

Charity Registration No. 274779

Company Registration No. 01206976 (England and Wales)

A.I.E.S.E.C. (U.K.) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

A.I.E.S.E.C. (U.K.) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	I Priestley	
	A Sia Lu	
	C Galindo	
	J Ryan	
	R Cook	
	C Raportaru	
	S Shah	
	C Moore	
	L Archer	(Appointed 12 October 2020)
Secretary	A Sia Lu	(Appointed 13 August 2020)
Charity number	274779	
Company number	01206976	
Registered office	1e Mentmore Terrace London England E8 3DQ	
Auditor	HW Fisher LLP Acre House 11-15 William Road London NW1 3ER United Kingdom	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	

A.I.E.S.E.C. (U.K.) LIMITED

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A.I.E.S.E.C. (U.K.) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2021

The Trustees present their report and financial statements for the year ended 31 July 2021.

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

A.I.E.S.E.C. (U.K.) Limited is referred to as "the charity" or "AIESEC (UK)".

Objectives and Activities

AIESEC (UK)'s vision and role are identical to all AIESEC countries as set out by The AIESEC Way:

What we Envision:

Peace and fulfilment of humankind's potential.

Our Impact:

Our international platform enables young people to explore and develop their leadership potential to have a positive impact in society.

The way we do it:

AIESEC provides its members with an integrated development experience comprised of leadership opportunities, international internships and participation in a global learning environment.

The objectives of the charity are achieved in the following ways:

1. Youth Leadership Development:

Providing students and recent graduates with the opportunity to work in a team and lead a group of their peers while at university and while being exposed to different cultures, businesses and opinions helps fulfil AIESEC's aims.

AIESEC (UK) organises and delivers a range of internal and external educational conferences, seminars, and events to improve member and non-member management skills, business acumen and leadership potential.

2. The International Traineeship Scheme ("Exchange Programme"):

This is a reciprocal programme, which enables UK students and recent graduates to work overseas in any of over 120 AIESEC member countries and raises placements for foreign students and graduates to gain experience with UK companies. Trainees are selected for their technical suitability and their ability to represent AIESEC and the UK favourably, and to learn through exposure to another culture. These students go abroad to take up traineeships in management, technical, development and educational areas.

3. The Access Tier 5 (AT5) programme

AIESEC (UK) holds Government Authorised Exchange ("GAE") status from the Department for Business, Energy and Industrial Strategy (BEIS) which enables AIESEC (UK) to act as the sponsoring body for students and facilitate the sourcing of top talent for short term employment on internship roles with UK companies. These placements further the professional education and cultural awareness of the students who participate.

The Trustees have paid due regard to guidance on public benefit issued by the Charity Commission in deciding what activities the charity should undertake.

Operating Context – Covid-19

Covid 19 continued to disrupt the activities of the organisation throughout the year. A combination of restrictions including national lockdowns, travel limitations, universities operating virtually and mandates to work from home, meant that the charity's operations were reduced at a local level within universities and at a national level. The organisation continued to monitor and manage any negative impacts while investing in new programmes to diversify its offering.

AIESEC (UK) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

Performance and Achievements

Membership and leadership development:

Recruitment of new volunteer members was, for the first time, done completely virtually due to covid 19 restrictions limiting activities on campus. We received 336 applications to become volunteer members and recruited 210 new members.

Educational conferences and seminars were held to advance members' leadership and management skills. All the conferences and events were delivered virtually due to Covid 19 restrictions. The conferences held and attendance achieved this year were:

- MAXIS (237 attendees) – a conference designed for the induction of new LC members, introducing them to AIESEC's background, values, philosophy and to give training in AIESEC's core activities.
- EB Bootcamp (78 attendees) – functional training and development for the local Executive Board Vice Presidents.
- EBCO (162 attendees) – gathering of Executive Board members to elect a new national President and to discuss plans and strategies to be implemented at local level in the coming year. Motivational speakers from industry and the professions attend, and seminars are organised to allow various perspectives on leadership and management to be examined and discussed.
- EXTRA (210 attendees) – held in March to provide training in the areas of sales, marketing and coaching to local committee members to assist them in delivering the exchange and leadership programmes.
- Leadership Summit (86 attendees) – held in June for local Executive Board members who are part way through their terms. The conference is run in tandem by the outgoing and incoming National Executive.

