

# 2022

## ANNUAL REPORT

Trustees' report  
and financial statements

(for the year ended 31 March 2022)





## Charitable Objectives

International Learning Movement is a non-profitable NGO. Its work is mainly focused on humanitarian grounds regardless of colour, race, nationality, gender, sect or religion. The mission of the charity is to eliminate illiteracy, human suffering, poverty, disease and water shortage.

To advance the education (academic, vocational and social) of children and adults on a world-wide basis, but primarily within the Indian sub-continent and the UK, by the provision of supplies, facilities, equipment training and financial support to local pupils, students and trainees. This will include arranging and assisting with the provision of training within the United Kingdom for teachers from abroad thereby increasing the standards of teaching and education internationally.

## **BROADER CHARITY OBJECTIVES**

International Learning Movement - ILM is a not-for-profit charity with influence worldwide throughout Asia, Africa & Europe. Our charity has consistently remained steadfast, focusing on helping the poor, caring for the sick and injured, providing quality education through our dedicated schools, looking after the welfare of orphans and reacting to natural disasters through the provision of emergency relief. ILM's ethos is based on care and support to those who need it most regardless of colour, race, nationality, gender or religion.

The mission of the charity is to eliminate illiteracy, human suffering, poverty, disease and to provide clean water throughout our operating area.

We help poor communities and improve their lives with a focus on sustainable development and empowerment, our programmes give poor, unfortunate people better access to essential services; giving them the opportunity to improve their livelihoods and lift themselves out of the poverty. ILM also works in partnership with other charitable organisations helping shape development agendas and improve the impact and effectiveness of world-wide humanitarian action.

Our goal is to ensure that through our donors, our contribution to society makes a genuine, positive, long-lasting difference to the people who need it most. Interestingly, our work takes place 'on the ground' in countries within Asia and Africa, especially in Malawi and India. We operate in a totally fair, transparent way and we are always fully accountable to our donors. We have also established 'country' offices in India and Malawi over the last few years and are delighted as to the impact and contribution these offices have made.

## THE VISION

Our vision is for ILM to become a remarkable success by alleviating poverty and suffering in the world's poorest communities. We aim to be an essential organisation within the humanitarian aid sector by creating a harmonious world where people of all faiths, colour or creed can enjoy their lives with good health, a solid education and a decent livelihood.

## THE MISSION

We foster charitable giving to alleviate the immediate needs of poor communities and to establish long-term development projects that ensure individual and community growth. We promote self-reliance to the poorest people around the world, helping the needy and the under-privileged by adopting practical ways to end poverty through health and educational support, the provision of clean drinking water, women's empowerment and orphan sponsorship.

We believe that those whom God has granted wealth need to cleanse that wealth through charity and thereby, actively pursue charitable giving through fundraising.

### We:

- Bring immediate relief during and after world-wide disasters, build and support schools, orphanages and health clinics, encourage the construction of religious centres and community centres.
- Provide Ramadan Iftars, food distributions and provide fresh meat for Udhiya/Qurbani and Aqeeqah through the support of community-based initiatives.
- Serve as a trusted 'charity of choice' option for all our generous donors through financial transparency and strict standards of efficiency and accountability.
- Maximise donations by establishing strategic partnerships with government bodies and prominent charity partnerships.

## Ethical Approach

**International Learning Movement (ILM)** expects all employees to conduct themselves in a manner consistent with the organisation's policies, procedures and collective values. This Code explains how these values should be put into everyday practice.

**The Code is divided into four sections, which cover:**

**Our vision, aims, objectives and our values and principles**

### **ILM UK Values;**

- Self-help – we help people to help themselves
- Self-responsibility – we take responsibility for, and answer to our actions
- Equality – no matter how much money a donor contributes, that individual has the right to question our capabilities, transparency and expenditure
- Equity – we carry our business in a way that is fair and unbiased
- Solidarity – we share interests and common purposes with our donors and beneficiaries alike

### **Our Ethical Values;**

- Openness – nobody's perfect, and we won't hide it when we're not
- Honesty – we are honest about what we do and the way we do it
- Social responsibility – we encourage people to take responsibility for their own community, and work together to improve it
- Caring for others – we regularly fund charities and local community groups from 'non-restricted' donations

### **Our Principles;**

- Our principles are the way we put our values into action
- Voluntary and open involvement – involvement is open to everyone
- Autonomy and independence – ILM is independent, even when we enter into agreements with Governments and other organisations
- Education, training and information – ILM continually educates and develops our volunteers as well as our staff
- Co-operation amongst charities – charities work together with other NGO's to strengthen the charity movement as a whole
- Concern for community – ILM works to improve and develop the community, both locally and internationally.

