

Company registration number: 2481025

Charity registration number: 1019182

Sharing One Language

(A company limited by guarantee)

Annual Report and Financial Statements

for the year ended 31 December 2020

GLOVER
GS STANBURY
CHARTERED ACCOUNTANTS



SHARING ONE LANGUAGE CONTENTS

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**SHARING ONE LANGUAGE
REFERENCE AND ADMINISTRATIVE DETAILS**

Trustees	A H S White P Chapman M Humfrey
Secretary	S Evans
Principal Office	Bridge Chambers The Strand BARNSTAPLE Devon EX31 1HB
Registered Office	Bridge Chambers The Strand BARNSTAPLE Devon EX31 1HB The charity is incorporated in England and Wales.
Company Registration Number	2481025
Charity Registration Number	1019182
Bankers	HSBC plc 10 High Street BARNSTAPLE Devon EX31 1BQ
Independent Examiner	Glover Stanbury Chartered Accountants and Registered Auditors 30 Bear Street BARNSTAPLE Devon EX32 7DD

SHARING ONE LANGUAGE STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 December 2020, in compliance with s414C of the Companies Act 2006.

Achievements and performance

2020 had promised to be a very good year. The financial position was the best it had been in all 29 years and bookings for the coming year were very positive. It looked as if, at last the work we had been contemplating abroad to reach teachers in the poorer economic countries could be achieved. Teachers who normally were unable to consider coming to England because of their low salaries and high flight and visa costs. We received 5 groups in the early part of the year but in March 2020 the covid-19 pandemic and its implications struck. Our last group left on March 15th and apart from a tiny group of 4 students in August, no other group were able to come for the rest of the year. There was always optimism that the situation would clear by autumn 2020 and our reserves were sufficient to feel we could manage the situation until this time when we would know more, but this has not happened.

Our decision to furlough most of the staff was critical but the lack of flexibility the Government gave at the start of the furlough scheme meant that we incurred greater costs than might have been as it was either 100% furloughed or nothing. It also meant that our teaching staff could not help us with on-line lessons. We kept the Director Office manager and one assistant on to enable us to keep all the essential communication going as cancellations, refunds were processed.

So, we had on-going salary costs, albeit greatly reduced as well as rent, rates and service costs which could not be cut and absolutely no income apart from a small stream from the bookshop, and a Government grant for that, as it was a retail unit. Sadly there was no help for our full time trading activity of running courses which we could no longer do. We appealed but to no avail.

The later decision of the Government to allow flexi-furloughing was a great relief to us as it meant the admin staff could now drop to 1/5th of their working days which enabled essential work to be done but also it allowed the teaching staff to be able to run some on-line classes which brought in some income. It also meant that when it was possible the bookshop could open as well. The offer from the Government of a £50,000 bounce back loan which would be interest free for one year and payable back over 10 was agreed.

Despite deposits not being returnable, it was necessary to return all those we received for groups who we were expecting throughout the year. In a few cases money was held over for groups that seemed certain they wanted to delay their visit to 2021. No new bookings for 2021 were taken. It was hard to predict the future but in November 2020 with the furloughing changed, we were able to put on an on-line teacher training course which generated about £2,000 and one or two sponsorship events took place but forecasting the year ahead was impossible due to the uncertainty of changing travel restrictions and regulations in both the UK and abroad.

The loss of so much of our reserve which had been earmarked for giving more assistance to teachers of English abroad as part of our mission, was very disappointing and with everything else remain a concern for the future and especially as our request for further Government support has not been accepted.

SHARING ONE LANGUAGE STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

Policy on reserves

Sharing One Language holds reserves in its accounts to sustain short term cashflow needs. As the activities are mainly seasonal, reserves are vital to aid cashflow in the winter months. Also, as a contingency against the risks outlined below, the aim is to maintain a reserves level of at least £50,000.

Principal risks and uncertainties

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to try to mitigate those risks. The main risks are economic factors, exchange rate fluctuations, changes enacted as part of the Brexit negotiations and also other political changes in visa policies etc.

The current specific risk identified relates to the Covid-19 virus which escalated far more than could have been originally anticipated. With some travel restrictions through Europe still in place, including the need for costly tests for Covid-19, the future as of September 2021 still remains very unclear. However the overall Covid situation is improving with the successful vaccination programmes that have been carried out in all European countries and there is a strong belief that travel will enable groups to again visit the UK in mid to late 2022. Although we are not taking bookings as we normally would at this time, we are contacting all potential group leaders in order to assess this situation for next summer. With our reserves now depleted and the UK furlough support scheme ending this month, our situation is being reviewed monthly.