Youth Speak Forum – this year, AIESEC (UK) also relaunched the Youth Speak Forum (YSF). Organised by members, this external event brings together youth and subject matter experts to try and tackle some of the world's most pressing social and environmental issues. The event was held virtually due to Covid-19 restrictions and engaged over 250 young people. This was sponsored by a number of companies and institutions, including TikTok, UCAS, Arrival, Middlesex University and Climate Partner.

Exchange:

The Exchange Programme was suspended for the majority of the financial year due to Covid-19 and the uncertainty around international travel. Once travel was possible again, the UK governments traffic light system also significantly limited the number of countries the charity was able to work with. For the year ended 31 July 2021, AIESEC (UK) facilitated 10 students and recent graduates to travel abroad and brought 9 international students and recent graduates to work in partner organisations in the UK, resulting in a total number of 19 exchanges (2020: 115). A total of 12 interns also extended their internships in the UK.

Access Tier 5:

As a Tier 5 Government Authorised Exchange body, in the period to 31 July 2021, AIESEC (UK) has sponsored 724 people (2020: 459) from around the world for short-term employment with UK companies.

Volunteers:

The National Executive and national office staff are the only salaried staff working in AIESEC (UK) Limited. Occasionally full-time volunteers managing projects are paid a modest daily allowance to avoid financially disadvantaging them. Volunteers who are entirely unpaid, but highly motivated by the objectives of the organisation perform most of the work done by LCs. We anticipate that this will continue well into the future.

During the financial year, AIESEC (UK) received in-kind support (e.g., pro-bono practical advice on organising events, guidance in relation to team building, working remotely, etc.) primarily from alumni working at its corporate sponsors. However, this support is purely ad-hoc in nature and has required very minimal involvement from each of the individual corporate sponsors. This support is not considered material from an overall organisation perspective.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the charity is exposed and are comfortable that systems are in place to mitigate exposure to the major risks.

AIESEC (UK) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

The principal risks and uncertainties that the trustees consider that the charity faces are set out below, along with the trustees' plans and strategies for managing them:

- Visa regulatory changes – the Home Office introduced a new graduate visa in July 2021 which allows students who have graduated in the UK to stay and work in the UK for two years without the need for a sponsor. Since a large proportion of AT5 sponsorships are for graduates already in country, this could pose a threat to revenues in the future. Work has been done this year to build a pipeline of new clients, including companies in the UK looking to sponsor someone from overseas, and graduates overseas who have found work in the UK and need a sponsor.
- Restricted physical gatherings – Covid-19 has restricted physical gatherings at a local level and for national conferences which are a significant touchpoint and training opportunity. AIESEC (UK) has transitioned these physical activities into virtual ones for the time being using a variety of technologies to engage users, with the intention of moving back to in person interactions as soon as possible.
- International travel restrictions – lock downs and constantly changing travel restrictions have posed a challenge to the exchange programme. It is expected that travel will resume gradually, but until such time AIESEC (UK) is investing time and resources into developing alternative activities to generate revenues and provide members with relevant opportunities to develop their skills.
- Reduced local footprint – several local committees have suffered severely due to the impact of Covid-19. Restrictions mean it has not been possible to conduct any sort of activities on campus, recruit new members, run the exchange programme, and generate revenues for the local committee to invest in member development. Any LC's that are struggling will be offered targeted support, and restricted funds such as the LC Development Fund will be deployed in order to provide support during this tough period.

Financial review and reserves policy

The charity's activities generated a surplus for the year amounting to £216,892 (2020: £156,045 deficit).

Despite COVID restricting key parts of the Charity's operations, the organisation has posted a healthy surplus for the financial year ending 31 July 2021. The main reasons for this include:

- AT5 Revenues – the signing of two significant one-off partnerships for AT5, both of which were signed and delivered late in the financial year, providing an unexpected boost to revenues. It is not expected that these partnerships will continue beyond this financial year.
- Cost Controls – as part of our proactive response to Covid-19, the organisation took steps to reduce costs whenever possible. An example of this is office costs which were reduced by 46% without hampering space required to operate fully.
- Bad Debt Collection – significant improvement in bad debt collection has resulted in debts being collected that have been provided for as bad debts. This has also positively impacted the cash balance and reserves of the organisation during the financial year.

The trustees monitored the organisations' management accounts on a regular basis and as part of the monthly Trustee meetings attended by the National Executive. It became apparent in the second half of the financial year that revenues were to be significantly higher than budgeted. The organisation continued to monitor the external environment and managed costs proactively to make sure there were no significant increases in spending, allowing the organisation to rebuild reserves and ensure additional protection against any new Covid-19 restrictions in the future.