### **Our Aims;**

- To strive for world class levels of charitable performance
- To be open, responsible and rewarding, putting our values & principles into everyday practice
- To enhance the lives of our people, families, partners, and the communities in which we serve
- To work for the long-term success of the charity sector

## **The Objective:**

The core objective of **International Learning Movement (ILM)** is to optimise donations from our generous donors to make positive change in peoples lives, allowing us to serve those in need, where assistance is most required.

## We are committed to:

- A.** Providing education for the benefit of children particularly the sponsorship for orphans throughout our operating area.
- B.** Promoting Women's empowerment
- C.** Providing education for under-privileged children.
- D.** The provision of food packages to the poor and needy in their time of need.
- E.** Delivering relief during emergencies.
- F.** The provision of medical and eye operation camps.
- G.** Offering financial support to poor families and orphans for their marriage costs.
- H.** Installing hand operated water pumps, motor pumps & water wells throughout our operating region for the provision of clean water.
- I.** Striving to eradicate poverty by providing the physical resources to enable the poverty stricken to work and raise quality of lives.
- J.** Providing working cooperatives in poor communities to enhance the lives of many through farming, rickshaw hire, sewing communities, fruit tree sponsorship and distribution.
- K.** The construction of Religious centres and Community centres

Our goal is to ensure that through our donors, our contribution to society makes a genuine, positive, long-lasting difference to the people who need it most.

Our work takes place 'on the ground' in countries within Asia and Africa, we operate in a fair and transparent way and are always fully accountable.

**The financial statements on pages 19 to 37** were approved by the trustees, and authorised for issue on 6 October 2023 and signed on their behalf by:

*C. Bailey.* **C Bailey - Trustee**



# Core Projects



## orphans

There are millions of orphans worldwide and many of these children are utterly helpless and forced to face an uncertain future by themselves. It is certainly not a good situation to be in and therefore, at ILM, we are dedicated to supporting these children – no child should be left alone.

With the support of our generous donors, we provide our orphans with healthcare, a safe and loving environment, 3 nutritious meals daily, clothing and an education all guaranteed to secure their futures and offer them better life opportunities.

We work to ensure no child is left alone, abandoned and unprotected.

Last Year...

We provided **480**  
Water Solutions



## clean water

We install hand operated water pumps, motor pumps and water wells in communities throughout our operating region for the provision of clean water.

ILM UK, run water supply projects throughout South Asia and Africa.

We build water wells in deprived, farming communities, we install hand pumps in underprivileged, often isolated villages with no clean water source and we even install hand pumps in individual family homes, to improve the quality of life of vulnerable, elderly or disabled adults.





Last Year...

We sponsored  
**530** Orphans

# education



We know that education is the key to helping people break out of the poverty cycle. By educating children in developing countries, we are giving them the tools for better opportunities and a brighter future. Today, ILM operates fourteen schools across four countries, where students are provided with a free education.

Based in Uttar Pradesh, India, Shams National School is ILM's flagship school. Here we run classes from nursery to college level. Phase 3 of this outstanding facility has now been completed with a purpose-built primary school. Education doesn't just empower individuals; it lifts entire communities out of poverty.

Last Year...

We delivered over  
**5.1 Million Meals**



# food security



**Our work to provide food for people tackling hunger continues throughout the year.**

But seasonally, we're able to boost our efforts. During the month of Ramadan, we provide food parcels, warm meals and bottled water for fasting Muslims. We also provide fresh meat packs to those in developing countries to Muslims during Eid-Ul-Adha.



## our year in facts...

### Some Of Our Worthwhile Projects Throughout The Year..



We delivered over **5.1** Million Meals



We sponsored **530** Orphans



We provided **480** Water Solutions



We provided **275** Medical Kits



We built **1** Oxygen Plantation

We provided **8** Oxygen Concentrators



2022

ANNUAL REPORT

Trustees' report  
and financial statements

(for the year ended 31 March 2022)

# **International Learning Movement**

## **Legal & Administrative Information**

The trustees present their report and the financial statements of the charity for the year ended **31 March 2022**.

### **Charity Number**

1102513

### **Trustees**

S Azam

C Bailey

J Bishop

A Yousuf

S Sayed

### **Principal Office**

Blackburn Enterprise Centre  
Furthergate, Blackburn, Lancashire BB1 3HQ.

