that the foregoing aims and objects shall at all times be pursued in a non-political and non-sectarian manner."

Mission

4. The ESU believes that everyone should be able to make their voice heard. We believe that the ability to progress and to thrive in life relies on oracy skills, which are not currently a central part of the school curriculum or universally adopted pedagogical approaches. Our oracy, debate, public speaking and cultural exchange programmes help young people to engage with the world, to speak more confidently and to listen to and understand different points of view. These skills improve young people's attainment, emotional intelligence and social skills, helping them to live their lives to the full.

Activities

5. The ESU achieves its objectives through three core activities:
 - a. **Education.** We work with teachers and young people to improve oracy skills and cross-cultural understanding. We run debate, performance and public speaking competitions and workshops which encourage learners to explore a wide range of topical issues with an open mind. We guide schools on using oracy in the classroom, and support the development of academic and practical research in the field of oracy. We provide teachers with a range of Continuing Professional Development (CPD) opportunities in the areas of speech and debate. Nationally and internationally, we offer a variety of programmes and cultural exchanges for students, teachers and professionals to build relationships and share ideas across communities and countries.
 - b. **Membership.** The ESU was founded as a membership organisation, bringing together those who share a belief that better communication makes for better global understanding. We have over 4,000 paying and non-paying members and 15 regional branches across England and Wales, who meet to socialise, gain new perspectives on the world and to help organise and raise funds for our educational work.
 - c. **International.** We enjoy a network of 54 national English-Speaking Unions, each being independent from the ESU and operating according to their own jurisdiction. International activity is administered by the ESU through the International Council, for which the ESU provides secretariat, a development framework and core funding.

Public Benefit

6. During 2022/23 our educational work focussed on our public speaking, speech and debate competitions, educational research, practical oracy workshops, international scholarship programmes and cultural exchanges. We continued to concentrate our charitable resources on speaking and listening in state schools, with a focus on, but not limited to, schools in areas of disadvantage. This year we renewed our focus on the primary school sector, where the need is now greatest following the ongoing impact of the Covid-19 pandemic. We achieved this by piloting and launching our new primary programme 'Oracy in Action' which has been developed for schools in highly disadvantaged areas.

7. We taught confident communication and critical-thinking skills to help empower young citizens to engage with the wider world and key topical issues, helping them to develop cultural capital and to feel confident in expressing their opinions. We showed them the benefits of listening to the opinions of others, even when those views were at odds with their own. We taught young people how to make up their own minds based on reasoning, evidence and critical analysis, thereby giving them the power to formulate and express their opinions and to combat new and deep-seated divisiveness worldwide. On the international stage, the online Friendly International Forum (FIF) has continued to promote international friendship, debate and dialogue.

8. The Trustees confirm that they have had due regard to the Charity Commission's public benefit guidance and are exercising any powers or duties to which the guidelines are relevant.

Need

9. The need to support children and young people to develop vital oracy skills has never been greater. Too many young people are joining and leaving education without the oracy skills required to thrive in education or the workplace. This is a particular challenge for those from disadvantaged backgrounds, who are more likely to start school with lower language skills. They rarely catch up with their more advantaged peers at any point in education, limiting their life chances.

10. Research¹ shows that having language-rich classrooms and opportunities benefits all children, developing deeper knowledge of subjects, as well as supporting metacognitive skills development, positive social, emotional and mental health (SEMH) and employability skills. The skills required for future employment² are all developed by oracy, and there is recognition that a skills-based economy is needed in light of advances in AI and wider workforce challenges.

11. Beyond this, schools and education providers require flexible partners to help improve social mobility and life chances for all. The ESU's programmes remain unique in that we provide curriculum resources and programmes (learning through talk – such as Oracy in Action) as well as meaningful opportunities to put formal oracy skills into practice, for example through our competitions. We continue to meet schools where they are, providing authentic, flexible and adaptable opportunities for all schools and educational settings to benefit from the expertise and approach of the ESU.

Achievements and Performance

12. We are pleased to report that our oracy competitions proved popular, with overall participation figures returning to pre-pandemic levels. Our Discover Your Voice workshops were relaunched this year and we received strong interest from a range of schools and informal education

¹ See for example: Oral Language Interventions – Education Endowment Foundation Toolkit:

<https://educationendowmentfoundation.org.uk/education-evidence/teaching-learning-toolkit/oral-language-interventions>

² NFER study: <https://www.nfer.ac.uk/the-skills-imperative-2035-an-analysis-of-the-demand-for-skills-in-the-labour-market-in-2035/>

settings. We saw an increase in whole-year group bookings by state schools, which received a discounted price on workshops to support participation. The interest in our core programme activity remains strong, indicating a continuing demand for this work to be provided.

13. We launched Oracy in Action, our new primary school programme which provides schools with a fully sequenced, evidence-based oracy curriculum suitable for delivery across the school. This is supported by CPD and comes complete with all teaching materials and resources that schools require.

14. Debate Academy returned in August 2022, following the pandemic, with 50% of attendees in receipt of some form of bursary or financial aid. Many students who spent a year at a US school as part of our Secondary School Exchange programme are from state schools, with three scholars in receipt of additional financial aid from the ESU to support with travel and subsistence costs. Schools in the UK and US generously donate a place to SSE scholars, with benefit in kind being £35,000-£70,000 depending on the school attended.

15. 11 state schools embarked on our inaugural Action Research programme, helping to develop the practical 'what works' evidence base for oracy, supported by the University of Sussex's Speaking Citizens programme.

16. Continuing Professional Development (CPD) continued online with the launch of a new webinar series. This supported the strategic aim of equipping teachers for sustainable oracy provision in schools.

17. Online and in-person oracy competitions achieved significant impact, with over 4000 young participants in the UK, and over one million worldwide. The International Public Speaking Competition returned to London for the first time since the pandemic, drawing participants from national finals in 40 countries which had taken place between October 2022 and April 2023. The figures below are for Financial Year activity. Our Impact Report will reflect academic year performance.