As at 31 July 2021, the charity had net assets of £600,717 (2020: £383,825). This comprises restricted funds of £54,730 (2020: £54,730) and unrestricted funds of £545,987 (2020: £329,095).

The charity raises funds from corporate partners primarily through sponsorship. It does not actively raise funds from the general public.

The charity's funds have been applied in financing the projects outlined above and in maintaining reserves to ensure the organisation is sustainable in the short and long term. The charity's income tends to fluctuate, and this has caused considerable curtailment of the operations during past economic downturns. To mitigate/ minimise this risk, the trustees monitor the level of reserves carefully.

AIESEC (UK) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

It is policy that unrestricted funds which have not been designated for a specific use should be maintained to ensure the charity is able to sustain its operations in the short-term. During the year, the charity consistently maintained unrestricted funds of at least £300,000 which is more than six months' worth of expenditure.

Structure, governance and management

AIESEC (UK) Limited ("the charity" / "AIESEC (UK)") is a registered charity and is constituted as a company limited by guarantee. Its objects and powers and other constitutional matters are dealt with in its Memorandum and Articles of Association.

The Directors of the charity are its Trustees for the purpose of charity law and throughout this report are collectively referred to as "the Trustees". The Board of Trustees is non-executive and meets monthly to take strategic and other material decisions.

The National Executive is a team of recent graduates elected and selected by representatives of the members in accordance with the Articles of Association, the Trustees and the current National Executive. They are in office for one year and the Trustees delegate day-to-day operations to them.

The Trustees, who are also the Directors for the purpose of company law, who served during the year, and to the date of this report were:

I Priestley
A Sia Lu
P Vivash (Resigned 9 August 2021)
C Galindo
R Cook
J Ryan
C Raportaru
S Shah
C Moore
L Archer (Appointed 12 October 2020)

New Trustees are selected by existing Trustees and invited to join the board. The new Trustees are appointed by a majority vote at a quorate Board meeting. All new Trustees are given a thorough briefing on how the charity operates by the existing Trustees. Most new Trustees have had previous involvement with the organisation.

The National Executive co-ordinates the strategy and support activities run by the Local Committees ("LCs"), which are structured as student societies at the relevant universities. AIESEC (UK) does not guarantee any liabilities of the LC's.

AIESEC has branches in over 120 countries: some are also constituted as limited companies. All of these, including the international secretariat AIESEC International in Montreal (Canada), which co-ordinates international activities, bear the name AIESEC. However, AIESEC (UK) has no legal relationship to any of these.

AIESEC Foundation, a registered charity (Registered Charity Number 1095750), was incorporated as a company limited by guarantee on 22 November 2002 (registered company number: 04598851). The AIESEC Foundation's objective is to support, fundraise and safeguard the activities of AIESEC in the UK and overseas. Although a separate legal entity, the Foundation supports projects that benefit AIESEC in the UK and overseas.

Remuneration of key management personnel

AIESEC (UK) employ a National Executive of recent graduates along with an office manager, and a sales and compliance team dedicated to the Access Tier 5 scheme.

In the year ended 31 July 2021 there were 10 (2020: 14) salaried employees. The President of the National Executive is considered to be key management personnel. The remuneration of the National Executive President is set by the Trustees

AIESEC (UK) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

as a fixed salary towards the lower end of the range provided by large employers to graduates entering management training schemes.

Future plans

Following the end of the year there have been no significant changes to the aims, objectives or activities of the charity. The size of the salaried team will be maintained, and alternative forms of revenue continue to be explored due to the impact Covid 19 has had on the charity's finances. The National Executive has developed plans to meet the aims and objectives of the charity and these have been reviewed and agreed with the Trustees.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Auditor

Ratification of these financial statements and the re-appointment of HW Fisher LLP as auditors for the ensuing year will be proposed at our Annual General Meeting.

