

Company Registration No: 01269980

Charity Registration No: 272565



English Speaking Board (International) Limited

Report of the Trustees and Financial Statements

**For The Year Ended
31 August 2023**

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

CONTENTS

	Page
Chair's Report	1-2
Trustees and Advisers	3
Report of the Trustees including Statement of Trustees' responsibilities	4 – 7
Independent Auditor's Report to the Trustees	8 – 11
Statements of Financial Activities	12-13
Statement of Financial Position	14
Statement of Cash Flows	15
Notes to the Accounts	16 – 26

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

CHAIR'S REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

Reflections:

2023 was a momentous year for ESB as we celebrated our 70th year. We organised five multimedia events focusing on our theme of "Looking Forward, Looking back" and demonstrating the achievements of our learners and their teachers and tutors. We celebrated with our partner in Greece and up and down the UK in Belfast, Stoke on Trent, London, and Shropshire. With our centres we created marvellous content to showcase what we do and the impact that we make. We designed an exceptional set multi-media of events to celebrate our learners and their teachers whilst pulling together as a team to face our financial reality, yet still delivering amazing operational outcomes for our 40,000 learners.

From our multimedia events 15% of all our centres (of whom 50% of our Top 20) participated with their learners; all of our head office staff committed to attend at least two events, 90% of our Trustees and 25% of our contracted assessors chose to attend and we even had a tree planted for us by one of the centres.

We launched our first National Impact Report and had a peer reviewed article published in the online Chartered Teaching Magazine – all about the impact of our Oracy qualifications for learners facing disadvantage.

ESB is still a vital and thriving organisation delivering lifelong skills and qualifications across the world.

Financial position

The planned financial performance for academic year 22-23 was extremely difficult due to the impacts of the cost-of-living crisis with its higher energy costs which impacted both on our office costs as well as shipping, postage and paper. We continue to see longer term impacts of Brexit with significantly high and new customs duties imposed on our goods entering international countries as well most significantly the continued lower performance of our current ESOL International clients.

We however saw continued new business in our Speech portfolio and growth in China and our ESOL Skills for Life centres exceeded their budgeted revenue.

Due to robust levels of surpluses earned in more economically stable times ESB can weather these current short-term difficulties and are confident of our ability to return to operational surpluses by the end of this strategic period.

Governance changes

July of this year saw our Chair and longest serving trustee Pippa Quarrell end her term. Pippa had volunteered her time for us since 2012 and we are incredibly grateful that she continues her association with ESB by preparing learners for their assessments at her school.

Sami Mirza became Chair and Frances Richardson, Vice Chair. We began recruitment for new trustees in the summer as we had three further vacancies occurring at the start of the next academic year.

At the time of writing this report, we thank Ian Kelly, Ian Patterson and Emma Dawkins for their time as Trustees and welcome Joanne Jarjue, Damian Low, Dr James McAtear and Jason Vit to the Board.

Charitable outreach

To finish our 70th year we launched a search for patrons so that we can raise our profile and attract philanthropists to fund our outreach campaign to be able to reach three times as many centres in a year. In addition to schools and colleges, we particularly want to support third sector organisations who do amazing work with disadvantaged young people and asylum seeker charities as well as colleges who are facing the impact of less adult social service provision to be able to support young adults with significant learning needs.

Quality Assurance

In October 2023 we delivered remote training and standardisation to our assessors for the suite of ESOL Skills for Life, English as an additional Language and Speech products. We launched a new report writing framework for our Speech qualifications to continuously improve our assessing standards and reliability of our assessments.

We continue to offer monthly digital assessor training for our ESOL International assessors and similarly annual online standardisation. We, again, have prepared our Statements of Compliance for our regulators and addressed the Key Lines of Enquiry raised by Ofqual.

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

CHAIR'S REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

Workforce changes

Our workforce has remained largely unchanged this year.

Our Senior Assessor for Speech Julie Collins left in the summer of this year and we promoted Lauren Kearney, in our Product Development team to be a Senior Assessor and Senior Product Developer for Speech. Georgie Anderson went on maternity leave in the summer and we are backfilling her role and developing broader skills within the team.