Programme	Impact	Remarks
Oracy in Action	Soft-launched March 2023	Oracy in Action is a grab-and-go scaffolded programme giving teachers and schools what they need to support all pupils to develop their oracy skills.
Discover Your Voice workshops	34 workshops 1991 students	Our Discover Your Voice workshops were redeveloped this year to enable us better to meet the needs of schools and learners post-pandemic. Delivered by expert practitioners, we provided added value for all schools.
Schools' Mace Debating Competition	340 schools 1190 students	This is the oldest and largest national schools debating competition, with more participants from state schools than in previous years. This was the first year we expanded the competition to Wales.
ESU-Churchill Public Speaking Competition	381 teams 1334 students	This unique format encourages teamwork and cultural exchange, pairing schools locally to develop active listening skills as well as spoken language skills. Generously

		sponsored by the International Churchill Society.
Performing Shakespeare Competition	150 schools 1530+ students	The Grand Final took place at Shakespeare's Globe, where we celebrated excellent performances from state, independent and home-schooled students, showcasing the breadth of interest there is in Shakespeare as one of the UK's most famous cultural exports.
Branch-led competitions and workshops	42 schools 200+ students	Our branches continued to support oracy development with locally targeted educational activity.
Debate Academy (a week-long residential summer camp)	67 young people 50% in receipt of a bursary	Debate Academy returned in August 2022 for the first time since the pandemic, with many attendees having never taken part in debating previously.
International Public Speaking Competition	1 million+ participants 42 countries	We continue to work with our International ESUs and partners to reach significant numbers of young people. We also introduced grants, enabling our International ESUs to reach marginalised communities, such as nomadic peoples in Mongolia.
International Debate Tours	300+ students in Denmark and Japan	ESU-trained Oracy Mentors deliver oracy workshops and support competition facilitation with our International ESUs. The Denmark tour lasted one week, while the Japan tour lasted two weeks, with two mentors leading the programme.
Secondary School Exchange (SSE)	10 UK scholars were hosted in the USA 4 US scholars were hosted in the UK	A year-long cultural exchange scholarship, allowing students aged 18 (after A-Levels) to experience a year in an American school, and vice versa. Delivered in partnership with the ESU USA.
CPD online	80+ teachers	Pilot and test phase.
Lindemann Trust Fellowships	2 scholars	Up to three 2-year fellowships are awarded annually, each worth \$65,000 a year, for postdoctoral scientists to carry out research at a host institution in the USA.
Walter Hines Page Scholarships	In obedience since the pandemic, with plans to re-launch in 2024/25.	Research scholarships for teachers to investigate oracy practice in the USA.

18. Much of the year has been spent planning to increase our membership following the pandemic, and we now have over 2,000 paying members and 15 active local branches supporting

charitable activities across England and Wales. We deliver face-to-face and online events programmes, including talks and debates, and this has had a positive impact on local engagement.

19. Dartmouth House, the international headquarters of the ESU, has been a hub for bringing people together to socialise, debate and share ideas. Dartmouth House was closed to members for much of the year due to the pandemic, but reopened its doors on 1st January 2023.

Future Plans

20. Over the course of 23/24 we will undertake a strategic review to consider the long-term direction of the Charity, leading to a new five-year Strategic Plan which will be launched in 2024. With the continued widening of the educational learning gap, we must tackle the inequalities of access to education and skills development. At the heart of the ESU is a determination to continue to broaden geographical impact and accessibility to all its programmes, especially for young and disadvantaged people. We will achieve this through a new Education Strategy which will set out our plans to grow our existing programmes, especially in state schools, and introduce new activities to expand our reach and engagement.

21. Over the next year we will be implementing the 5-year Membership Modernisation Strategy with a primary goal of expanding and diversifying our membership nationally and internationally. We aspire to increase our membership by almost 50% by the end of the year, and overhaul our membership offer to meet the needs of current and future members. We will introduce a new digital offer which will provide members with access to our many events, wherever they may be. We will continue to be a membership organisation with charitable purpose and produce a clarified Vision, Mission and Values statement to reflect this and to drive growth and success.

Safeguarding

22. There is no higher priority for the ESU than the safeguarding of all those interacting with the Charity, and particularly children participating in its programmes. Strict policies and protocols are applied to face-to-face and online events. The Board has a strong emphasis on the protection of vulnerable individuals, and it reviews processes and procedures on a regular basis as part of the risk management process. The safeguarding policy, reviewed biannually, is available on the [ESU website](#).

Communication

23. We advocate actively for oracy education, internationalism and member-based learning and volunteering, and provide content for teachers, young people, members and supporters through our website (<http://www.esu.org>). We will be developing our digital strategy in the coming year to ensure that our members and beneficiaries have access to the information they need, wherever they live.

24. In the Spring of 2022, the ESU's 'Dialogue' magazine celebrated Her Majesty The Queen's Platinum Jubilee and her remarkable 70-year patronage of the English-Speaking Union. It was then with great sadness that we observed the passing of Her Majesty Queen Elizabeth II, on 8th September 2022. ESU members around the world joined together to acknowledge the extraordinary lifetime of service Her Majesty gave to the nation, and Her Majesty's active support for the English-Speaking Union.

25. HRH The Princess Royal, President of the English-Speaking Union, made a significant speech to members of the ESU of the United States of America in 2022, which was broadcast online to over 50 countries, further projecting the ESU's mission onto the international stage.

26. We have focussed on building our social media presence and now have 23,939 followers on Facebook, Twitter and LinkedIn, an increase of almost 4,000 in the year. Social media provides a growing platform for networking into education, business and wider society to promote the Charity's work.

