

ENGLISH UK ENTERPRISES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

ENGLISH UK ENTERPRISES LIMITED

COMPANY INFORMATION

Directors	Samuel Bufton Shoko Doherty Andrew Fisher Jodie Gray Neil Harris Peter Hayes Lisa James Tregarran Percival Michael Quinn
Company secretary	Nuria Felip Puignou
Registered number	05200973
Registered office	Flag House, 47 Brunswick Court, London SE1 3LH
Independent auditor	Buzzacott LLP Statutory Auditor 130 Wood Street London EC2V 6DL
Bankers	NatWest Bank plc High Street Maidstone ME14 1XY

ENGLISH UK ENTERPRISES LIMITED

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ENGLISH UK ENTERPRISES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Principal activity

The company's principal activity during the year was the provision of commercial services to the UK and the international education sector.

Results and dividends

The profit for the year, after taxation, amounted to £NIL (2020 - loss £54,065).

No dividends are proposed (2020 - £nil).

Directors

The directors who served during the year were:

Jamie Buckham (resigned 4 March 2021)
Samuel Bufton (appointed 7 December 2021)
Shoko Doherty (appointed 1 February 2021)
Andrew Fisher
Jodie Gray (appointed 1 February 2021)
Neil Harris (appointed 7 December 2021)
Peter Hayes (appointed 7 December 2021)
Lisa James (appointed 7 December 2021)
Tregarran Percival (appointed 1 February 2021)
Michael Quinn

ENGLISH UK ENTERPRISES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Business activities and future developments

The last face-to-face StudyWorld event took place in September 2019. This edition celebrated 50 years of the workshop and was successful. The 2019 event returned an operating margin of £75,000.

StudyWorld 2020, planned to take place at the QEII Centre in September, was initially postponed to January 2021, and then cancelled due to Covid-19 restrictions. We did not hold a StudyWorld event in 2020. An arrangement was reached with the QEII Centre to pay a reduced cancellation fee in December 2020 considering the uncertainty of delivering the event and the possibility that force majeure would not be applied. We did however hold the English UK Summit in mid-September, delivered under English UK Ltd.

In 2021 we delivered three online StudyWorld events, in January, March and September, and the same is planned for 2022. These events remain popular with English UK members due to their convenience and low cost. They also represent a very low financial risk to the association, which is a critical consideration in these difficult times.

The directors of English UK Enterprises Ltd. and executive team recognise the importance of face-to-face interaction with our international agent partners to reassure, restore confidence and build productive partnerships. We are therefore planning a face-to-face activity – a series of familiarisation trips for our internal agents and partners visiting all parts of the UK – to dovetail with StudyWorld autumn in 2022.

For 2023, we are planning a spring StudyWorld event that will be run in person and online, and a second autumn edition that will be online only.

We feel that we have established a strong basis for hybrid and online events for the future. We will continue to assess market need and respond in a flexible, agile and sustainable manner, showcasing the UK's international education sector and providing a platform for partners to meet and develop their relationships.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Buzzacott LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 27 April 2022 and signed on its behalf.

Andrew Fisher
Director

ENGLISH UK ENTERPRISES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGLISH UK ENTERPRISES LIMITED

Opinion

We have audited the financial statements of English UK Enterprises Limited (the 'company') for the year ended 31 December 2021, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes, 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 company's affairs as at 31 December 2021 and of its result 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 company'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 directors with respect to going concern are described in the relevant sections of this report.

ENGLISH UK ENTERPRISES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGLISH UK ENTERPRISES LIMITED (CONTINUED)

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 directors 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors 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 Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors 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 directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

ENGLISH UK ENTERPRISES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGLISH UK ENTERPRISES LIMITED (CONTINUED)

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:

We obtained an understanding of the legal and regulatory frameworks applicable to the company and the sector in which it operates. We determined that the following laws and regulations were most significant: Financial Reporting Standard 102 (FRS 102) and the Companies Act 2006.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 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 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Katharine Patel (Senior Statutory Auditor)

for and on behalf of

Buzzacott LLP

Statutory Auditor

130 Wood Street

London

EC2V 6DL

29 April 2022

ENGLISH UK ENTERPRISES LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	4	146,121	-
Cost of sales		(61,074)	(33,605)
Gross profit/(loss)		85,047	(33,605)
Administrative expenses		(66,177)	(20,549)
Operating profit/(loss)		18,870	(54,154)
Interest receivable and similar income		8	89
Gift aid payable to parent charity		(18,878)	-
Profit/(loss) before tax		-	(54,065)
Profit/(loss) after tax		-	(54,065)
Retained earnings at the beginning of the year		18,469	72,534
Loss for the year		-	(54,065)
Retained earnings at the end of the year		18,469	18,469

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of income and retained earnings.

The notes on pages 8 to 12 form part of these financial statements.

ENGLISH UK ENTERPRISES LIMITED
REGISTERED NUMBER: 05200973

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		2021 £	2020 £
Current assets				
Debtors: amounts falling due within one year	8	8,419	31,421	
Cash at bank and in hand		71,325	44,038	
		<u>79,744</u>	<u>75,459</u>	
Creditors: amounts falling due within one year	9	(61,274)	(56,989)	
Net current assets			18,470	18,470
Total assets less current liabilities			<u>18,470</u>	<u>18,470</u>
Net assets			<u>18,470</u>	<u>18,470</u>
Capital and reserves				
Called up share capital	11		1	1
Profit and loss account			18,469	18,469
			<u>18,470</u>	<u>18,470</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 April 2022.

