

Trustees' Report and Financial Statements

31 December 2025

International House Trust Limited

A company limited by guarantee (01239120)
Registered Charity (270860)

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Reference information

Board of Trustees	Phil Huggon – Chair Isabel Di Vanna – Vice Chair Gareth Hughes Tomasz Mazgaj Samantha Grainger Vicenzo Raimo Christian Staral (appointed – 12 May 2025) Maria Isabella La Forgia (appointed – 12 May 2025) Christopher Graham (appointed – 9 February 2026) Arif Mansoor (resigned – 15 April 2025) Maxwell Nye (resigned – 31 December 2025) Rosalind Richards OBE (resigned – 29 April 2026)
Senior Leadership Team	Mark Rendell (Chief Executive Officer) Arif Kaji (Director of Finance) Lawrence Jackson (Director of Sales and Marketing) (resigned – 22 May 2026) Caroline Turner (Director of Operations) Jason White (Director of Examinations) Manuel Benchetrit (Director of Young Learner) Natasha Traynor (Commercial Director) (appointed – 6 July 2026)
Registered office	Haycraft House, 16 Stukeley Street, Covent Garden, London, WC2B 5LQ
Website	www.ihlondon.com
Company registration number	01239120, incorporated on 2 January 1976 (England and Wales)
Charity registration number	270860
VAT registration	GB 1061 801 56
Auditors	HaysMac LLP, 10 Queen Street Place, London EC4R 1AG
Bankers	Lloyds Bank, 39 Threadneedle Street, London, EC2R 8AU The Charity Bank, Fosse House, 182 High Street, Tonbridge TN9 1BE World First UK Ltd, 21-24 Millbank, London SW1P 4QP Barclays Bank PLC, 1 Churchill Place, Leicester, LE87 2BB
Solicitors	Russell-Cooke, 2 Putney Hill, London SW15 6AB

Chair's Report



International House Trust Limited (trading as "International House London, "IH London") has continued to face challenging economic and trading conditions through 2025 and has continued unabated into 2026. Student numbers have continued to fall in the ELT (English Language Teaching) sector. It is pleasing to note that IH London appears to have fared better than most organisations in the sector. However, there has been no softening of headwinds experienced since Q4 2024, where in fact other headwinds have started to have an impact. This is reflected in the 2025 financial numbers, that whilst disappointing, still represent the one and only time a deficit has been posted since the end of the Covid-19 Pandemic.

Tourism has a huge influence on trading in the sector. The continued war between Russia and Ukraine shows no signs of any resolution, meaning the economic sanctions levied on Russia continues to impact trading, where Russia was once a good source of income. The impositions of punitive trade tariffs by the US Government since January 2025 and reciprocal tariffs imposed by global trading partners has created uncertainty in what was already a fragile global economy looking to recover from the aftershocks of the Pandemic, and the increase in energy costs from the consequence of the war between Russia and Ukraine, impacting inflation and cost of living.

Footfall from China, once considered a valuable market have never recovered to pre-Pandemic levels, and are unlikely to recover anytime soon given the continued global economic uncertainty. In addition, the strength of the UK Pound has compounded the cost of travel.

UK inflation continues to fluctuate above the Bank of England's target of 2%. Whilst subsequent reductions in Bank Base Rates through 2025 have been welcomed, further reductions are likely to be dependent on the geo-political tensions in the Middle East, where a new energy supply crisis is beginning to have an impact on inflation and cost of living. This may have an impact on trading in the ELT sector through limited supply of aviation fuel; this together with possible restricted airline capacity on airline operations pushing up the cost of travel.

It is notable that many organisations in the sector, including some renowned names, have filed for administration, and others have confirmed liquidation. This is an inevitable consequence of severe product price competition in a contracting market, combined with upward cost pressure. Despite this, IH London has so far traded with resilience, through continued quality of its products, delivered through a school with excellent facilities, recently endorsed by the Independent School Inspectorate inspection achieving 'exceeding expectation' in all areas of the school.

There are some tailwinds that might give the sector some hope of recovery. For example, the reintroduction of the Erasmus+ program from January 2027 should help boost Teacher Training initiatives. In addition, the proposed Youth Mobility Scheme (YBS), with European partners, should help provide a further boost to the sector.

Chair's Report

Despite the challenging trading conditions, IH London was able to generate similar overall income to 2024 (£18.5M). However, increasing and continued upward pressure on operating costs has had an adverse impact on IH London's bottom line. For the first time since the end of the Pandemic, IH London has posted a deficit of £444K.