Pay Policy for Senior Staff

27. The executive pay policy is set by the Nominations and Remuneration Committee (NRC) and approved by the Board. The NRC sets the remuneration for senior management roles using benchmarked data. Further details are contained in Note 6 to the accounts.

Governance and Management

28. We are governed by a Board of Trustees, who are elected by members of the ESU, or are otherwise co-opted by the Board, for a period of up to three years. Up to six co-opted Trustees may be appointed by the Board. Trustees elected by members of the ESU are eligible to stand for re-election for a second term of three years. The Board may delegate the exercise of any of its powers and discretions to Committees. In this reporting period the Board have established four Committees:

- a. Nominations and Remuneration Committee
- b. Audit and Risk Committee
- c. Education Committee
- d. Finance & Operations Committee

29. There are separate Boards for the two trading subsidiaries: ESU Trading Ltd and ESU Dartmouth House Ltd.

Patron and Presidents

Patron

Her Late Majesty Queen Elizabeth II

President

HRH The Princess Royal KG KT GCVO

Vice-Presidents

The Lord Watson of Richmond CBE

Mr Guy Weston

Board and Committees

Board Chair

Philip Maunder (interim)

Deputy Board Chairs

Professor James Raven

David Shaw OBE

Honorary Treasurer

James Scruby (to 6th December 2022)

Sarah Harding (from 15th March 2023)

Trustees

Barbara Firth

Sarah Hawkins

Richard Humphreys KC

Philip Maunder

Laurence Mutkin

Danny Preiskel

Stephen Purcell

Professor James Raven

James Scruby (to 6th December 2022)

David Shaw OBE

Co-options

Sarah Harding (from 1st August 2022)

Madeleine Milne (from 1st August 2022)

Senior Executives

Director-General

Jane Easton

Directors

Annabel Thomas MacGregor

Board Secretary

Nathan Strong (from 25th January 2023)

Professional Auditors

Moore Kingston Smith LLP

9 Appold Street

London

EC2A 2AP

Bankers

Coutts & Co

440 The Strand

London

WC2R 0QS

Solicitors

Russell-Cooke LLP

2 Putney Hill

London

SW15 6AB

Hogan Lovells International LLP

Atlantic House

Holborn Viaduct

London

EC1A 2FG

Investment Managers

Sarasin & Partners LLP

100 St Paul's Churchyard

London

WC4M 8BU

Property Advisors

CBRE

Henrietta House

Henrietta Place

London

W1G 0NB

Financial Review

30. The results of the ESU Group are set out in the Consolidated Statement of Financial Activities (SoFA) on page 20. The figures consolidate the results of the Charity and its two wholly owned subsidiaries, ESU Trading Ltd and ESU Dartmouth House Ltd.

31. Our charitable activities have been funded through four main income streams:

- a. Donations
- b. Charitable income (registration fees, membership subscriptions and events)
- c. Trading income
- d. Investment income (including rent from the Chesterfield Hotel)

32. The SoFA shows an overall surplus on net income of £488k (2022: £906k) excluding investment gains.

33. Net incoming resources in 2022/23 were £2,535k (2021/22: £2,297k). Total income by source for the ESU Group, comparable to the previous year, is set out below:

	2022/2023		2021/2022	
	£'000	%	£'000	%
Donations and legacies	45	1.8%	75	3.2%
Charitable activities	373	14.7%	386	16.8%
Trading activities	485	19.1%	176	7.7%
Investments	1,632	64.4%	1,660	72.3%
Total	2,535	100.0%	2,297	100.0%

34. Charitable income was comparable to prior year at £373k (2021/22: £386k) due the success of education programmes including Debate Academy, Discover Your Voice and competitions.

35. Investment income of £1,632k included rent from the Chesterfield Hotel and the dividend paid from the investment portfolio managed by Sarasin & Partners LLP. This stream made up 64.4% of the total income.

36. Trading activities included a catering commission of £485k. We changed catering arrangements, as the outgoing company's contract ended in December 2022. A new contract was signed with Graysons Restaurants in January 2023. Graysons Restaurants operate under licence in Dartmouth House to run weddings, private events, corporate activities and to service Dartmouth House members. The revenue from these activities directly benefits the Charity.

37. Donations comprised individual and corporate giving from ESU supporters, income from fundraising events held in Dartmouth House and branch events. The aim of events was to engage existing supporters as well as showcasing our work to those new to the ESU. Events included the Evelyn Wrench lecture, the House of Lords Afternoon Tea and the House of Commons Alumni Dinner.

38. The ESU consolidated Charity and subsidiaries report expenditure of £2,046k this year, a 47% increase on the prior year (2021/22: £1,391k). This reflects an increase in staff, growth in our educational activity and the reopening Dartmouth House to members.

39. Total ESU funds at 31st March 2023 were £51,146k (31/03/2022: £42,833k); the increase of £8,313k is attributable to the sum of a £7,900k property portfolio revaluation gain and £489k Net Income less investment loss of £76k.

40. The ESU owns a property portfolio: the Chesterfield Hotel and Dartmouth House. Both are subject to open-market valuation fluctuations. The properties' values are recorded as designated funds and are not relied upon for the day-to-day running of the Charity. These long-term assets generate the rental income and commercial profits upon which we rely to deliver our charitable work.

41. Unrestricted reserves are required to provide for short-term fluctuations in income and expenditure. The Board's policy is to maintain net free reserves (currently held as cash and near cash investments) sufficient to cover all expenses for at least 6 months. The ESU is operating in accordance with this policy.

42. Cash flows were positive (+£2,316k), with cash flows from operating activities of £1,522k. Unrestricted reserves grew by £587k in the year. Contributing factors to this positive outcome are the low overhead cost base in the first nine months of the year and re-opening of Dartmouth House in January, in conjunction with a new catering contract.