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### **Auditor**

MMBA London Ltd  
16 Upper Woburn Place  
London  
WC1H 0AF

# INTERNATIONAL LEARNING MOVEMENT

## Financial Statements

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# INTERNATIONAL LEARNING MOVEMENT (ILM) TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and the financial statements of the charity for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply 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)" (effective 1 January 2019).

## Objectives and activities

We help poor communities to improve their lives with a focus on sustainable development and empowerment, our programmes give poor, unfortunate people better access to essential services; giving them the opportunity to improve their livelihoods and lift themselves out of poverty. ILM also work in partnership with other charitable organisations helping to shape development agendas and improve the impact and effectiveness of world-wide humanitarian action.

Our goal is to ensure that through our donors, our contribution to society makes a genuine, positive, long-lasting difference to the people who need it most. Interestingly, our work takes place 'on the ground' in countries within Asia and Africa, especially in Malawi and India. We operate in a totally fair, transparent way and we are always fully accountable.

## Achievements and performance

During the year the charity was able to achieve sponsorship of more than 530 orphans, installation of over 480 water solutions and provided over 5.1 million meals.

We have also provided 1 oxygen plantations, 8 oxygen concentrators in India for corona virus patients.

The year was marked by economic slowdown and geopolitical tensions across the globe. With continued uncertainty around Covid-19, the UK economy fared badly and economic output continued to decline. However, the kindness of our donors recognising the ongoing humanitarian crises around the world meant that our income exceeded £2.4m (2021: £2.3m) for the first time. Our charitable expenditure did not match this increase in income so the surplus is carried over to be spent on programmes in future years.

## Financial review

With the kindness of our strategic partners and donors recognising the ongoing humanitarian crises around the world meant that our income exceeded £2.4m for the first time. Expenditure in the year exceeded our income which was covered from surplus brought forward from previous year.

## Structure, governance and management

The trustees who served during the year and up to the date of signature of the financial statements were:

**S Azam**

**C Bailey**

**J Bishop**

**A Yousuf**

**S Sayed**

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

The Board of Trustees is ultimately responsible for the operations of the Charity.

A board of Trustees of 5 members meet on a quarterly basis to conduct the business of the day, assess the impact and credibility of our projects, discuss day to day activity and revenue streams.

The Organisational structure consists of the Chair of Trustees and 4 other Trustees, 2 Executive Directors and senior management team.

The Trustees set the strategy and agenda for the Charity. The Board of Trustees works with the Country Director to monitor and ensure that the Charity is working towards achieving its objectives and in line with the agreed strategy and plans. The Board of Trustees is made up of volunteers, who each bring skills and experience with them in order to help the Charity meet its objectives. The Board of Trustees is ultimately responsible for the operations of the Charity.

The Country Director reports directly to the Board of Trustees and is responsible for managing the day-to-day running of the Charity, leading the executive management team

The Country Director sets individual objectives for the executive management team and assesses their performance against objectives set. The executive management team also meets on a weekly basis to discuss and agree key operational actions required. The mission of the charity is to eliminate illiteracy, human suffering, poverty and disease; and to provide clean water throughout our operating area.

### Supplier payment policy

The charity's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

#### **The charity's current policy concerning the payment of trade creditors is to:**

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

The Trustees' report was approved by the Board of Trustees.



**C Bailey**  
Trustee

**6 October 2023**

# INTERNATIONAL LEARNING MOVEMENT (ILM) TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

## Statement of Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

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

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# INTERNATIONAL LEARNING MOVEMENT (ILM) INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF INTERNATIONAL LEARNING MOVEMENT (ILM)

## Opinion

We have audited the financial statements of International Learning Movement (ILM) (the 'Charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charity's affairs as at 31 March 2022 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 Charities Act 2011.

## Basis for opinion

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

## Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# **INTERNATIONAL LEARNING MOVEMENT (ILM) INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF INTERNATIONAL LEARNING MOVEMENT (ILM)**

## **Responsibilities of trustees**

As explained more fully in the statement of Trustees' responsibilities, the trustees 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 cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of this discussion, we identified the internal controls established to mitigate risks related to fraud or noncompliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of manual journals and key estimates and judgements made by management.

We gained an understanding of the legal and regulatory framework applicable to the Charity and the industry in which it operates, drawing on our broad sector experience, and considered the risk of acts by the Company that were contrary to these laws and regulations, including fraud.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011, UK tax legislation and other sector specific laws and regulations.