Whilst overall income has remained resilient compared to 2024, there has been a change in the product mix in the diverse income streams delivered by IH London.

Teacher Training products have delivered similar income to 2024. This product traditionally performs better during an economic downturn. Income from Young Learners saw the biggest fall. This is not a surprise, with an initial buoyant pipeline falling sharply very soon after the announcement of punitive trade tariffs by the new US Administration. This fall was not unique to IH London, but a sector wide impact. The Exam center continued its upward trajectory, continuing its income growth from 2024 to 2025. The momentum appears to have continued into 2026. However, there is some uncertainty in the delivery model of some of the products in the Exams center, and these will be monitored and managed carefully.

The total outstanding long-term loans at the end of December 2025 stood at £4.3M (2024: £4.4M).

I would like to extend my appreciation to our Board, who give up their personal time to continue to serve me and IH London with invaluable support and advice. I also extend my gratitude to Mark Rendell, our Chief Executive Officer, the Senior Leadership Team, and all our staff across IH London.

In December 2025, IH London lost one of its founding members of International House; Brita Haycraft who sadly passed away. Brita and her late husband, John Haycraft, were well-known pioneering developers of language teaching. In honor of Brita, John and the Haycraft family, IH London have renamed the school located within the vibrant area of Covent Garden, Haycraft House. This was officially unveiled in May 2026.

A long lasting and fitting tribute ensuring their legacy remains embedded within the International House family.

P. Huggon

Philip Huggon
Chair of the Board of Trustees

Date: 27.7._____2026

CEO Report

Introduction



2025 was a challenging year for both the English language teaching sector and the wider global economy. Against this backdrop, IH London continued to demonstrate resilience, outperforming many of the trends affecting the sector.

Our purpose remains unchanged: bringing people together through language, education and intercultural understanding. Through our teaching, teacher development, examinations and wider educational programmes, we continue to create opportunities that enrich lives, broaden horizons and build meaningful global connections.

As a charitable educational organisation, our success is measured not only by financial performance but also by the impact we have on learners, teachers and communities. The strength of our operations enables us to invest in educational quality, support professional development, promote intercultural understanding and extend the reach of our mission both in the UK and internationally.

While market conditions remained difficult throughout the year, the organisation entered this period from a position of strength and responded with agility, discipline and a continued focus on delivering value for learners, partners and stakeholders.

Key Achievements and Highlights

Educational Impact

One of the year's most significant developments was the relaunch of The Teacher Portal, providing free access to high-quality professional development resources for thousands of language teachers around the world. Through expertly designed resources, webinars, training and coaching, we continue to support teachers in improving outcomes for learners both within and beyond our own classrooms.

We also achieved the highest possible outcome in our Independent Schools Inspectorate inspection, receiving "Exceeds Expectations" judgements across all assessed areas. This result reflects the exceptional quality of our educational provision and the commitment of colleagues across the organisation.

During the year, we launched our Stay and Engage programme, designed to better integrate classroom learning with the wider London experience. The programme supports students across four key areas: wellbeing and personal growth, social and cultural integration, academic enrichment, and career and life skills development. This initiative reflects our belief that international education should extend beyond the classroom and contribute to the development of confident, globally minded individuals.

CEO Report

Commercial Strength

Despite significant market headwinds, the organisation achieved revenue levels comparable to the previous year.

Our examinations business exceeded £5 million in annual revenue for the first time, demonstrating both the strength of our delivery capabilities and the trust placed in us by awarding organisations and candidates.

We also secured a significant contract with the Home Office to deliver English language testing services for Saudi Arabia, further strengthening our international reach and diversifying our sources of income.

Together, these achievements contribute to the long-term sustainability of the organisation and support our ability to invest in educational quality, innovation and charitable impact.

People and Community

The expertise, dedication and professionalism of our staff remain central to the success of IH London.

During the year, we continued to invest in systems and infrastructure designed to improve the employee experience and support organisational effectiveness. This included the introduction of a new Human Resources Information System, providing colleagues with improved access to learning opportunities, benefits and employment information.

We also enhanced our customer relationship management capabilities, improving access to data, streamlining processes and supporting more informed decision-making across the organisation. These investments are intended not only to improve operational efficiency but also to enable our teams to focus more effectively on delivering excellent outcomes for students and partners.

Financial Health

Despite ongoing inflationary pressures and rising operating costs, the organisation maintained strong financial discipline throughout the year.