	31 March 2023 £'000	31 March 2022 £'000
The total value of funds held	51,146	42,833
Less:		
Restricted funds (purpose of use defined by the donor)	1,087	1,262
Designated funds for freehold and investment property	37,996	37,996
Revaluation gains	7,990	-
Total free reserves	4,163	3,575

43. We strive to use income from our historical asset base (funds) to cover core costs, so that donations raised can be used wherever possible for front-line charitable activities.

Risk Management

44. The Board has introduced a new risk management framework which includes a Board-level register underpinned by an executive-level risk register. The Audit and Risk Committee (ARC) oversees the process for identifying, reviewing and mitigating all categories of risk, ensuring that appropriate controls are in place, and monitoring the effectiveness of these controls. The Board maintains ownership and regularly reviews its risk register. The key organisational risks are:

- a. **Safeguarding.** Safeguarding remains our highest priority and a robust policy and controls are in place. The Safeguarding policy was updated this year to include in-person and virtual events, and updates to reflect changes in safeguarding legislation. Members of staff attended annual safeguarding training in March 2023. The ARC oversees effective management of safeguarding and ensures that nominated members of the executive team operate in line with statutory requirements and ESU Policy. One incident was reported to the Board in February 2023. A full investigation was carried out and there was no reportable behaviour identified. A satisfactory resolution was reached between all parties.

b. **Customer Relationship Management (CRM).** Our current CRM system is limited in its capability, creating challenges for effective member and schools' management. Plans are underway to deliver a new CRM solution in 2023/24.

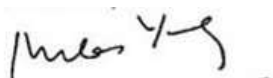
c. **Finance.** The most significant areas of financial risk are:

- (1) The loss of rental income from the Chesterfield Hotel tenant. The organisation remains in regular contact with the tenant, and reviews of the covenant are undertaken routinely.
- (2) Income from investments is necessarily subject to market risks. The investment mandate is to protect the capital and provide an annual income. The portfolio is managed by Sarasin & Partners LLP, whose performance is scrutinised closely.
- (3) Voluntary income arising from donations, grants and legacies varies from year-to-year. Voluntary income is used to fund our charitable activities, which we seek to fund in advance where possible. When this is not practical, or when an activity makes a loss, any shortfall is made up from our unrestricted reserves. We plan to develop and launch a new fundraising strategy in 2023/24 which will guide our plans for income generation and help stabilise existing voluntary income streams.
- (4) There is risk that commercial income from events and catering at Dartmouth House fluctuates annually, leading to potential loss of income. This has been mitigated by securing a minimum annual commission from our catering partner, Graysons Restaurants.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

1. The Trustees of the Charity are responsible for preparing the Trustees' Report and the financial statements, being the consolidated accounts of the English-Speaking Union and its subsidiary companies ESU Dartmouth House Ltd and ESU Trading Ltd (together, the 'Group'), in accordance with applicable law and regulations.
2. Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) and applicable law.
3. Under charity law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the affairs of the Charity and the Group, and of the net outgoing resources of the Group for that period. In preparing these financial statements, the Trustees are required to:
 - a. select suitable accounting policies and then apply them consistently.
 - b. observe the methods and principles in the Charities' Statement of Recommended Practice (SORP).
 - c. make judgements and estimates that are reasonable and prudent.
 - d. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
 - e. prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Charity will continue to operate.
4. The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions; to disclose with reasonable accuracy at any time the financial position of the Charity; and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 8th November 2023 and signed on their behalf by:



Miles Young
Chair

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ENGLISH-SPEAKING UNION OF THE COMMONWEALTH

Opinion

We have audited the financial statements of The English-Speaking Union for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the of the Charity and the group's affairs as at 31 March 2023, and of the incoming resources of the group and application of resources, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of 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 financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and,

except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- The information given in the Trustees Annual Report is inconsistent in any material respect with the financial statements.
- The Charity has not kept adequate accounting records.
- The financial statements are not in agreement with the accounting records and returns.

We have not received all the information and explanations we required for our audit.

Responsibilities of the Trustees

As explained more fully in the Trustees responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility

for the prevention and detection of fraud rests with both management and those charged with governance of the Charity.

Our approach was as follows:

We obtained an understanding of the legal and regulatory requirements applicable to the Charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

We obtained an understanding of how the Charity complies with these requirements by discussions with management and those charged with governance.

We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the Trustees, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the 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 any party other than the Charity and the Trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

19 December 2023

Moore Kingston Smith LLP
Statutory Auditor
9 Appold St
London EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

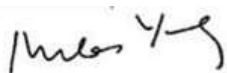
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (SoFA)

£'000's	Note	2023 Unrestricted funds	2023 Restricted & endowment funds	2023	2022
Income from:					
Donations and legacies	2.1	43	2	45	75
Charitable activities	2.2	298	75	373	386
Trading income	2.3	485		485	176
Investment income	2.4	1,624	8	1,632	1,660
Total income		2,450	85	2,535	2,297
Expenditure on:					
Charitable activities	4.1	1,207	279	1,486	857
Raising funds	4.2	560		560	534
					-
Total expenditure		1,767	279	2,046	1,391
Bad debt provision reversal		-	-	-	(694)
Net income before gains on investments	683		(194)	489	1,600
Property revaluation gain	14	1,300	-	1,300	230
Fixed assets revaluation gain	14	6,600	-	6,600	
Total gain on revaluation		7,900		7,900	230
Net unrealised loss on investment 8.2		(95)	- 19	(76)	52
Total net gain/(loss) on investments & revaluation		7,805	19	7,824	282
Net movement in funds		8,488	(175)	8,313	1,882
Reconciliation of funds:					
Funds brought forward	14	41,571	1,262	42,833	40,951
Total funds carried forward		50,059	1,087	51,146	42,833