S Mirza – Chair

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

TRUSTEES AND ADVISERS

AS AT 31 AUGUST 2023

Trustees	Ms P Quarrell (term ended July 2023) Ms J Ward Mr I Kelly (term ended October 2023) Mr I Patterson (retired October 2023) Mr S Mirza Mr S Norton Ms S Priestley Ms F Richardson Mr D Brown Mr A Cumiskey Ms E Dawkins (resigned October 2023) Ms Joanna Jarjue (Appointed September 2023) Mr Damian Low (Appointed September 2023) Dr James McAtear (Appointed September 2023) Mr Jason Vit (Appointed September 2023)
Company Secretary	Ms C Leary
Chief Executive Officer	Ms T Renshaw
Registered office	9 Hattersley Court Burscough Road Ormskirk Lancashire L39 2AY
Company number	01269980
Charity number	272565
Auditor	BWM Suite 5.1 12 Tithebarn Street Liverpool L2 2DT
Bankers	NatWest Bank PLC 130 Lord Street Southport PR9 0AE Barclays Bank PLC 164 Allerton Rd Liverpool L18 2DH
Solicitor	BLM (Berryman's Lace Mawer LLP) King's House 42 King Street West Manchester M3 2NU
Investment Managers	Canaccord Genuity

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report together with the financial statements for the year ended 31 August 2023. The charity has opted to prepare its accounts using the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and follow the Charities SORP (FRS 102) (as amended for accounting periods commencing from 1 January 2019). As a charity registered in England and Wales, the charitable company also reports in accordance with the Charity Commission for England and Wales' guidance on public benefit and the Charities Act 2011.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The English Speaking Board (International) Limited (ESB) is a company limited by guarantee and a registered charity as defined by the Companies Act 2006, and incorporated on 22 July 1976. The organisation is governed by its Memorandum and Articles of Association which were revised, updated and approved by the members at the 64th Annual General Meeting held at the Mercure Piccadilly Hotel, Portland Street, Manchester, M1 4PH on 24 June 2017. A further revision was made on 18 July 2020.

Reference and administrative details

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Ms J Ward	Ms P Quarrell (term ended July 2023)
Ms F Richardson	Ms E Dawkins (resigned October 2023)
Mr I Kelly (term ended October 2023)	Mr I Patterson (retired October 2023)
Mr S Mirza	Mr S Norton
Ms S Priestley	Mr D Brown
Mr A Cumiskey	Mr D Low (Appointed September 2023)
Ms J Jarjue (Appointed September 2023)	Mr J Vit (Appointed September 2023)
Dr J McAtear (Appointed September 2023)	

Recruitment and appointment of new trustees

The directors, who are also charity trustees for the purposes of Charity Law, are known as members of the Board of Trustees. They are recruited in line with the terms laid out in the Articles of Association. Trustees are not paid but may claim reasonable expenses. They may not be salaried employees but may be contracted as freelance assessors for example.

Induction and training of new trustees

All new trustees receive an induction pack, which includes a brief of their general Charity and Company Law responsibilities, the ESB's Memorandum and Articles of Association, along with other ESB policies and information. In addition we hold digital induction sessions to support their knowledge and understanding of our financial strategy, our business strategy and our regulators.

Organisational Structure

ESB has a board of trustees with a broad range of skills, knowledge and expertise, who meet four times a year and serve on a voluntary basis. Trustees who have received remuneration for ESB contracted work carried out during the year are referred to in Note 12 of the financial statements.

There is a clear differentiation between governance, which is the role of the Board of Trustees, and operations, which is the role of the Chief Executive. For example, the trustees can collectively direct the Chief Executive but not the staff. Similarly, the staff may prepare the budget but it is the trustees who set it. The contact with staff is through the Chief Executive who reports to and is monitored and appraised by the Board.

Remuneration of Key Management

ESB operates its salary structure within salary bands. Roles are designated a value taking into account the expertise required for the role, the judgment required and the accountability. Key Management salaries are set by the Chief Executive on appointment. Pay increases are based on performance using published criteria. All permanent employees of ESB may seek a pay review once a year. Operational bonuses are based on ESB's financial performance, the Chief Executive makes the final decision on these after seeking input from the management team. The Chief Executive's salary and pay increases are set by the Board of Trustees.

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2023

Risk Management

The trustees have a formal process for assessing risks and implementing risk management strategies. A comprehensive risk register is presented to the Trustees at each meeting.

The operating arm of the charity usually meets as a Senior Management Team twice a month to review its performance against strategy and to consider strategic activities that need to be undertaken.