The strategic report was approved by the trustees of the charity on 28 September 2021 and signed on its behalf by:

M Humfrey
Trustee

SHARING ONE LANGUAGE TRUSTEES' REPORT

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2020.

Objectives and activities

Objects and aims

The aim of Sharing One Language continues to be to provide support for the teaching and learning of English in the countries of Eastern and Central Europe. These countries continue to have economic situations resulting in very low incomes by UK standards and so access to the English language is often restricted as a result because of the cost of tuition and travel.

Sharing One Language's provision of short courses for students, teachers and future teachers throughout the year in our three centres in North and Mid Devon continues to be the backbone of our work and primary income earner. The recruitment of native speaking teachers is a much lower priority as the demand, as well as the supply of teachers, has continued to fall. School populations are falling, local teachers are teaching larger classes and more lessons and schools cannot afford the additional costs of accommodation required for a native speaking teacher.

With a fully qualified trainer engaged by the company Sharing One Language has focused on the provision of in-service training workshops within these countries as it makes access to good training and ideas for teachers much easier and at virtually no cost to the teacher. At the same time, the costs to Sharing One Language have been very low, whilst acting as excellent publicity for our work in the UK.

Public benefit

As described above, the charity supports the teaching and learning of English in the countries of Eastern and Central Europe. Over the years the charity has provided education to thousands of students and teachers who otherwise would not have access to an English teacher. The groups that visit the United Kingdom also benefit the wider economy as well, particularly in the North Devon area.

The Trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

SHARING ONE LANGUAGE TRUSTEES' REPORT

Statement of Trustees Responsibilities

The trustees (who are also the directors of Sharing One Language for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Structure, governance and management

Nature of governing document

The organisation is a charitable company limited by guarantee. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up the members liability will be a maximum of £1.

Recruitment and appointment of trustees

The Directors of the company are also the charity trustees and manage the organisation as a Board of Trustees. This board is headed by the chairperson. New trustees are appointed by the Board if a suitable candidate is identified who would benefit the company with regard to their knowledge and expertise.

Induction and training of trustees

As such, training of the trustees is minimal although, prior to any appointment, the activities of SOL are explained as part of the induction process.

SHARING ONE LANGUAGE TRUSTEES' REPORT

Organisational structure

The day to day management of the charity is undertaken by the general manager Grenville Yeo. The trustees have commissioned a consultancy review of the structure and future management of Sharing One Language bearing in mind that the general manager will be retiring in the not too distant future although this will be phased in over a number of years.

Major risks and management of those risks

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to try to mitigate those risks. The main risks are economic factors, exchange rate fluctuations, changes enacted as part of the Brexit negotiations and also other political changes in visa policies etc.

The current specific risk identified relates to the Covid-19 virus which escalated far more than could have been originally anticipated. With some travel restrictions through Europe still in place, including the need for costly tests for Covid-19, the future as of September 2021 still remains very unclear. However the overall Covid situation is improving with the successful vaccination programmes that have been carried out in all European countries and there is a strong belief that travel will enable groups to again visit the UK in mid to late 2022. Although we are not taking bookings as we normally would at this time, we are contacting all potential group leaders in order to assess this situation for next summer. With our reserves now depleted and the UK furlough support scheme ending this month, our situation is being reviewed monthly.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The Charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. However, the charity mainly invoices in GBP which minimises the direct impact of these changes. In addition, the charity's reserves policy and also payment in advance for courses means that there should be no exposure to interest rate charges.

SHARING ONE LANGUAGE TRUSTEES' REPORT

Credit risk

The Charity's principal financial assets are bank balances and cash, trade and other receivables. The Charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Charity uses accumulated funds held in unrestricted reserves.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

The annual report was approved by the trustees of the charity on 28 September 2021 and signed on its behalf by:

M Humfrey
Trustee

**SHARING ONE LANGUAGE
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SHARING ONE
LANGUAGE**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 9 to 24.