Andrew Fisher
Director

Shoko Doherty
Director

The notes on pages 8 to 12 form part of these financial statements.

ENGLISH UK ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

English UK Enterprises Limited is a private limited company incorporated in England and Wales (Company Registration Number 05200973). The registered office is Flag House, 47 Brunswick Court, London, SE1 3LH. It is a wholly owned subsidiary of English UK Limited, a charitable company (Charity Registration Number 1108792).

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in sterling and are rounded to the nearest pound.

2.2 Assessment of going concern

The directors have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The directors have made this assessment in respect to a period of one year from the date of approval of these financial statements.

Due to ongoing Covid-19 restrictions, our revenue-generating activities have been severely curtailed, however this has improved during 2021 and we anticipate this to improve further during 2022.

The engagement of members in our activities has been higher than ever before during this period. It is our expectation that the sector will see a 40-60% recovery in 2022. We have also developed plans to adapt our face-to-face events to profitable hybrid and online activities.

The staff restructure completed in 2021 has reduced salary costs and made the organisation more flexible, agile and responsive.

Recognising that the English UK group's continued ability to deliver its programme of activities will depend on forward secured funding from membership subscriptions, the directors have considered several factors in concluding that the adoption of the going concern basis in the preparation of these financial statements is appropriate. These have included cash management and working capital controls in place to manage the potential risks of late payments, higher than expected rates of member insolvencies and lower than expected student volume and ensuring assets and reserves are appropriately managed.

After making this assessment, the directors are confident the organisation has adequate resources to operate for at least 12 months from the date of approval of these financial statements and can adopt the going concern basis in preparing its financial statements.

2.3 Revenue

Income is recognised in the period in which the company has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received. Income comprises turnover from the company's principal activity and interest receivable on cash balances. The income excludes VAT wherever charged.

ENGLISH UK ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.4 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the company to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and excludes recoverable VAT. Expenditure comprises the direct costs associated with the delivery of the company's services as well as general administrative support costs.

2.5 Gift Aid

The directors have elected to donate all taxable profits earned by the company in any one financial year to the parent charity, English UK Limited. English UK Enterprises Limited will therefore also recognise the liability for the Gift Aid payable in the year in which the profits are generated under a deed of covenant.

2.6 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires the directors and management to make certain significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

ENGLISH UK ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

4. Turnover

All turnover is attributable to the principal activity of the company. The turnover can be analysed as follows:

	2021 £	2020 £
International fairs	146,121	-
	<u>146,121</u>	<u>-</u>

Turnover attributable to geographical markets outside the United Kingdom amounted to £nil (2020 - £nil).

5. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Auditor's remuneration		
- Statutory audit services	3,690	2,050
- Other services	2,140	6,155
	<u>5,830</u>	<u>8,205</u>

6. Employees

The company has no employees as its day-to-day operations are conducted by the employees of English UK Limited (note 13). During the year ended 31 December 2021, office overheads and staff costs of £57,136 (2020 – £nil) were recharged by English UK Limited to the company. In 2020 the decision was made by English UK to waive the charge for this particular financial year given the significantly reduced activities of the company.

The directors consider that they, together with the members of the Executive Team of the parent charity, English UK Limited, comprise the key management personnel of the company in charge of directing and controlling, running and operating the company on a day to day basis.

The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel of the English UK group for the year (as settled by English UK Limited) was £242,470 (2020 - £275,071).

No remuneration was paid to the directors during the year to 31 December 2021 (2020 - none).

ENGLISH UK ENTERPRISES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Taxation

No charge has been accrued for corporation tax for the year ended 31 December 2021 as all taxable profit has been donated to the parent charity under Gift Aid and in line with the deed of covenant in place. No tax is therefore due for the year. In the year ended 31 December 2020, the company did not make a profit and had no other profits chargeable to corporation tax.

8. Debtors

	2021 £	2020 £
Trade debtors	3,594	-
Amounts owed by group undertakings	-	16,947
Prepayments and accrued income	4,825	14,474
	8,419	31,421
	8,419	31,421

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	3,394	62
Amounts owed to group undertakings	20,681	-
Accruals and deferred income	37,199	56,927
	61,274	56,989
	61,274	56,989

10. Financial instruments

	2021 £	2020 £
Financial assets		
Cash at bank and in hand	71,325	44,038
	71,325	44,038
	71,325	44,038

11. Share capital

	2021 £	2020 £
Authorised, allotted, called up and fully paid		
1 (2020 - 1) Ordinary share of £1.00	1	1
	1	1
	1	1

ENGLISH UK ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. Movement in shareholder's funds

	2021 £	2020 £
Opening shareholder's funds	18,469	72,534
Profit/ (loss) for the year	18,870	(54,065)
Gift aid donation	(18,870)	-
Closing shareholder's funds	18,469	18,469

13. Controlling party

The company is a wholly owned subsidiary of English UK Limited (the ultimate parent company), a charity registered under the Charities Act 2011, Charity Registration No. 1108792, and a company limited by guarantee incorporated in the UK, Company Registration No. 05120951. The registered office of English UK Limited is Flag House, 47 Brunswick Court, London, SE1 3LH. Copies of the consolidated financial statements are available from Companies House.

The financial statements do not include disclosure of transactions between English UK Limited and English UK Enterprises Limited. As a 100% controlled subsidiary undertaking, English UK Enterprises Limited is exempt from the requirement to disclose such transactions under section 33.1A of FRS 102.

There were no further related party transactions during the financial year (2020 - none).