

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 2022**

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

**LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	A Sia Lu J Ryan R Cook C Raportaru S Shah C Moore L Archer W Harris	(Appointed 1 August 2022)
<b>Secretary</b>	A Sia Lu	
<b>Charity number</b>	274779	
<b>Company number</b>	01206976	
<b>Registered office</b>	1e Mentmore Terrace London England E8 3DQ	
<b>Auditor</b>	HW Fisher LLP Acre House 11-15 William Road London NW1 3ER United Kingdom	
<b>Bankers</b>	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	

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**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 2022**

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The Trustees present their report and financial statements for the year ended 31 July 2022.

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. Exposure 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, 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.

#### **Covid-19**

The government removed most covid restrictions at the beginning of the financial year which allowed the organisation to return to some form of normality. However, many universities remained virtual for some or much of the term, and the arrival of the omicron variant in November led to a new and significant surge in cases across the UK. The organisation continued to monitor the situation and take a precautionary approach, in some cases reducing or cancelling face to face interactions when

# **AIESEC (UK) LIMITED**

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

### **FOR THE YEAR ENDED 31 JULY 2022**

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deemed high risk despite government guidance allowing it. Altogether this has limited the operations of the organisation on a local level within universities and at a national level as discussed throughout this report.

#### **Performance and Achievements**

Membership and leadership development:

The volunteer membership consisted of 336 students from across 15 universities (2021: 13) in the UK. Recruitment of new volunteer members was done primarily virtually due to many universities maintaining covid 19 restrictions or limiting activities on campus. We received 713 applications (2021: 336) to become volunteer members and recruited 382 new members (2021: 210).

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 precautions. The conferences held and attendance achieved this year were:

- September National President's Meeting (13 attendees) - held in September for Local Committee Presidents (LCPs) to prepare them for Recruitment and finding their successors.
- MAXIS (in person - 120 attendees) – an October 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.
- Winter National President's Meeting (25 attendees) - held in November for both the current and newly elected Local Committee Presidents to prepare them for transition and closing/opening their experiences.
- EBGo (virtual - 90 attendees) – held in February, it is a 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 (in person - 126 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.

Exchange:

The Exchange Programme continued to reopen this year, albeit still affected by travel restrictions and a lack of opportunities available throughout the AIESEC network due to some programmes being paused globally. For the year ended 31 July 2022, AIESEC (UK) facilitated 19 students and recent graduates to travel abroad and brought 21 international students and recent graduates to work in partner organisations in the UK, resulting in a total number of 40 exchanges (2021: 19). A total of 7 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 2022, AIESEC (UK) has sponsored 925 people (2021: 724) 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. 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 2022**

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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:

- Global programmes restrictions – globally the organisation suspended the volunteer exchange programme to review the process and embed new quality standards into the delivery of the product. British youth going on volunteering programmes abroad has always been the most popular of AIESEC (UK's) exchange products and so this has hampered the restarting of exchange post covid. AIESEC UK has submitted all required documentation to be able to participate in the restarting of the programme, and it is expected that a renewed focus on quality will be a welcome change in the future.
- Disruption due to Omicron – the resurgence of covid 19 in the form of omicron posed numerous challenges to the organisation. Although no formal lockdown was announced by the government, AIESEC took a precautionary approach by limiting the physical interaction of members at local and national gatherings. Once cases were back under control and the risk deemed low enough, the organisation resumed face-to-face gatherings in line with all government guidance at the time.
- Weaker local footprint – the organisation at a local level continues to show severe signs of weakness, primarily due to the effects that covid has had on recruitment of new volunteers, and their ability to attend in person conferences and training sessions. Moving forward investment in getting members to conferences and training sessions has been made a priority, as has providing on the ground and intensive support for LCs that need it to try and rebuild.
- Varying international travel rules – a patchwork of international travel rules and restrictions have posed a challenge to the restarting of the exchange programme. It is expected that travel will continue to open up in the future, however until such a time, AIESEC (UK) continued to monitor the situation and focus the exchange programme on countries that have a lower risk of disruption.

#### **Financial review and reserves policy**

The charity's activities generated a surplus for the year amounting to £147,085 (2021: £216,152).