Respective responsibilities of trustees and examiner

As the charity's trustees of Sharing One Language (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Sharing One Language are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Sharing One Language as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Nigel Bennett FCA
Chartered Accountants and Registered Auditors
ICAEW

30 Bear Street
BARNSTAPLE
Devon
EX32 7DD

28 September 2021

SHARING ONE LANGUAGE
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER
2020
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL
RECOGNISED GAINS AND LOSSES)

	Note	Unrestricted funds £	Total 2020 £	Total 2019 £
Income and Endowments from:				
Donations and legacies	3	79,442	79,442	15
Charitable activities	4	97,344	97,344	932,221
Other trading activities	5	3,331	3,331	5,134
Investment income	6	226	226	412
Other income		-	-	2,601
Total Income		<u>180,343</u>	<u>180,343</u>	<u>940,383</u>
Expenditure on:				
Raising funds	7	(5,920)	(5,920)	(6,180)
Charitable activities	8	(284,378)	(284,378)	(889,089)
Total Expenditure		<u>(290,298)</u>	<u>(290,298)</u>	<u>(895,269)</u>
Net (expenditure)/income		<u>(109,955)</u>	<u>(109,955)</u>	<u>45,114</u>
Net movement in funds		(109,955)	(109,955)	45,114
Reconciliation of funds				
Total funds brought forward		<u>127,381</u>	<u>127,381</u>	<u>82,267</u>
Total funds carried forward	21	<u><u>17,426</u></u>	<u><u>17,426</u></u>	<u><u>127,381</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 21.

**SHARING ONE LANGUAGE
(REGISTRATION NUMBER: 2481025)
BALANCE SHEET AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	15	6,439	6,238
Current assets			
Stocks	16	500	500
Debtors	17	657	760
Cash at bank and in hand	18	<u>115,119</u>	<u>287,503</u>
		116,276	288,763
Creditors: Amounts falling due within one year	19	<u>(105,289)</u>	<u>(167,620)</u>
Net current assets		<u>10,987</u>	<u>121,143</u>
Net assets		<u>17,426</u>	<u>127,381</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>17,426</u>	<u>127,381</u>
Total funds	21	<u>17,426</u>	<u>127,381</u>

For the financial year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 9 to 24 were approved by the trustees, and authorised for issue on 28 September 2021 and signed on their behalf by:

M Humfrey
Trustee

SHARING ONE LANGUAGE
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash (expenditure)/income		(109,955)	45,114
Adjustments to cash flows from non-cash items			
Depreciation	7	1,704	1,603
Investment income	6	<u>(226)</u>	<u>(412)</u>
		(108,477)	46,305
Working capital adjustments			
Decrease in debtors	17	103	5,958
Increase/(decrease) in creditors	19	1,825	(2,835)
(Decrease)/increase in deferred income		<u>(114,156)</u>	<u>31,667</u>
Net cash flows from operating activities		<u>(220,705)</u>	<u>81,095</u>
Cash flows from investing activities			
Interest receivable and similar income	6	226	412
Purchase of tangible fixed assets	15	<u>(1,905)</u>	<u>-</u>
Net cash flows from investing activities		(1,679)	412
Cash flows from financing activities			
Value of new loans obtained during the period		<u>50,000</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents		(172,384)	81,507
Cash and cash equivalents at 1 January		<u>287,503</u>	<u>205,996</u>
Cash and cash equivalents at 31 December		<u>115,119</u>	<u>287,503</u>

All of the cash flows are derived from continuing operations during the above two periods.

SHARING ONE LANGUAGE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 CHARITY STATUS

The charity is a charity limited by guarantee, incorporated in the United Kingdom and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Bridge Chambers
The Strand
BARNSTAPLE
Devon
EX31 1HB

These financial statements were authorised for issue by the trustees on 28 September 2021.

2 ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Sharing One Language meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The financial statements have been prepared on a going concern basis. The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. There is a material concern regarding the current covid-19 pandemic and associated travel restrictions which is preventing Sharing One Language from operating on a normal basis, which does pose a material threat to the survival of the charity. If the going concern basis was not utilised the only asset that would have to be restated would be fixed assets which are currently stated at £6,439 and the break up value of these assets would be considerably less. Although plans are in place by the trustees and actions are being taken to address the matters of concern to generate income that is not dependant upon travel, it is recognised that the primary risk and controlling factors affecting international travel are outside of the trustees control.

SHARING ONE LANGUAGE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Other trading activities

Shop income is recognised as earned (that is, as the related goods or services are provided).

Investment income

Investment income is recognised on a receivable basis.

Other income

Income from charitable activities represents amounts receivable as groups visit the United Kingdom. Amounts invoiced during the year for a subsequent years visit are carried forward within creditors as accrued income.