ESU GROUP BALANCE SHEET

		Consolidated		ESU Charity	
	Note	2023	2022	2023	2022
Fixed assets					
Intangible assets	8	43	86	43	86
Tangible assets	8	18,181	11,632	18,181	11,632
Investments	8.2	30,971	29,242	30,971	29,242
Total fixed assets		49,195	40,960	49,195	40,960
Current assets					
Debtors	9	188	1,088	237	1,142
Cash at bank and in hand		2,316	1,319	2,311	1,104
Total current assets		2,504	2,407	2,548	2,246
Creditors					
Amounts falling due within one year	10	553	534	616	440
Net current assets/(liabilities)		1,951	1,873	1,932	1,806
Net assets		51,146	42,833	51,127	42,766
Funds	14				
Restricted funds					
Endowments		438	503	438	503
Restricted funds		649	759	649	759
Total		1,087	1,262	1,087	1,262
Unrestricted funds					
Designated funds		37,501	37,996	37,501	37,996
General funds		12,558	3,575	12,539	3,508
Total		50,059	41,571	50,040	41,504
Net funds		51,146	42,833	51,127	42,766

These Financial Statements were approved and authorised for issue by the Trustees on 8th November 2023 and signed on their behalf by Miles Young, Chair.



ESU CONSOLIDATED STATEMENT OF CASH FLOWS

		Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
	Note		
Cash flows from operating activities:		1,522	776
Cash flows from investing activities			
Investment income	2.4	56	47
Purchase of property, plant, and equipment	8	(31)	(23)
Proceeds from sale/(purchase) of investments		(550)	(300)
Net cash provided by investing activities		(525)	(276)
Change in cash and cash equivalents in the reporting period		997	500
Cash and cash equivalents at the beginning of the reporting period		1,319	819
Cash and cash equivalents at the end of the reporting period		2,316	1,319

Reconciliation of net income to net cash flows from operating activities

		Year ended 31 March 2023 £'000	Year ended 31 March 2022 (£'000)
	Note		
Net (deficit)/surplus for the reporting period		489	1,600
Depreciation and amortisation charges	8	125	145
Loss on forex revaluation		30	-
Management fees on portfolio		15	13
(Increase)/decrease in debtors		901	(81)
(Decrease)/increase in creditors		18	(854)
Decrease/(increase) in stock		-	-
Investment income		(56)	(47)
Net cash provided by/(used in) operating activities		1,522	776

Analysis of cash and cash equivalents

	2023 £'000	Movement £'000	2022 £'000
Cash at bank and in hand	2,316	997	1,319

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

ACCOUNTING POLICIES (1)

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

Basis of preparation

2. The financial statements are prepared under the historical cost convention as modified to include the revaluation of investments at market value, and in accordance with the Statement of Recommended Practice for Charities (SORP 2015) and applicable accounting standards (FRS 102).

3. The ESU meets the definition of a public benefit entity under FRS 102.

4. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

5. The financial statements are prepared in sterling, the functional currency of the Charity. Monetary amounts are rounded to the nearest thousand pounds.

Critical accounting judgements and estimates

6. In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements.

7. As stated in note 8 to the financial statements, the fair values of the functional and investment properties are based on an external valuation commissioned by the Trustees as at 31st March 2023. The valuation was based on an independent assessment by a professional external firm of property specialists.

8. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

9. Specific estimates in the financial planning of the Charity include:

a. The Charity will maintain the ability to respond to the need to amend its cost base in an agile and timely manner.

b. The Board will continue to seek to maintain the long-term value of Dartmouth House and unlock its potential for charitable purposes. It will continue to consider the optimal asset allocation for the Charity across different asset classes.

c. The Board will ensure, as far as it is able, that it secures the full rental income from the Hotel tenants. The Board will continue to ensure it receives independent professional property and legal advice on all matters across its estate.

d. The financial modelling of the Charity's income and expenditure and cash flow will continue to use prudent revenue estimates in voluntary income classes, especially for

membership, legacy and voluntary donations. The Charity ensures that financial and legal commitments made are fully funded ahead of any such commitment being finalised.

Going concern basis

10. Following the economic recovery post-pandemic, the Board is confident that the Charity remains a going concern for the foreseeable future.

Group financial statements

11. The financial statements consolidate the results of the Charity and its wholly owned subsidiaries on a line-by-line basis. A separate Statement of Financial Activities (SoFA) and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

ESU Trading Ltd & ESU Dartmouth House Ltd

12. ESU Trading Ltd and ESU Dartmouth House Ltd are incorporated as companies limited by guarantee and do not have share capital. Both are wholly owned subsidiaries. A Gift Aid payment is made to the ESU each year equivalent to the taxable profit of each. ESU Trading Ltd provides catering and events services at Dartmouth House. ESU Dartmouth House Ltd holds the lease for the bedrooms above Dartmouth House at 37 Charles Street.

Branches

13. The income and expenditure, assets and liabilities of the branches of the ESU in England and Wales, have been combined within these accounts. Separate ESUs in Scotland and overseas are autonomous organisations and are not consolidated.

Income resources

14. All incoming resources are included in the SoFA when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies apply to categories of income:

- a. Subscriptions are credited to the income and expenditure account when received, less the proportion which relates to the next financial year.
- b. Donations and legacies are included in full in the SoFA when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

15. All other income is accounted for on an accruals basis.

Resources expended

16. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of resources. The majority of overheads have been apportioned on the basis of headcount, the main cost-driver of the Charity.

- a. Scholarships are accounted for in full upon the creation of a constructive obligation.
- b. Support costs including finance, IT, governance and facilities, are allocated using a relevant and reasonable apportionment based on time, occupancy and usage across categories of the charitable expenditure, governance and the costs of generating funds.
- c. Governance costs are separately identified and relate to the general running of the Charity as opposed to the costs of fundraising or charitable activity. Included within this category are costs associated with the strategic, as opposed to the day- to-day management of the Charity's activities and audit fees.
- d. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.
- e. Irrecoverable VAT is charged as a cost in the SoFA.
- f. Investment properties are included at market value and are not depreciated.