Despite COVID restricting key parts of the Charity's operations, the organisation has posted a surplus for the financial year ending July 31 2022. The main reasons for this include:

- AT5 Revenues – despite a slow start, the AT5 programme outperformed expectations and budgets by 22% due to a significant return of business from premium partners in the second half of the year.
- Cost Controls – the organisation continued to implement tight cost controls during the year due to ongoing covid concerns and the resurgence of the virus in the form of omicron.

The trustees monitored the organisation's 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. Although expenditure relating to charitable activities increased by 51%, the organisation decided to continue to use unbudgeted surpluses to bolster reserves and buffer against any new Covid-19 restrictions in the future.

As at 31 July 2022, the charity had net assets of £731,777 (2021: £584,692). This represents restricted funds of £56,921 (2021: £54,730) and unrestricted funds of £674,856 (2021: £529,962).

The charity works primarily on a fee-for-service model, but does conduct limited fundraising primarily from corporate partners through sponsorship. Donations from the general public, consisting of alumni, made up less than 1% of the organisation's revenues.

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.

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 £450,000 which is more than six months' worth of expenditure.

# **AIESEC (UK) LIMITED**

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

### **FOR THE YEAR ENDED 31 JULY 2022**

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#### **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	(resigned 27 August 2022)
A Sia Lu	
C Galindo	(resigned 21 September 2022)
R Cook	
J Ryan	
C Raportaru	
S Shah	
C Moore	
L Archer	
W Harris	(appointed 01 August 2022)

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 2022 there were 10 (2021: 10) 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 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 increased by one in order to invest in growth post covid, and alternative forms of revenue

# **AIESEC (UK) LIMITED**

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

### ***FOR THE YEAR ENDED 31 JULY 2022***

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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**

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: 02 Feb 2023



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

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### ***FOR THE YEAR ENDED 31 JULY 2022***

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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; 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

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#### 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 2022 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 2022 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

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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

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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*

**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

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

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 JULY 2022**

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<b>Income and endowments from:</b>							
Incoming resources from charitable activities	3	656,850	2,191	659,041	555,180	-	555,180
Investments	4	433	-	433	2,902	-	2,902
Other income	5	4,187	-	4,187	3,425	-	3,425
<b>Total income</b>		<b>661,470</b>	<b>2,191</b>	<b>663,661</b>	<b>561,507</b>	<b>-</b>	<b>561,507</b>
<b>Expenditure on:</b>							
Raising funds	6	69,138	-	69,138	48,418	-	48,418
Charitable activities	7	447,438	-	447,438	296,937	-	296,937
<b>Total resources expended</b>		<b>516,576</b>	<b>-</b>	<b>516,576</b>	<b>345,355</b>	<b>-</b>	<b>345,355</b>
<b>Net income for the year/ Net movement in funds</b>		<b>144,894</b>	<b>2,191</b>	<b>147,085</b>	<b>216,152</b>	<b>-</b>	<b>216,152</b>
Fund balances at 1 August 2021							
As originally reported		545,987	54,730	600,717	344,380	54,730	383,825
Prior year adjustment		(16,025)	-	(16,025)	(15,285)	-	(15,285)
As restated		529,962	54,730	584,692	329,095	54,730	368,540
<b>Fund balances at 31 July 2022</b>		<b>674,856</b>	<b>56,921</b>	<b>731,777</b>	<b>529,962</b>	<b>54,730</b>	<b>584,692</b>

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 2022

		2022	2021 as restated
<b>Fixed assets</b>			
Intangible assets	11	-	-
Tangible assets	12	-	149
		<hr/>	<hr/>
		-	149
<b>Current assets</b>			
Debtors	13	84,272	97,778
Cash at bank and in hand		761,601	655,198
		<hr/>	<hr/>
		845,873	752,976
<b>Creditors: amounts falling due within one year</b>	14	(114,096)	(125,406)
		<hr/>	<hr/>
Net current assets		731,777	627,570
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		731,777	627,719
<b>Creditors: amounts falling due after more than one year</b>	15	-	(43,027)
		<hr/>	<hr/>
<b>Net assets</b>		731,777	584,692
		<hr/>	<hr/>
<b>Income funds</b>			
Restricted funds	17	56,921	54,730
Unrestricted funds		674,856	529,962
		<hr/>	<hr/>
		731,777	584,692
		<hr/>	<hr/>

02 Feb 2023

The financial statements were approved by the Trustees on .....