Our tests also included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management.

We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls including testing journals and evaluation whether there was evidence of bias by the management that represented a risk of material misstatement due to fraud.

## **INTERNATIONAL LEARNING MOVEMENT (ILM) INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF INTERNATIONAL LEARNING MOVEMENT (ILM)**

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

### **Other matters**

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed



**Mr Waqqas Shabir Memon, BSc, FCCA (Senior Statutory Auditor)  
for and on behalf of MMBA London Ltd**

6 October 2023

**Chartered Certified Accountant  
and Statutory Auditors**

16 Upper Woburn Place  
London  
WC1H 0AF

# INTERNATIONAL LEARNING MOVEMENT (ILM)

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

*FOR THE YEAR ENDED 31 MARCH 2022*

	Notes	Restricted funds 2022 £	Restricted funds 2021 £
<b><u>Income from:</u></b>			
Donations and legacies	3	2,474,998	2,304,372
<b><u>Expenditure on:</u></b>			
Charitable activities	4	2,644,076	2,130,385
Other expenditure	7	10,148	22,436
<b>Total expenditure</b>		2,654,224	2,152,821
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		(179,226)	151,551
Fund balances at 1 April 2021		308,902	157,351
<b>Fund balances at 31 March 2022</b>		129,676	308,902

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# INTERNATIONAL LEARNING MOVEMENT (ILM)

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Intangible assets	9		15,560		31,120
Property, plant and equipment	10		146,854		147,196
			<u>162,414</u>		<u>178,316</u>
<b>Current assets</b>					
Cash at bank and in hand		14,297		150,429	
<b>Current liabilities</b>	12	(47,035)		(19,843)	
Net current (liabilities)/assets			<u>(32,738)</u>		<u>130,586</u>
<b>Total assets less current liabilities</b>			<u>129,676</u>		<u>308,902</u>
<b>Income funds</b>					
Restricted funds - general			129,676		308,902
			<u>129,676</u>		<u>308,902</u>

The financial statements were approved by the trustees on 6 October 2023



C Bailey  
Trustee

# INTERNATIONAL LEARNING MOVEMENT (ILM)

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	15		(136,137)		175,329
<b>Investing activities</b>					
Purchase of intangible assets		-		(46,680)	
Purchase of property, plant and equipment		-		(2,463)	
<b>Net cash used in investing activities</b>			-		(49,143)
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(136,137)		126,186
Cash and cash equivalents at beginning of year			150,429		24,243
<b>Cash and cash equivalents at end of year</b>			14,292		150,429
<b>Relating to:</b>					
Cash at bank and in hand			14,297		150,429
Bank overdrafts included in creditors payable within one year			(5)		-

# INTERNATIONAL LEARNING MOVEMENT (ILM)

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

##### Charity information

International Learning Movement (ILM) is a public benefit charitable entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Blackburn Enterprise Centre, Furthergate, Blackburn, Lancashire, BB1 3HQ, England & Wales.

#### 1.1 Accounting convention

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

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

#### 1.2 Going concern

At the time of approving the financial statements, 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 financial statements.

#### 1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

# INTERNATIONAL LEARNING MOVEMENT (ILM)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

(Continued)

#### 1.4 Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- Legacy income is recognised when receipt is probable and entitlement is established.
- Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### 1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

#### 1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website

Straight line over 3 years

# INTERNATIONAL LEARNING MOVEMENT (ILM)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

(Continued)

#### 1.7 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	No depreciation
Fixtures and fittings	15% Reducing balance

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.8 Impairment of non-current 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).

#### 1.9 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. Bank overdrafts are shown within borrowings in current liabilities.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables 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 trade and other payables 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 payments 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 payables 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 payables 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.

# INTERNATIONAL LEARNING MOVEMENT (ILM)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

#### 1.10 Employee benefits

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

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

#### 1.11 Government grant

Government grants relate to financial support provided by the government to reduce the impact of COVID-19 on businesses.

Grants received in the year from HMRC in respect of Job Retention Scheme.