Fixed assets

17. Freehold properties are stated at an open-market valuation. Other fixed assets are stated at cost less accumulated depreciation. Assets with a cost in excess of £1000 intended to be of ongoing use are deemed to be fixed assets. Freehold property for the Charity's use is included at market value.

- a. **Property Valuation.** The Board has used a leading independent chartered surveyor to provide an external professional valuation to 31st March 2023.
- b. **Works of art.** Various works of art are held by the Charity at market value. No depreciation is charged.

Depreciation and amortisation

18. Depreciation and amortisation are calculated to write-off the costs of the fixed asset by equal instalments as follows, all straight line:

- a. Plant and machinery - 15 years
- b. Furniture, fittings and equipment - 5 years
- c. Computers - 3 years
- d. Software - 5 years.

Investments

19. Investments are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the SoFA.

Profits and losses on the realisation of investments

20. These are shown as realised gains and losses in the SoFA. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial year.

21. Unrealised gains and losses are calculated as the difference between the fair value at the year-end and their carrying value. Realised and unrealised investment gains and losses are combined in the SoFA.

Cash at bank and in hand

22. Cash at bank and cash in hand includes cash and short-term highly liquid investments with a maturity of less than three months, excluding the share portfolio.

Financial instruments

23. The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. These include trade and other debtors and creditors and are initially recognised at transaction value and subsequently measured at their settlement value.

Creditors and provisions

24. Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount after allowing for any trade discounts due.

Operating leases

25. Rental charges are charged on a straight-line basis over the life of the lease.

Debtors and prepayments

26. Debtors include amounts owed to the Charity for the provision of goods and services or amounts the Charity has paid in advance for the goods and services it will receive. Any debtors recoverable more than 12 months after the year-end are discounted to present value.

Employee benefits

27. Short-term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

28. Employee termination benefits are accounted for on an accruals basis and in line with FRS 102.

29. The ESU operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held separately from those of the ESU in an independently administered fund. The pensions costs charged in the financial statements represent the contributions payable during the year.

Taxation

30. The ESU has charitable status and is thus exempt from taxation of its income and capital gains falling within sections 521 to 536 of the Income Tax Act 2007 to the extent that they applied to its charitable objectives. No material tax charge has arisen in its subsidiary and no provision is required for deferred taxation.

Foreign currency translation

31. The Charity's functional and presentation currency is pounds sterling. Any monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are recognised in the SoFA.

Benefits in kind

32. Benefits in kind are included at a reasonable estimate of their gross value to the Charity. The Charity does not place a monetary value on volunteers' time.

Funds

33. **Permanent endowments funds.** These occur where a donor specifies only income arising from a donation can be used, and the income may also be restricted towards a particular purpose.

34. **Expendable endowment funds.** An expendable endowment fund is a fund that must be invested to produce income. Depending on the conditions attached to the endowment, the Trustees will have a legal power to convert all or part of it into an income fund which can then be spent.

35. **Restricted income funds.** These are subject to specific restrictions imposed by the donor or by the nature of the appeal.

36. **General unrestricted income funds.** These are available to the ESU for its general purposes and include funds designated for practical purposes. The use of designated funds remains at the discretion of Trustees.

INCOME NOTE (2)

2.1 Donations and legacies

	Unrestricted funds £'000	Restricted & endowment funds £'000	2023 £'000	Unrestricted funds £'000	Restricted & endowment funds £'000	2022 £'000
Donations & legacies	19	1	20	22	-	22
Fundraising events	24	1	25	29		29
Government Grants	-		-	24		24
Total	43	2	45	75	-	75

2.2 Charitable activities

	Unrestricted funds £'000	Restricted & endowment funds £'000	2023 £'000	Unrestricted funds £'000	Restricted & endowment funds £'000	2022 £'000
Income from programmes & events	80	75	155	42	167	209
Income from branches	57	-	57	30	-	30
Membership subscriptions	161	-	161	147	-	147
Total	298	75	373	219	167	386

2.3 Trading activities

	Unrestricted funds £'000	Restricted & endowment funds £'000	2023 £'000	Unrestricted funds £'000	Restricted & endowment funds £'000	2022 £'000
Catering commission	485	-	485	128	-	128
Other trading activities	-		-	48		48
Total	485	-	485	176	-	176

2.4 Investments

	Unrestricted funds £'000	Restricted & endowment funds £'000	2023 £'000	Unrestricted funds £'000	Restricted & endowment funds £'000	2022 £'000
Rental income	1,504	-	1,504	1,504	-	1,504
Investments income	48	8	56	32	15	47
Recharges	72	-	72	109	-	109
Total	1,624	8	1,632	1,645	15	1,660
Total income	2,450	85	2,535	2,115	182	2,297

TRADING SUBSIDIARIES (3)

3.1 ESU Trading Ltd

	2023 £'000	2022 £'000
Turnover	500	177
Cost of sales	-	-
Gross profit	500	177
Administrative expenses	278	174
Profit before taxation	222	3
Summary of assets and liabilities are as follows:		
Assets	143	44
Liabilities	(125)	(26)
Net asset	18	18
Distributions to parent Charity under gift aid	222	3

ESU Trading Ltd outsourced the catering and room hire of Dartmouth House under contract to CH&Co (until 20 December 2022) and to Graysons Restaurants (from 21 December 2022). Operating costs include an allocation of management costs and shared premises costs.

3.2 ESU Dartmouth House Ltd

ESU Dartmouth House Ltd is responsible for the 'bedroom lease' the lease of floors 2, 3 and 4 above Dartmouth House. The company was formed on 9th December 2020 as a wholly owned subsidiary of the Charity to be the "Competent Landlord". Income is earned on rents received from the tenant, and costs are due to the parent in proportion to such receipts. ESU Dartmouth House Ltd covenants any profits to the Charity.