OBJECTIVES AND ACTIVITIES

Objectives and activities for the public benefit

English Speaking Board (International) Limited (ESB) as an organisation with charitable status has a purpose to want all learners to possess the oracy and English language skills they need to achieve their aspirations. We want to stretch the most able and support the least confident and realise the potential of all by closing the disadvantage gap.

In planning their activities, the trustees have kept in mind the Charity Commission's guidance on public benefit. Running ESB as an effective business limited by guarantee is ensuring that we can meet our charitable purposes because we seek to support the widest group of learners, domestically and internationally and we have the evidence of the public benefit of enhancing communication, English language, speaking and listening skills to learners. We can therefore price our products accordingly and secure revenue that provides us with development funds and operating surpluses to maintain, sustain and develop our work. ESB did increase its prices for the academic year 22-23. However, it also increased assessor and marker fees as well as staff remuneration and paid a cost-of-living increase to staff to acknowledge the external financial stressors.

The trustees have identified the strategic objectives of the Charity, and these are highlighted in the three-year Strategic Plan (2023-2025), which was approved in January 2023.

Our purpose

- English Speaking Board wants all learners to possess the oracy and English language skills they need to achieve their aspirations
- We want to stretch the most able and support the least confident and realise the potential of all by closing the disadvantage gap.

To do this we:

- Listen to our clients, understand their motivations and needs
- Employ talented people who want to achieve for our clients
- Support and validate the impact of our teachers and
- Promote and support assessment at centres that are part of closing the disadvantage gap

Central strategic theme - To create deep customer engagement

- Businesses that focus on customer engagement are focused on value creation
Value creation is the primary aim of any business entity. Creating value for customers helps sell products and services, while creating value for the business, in the form of increases in revenue and surplus, insures the future availability of surplus funds to invest in our future and support charitable outreach

Goals

- By 2025 return to income levels of £1.9M
- Until 2025 retain 100% of top 20 total revenue centres within 10% of their 2019 revenue levels
- By 2025 have supported 70 centres to access oracy and language qualifications for learners to realise their potential and contribute to closing the disadvantage gap

We continue to look externally to understand the market, our competitors and our clients, and produce a competitor analysis when required. Each year we identify Key Performance Indicators to drive the achievement of our strategy.

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2023

Charitable status and public benefit

The charity regularly reviews all fees and charges to ensure price sensitivity appropriate to our markets. In addition, the charity is keen to promote access for those who may find funding them difficult but who wish to benefit from all that an ESB assessment provides.

The charity established an Access Fund in memory of Christabel Burniston MBE, founder of ESB. In this financial year we had a target to financially support 20 continuing and 12 new centres. We achieved 69% of this target and spent £37,261 from the Christabel Burniston fund.

FINANCIAL REVIEW

The Statement of Financial Activities (SOFA), on page 12, reflects all income receivable in the year. Total income amounted to £1,451,352 (2022: £1,667,365). Total expenditure was £1,751,057 (2022: £1,734,316). This resulted in a loss for the year of £299,705 (2022: loss of £66,951). Total funds carried forward decreased to £1,493,698 (2022: £1,793,403).

ESB has good financial management in place, with tight control of cash flow and debtors. The Trustees, as an intrinsic part of the charity's strategic risk management, will continue to monitor income and expenditure carefully and to receive monthly reports on major trends.

Reserves Policy

The trustees have examined the requirements for reserves in light of the main risks to the organisation. ESB's reserves policy, approved by the Board, is to maintain a level of free reserves that will enable the charity to ensure a continuity of activity and have the ability to adjust in a measured way to significant changes in the external regulatory and economic environment.

The trustees consider the target should be the equivalent of between eight and ten months of operational fixed expenditure which is estimated at £700,000. At the current year-end 31 August 2023, free reserves stood at £980,784, a decrease of £270,696 from the prior year. Plans are in place to maintain charity reserves at healthy levels and not to allow these to fall below the target.

Principal funding sources

The organisation is funded by the charges it makes for the delivery of assessments and examinations.

FUTURE DEVELOPMENTS

We have three new centres using our online ESOL International products which will commence later in 2023 and having attended the Great Oracy Exhibition in Manchester in October we are confident that we will have further growth in our Speech business in the next academic year both in the UK and internationally.

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of English Speaking Board (International) Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and Financial Reporting Standards applicable in the UK and Republic of Ireland.

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

In so far as the trustees are aware:

- there is no relevant information of which the charitable company's auditors are unaware; and
- the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

The auditor will be appointed at the Trustees' meeting in January 2024.