SHARING ONE LANGUAGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

SHARING ONE LANGUAGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold property improvements	5% straight line basis
Fixtures and fittings	20% reducing balance

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated selling costs. Cost is determined using the first-in, first-out (FIFO). Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Foreign exchange

Transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the statement of financial activities.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

SHARING ONE LANGUAGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

3 INCOME FROM DONATIONS AND LEGACIES

	Total 2020 £	Total 2019 £
Donations and legacies;		
Donations from individuals	200	15
Legacies	<u>100</u>	<u>-</u>
Grants, including capital grants;		
Government grants	<u>77,458</u>	<u>-</u>
	<u><u>300</u></u>	<u><u>15</u></u>

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds	Total 2020 £	Total 2019 £
Group contributions	<u>97,344</u>	<u>97,344</u>	<u>932,221</u>

5 INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds	Total 2020 £	Total 2019 £
Trading income;			
Shop income from sale of donated goods and services	<u>3,331</u>	<u>3,331</u>	<u>5,134</u>
	<u><u>3,331</u></u>	<u><u>3,331</u></u>	<u><u>5,134</u></u>

6 INVESTMENT INCOME

	Unrestricted funds	Total 2020 £	Total 2019 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>226</u>	<u>226</u>	<u>412</u>

SHARING ONE LANGUAGE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

7 EXPENDITURE ON RAISING FUNDS

COSTS OF TRADING ACTIVITIES

	Unrestricted funds		
	General £	Total 2020 £	Total 2019 £
Costs of goods sold	5,920	5,920	6,180
	<u>5,920</u>	<u>5,920</u>	<u>6,180</u>

8 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds		
	General £	Total 2020 £	Total 2019 £
Group expenditure	251,839	251,839	861,821
	<u>251,839</u>	<u>251,839</u>	<u>861,821</u>

252,253 (2019 - 861,821) of the above expenditure was attributable to unrestricted funds and Nil (2019 - Nil) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of 32,539 (2019 - 27,268) which relate directly to charitable activities. See note 9 for further details.

SHARING ONE LANGUAGE
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

9 ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

Charitable activities expenditure

	Unrestricted funds		
	General £	Total 2020 £	Total 2019 £
Staff costs	148,231	148,231	243,066
Host family payments	32,546	32,546	310,173
Ferry costs	-	-	6,412
Excursions	24,064	24,064	182,382
Drivers accommodation	-	-	5,193
Room hire, teachers' and co-ordinators' expenses	808	808	18,394
Coach parking and repairs	-	-	1,016
Free teacher places	-	-	4,500
Light, heat and power	4,816	4,816	6,946
Insurance	2,448	2,448	2,285
Repairs and maintenance	3,203	3,203	5,399
Telephone and fax	4,304	4,304	6,595
Office accommodation expenses	11,626	11,626	12,088
Printing, postage and stationery	2,810	2,810	7,160
SOUL camp contribution	-	-	6,095
Sundry expenses	4,081	4,081	10,127
Travel and subsistence	1,436	1,436	6,771
Advertising	2,373	2,373	11,942
Legal and professional fees	1,959	1,959	2,830
Bank charges and interest	2,639	2,639	3,246
Foreign currency (gains)/losses	(821)	(821)	944
Depreciation	1,704	1,704	1,603
Erasmus project	-	-	5,144
Hands up project	3,200	3,200	1,009
Hire of plant & machinery	412	412	501
	<u>251,839</u>	<u>251,839</u>	<u>861,821</u>

SHARING ONE LANGUAGE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

GOVERNANCE COSTS

	Unrestricted funds		
	General	Total	Total
	£	2020 £	2019 £
Staff costs			
Wages and salaries	22,525	22,525	13,509
Social security costs	736	736	1,666
Pension costs	417	417	586
Independent examiner fees			
Examination of the financial statements	4,934	4,934	5,953
Other governance costs	<u>3,927</u>	<u>3,927</u>	<u>5,554</u>
	<u><u>32,539</u></u>	<u><u>32,539</u></u>	<u><u>27,268</u></u>

10 NET INCOMING/OUTGOING RESOURCES

Net (outgoing)/incoming resources for the year include:

	2020	2019
	£	£
Depreciation of fixed assets	<u>1,704</u>	<u>1,603</u>

11 TRUSTEES REMUNERATION AND EXPENSES

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year. However, host family payments have been made as disclosed in note 22 to the accounts.