	2023 £'000	2022 £'000
Turnover	297	317
Cost of sales	-	-
Gross profit	297	317
Administrative expenses	120	269
Profit before taxation	177-	48
Summary of assets and liabilities are as follows:		
Assets	101	117
Liabilities	53	69
Net asset	48	48
Distributions to parent Charity under gift aid	177	48

EXPENDITURE (4)

4.1 Charitable activities

	Direct costs £'000	Support costs £'000	2023 £'000	2022 £'000
Education programme and scholarships	391	387	778	425
International development	222	55	277	141
Membership and branches	192	110	302	250
Governance (note 7)	46	83	129	41
Total	851	635	1,486	857

4.2 Raising funds

	Direct costs £'000	Support costs £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Fundraising costs	22	28	50	27
Trading	399	111	510	509
Total	421	139	560	534

Reversal of bad debt provision	-	-	-	(694)
Total expenditure	1,272	774	2,046	699

SUPPORT COSTS (5)

Support costs are allocated on the basis of full-time equivalent headcount across the programmes.

	Finance, HR & digital £'000	Communications & publicity £'000	Facilities & management £'000	2023 £'000	2022 £'000
Overhead allocation					
Education programme and scholarships	213	39	135	387	221
International development	30	6	19	55	21
Membership and branches	61	10	38	110	159
Governance	46	8	29	83	11
Sub-total charitable to activities	350	63	221	635	412
Fundraising	15	3	10	28	-
Trading	61	11	39	111	65
Sub-total to fundraising & trading	76	14	49	139	65
Total support costs	426	78	271	774	477

DETAILS OF STAFF COSTS (6)

6.1 Number of employees

	Year ended 31 March 2023	Year ended 31 March 2022
Charitable activities	10	4
Support	8	6
Total permanent full-time staff	18	10

6.2 Analysis of staff costs

	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Salaries	626	482
Redundancy costs	-	-
Employers' National insurance	59	48
Employers' pension contributions	38	33
Total	723	563

6.3 Senior employees

	Year ended 31 March 2023 Number	Year ended 31 March 2022 Number
£70,001–£80,000	1	-
£80,001–£90,000	-	-
£90,001–£100,000	-	-
£110,001–£120,000	1	1
Total	2	1

The total pension costs for the above employees were £11k for the year.

6.4 Key management personnel

Key management personnel emoluments, comprising wages and salaries, pension contributions and other benefits:

	2023 £'000	2022 £'000
Total	212	194

Key management personnel comprise the Director-General and Director of Education and Head of Governance.

6.5 Trustee remuneration

None of the Trustees received any remuneration or benefits in kind from the Charity or its subsidiaries during the current or previous financial year.

GOVERNANCE COSTS (7)

	2023 £'000	2022 £'000
Trustees' expenses	10	6
Legal and professional	22	-
Audit fees	25	24
Other payments to auditors (VAT advisory costs)	10	13
Total	67	43

In addition to the direct costs shown above, Governance costs shown on note 5 to the accounts also include directors' and executive time concerned with the strategic planning processes that contribute to the development of the Charity. Three Trustees received reimbursements for their travel and accommodation to meetings.

FIXED ASSETS (8)

Group and Charity (£'000s)

	Freehold property	Plant & machinery	Computer equipment	Artwork & Maces	Fixtures & fittings	Total tangible assets	Intangible assets	Total fixed assets
Cost or valuation								
At 31 March 2022	10,300	1,163	8	726	180	12,377	215	12,592
Additions	-	-	26	-	6	31	-	31
Disposals/written off	-	-	-	-	(180)	(180)	-	(180)
Revaluations	6,600	-	-	-	-	6,600	-	6,600
At 31 March 2023	16,900	1,163	34	726	6	18,828	215	19,043
Depreciation/ amortisation								
At 31 March 2022	-	561	5	-	179	745	129	874
Charged in the year	-	76	6	-	-	82	43	125
Disposals	-	-	-	-	(179)	(179)	-	(179)
At 31 March 2023	-	637	11	-	-	648	172	820
Net book value	16,900	526	23	726	6	18,181	43	18,224
At 31 March 2022	10,300	602	3	726	1	11,632	86	11,718

ANALYSIS OF FIXED ASSET INVESTMENTS

8.1 Property investments (£'000s)

	2023	2022
Market value at 1 April	27,200	27,200
Unrealised gains on revaluation	1,300	-
Market value at 31 March	28,500	27,200

The investment property was valued by Cushman & Wakefield on 31 March 2023.

8.2 Share portfolio (£'000s)

	2023	2022
Market value at 1 April	2,043	1,704
Net additions and receipts on disposal	550	250
Investment managers' (fees)-netted off unrealised gains	(46)	(13)
Investment held in cash	-	50
Realised profit on investments	-	-
Unrealised gain/(loss) on investments	(76)	52
Market value at 31 March	2,471	2,043
Market value of all investments at 31 March	29,671	29,242
Historical cost (share portfolio) at 31 March	1,246	1,246

8.3 Material investments

There were no material investments.

DEBTORS (9) (£'000s)

	Consolidated		ESU Charity	
	2023	2022	2023	2022
Trade debtors	116	1,062	9	879
Amounts owed by subsidiary undertakings	-	-	-	236
Prepayments and accrued income	72	26	71	26
VAT reclaimable	-	-	109	-
Total	188	1,088	189	1,141

CREDITORS (10) (amounts falling due within one year) (£'000s)

	Consolidated		ESU Charity	
	2023	2022	2023	2022
Trade creditors	47	68	47	68
Sundry creditors	72	5	89	5
Subscriptions in advance	35	57	35	57
Amounts owed to trading subsidiaries	-	-	134	-
Deferred income	379	400	312	334
VAT payable/(reclaimable)	20	4	-	(24)
Total	553	534	617	440

OPERATING LEASE COMMITMENTS (11)

At 31st March 2023, the Charity had no annual commitments in respect of operating leases.