Small company provisions

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

This report was approved by the trustees on 27 January 2024 and signed on their behalf by:



.....
S Mirza-Chair

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the financial statements of English Speaking Board (International) Limited (the 'charity') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2023

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.

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.

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2023

The extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation, legislation and data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2023

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 auditors' 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.

BWM

Louise Casey ACA (Senior Statutory Auditor)

for and on behalf of BWM

15 February 2024

.....

Chartered Accountants

Statutory Auditor

Suite 5.1
12 Tithebarn Street
Liverpool
L2 2DT

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2023

<u>CURRENT YEAR</u>		Unrestricted funds	Designated funds	Total funds 2023	Total funds 2022
	Note	£	£	£	£
<u>Income and endowments from:</u>					
Donations and legacies		-	-	-	235
Charitable activities	3	1,434,387	-	1,434,387	1,666,882
Investments	4	16,965	-	16,965	248
Total income and endowments		1,451,352	-	1,451,352	1,667,365
<u>Expenditure on:</u>					
Raising Funds	8	2,488	-	2,488	-
Charitable activities	5	1,681,826	60,256	1,742,082	1,734,316
Total expenditure		1,684,314	60,256	1,744,570	1,734,316
Net gains/(losses) on Investments	9	(6,487)	-	(6,487)	-
Net income / (expenditure) before transfers		(239,449)	(60,256)	(299,705)	(66,951)
Transfers between funds	20	(37,261)	37,261	-	-
Net movement in funds		(276,710)	(22,995)	(299,705)	(66,951)
<u>Reconciliation of funds</u>					
Total funds brought forward		1,546,585	246,818	1,793,403	1,860,354
Total funds carried forward		1,269,875	223,823	1,493,698	1,793,403

The statement of financial activities includes all gains and losses in the year. All income and expenditure derive from continuing activities.

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2023

<u>PRIOR YEAR</u>		Unrestricted funds	Designated funds	Total funds 2022
	Note	£	£	£
<u>Income and endowments from:</u>				
Donations and legacies		235	-	235
Charitable activities	3	1,666,882	-	1,666,882
Investments	4	248	-	248
Total income and endowments		1,667,365	-	1,667,365
<u>Expenditure on:</u>				
Charitable activities	5	1,658,261	76,055	1,734,316
Total expenditure		1,658,261	76,055	1,734,316
Net income / (expenditure) before transfers		9,104	(76,055)	(66,951)
Transfers between funds	20	(2,873)	2,873	-
Net movement in funds		6,231	(73,182)	(66,951)
Reconciliation of funds				
Total funds brought forward		1,540,354	320,000	1,860,354
Total funds carried forward		1,546,585	246,818	1,793,403

The statement of financial activities includes all gains and losses in the year. All income and expenditure derive from continuing activities.

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2023

	Note	Unrestricted funds £	Designated funds £	Total funds 2023 £	Total funds 2022 £
Fixed assets					
Intangible assets	14	-	-	-	4,151
Tangible assets	15	289,091	-	289,091	290,954
Investments	16	493,513	-	493,513	-
		782,604	-	782,604	295,105
Current assets					
Debtors	18	165,777	-	165,777	221,601
Cash at bank and in hand		387,874	223,823	611,697	1,363,342
		553,651	223,823	777,474	1,584,943
Creditors: Amounts falling due within one year	19	(66,380)	-	(66,380)	(86,645)
Net current assets		487,271	223,823	711,094	1,498,298
Total assets less current liabilities		1,269,875	223,823	1,493,698	1,793,403
Net assets		1,269,875	223,823	1,493,698	1,793,403
Funds	20				
Unrestricted funds - fixed assets		782,604	-	782,604	295,105
Unrestricted funds - undesignated		487,271	-	487,271	1,251,480
Unrestricted funds - designated		-	223,823	223,823	246,818
Restricted funds		-	-	-	-
		1,269,875	223,823	1,493,698	1,793,403

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

These financial statements were approved and authorised for issue by the Board of Trustees on 28 January 2023 and were signed on its behalf by:

.....
S Mirza- Chair
Trustee

Company number: 01269980

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 AUGUST 2023**

	2023	2022
	£	£
Cash flows from Operating Activities		
Cash receipts from customers	1,468,080	1,609,715
Cash receipts from other operations	1,929	21,396
Cash paid for supplier purchases	(877,942)	(862,470)
Cash paid for general operating and administrative expenses	(854,369)	(819,697)
Customer refunds	(1,823)	(6,745)
	<hr/>	<hr/>
Cash generated from operations	(264,125)	(57,801)
Cash flows from Investing Activities		
Purchase of Tangible & Intangible assets	-	-
Purchase of investments	(500,000)	-
Proceeds on disposal of investments	-	-
Cash receipts from bank account interest	-	248
Cash receipts from investment	3,442	-
Cash receipts from rental income	9,320	-
	<hr/>	<hr/>
Net cash (absorbed) / provided by Investing Activities	(487,238)	248
Cash flows from Financing Activities		
Repayment of bank loans	-	-
	<hr/>	<hr/>
Net cash used in financing activities	-	-
Effects of currency translation on cash and cash equivalents	(283)	(5,916)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	(751,645)	(63,469)
Cash and cash equivalents at beginning of year	1,363,342	1,426,811
	<hr/>	<hr/>
Cash and cash equivalents at end of year	<u>611,697</u>	<u>1,363,342</u>

See Note 24 for Analysis of changes in net funds

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

English Speaking Board (International) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 9 Hattersley Court, Burscough Road, Ormskirk, Lancashire, L39 2AY.

(a) Accounting convention

These accounts have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts 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.

(b) Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

(c) Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Entitlement to legacy income is the earlier of the charity being notified of an impending distribution or the legacy being received.

Income from the provision of examinations is accounted for as earned.

(d) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources. Expenditure includes irrecoverable value added tax.

(e) Intangible fixed assets

Expenditure relating to development of a database system and mobile phone app has been capitalised and is being amortised over their useful life of one to three years.

(f) Tangible fixed assets

Tangible fixed assets costing more than £1,500 may be capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

- Land and buildings - 1% on cost
- Office fittings, computer and technology - 33%-50% on cost

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023

(g) **Fixed asset investments**

Quoted investments and other investments are stated at current market value at the balance sheet date. All gains and losses, both realised and unrealised, are included in the Statement of Financial Activities.

(h) **Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

(i) **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, and bank overdrafts.

(j) **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.

Financial instruments are recognised in the charity's statement of financial position when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023

(k) **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.

(l) **Retirement benefits**

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

(m) **Foreign exchange**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Statement of Financial Activities.

(n) **Operating leases**

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

(o) **Taxation**

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income and gains falling within these exemptions.

The charity is not able to recover Value Added Tax. Expenditure is recorded in the accounts inclusive of VAT.

(p) **Fund accounting**

Unrestricted funds which have not been designated for specific purposes can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful economic lives of intangible assets

The annual amortisation charge for intangible fixed assets which comprise a website, database and mobile phone app development is sensitive to changes in their estimated useful economic lives. The useful economic lives are assessed on initial acquisition and reassessed periodically to ensure they remain appropriate. They are amended when necessary to reflect current estimates based on technological advancement, future investments and economic utilisation. Accounting policy note (e) sets out the useful economic lives applied to the intangible fixed assets and their carrying value is shown in note 14.

3 Income from charitable activities

	Unrestricted funds £	Total 2023 £	Unrestricted funds £	Total 2022 £
Examination fees	840,129	840,129	786,145	786,145
Other examination income	45,051	45,051	45,333	45,333
IESOL examination fees	549,207	549,207	830,395	830,395
Grant Income	-	-	5,009	5,009
	<hr/>	<hr/>	<hr/>	<hr/>
	1,434,387	1,434,387	1,666,882	1,666,882
	<hr/>	<hr/>	<hr/>	<hr/>

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023

4 Investment income

	Unrestricted funds £	Total 2023 £	Unrestricted funds £	Total 2022 £
Bank interest	4,003	4,003	248	248
Income from Investments	12,962	12,962	-	-
	16,965	16,965	248	248

5 Cost of charitable activities

Current Year	Direct Costs £	Support Costs £	2023 Total £
--------------	----------------------	-----------------------	--------------------

Examinations

Staff Costs (Inc. agency staff) (note 13)	543,042	375,165	918,207
Examination expenses and fees	345,129	37,336	382,465
IESOL examination expenses	196,438		196,438
Other	74,616	22,920	97,536
Management	-	139,200	139,200
Finance (note 6)	-	1,060	1,060
Governance (note 7)	-	7,176	7,176