### 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.

### 3 Donations and legacies

	Restricted funds general 2022 £	Restricted funds general 2021 £
Donations and gifts	2,449,146	2,248,188
Government Grant	25,852	56,184
	<u>2,474,998</u>	<u>2,304,372</u>

# INTERNATIONAL LEARNING MOVEMENT (ILM)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 4 Charitable activities

	Charitable Expenditure 2022 £	Charitable Expenditure 2021 £
Staff costs	149,137	161,855
Depreciation and impairment	15,902	15,745
Relief Work	1,900,963	1,668,741
Staff training & welfare	4,262	600
Rent and rates	18,896	19,367
Light & heat	-	4,501
Repairs and maintenance	2,519	26
Insurance	909	1,277
Media cost	157,721	83,999
Travel and subsistence	22,089	-
Consultancy fees	93,858	73,443
Telephone and Internet	5,869	5,757
Computer Costs	9,917	2,978
Subscriptions	2,482	-
Bank Charges	918	1,410
Stationery and printing	14,450	1,779
Advertising and PR	244,184	88,907
	<u>2,644,076</u>	<u>2,130,385</u>
	<u><u>2,644,076</u></u>	<u><u>2,130,385</u></u>

#### 5 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year nor for the year ended 31 March 2021.

#### 6 Employees

The average monthly number of employees during the year was:

2022 Number	2021 Number
10	16
<u>10</u>	<u>16</u>

# INTERNATIONAL LEARNING MOVEMENT (ILM)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

<b>6 Employees</b>		<b>(Continued)</b>	
<b>Employment costs</b>	<b>2022</b>	<b>2021</b>	
	<b>£</b>	<b>£</b>	
Wages and salaries	142,105	161,855	
Social security costs	7,032	-	
	<u>149,137</u>	<u>161,855</u>	

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

<b>7 Other expenditure</b>		<b>Restricted</b>	<b>Restricted</b>
		<b>funds</b>	<b>funds</b>
		<b>general</b>	<b>general</b>
		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
Accountancy fee	3,000	3,000	
Auditor's remuneration	3,720	3,720	
Bookkeeping	3,428	15,716	
	<u>10,148</u>	<u>22,436</u>	

### **8 Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### **9 Intangible fixed assets**

	<b>Website</b>
	<b>£</b>
<b>Cost</b>	
At 1 April 2021 and 31 March 2022	<u>46,680</u>
<b>Amortisation and impairment</b>	
At 1 April 2021	15,560
Amortisation charged for the year	15,560
	<u>31,120</u>
At 31 March 2022	
<b>Carrying amount</b>	
At 31 March 2022	<u>15,560</u>
At 31 March 2021	<u>31,120</u>

# INTERNATIONAL LEARNING MOVEMENT (ILM)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 10 Property, plant and equipment

	Freehold land and buildings £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 April 2021	144,918	2,463	147,381
At 31 March 2022	144,918	2,463	147,381
<b>Depreciation and impairment</b>			
At 1 April 2021	-	185	185
Depreciation charged in the year	-	342	342
At 31 March 2022	-	527	527
<b>Carrying amount</b>			
At 31 March 2022	144,918	1,936	146,854
At 31 March 2021	144,918	2,278	147,196

### 11 Borrowings

	2022 £	2021 £
Bank overdrafts	5	-
Payable within one year	5	-

### 12 Current liabilities

	Notes	2022 £	2021 £
Bank overdrafts	11	5	-
Other taxation and social security		19,841	2,953
Trade payables		6,720	6,720
Other payables		8,744	7,492
Accruals and deferred income		11,725	2,678
		47,035	19,843

# INTERNATIONAL LEARNING MOVEMENT (ILM)

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

### 13 Analysis of net assets between funds

	Restricted funds 2022 £	Restricted funds 2021 £
Fund balances at 31 March 2022 are represented by:		
Intangible fixed assets	15,560	46,680
Property, plant and equipment	151,716	147,196
Current assets/(liabilities)	1,595,812	131,206
	<u>1,763,088</u>	<u>325,082</u>

### 14 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

### 15 Cash generated from operations

	2022 £	2021 £
(Deficit)/surplus for the year	(179,226)	151,551
Adjustments for:		
Depreciation and impairment of property, plant and equipment	15,902	15,745
Movements in working capital:		
Increase in trade and other payables	27,187	8,033
<b>Cash (absorbed by)/generated from operations</b>	<u>(136,137)</u>	<u>175,329</u>

### 16 Analysis of changes in net funds

The Charity had no debt during the year.

None of our work would be possible without the donations that we receive from those who recognise the difference we can make to the lives of people who can benefit from things we often take for granted. Provision of nutritious food, clean water and education, even a simple operation to restore the life changing gift of sight are just some of the projects we provide to the most disadvantaged to make our world a better place for all.

 ILM UK  
change a life.