Revenue is consistent with 2024 and reserves remained within trustee-approved targets, providing a stable foundation for future investment and growth. While margins reduced because of cost pressures affecting the sector, the organisation remains in a strong financial position.

A significant milestone was the completion of the purchase of the remaining annex space, meaning that IH London now owns all the premises from which it operates. This strengthens the organisation's long-term asset base and provides greater strategic flexibility for the future.

We also continued to meet all banking covenant requirements and maintained a conservative

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level of borrowing, with debt representing only 26% of assets.

Sustainability

We remain committed to reducing the environmental impact of our operations and embedding sustainability into decision-making across the organisation.

During the year, total energy consumption fell by 37% compared with 2022 levels. This reduction has been achieved through a range of initiatives, including the installation of LED lighting and investment in energy-efficiency measures.

With support from the Camden Climate Change Alliance, we also installed a voltage optimiser which has reduced energy costs by a further 6%. While there is still more work to do, these improvements demonstrate that environmental responsibility and financial sustainability can be pursued together.

Navigating a Changing Landscape

The operating environment remained challenging throughout 2025, with many of the factors affecting the sector lying outside the organisation's direct control.

Global economic uncertainty and trade tensions contributed to volatility in several key markets during the recruitment cycle. At the same time, international student mobility continued to face pressures arising from tighter visa regimes in several destination countries and increasing rates of visa refusal.

These challenges were compounded by the rising cost of living, higher accommodation costs, inflationary pressures on wages and services, and increased travel costs for students.

The English language teaching sector is also witnessing growing competition form regional education hubs, particularly in locations such as Dubai, as students seek alternative destinations that offer greater accessibility and fewer visa barriers.

In response, we have continued to adapt our commercial approach through targeted market-specific pricing strategies, diversification of recruitment markets, and a strong focus on regions demonstrating growth potential, including Turkey and the adult learner segment in China.

We have also worked closely with key partners in the junior market to develop contractual arrangements that better balance risk and create greater stability for all parties.

To mitigate the impact of visa refusals, we continue to work with highly experienced language travel organisations and recruitment partners to ensure prospective students receive accurate guidance and support throughout the application process.

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Strategic Priorities

While the medium-term outlook for the sector remains uncertain, IH London is well positioned to respond to both challenges and opportunities.

Over the coming year, our priorities will be to maintain financial discipline, strengthen operational effectiveness and continue investing in the quality of the student experience.

We will further enhance our ability to engage and support learners throughout their journey, improve organisational capability, and ensure that our products and services continue to meet the evolving needs of students, teachers, governments and institutional partners.

At the same time, we will continue exploring how technology can enhance learning, improve accessibility and create greater value for our customers while remaining true to the educational principles that have defined IH London throughout its history.

Closing Remarks

The strength of IH London lies in its people. Our teachers, examiners, teacher trainers, operational teams and leaders bring an exceptional depth of expertise, professionalism and commitment to their work every day.

Their efforts underpin our reputation for quality and integrity and ensure that we continue to deliver meaningful outcomes for learners and partners around the world. It is this combination of educational excellence, commercial resilience and social purpose that positions IH London strongly for the future.

The achievements outlined in this report are important not simply because they reflect organisational success, but because they strengthen our ability to deliver public benefit.

Whether through supporting teachers with free professional development resources, helping students develop the language and skills needed to achieve their ambitions, or fostering greater understanding between people from different cultures and backgrounds, our work continues to create positive and lasting impact.

I would like to thank all colleagues, partners and trustees for their continued dedication, support and stewardship throughout the year. Together, we continue to create opportunities that transform lives, strengthen international understanding and contribute positively to communities both in the UK and across the world.

Mark Rendell

Mark Rendell
Chief Executive Officer

Date: 27th July 2026

Trustees' Report

Introduction

International House (IH) was founded in 1953 in Cordoba, Spain by the late John and Brita Haycraft and is now one of the world's largest and best-known groups of language schools. IH schools teach over 200,000 students every year and employ over 5,800 teachers.

The London school opened in 1957 in Covent Garden and became an Educational Trust in 1974. International House London (or IH London) is the trading name for International House Trust Limited. IH London holds a 50% share of the London-based International House World Organisation (IHWO) which is the body that was established to oversee the network of globally affiliated language schools located in over 45 countries spanning every continent and to manage the IH brand.