1,159,225	582,857	1,742,087
------------------	----------------	------------------

Prior Year	Direct Costs £	Support Costs £	2022 Total £
------------	----------------------	-----------------------	--------------------

Examinations

Staff Costs (Inc. agency staff)	541,518	323,944	865,462
Examination expenses and fees	307,424	33,431	340,855
IESOL examination expenses	263,915	-	263,915
Other	64,541	42,624	107,165
Management	-	139,731	139,731
Finance (note 6)	-	6,628	6,628
Governance (note 7)	-	10,560	10,560

1,177,398	556,918	1,734,316
------------------	----------------	------------------

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023

6 Finance

	Unrestricted funds £	Total 2023 £	Unrestricted funds £	Total 2022 £
Bank charges	1,128	1,128	1,199	1,199
Loan interest	-	-	-	-
Exchange Rate Variance	(68)	(68)	5,429	5,429
	1,060	1,060	6,628	6,628

7 Governance

	Unrestricted funds £	Total 2023 £	Unrestricted funds £	Total 2022 £
Audit fees (current year)	6,306	6,306	5,248	5,248
Company Secretary Work			-	-
Trustee Meetings & Expenses	870	870	5,312	5,312
	7,176	7,176	10,560	10,560

8 Raising Funds

	Total 2023 £	Total 2022 £
Investment Management	2,488	-

9 Net gains/(losses) on investments

	Total 2023 £	Total 2022 £
Net gains/(losses) on investments	6,487	-

10 Auditors' remuneration

The analysis of auditor's remuneration is as follows:

	Total 2023 £	Total 2022 £
Audit of charity's annual accounts	5,871	5,248
Other non-audit services	435	-

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 AUGUST 2023**

11 Net income/expenditure

	Total 2023 £	Total 2022 £
Net income/expenditure is stated after charging:		
Amortisation of intangible fixed assets	4,150	7,115
Depreciation of tangible fixed assets	3,964	3,764
Auditor fees	5,871	5,248
Other fees paid to Auditor	435	-
	<hr/>	<hr/>

12 Trustees' remuneration

The amounts paid to trustees in respect of examiner duties performed during the year amounted to £13,626 (2022: £12,800). Payments of this nature have been agreed with the Charity Commission.

Trustees' expenses

During the year, 12 trustees received £0 in expenses for travel, subsistence and accommodation (2022: 12 trustees – £1,606 expenses paid)

13 Employee costs

	Total 2023 £	Total 2022 £
Wages and salaries	799,278	743,525
National Insurance Costs	61,532	62,720
Employer's contribution to defined pension scheme	57,400	59,220
	<hr/>	<hr/>
	918,210	865,465
	<hr/>	<hr/>

The number of employees during the year was as follows:

	No	No
Staff numbers – Average Head Count	24	26
Staff numbers – Full Time Equivalent	20	21
	<hr/>	<hr/>
No. of employees whose total employee benefits (excluding employer pension costs) were between £70,000 - £80,000:	1	1
	<hr/>	<hr/>

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023

14 Intangible assets

	IT Development £	Total £
Cost		
At 1 September 2022	244,516	244,516
Additions	-	-
At 31 August 2023	244,516	244,516
Amortisation		
At 1 September 2022	240,366	240,366
Charge for the year	4,150	4,150
At 31 August 2023	244,516	244,516
Net book value:		
At 31 August 2023	0	0
At 31 August 2022	4,150	4,150

15 Tangible fixed assets

	Long leasehold land and buildings £	Office fittings, computer and technology £	Total £
Cost			
At 1 September 2022	385,567	88,731	474,298
Additions	-	2,100	2,100
Disposals	-	(4,200)	(4,200)
At 31 August 2023	385,567	86,631	472,198
Depreciation			
At 1 September 2022	94,613	88,731	183,344
Charge for the year	3,322	642	3,964
Eliminated on Disposals	-	(4,200)	(4,200)
At 31 August 2023	97,935	85,173	183,108
Net book value:			
At 31 August 2023	287,632	1,458	289,090
At 31 August 2022	290,954	-	290,954

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023

16 Fixed Asset Investments

	Listed Investments £	Cash in Portfolio £	Total £
Cost or Valuation			
At 1 September 2022	-	-	-
Additions	484,670	-	484,670
Valuation Changes	(6,876)	-	(6,876)
Net Movement in Cash	-	15,719	15,719
Disposals	-	-	-
At 31 August 2023	477,794	15,719	493,513
Carrying Amount			
At 31 August 2023	477,794	15,719	493,513
At 1 September 2022	-	-	-