SHARING ONE LANGUAGE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

12 STAFF COSTS

The aggregate payroll costs were as follows:

	2020	2019
	£	£
Staff costs during the year were:		
Wages and salaries	141,317	113,235
Social security costs	4,748	9,489
Pension costs	2,085	6,694
Tuition and guide fees	<u>23,759</u>	<u>129,409</u>
	<u><u>171,909</u></u>	<u><u>258,827</u></u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2020	2019
	No	No
Administration	3	3
Management staff	1	1
Teachers, co-ordinators and guides	<u>5</u>	<u>11</u>
	<u><u>9</u></u>	<u><u>15</u></u>

No employee received emoluments of more than £60,000 during the year.

13 INDEPENDENT EXAMINER'S REMUNERATION

	2020	2019
	£	£
Examination of the financial statements	<u>4,934</u>	<u>5,953</u>

SHARING ONE LANGUAGE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

14 TAXATION

The company is a registered charity and is, therefore, exempt from taxation upon its charitable activities.

15 TANGIBLE FIXED ASSETS

	Short leasehold property improvements £	Furniture and equipment £	Total £
Cost			
At 1 January 2020	4,085	53,104	57,189
Additions	<u>-</u>	<u>1,905</u>	<u>1,905</u>
At 31 December 2020	<u>4,085</u>	<u>55,009</u>	<u>59,094</u>
Depreciation			
At 1 January 2020	3,441	47,510	50,951
Charge for the year	<u>204</u>	<u>1,500</u>	<u>1,704</u>
At 31 December 2020	<u>3,645</u>	<u>49,010</u>	<u>52,655</u>
Net book value			
At 31 December 2020	<u>440</u>	<u>5,999</u>	<u>6,439</u>
At 31 December 2019	<u>644</u>	<u>5,594</u>	<u>6,238</u>

**GLOVER
 STANBURY**
 CHARTERED ACCOUNTANTS

16 STOCK

	2020 £	2019 £
Stocks	<u>500</u>	<u>500</u>

17 DEBTORS

	2020 £	2019 £
Prepayments	<u>657</u>	<u>760</u>

SHARING ONE LANGUAGE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

18 CASH AND CASH EQUIVALENTS

	2020	2019
	£	£
Cash on hand	2,976	3,075
Cash at bank	<u>112,143</u>	<u>284,428</u>
	<u>115,119</u>	<u>287,503</u>

19 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loans	50,000	-
Trade creditors	3,877	761
Pension scheme creditor	202	492
Accruals	4,635	5,636
Deferred income	<u>46,575</u>	<u>160,731</u>
	<u>105,289</u>	<u>167,620</u>

20 PENSION AND OTHER SCHEMES

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £2,085 (2019 - £2,931).

SHARING ONE LANGUAGE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

21 FUNDS

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds				
General	<u>127,381</u>	<u>180,343</u>	<u>(290,298)</u>	<u>17,426</u>

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Balance at 31 December 2019 £
Unrestricted funds				
General	<u>82,267</u>	<u>940,383</u>	<u>(895,269)</u>	<u>127,381</u>

22 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year

	Unrestricted funds	Total funds
	General £	£
Tangible fixed assets	6,439	6,439
Current assets	116,276	116,276
Current liabilities	<u>(105,289)</u>	<u>(105,289)</u>
Total net assets	<u>17,426</u>	<u>17,426</u>

Prior year

	Unrestricted funds	Total funds
	General £	£
Tangible fixed assets	6,238	6,238
Current assets	288,763	288,763
Current liabilities	<u>(167,620)</u>	<u>(167,620)</u>
Total net assets	<u>127,381</u>	<u>127,381</u>

SHARING ONE LANGUAGE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

23 ANALYSIS OF NET FUNDS

	At 1 January 2020 £	Financing cash flows £	At 31 December 2020 £
Cash at bank and in hand	<u>287,503</u>	<u>(172,384)</u>	<u>115,119</u>
Net debt	<u>287,503</u>	<u>(172,384)</u>	<u>115,119</u>
	At 1 January 2019 £	Financing cash flows £	At 31 December 2019 £
Cash at bank and in hand	<u>205,996</u>	<u>81,507</u>	<u>287,503</u>
Net debt	<u>205,996</u>	<u>81,507</u>	<u>287,503</u>

24 RELATED PARTY TRANSACTIONS

During the year the charity made the following related party transactions:

Trustees

During the year some of the trustees acted as a host family for students, they received payments at an open market rate at the same amount per night as other host families. These expense payments have been notified to the Charity Commission and are paid under this authority. These payments were as follows:

P Chapman £Nil (2019 £2,140)

At the balance sheet date the amount due to Trustees was Nil (2019 - Nil).