On behalf of the Board of Trustees

S Shah 
Trustee

Dated: 12/01/2022

A.I.E.S.E.C. (U.K.) LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2021

The Trustees, who are also the directors of A.I.E.S.E.C. (U.K.) Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

A.I.E.S.E.C. (U.K.) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF A.I.E.S.E.C. (U.K.) LIMITED

Opinion

We have audited the financial statements of A.I.E.S.E.C. (U.K.) Limited (the 'charity') for the year ended 31 July 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including 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 Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

A.I.E.S.E.C. (U.K.) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF A.I.E.S.E.C. (U.K.) LIMITED

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

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

A.I.E.S.E.C. (U.K.) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF A.I.E.S.E.C. (U.K.) LIMITED

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

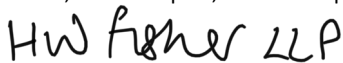
- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Performing a physical verification of key assets.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

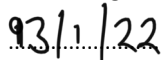
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Rich (Senior Statutory Auditor)

for and on behalf of HW Fisher LLP

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom



A.I.E.S.E.C. (U.K.) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Notes							
<u>Income and endowments from:</u>							
Donations and legacies	3	-	-	-	35,481	-	35,481
Incoming resources from charitable activities	4	556,219	-	556,219	513,241	-	513,241
Investments	5	2,902	-	2,902	722	-	722
Other income	6	3,425	-	3,425	1,326	-	1,326
Total income		562,546	-	562,546	550,770	-	550,770
<u>Expenditure on:</u>							
Raising funds	7	48,418	-	48,418	85,942	-	85,942
Charitable activities	8	297,236	-	297,236	608,820	12,053	620,873
Total resources expended		345,654	-	345,654	694,762	12,053	706,815
Gross transfers between funds		-	-	-	(5,078)	5,078	-
Net income/(expenditure) for the year/ Net movement in funds		216,892	-	216,892	(149,070)	(6,975)	(156,045)
Fund balances at 1 August 2020		329,095	54,730	383,825	478,165	61,705	539,870
Fund balances at 31 July 2021		545,987	54,730	600,717	329,095	54,730	383,825

All income and expenditure derive from continuing activities.

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

A.I.E.S.E.C. (U.K.) LIMITED

BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	12		-		-
Tangible assets	13		149		269
			<u>149</u>		<u>269</u>
Current assets					
Debtors	14	97,778		43,676	
Cash at bank and in hand		655,198		382,667	
		<u>752,976</u>		<u>426,343</u>	
Creditors: amounts falling due within one year	16	(109,381)		(42,787)	
		<u></u>		<u></u>	
Net current assets			643,595		383,556
Total assets less current liabilities			<u>643,744</u>		<u>383,825</u>
Creditors: amounts falling due after more than one year	17		(43,027)		-
			<u></u>		<u></u>
Net assets			<u>600,717</u>		<u>383,825</u>
Income funds					
Restricted funds	19		54,730		54,730
Unrestricted funds			545,987		329,095
			<u>600,717</u>		<u>383,825</u>

The financial statements were approved by the Trustees on 12/01/2022



S Shah
Trustee

Company Registration No. 01206976

A.I.E.S.E.C. (U.K.) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2021

		2021		2020	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	23		226,602		(60,998)
Investing activities					
Purchase of tangible fixed assets		-		(358)	
Investment income received		2,902		722	
Net cash generated from investing activities			2,902		364
Financing activities					
Proceeds of new bank loans		43,027		-	
Net cash generated from/(used in) financing activities			43,027		-
Net increase/(decrease) in cash and cash equivalents			272,531		(60,634)
Cash and cash equivalents at beginning of year			382,667		443,301
Cash and cash equivalents at end of year			655,198		382,667

A.I.E.S.E.C. (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Charity information

A.I.E.S.E.C. (U.K.) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 1e Mentmore Terrace, London, England, E8 3DQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum & Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

As stated in the Trustees' Report, the Trustees have considered the effect of the Covid-19 outbreak on the Charity. Covid-19 continued to disrupt the activities of the charity throughout the year, particularly in relation to Exchange Scheme activities. However the charity had a very successful year in relation to its AT5 activities, which helped to offset the fall in income from Exchange Scheme. In addition to this, the charity took steps to reduce costs where possible, and was successful in reducing expenditure significantly in the year. Based on the charity's cash reserves and financial projections, the Trustees have a reasonable expectation that the Charity can continue as a going concern for the foreseeable future and thus the financial statements have been prepared on the going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds: funds subject to specific conditions as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expenses categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred in support of achieving the objectives of the charity. Governance costs are those incurred in compliance with constitutional and statutory requirements.

1.6 Intangible fixed assets

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

A.I.E.S.E.C. (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives, which in all cases is estimated at 3 years.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which in all cases is estimated at 3 years.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.10 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Government grant

Government grants are accounted for under the accrual model and are recognised at the fair value of the amount received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. Government grants are being received under the Coronavirus Job Retention Scheme designed to compensate for staff costs. Amounts received or receivable are recognised in the statement of financial activities over the same period as the costs to which they relate.