17 Financial instruments

	2023 £	2022 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	747,904	1,548,513
Instruments measured at fair value through income and expenditure	477,794	-
Carrying amount of financial liabilities		
Measured at amortised cost	48,311	68,870

18 Debtors: amounts falling due within one year

	2023 £	2022 £
Trade debtors	120,488	184,793
Other debtors	-	378
Prepayments	45,289	36,430
	165,777	221,601

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023

19 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	24,844	35,681
Accruals and deferred income	11,922	21,159
Taxation and National Insurance	18,069	17,775
Other creditors	11,545	12,030
	<u>66,380</u>	<u>86,645</u>

20 Movement in funds

	At 1 Sept 2022 £	Income £	Expenditure £	Transfers & gains £	At 31 Aug 2023 £
General funds					
Unrestricted funds	1,546,585	1,451,352	(1,690,801)	(37,261)	1,269,875
Designated funds					
Christabel Burniston Fund	40,000	-	(37,261)	37,261	40,000
Other Designated Funds	206,818	-	(22,995)	-	183,823
Total funds	<u>1,793,403</u>	<u>1,451,352</u>	<u>(1,751,057)</u>	<u>-</u>	<u>1,493,698</u>
	At 1 Sept 2021 £	Income £	Expenditure £	Transfers & gains £	At 31 Aug 2022 £
General funds					
Unrestricted funds	1,540,354	1,667,365	(1,658,261)	(2,873)	1,546,585
Designated funds					
Christabel Burniston Fund	70,000	-	(32,873)	2,873	40,000
Other Designated Funds	250,000	-	(43,182)	-	206,818
Total funds	<u>1,860,354</u>	<u>1,667,365</u>	<u>(1,734,316)</u>	<u>-</u>	<u>1,793,403</u>

Christabel Burniston Access Fund

The Fund was set up in 2007, in memory of the late Christabel Burniston MBE, founder of ESB, to offer financial support for access to English Speaking Board examinations, and every application is taken on its merits. The fund was established at the discretion of the trustees, using legacy income received in the year ended 31 August 2009.

Other Designated Funds

Other Designated Funds consist of £119,345 for the development of our Database, Website and CRM System, £39,367 for Product Development, and £25,110 for Resource Development.

The designated funds are all held in cash.

ENGLISH SPEAKING BOARD (INTERNATIONAL) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023

21 Company status

The charity is a company limited by guarantee. Each member undertakes to contribute to the assets of the company in the event of a winding-up, to an amount not exceeding £1. At 31 August 2023, there were 79 'friends' who are non-voting members and 10 ordinary members who are also Directors/Trustees.

22 Operating leases

At 31 August 2023, the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Operating leases:		
Within one year	1,984	22,080
Within 2 – 5 years	1,810	21,902
Over 5 years	-	-
	<u>3,793</u>	<u>43,982</u>

23 Related party transactions

Remuneration of key management personnel

	2023 £	2022 £
Wages and salaries	336,173	321,063
National Insurance costs	38,156	36,986
Employer's contribution to defined pension schemes	34,745	32,486
	<u>409,073</u>	<u>390,535</u>

Key management personnel consisted of seven employees for 2023 (2022: seven employees). No guarantees have been given or received.

24 Analysis of changes in net funds

	At 1 Sept 2022 £	Cash flows £	Acquisitions and disposals £	New finance leases £	Foreign exchange movements £	At 31 Aug 2023 £
Cash at bank and in hand	1,363,342	(751,362)	-	-	(283)	611,697
Total Cash Flows	1,363,342	(751,362)	-	-	(283)	611,697
Loans due within one year	-	-	-	-	-	-
Loans due more than one year	-	-	-	-	-	-
Obligations under finance leases	-	-	-	-	-	-
Total funds	<u>1,363,342</u>	<u>(751,362)</u>	<u>-</u>	<u>-</u>	<u>(283)</u>	<u>611,697</u>

Document Activity Report

Document Sent

Tue, 20 Feb 2024 08:47:49 GMT

Document Activity History

Document history shows most recent activity first

Date

Activity

You can verify that this is a genuine Portal document by uploading it to the following secure web page:

<http://bwm.accountantspace.co.uk/messages/VerifyDocument>