£'000s	2023	2022
Within one year	-	3
Two to five years	-	-
Total	-	3

ANALYSIS OF NET ASSETS BETWEEN FUNDS (12)

Current year (£'000s)	Unrestricted funds	Restricted & endowment funds	Total 2023
Fixed assets	18,224	-	18,224
Investment property	28,500	-	28,500
Other investments	1,384	1,087	2,471
Net current assets/(liabilities)	1,951	-	1,951
Total net assets	50,059	1,087	51,146

12.1 Prior year (£'000s)

	Unrestricted funds	Restricted & endowment funds	Total 2022
Fixed assets	11,718	-	11,718
Investment property	27,200	-	27,200
Other investments	781	1,262	2,043
Net current assets/(liabilities)	1,872	-	1,872
Total net assets	41,571	1,262	42,833

FUNDS (13) (£'000s)

13.1 Current year funds (£'000)

Current Year	Opening balance 31 March 2022	Incoming resources	Outgoing resources	Unrealised loss on investments	Revaluation of fixed assets	Transfer between funds	Balance at 31 March 2023
Endowment funds							
Expendable	281	2	(67)	-			216
Permanent endowment	222	-	-	-			222
Total	503	2	(67)	-			438
Restricted funds							
Branch funds	51	1	2	(1)			49
Exchange programmes	34	1	-	(1)			34
Fellowship funds	260	75	(183)	27			179
Education funds	58	1	-	(1)			58
Music funds	25	1	(3)	-			23
Scholarship funds	331	4	(24)	(5)	-		306
Total	759	83	(212)	19			649
Unrestricted funds							
Designated funds	37,996	1	-	-		(496)	37,501
General funds	3,423	1,651	(970)	(95)	7,900	496	12,405
Trading funds	152	798	(798)	-			152
Total	41,571	2,450	(1,767)	(95)	7,900	-	50,059
Total funds	42,833	2,535	(2,046)	(76)	7,900		51,146

13.2 Prior year funds (£'000s)

	Opening balance 31 March 2021	Incoming resources	Outgoing resources	Unrealised loss on investments & revaluation of fixed assets	Transfer between funds	Balance at 31 March 2022
Endowment funds						
Expendable	408	-	(127)	-		408
Permanent endowment	222	-	-	-		222
Total	630	-	(127)	-	-	630
Restricted funds						
Branch funds	49	1	-	1		51
Exchange programmes	32	1	-	1		34
Fellowship funds	146	172	(63)	5		260
Education funds	58	1	(2)	1		58
Music funds	33	1	(9)	-		25
Scholarship funds	352	6	(34)	7	-	331
Total	670	182	(108)	15		759
Unrestricted funds						
Designated funds	38,035	-	(39)	-		37,996
General funds	1,516	1,621	19	37	230	3,423
Trading funds	100	494	(442)	-		152
Total	39,651	2,115	(462)	37	230	41,571
Total funds	40,951	2,297	(697)	52	231	42,833

FUND DETAILS (14)

Grouping	Category	Fund name	Purpose
Endowment funds	Expendable endowment funds	EEF000 – American Memorial Chapel Travel Fund (Clergy)-£85k	Travel scholarships for clergy between the UK and the USA
		EEF001 – Westbury Preston Memorial Education Fund-£115k	Used to provide exchange visits by students or teachers within the British Commonwealth or between the British Commonwealth and the USA
		EEF002 – Mallinson Memorial Fund – Bookbinding & Woodworking-£19k	Woodworking and bookbinding scholarships
	Permanent endowment funds	PEF000 – P W Minet American Education Scholarship Fund-£75k	Teaching scholarships for lecturers or teachers to travel to the USA to study a specific aspect of education
		PEF001 – P W Minet Community Benefit Fund-£75k	Travel awards to enable individuals between 25 and 45 with professional qualifications to travel outside the UK, for the benefit of both their own communities and those they visit
		PEF002 – Education Endowment Fund – Teachers-£48k	Travel scholarships for teachers between the UK and the USA
		PEF003 – Charlotte Bonham-Carter Music Scholarship Fund-£22k	For the provision of music scholarships to Yale
Restricted funds	Branch funds	RB0003 – Carlbon-Lincolnshire-£46k RB0001-Nurses Work Shadow Fund(£3k) RB0004-Branches scholarship RB0004 - Branches-Scholarships (28k)	Used to fund education at branch level
	Exchange funds	RE0003 – C E Eckersley Educational Fund-£17k	Used to provide grants to foreign students studying English.
		RE0004 – Walter Annenburg Fund-£17k	Donated for the purpose of Anglo-American exchanges
	Fellowship funds	RS0000 – The Lindemann Fellowship Fund-£176k	Provides fellowship awards to enable UK scientists to undertake research programmes in the USA
	Music funds	RM0000 – The Ravinia Scholarship Fund-£6k	Awards to enable talented musicians to attend the Ravinia Festival
		RM0003 – Belinda Norman-Butler Music Fund-£15k	Donations raised by the ESU Cultural Affairs Committee to support music scholarships
		RN0000 – John Roberts Travel Scholarship Fund-£45k	Fund is in respect of travel Scholarships for Lincolnshire students
	Scholarship funds	RN0001 – Michael Graydon Scholarship Fund-£13k RFI003 - Charlotte Bonham-Carter Music	Award to aid earmarked ESU educational work for the Lincolnshire branch
		Scholarship Income Fund (3k) RB0002 Chester Scholarship Fund-£110k	Award for scholarships & other charitable activities in Chester