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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 2022**

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	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	21		148,997		226,602
<b>Investing activities</b>					
Investment income received		433		2,902	
		<hr/>		<hr/>	
<b>Net cash generated from investing activities</b>			433		2,902
<b>Financing activities</b>					
Proceeds of new bank loans		-		43,027	
Repayment of bank loans		(43,027)		-	
		<hr/>		<hr/>	
<b>Net cash (used in)/generated from financing activities</b>			(43,027)		43,027
			<hr/>		<hr/>
<b>Net increase in cash and cash equivalents</b>			106,403		272,531
Cash and cash equivalents at beginning of year			655,198		382,667
			<hr/>		<hr/>
<b>Cash and cash equivalents at end of year</b>			761,601		655,198
			<hr/> <hr/>		<hr/> <hr/>

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

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 JULY 2022

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#### 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 2022

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#### **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 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 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 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.

#### **1.11 Retirement benefits**

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

#### **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 2022

#### 3 Incoming resources from charitable activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Fees from Exchange Scheme	96,324	20,508
Fees from Access Tier 5 programme	562,717	534,672
	<u>659,041</u>	<u>555,180</u>
Analysis by fund		
Unrestricted funds	656,850	555,180
Restricted funds	2,191	-
	<u>659,041</u>	<u>555,180</u>

#### 4 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	433	2,902
	<u>433</u>	<u>2,902</u>

#### 5 Other income

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Other income	4,187	3,425
	<u>4,187</u>	<u>3,425</u>

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2022**

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### 6 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	216	216
Staff costs	37,352	35,022
Support costs	29,729	11,420
Governance costs	1,841	1,760
	<hr/>	<hr/>
	69,138	48,418
	<hr/>	<hr/>

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

7 Charitable activities	Exchange scheme 2022 £	Access Tier 5 2022 £	Leadership development 2022 £	Total 2022 £	Exchange scheme 2021 £	Access Tier 5 2021 £	Leadership development 2021 £	Total 2021 £
Staff costs	59,141	96,991	59,141	215,273	55,452	91,881	55,452	202,785
Marketing	381	-	685	1,066	1,345	-	764	2,109
Conferences	-	-	30,787	30,787	-	-	3,060	3,060
Other	431	29,073	5,567	35,071	929	19,969	1,555	22,453
Legal and professional	-	575	-	575	-	-	-	-
Exchange fees	3,027	-	-	3,027	2,180	-	-	2,180
	62,980	126,639	96,180	285,799	59,906	111,850	60,831	232,587
Share of support costs (see note 8)	43,718	57,708	43,719	145,145	16,794	22,167	16,794	55,755
Share of governance costs (see note 8)	10,209	3,576	2,709	16,494	2,589	3,417	2,589	8,595
	116,907	187,923	142,608	447,438	79,289	137,434	80,214	296,937

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

### 8 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	51,987	-	51,987	39,243	-	39,243
Depreciation	149	-	149	120	-	120
Office	55,208	-	55,208	43,474	-	43,474
Marketing	1,647	-	1,647	160	-	160
Other	61,132	-	61,132	(27,121)	-	(27,121)
Legal and professional	4,751	-	4,751	11,299	-	11,299
Audit fees	-	16,059	16,059	-	8,850	8,850
Board Meeting Costs	-	2,276	2,276	-	1,505	1,505
	<u>174,874</u>	<u>18,335</u>	<u>193,209</u>	<u>67,175</u>	<u>10,355</u>	<u>77,530</u>
Analysed between						
Fundraising	29,729	1,841	31,570	11,420	1,760	13,180
Charitable activities	145,145	16,494	161,639	55,755	8,595	64,350
	<u>174,874</u>	<u>18,335</u>	<u>193,209</u>	<u>67,175</u>	<u>10,355</u>	<u>77,530</u>

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or were reimbursed for expenses during the year (2021: none).

### 10 Employees

The average monthly number employees during the year was:

	2022 Number	2021 Number
	11	10
	<u>11</u>	<u>10</u>
Employment costs	2022 £	2021 £
Wages and salaries	281,009	267,030
Social security costs	19,490	6,528
Other pension costs	4,113	3,492
	<u>304,612</u>	<u>277,050</u>

There were no employees whose annual remuneration was £60,000 or more.