2 Critical accounting estimates and judgements

The Trustees are satisfied that there are no material estimates or judgements in the financial statements.

A.I.E.S.E.C. (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

3 Donations and legacies

	Total	Unrestricted funds
	2021	2020
	£	£
Government grants	-	35,481

The charity received a grant of nil (2020: £35,481) in relation to the government Coronavirus Job Retention Scheme (CJRS) in the year.

4 Incoming resources from charitable activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Fees from Exchange Scheme	21,547	132,443
Fees from Access Tier 5 programme	534,672	380,798
	<u>556,219</u>	<u>513,241</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	<u>2,902</u>	<u>722</u>

6 Other income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Other income	<u>3,425</u>	<u>1,326</u>

A.I.E.S.E.C. (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	216	216
Staff costs	35,022	52,139
Support costs	11,420	37,313
Governance costs	1,760	1,277
	<u>48,418</u>	<u>85,942</u>

A.I.E.S.E.C. (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

8 Charitable activities

	Exchange scheme 2021 £	Access Tier 5 2021 £	Leadership development 2021 £	Total 2021 £	Exchange scheme 2020 £	Access Tier 5 2020 £	Leadership development 2020 £	Total 2020 £
Staff costs	55,452	91,881	55,452	202,785	91,089	100,322	82,554	273,965
Marketing	1,345	-	764	2,109	15,880	15	3,034	18,929
Conferences	-	-	3,060	3,060	-	-	52,293	52,293
Other	929	19,969	1,555	22,453	8,550	26,854	5,243	40,647
Exchange fees	2,479	-	-	2,479	10,269	-	-	10,269
	<u>60,205</u>	<u>111,850</u>	<u>60,831</u>	<u>232,886</u>	<u>125,788</u>	<u>127,191</u>	<u>143,124</u>	<u>396,103</u>
Share of support costs (see note 9)	16,794	22,167	16,794	55,755	82,017	82,017	52,191	216,225
Share of governance costs (see note 9)	2,589	3,417	2,589	8,595	3,241	3,241	2,063	8,545
	<u>79,588</u>	<u>137,434</u>	<u>80,214</u>	<u>297,236</u>	<u>211,046</u>	<u>212,449</u>	<u>197,378</u>	<u>620,873</u>
Analysis by fund								
Unrestricted funds	79,588	137,434	80,214	297,236	198,993	212,449	197,378	608,820
Restricted funds	-	-	-	-	12,053	-	-	12,053
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,053</u>	<u>-</u>	<u>-</u>	<u>12,053</u>

A.I.E.S.E.C. (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

9 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	39,243	-	39,243	40,729	-	40,729
Depreciation	120	-	120	1,225	-	1,225
Office	43,474	-	43,474	70,781	-	70,781
Marketing	160	-	160	2,110	-	2,110
Other	(27,121)	-	(27,121)	119,888	-	119,888
Legal and professional	11,299	-	11,299	13,802	-	13,802
Audit fees	-	8,850	8,850	-	4,595	4,595
Board Meeting Costs	-	1,505	1,505	-	4,990	4,990
Board Expenses	-	-	-	-	237	237
	<u>67,175</u>	<u>10,355</u>	<u>77,530</u>	<u>248,535</u>	<u>9,822</u>	<u>258,357</u>
Analysed between						
Fundraising	11,420	1,760	13,180	32,310	1,277	33,587
Charitable activities	55,755	8,595	64,350	216,225	8,545	224,770
	<u>67,175</u>	<u>10,355</u>	<u>77,530</u>	<u>248,535</u>	<u>9,822</u>	<u>258,357</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. One trustee was reimbursed a total of nil (2020: £237) for travelling and subsistence.

11 Employees

The average monthly number employees during the year was 10 (2020:14).

Employment costs	2021	2020
	£	£
Wages and salaries	267,030	364,379
Social security costs	6,528	2,454
Pension costs	3,492	-
	<u>277,050</u>	<u>366,833</u>

There were no employees whose annual remuneration was £60,000 or more (2020: none).