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2022

#### 11 Intangible fixed assets

	Website £
<b>Cost</b>	
At 1 August 2021 and 31 July 2022	18,688
<b>Amortisation</b>	
At 1 August 2021 and 31 July 2022	18,688
<b>Carrying amount</b>	
At 31 July 2021 and 31 July 2022	-

#### 12 Tangible fixed assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 August 2021	4,898
At 31 July 2022	4,898
<b>Depreciation and impairment</b>	
At 1 August 2021	4,749
Depreciation charged in the year	149
At 31 July 2022	4,898
<b>Carrying amount</b>	
At 31 July 2022	-
At 31 July 2021	149

#### 13 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	59,448	87,814
Other debtors	20,286	5,000
Prepayments and accrued income	4,538	4,964
	84,272	97,778

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2022

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

	2022	2021
	£	as restated £
Other taxation and social security	73,846	74,768
Trade creditors	5,322	567
Other creditors	21,428	38,846
Accruals and deferred income	13,500	11,225
	<u>114,096</u>	<u>125,406</u>

#### Prior period adjustment

The prior period adjustment of GBP 16,025 relates to amounts owing to HMRC in respect of a change in VAT policy that AIESEC have implemented post the financial year. Following a voluntary review of the VAT position, the charity has filed updated VAT calculations for the previous 36 months to account for the change in the VAT position. Post year end, the charity has fully settled the amounts owing to HMRC.

#### 15 Creditors: amounts falling due after more than one year

	Notes	2022	2021
		£	£
Bank loans		-	43,027

This loan was taken out at the beginning of the COVID 19 pandemic, due to the uncertainty of how significant the impact of the virus would be to the charity. In the end, the charity did not need to use these funds, and therefore paid them back. The loan was fully repaid on 18 October 2021.

#### 16 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 £4,113 (2021 - £3,492).

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2022

#### 17 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 2020	Transfers	Balance at 1 August 2021	Movement in funds Incoming resources	Balance at 31 July 2022
	£	£	£	£	£
AIESEC (UK) Exchange Development Fund	1,004	-	1,004	-	1,004
AIESEC (UK) Travel Fund	(4,794)	9,794	5,000	-	5,000
AIESEC (UK) LC Development Fund	1,245	-	1,245	2,191	3,436
AIESEC (UK) Conference Contingency Fund	5,000	-	5,000	-	5,000
AIESEC (UK) Contingency Fund	52,275	(9,794)	42,481	-	42,481
	<u>54,730</u>	<u>-</u>	<u>54,730</u>	<u>2,191</u>	<u>56,921</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 2022

#### 18 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 July 2022 are represented by:						
Tangible assets	-	-	-	149	-	149
Current assets/(liabilities)	674,856	56,921	731,777	572,840	54,730	627,570
Long term liabilities	-	-	-	(43,027)	-	(43,027)
	<u>674,856</u>	<u>56,921</u>	<u>731,777</u>	<u>529,962</u>	<u>54,730</u>	<u>584,692</u>

#### 19 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:

	2022 £	2021 £
Within one year	<u>36,300</u>	<u>39,325</u>

#### 20 Related party transactions

There were no related party transactions in the year (2021: none).

##### Remuneration of key management personnel

Key management personnel in the year ended 31 July 2022 comprised the board of Trustees and the AT5 team. Total remuneration paid to key management personnel is shown below. The trustees receive no remuneration.

	2022 £	2021 £
Aggregate remuneration	<u>132,383</u>	<u>113,311</u>

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2022

<b>21</b>	<b>Cash generated from operations</b>		<b>2022</b>	<b>2021</b>
			<b>£</b>	<b>£</b>
	Surplus for the year		147,085	216,152
	Adjustments for:			
	Investment income recognised in statement of financial activities		(433)	(2,902)
	Depreciation and impairment of tangible fixed assets		149	120
	Movements in working capital:			
	Decrease/(increase) in debtors		13,506	(54,102)
	(Decrease)/increase in creditors		(11,310)	67,334
	<b>Cash generated from operations</b>		<b>148,997</b>	<b>226,602</b>
<b>22</b>	<b>Analysis of changes in net funds</b>			
		<b>At 1 August 2021</b>	<b>Cash flows</b>	<b>At 31 July 2022</b>
		<b>£</b>	<b>£</b>	<b>£</b>
	Cash at bank and in hand	655,198	106,403	761,601
	Loans falling due after more than one year	(43,027)	43,027	-
		<u>612,171</u>	<u>149,430</u>	<u>761,601</u>