A.I.E.S.E.C. (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

12 Intangible fixed assets

	Website £
Cost	
At 1 August 2020 and 31 July 2021	18,688
Amortisation	
At 1 August 2020 and 31 July 2021	18,688
Carrying amount	
At 31 July 2020 and 31 July 2021	-

13 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 August 2020	4,898
At 31 July 2021	4,898
Depreciation and impairment	
At 1 August 2020	4,629
Depreciation charged in the year	120
At 31 July 2021	4,749
Carrying amount	
At 31 July 2021	149
At 31 July 2020	269

14 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	87,814	15,890
Other debtors	5,000	20,248
Prepayments and accrued income	4,964	7,538
	97,778	43,676

A.I.E.S.E.C. (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

15 Loans and overdrafts

	2021 £	2020 £
Bank loans	43,027	-
Payable after one year	43,027	-

The long-term loan is under the Bounce Back Loan Scheme made available in response to the outbreak of Covid-19. The loan was obtained in July 2020 and is for a period of 72 months with a fixed interest rate of 2.5%. The loan is repayable in 60 consecutive monthly instalments commencing 12 months after the borrowing date.

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	51,166	12,241
Trade creditors	567	3,272
Other creditors	46,423	21,274
Accruals and deferred income	11,225	6,000
	109,381	42,787

17 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	15	43,027	-

18 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £3,492 (2020 - £-).

A.I.E.S.E.C. (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 August 2019 £	Resources expended £	Transfers £	Balance at 1 August 2020 £	Transfers £	Balance at 31 July 2021 £
AIESEC (UK) Exchange Devopment Fund	1,004	-	-	1,004	-	1,004
AIESEC (UK) Travel Fund	2,181	(12,053)	5,078	(4,794)	9,794	5,000
AIESEC (UK) LC Development Fund	1,245	-	-	1,245	-	1,245
AIESEC (UK) Conference Contingency Fund	5,000	-	-	5,000	-	5,000
AIESEC (UK) Contingency Fund	52,275	-	-	52,275	(9,794)	42,481
	<u>61,705</u>	<u>(12,053)</u>	<u>5,078</u>	<u>54,730</u>	<u>-</u>	<u>54,730</u>

Purpose of Restricted Funds

AIESEC (UK) Contingency Fund

In the year to 31 July 2017, a resolution was passed by the members of AIESEC (UK) and ratified by the Trustees of the AIESEC Foundation to transfer the LC Restricted Funds back to AIESEC UK from AIESEC Foundation. This was undertaken on 1 November 2016 with the transfer of £75,237.

AIESEC (UK) Exchange Development Fund

The Fund exists to assist exchange development in local committees, providing subsidies for local committees to work on Exchange during holiday periods, capital for Exchange related projects and money to hold reception events in the UK.

AIESEC (UK) Travel Fund

The Fund exists to provide financial assistance to local volunteers to offset the costs of travel to national and international conferences.

AIESEC (UK) Conference Contingency Fund

This Fund was previously known as the National Support Fund. The Fund exists to bring international trainers to UK conferences and to subsidise training activities at conferences and UK local committees.

AIESEC (UK) Local Committee Development Fund

This Fund exists to provide financial assistance to local committees who demonstrate a need.

A.I.E.S.E.C. (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

20 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 July 2021 are represented by:						
Tangible assets	149	-	149	269	-	269
Current assets/(liabilities)	588,865	54,730	643,595	328,826	54,730	383,556
Long term liabilities	(43,027)	-	(43,027)	-	-	-
	<u>545,987</u>	<u>54,730</u>	<u>600,717</u>	<u>329,095</u>	<u>54,730</u>	<u>383,825</u>

21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	<u>39,325</u>	<u>24,081</u>

22 Related party transactions

There were no related party transactions in the year (2020: none).

Remuneration of key management personnel

Key management personnel in the year ended 31 July 2021 comprised the board of Trustees and the AT5 team. Total remuneration paid to key management personnel is shown below. The trustees receive no remuneration.

	2021 £	2020 £
Aggregate remuneration	<u>113,311</u>	<u>104,097</u>

A.I.E.S.E.C. (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

23	Cash generated from operations	2021	2020	
		£	£	
	Surplus/(deficit) for the year	216,892	(156,045)	
	Adjustments for:			
	Investment income recognised in statement of financial activities	(2,902)	(722)	
	Depreciation and impairment of tangible fixed assets	120	1,225	
	Movements in working capital:			
	(Increase)/decrease in debtors	(54,102)	141,373	
	Increase/(decrease) in creditors	66,594	(43,140)	
	(Decrease) in provisions	-	(3,689)	
	Cash generated from/(absorbed by) operations	226,602	(60,998)	
24	Analysis of changes in net funds			
		At 1 August 2020	Cash flows	At 31 July 2021
		£	£	£
	Cash at bank and in hand	382,667	272,531	655,198
	Loans falling due after more than one year	-	(43,027)	(43,027)
		382,667	229,504	612,171