Founders, John, and Brita had the goal of using language learning as a tool to help bring the world back together following the ravages of the Second World War. They were also committed to raising the standards of English language teaching and training worldwide and created the forerunner of the industry leading CELTA teacher training qualification.

Schools across the network teach English, Spanish, German, French, Japanese, Arabic, and a wide variety of other languages to adults and young learners. Across the network, IH schools train about half of all CELTA graduates in the world. IH London also specialises in the delivery of examinations including IELTS.

Our Areas of Expertise

International House London, based in the vibrant central London area of Covent Garden is a world leader in language teaching, training, and testing. Our activity in the UK is primarily in the field of educational tourism.

We believe that by delivering quality language and communication training, we act as a force for change, bringing people together, enhancing mutual understanding and tolerance, and unlocking human potential.

Our educational portfolio of predominantly face to face and online learning includes:

- English language teaching for students aged over 16 years of age during the daytime and in the evening. This includes general English, IELTS and the Cambridge main suite of exam courses: Students travel from overseas and take courses for periods of one week to up to a year.
- Specialist communications training for professionals aged over 21 in our dedicated Executive Centre and online.
- English language teaching with activities and specialist subjects for under 18s in London, at other seasonal locations around the country, online and overseas on demand.
- Teacher training for CELTA and DELTA candidates online and in London, a range of shorter specialised courses for language trainers, and numerous projects overseas.

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- Foreign languages for residents of London and elsewhere online. IH London delivers courses for over 11 languages.
- The delivery of exams from the London centre and at locations around the UK, and Israel. Exams include: IELTS, SELT and OET.

Our Covent Garden School

Our large school is located in the popular and vibrant Covent Garden area in Central London. Our modern air- conditioned school has nine floors with a large library, cafe, computer centre, comfortable social spaces, reception, and fully equipped large bright premium classified classrooms.

What makes International House London stand out from the competition?

- We are an educational charity and a not-for-profit organisation. Annual surplus generated are reinvested into the charity for new and further product development and improvement, increasing student engagement and experience.
- We are a well-known and trusted brand built up over 60 years of innovation and industry leadership. We created the first teacher training courses (the forerunner to today's CELTA). We operate globally and have delivered programmes in many countries. International House World is the central membership office for a network of 133 private language schools located in over 45 countries.
- We have a high degree of academic integrity and authority. Most of our teachers are diploma-qualified. Many of our teachers' materials have been published. In addition, we have trained a high percentage of today's EFL teachers. We also develop our expertise through hosting and attending industry workshops and conferences.
- We have a very experienced and professional team, and we aim to attract and retain the best talent in the industry. We offer our academic staff a wide range of professional development and industry opportunities.
- In 2024, we achieved 13/15 strengths in our British Council inspection, and we also hold accreditations by the Independent Schools Inspectorate and EAQUALS. IHWO is our fourth accrediting body.
- In 2025, the Independent Schools Inspectorate gave an 'exceeded expectation' rating to all areas of IH London.
- We offer the most complete range of language services available in the market in the UK today and have the largest market share in teacher training and the IELTS examination. Our Covent Garden school is now the *only* Cambridge Platinum Exam Centre designated by Cambridge University Press and Assessment.
- We are situated in one of the largest English language centres in the UK, located in the famous of Covent Garden, in the cultural heart of London.
- We are innovators. We pioneered the CELTA qualification, are the only school to offer the

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Distance Delta in partnership with the British Council. We were the first school in London to offer face to face OET preparation courses for medical English and we were the first to market our school in virtual reality (VR).













Funding and Donations

The Charity does not actively solicit donations directly from the public nor use third parties for fundraising: The Charity is therefore not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. If donations from individuals or trusts and foundations were to be received, the Charity would ensure personal data is appropriately protected. The Charity received no complaints within the year regarding fundraising.

Strategic Report

Strategic Goals

During 2025, the Senior Leadership Team (SLT) commenced developing a new Strategic Framework around which a business strategy could be developed. The Strategic Framework was approved by the Board in 2025.

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Strategic Framework

IH London has made progress over the last few years thanks to the dedication, ideas and resilience of its teams across the organisation. IH London is looking to build its strategy on those foundations with its mission and ambition at the core centre. The strategy will be designed to help IH London respond more quickly to change, work more efficiently, and create a more connected experience for students and staff. It focuses on what will make the biggest difference: improving how the organisation work, supporting its people through change, and taking bold steps to grow its reach and impact.

To create meaningful change, focus on three key areas are deemed necessary:

- **Empower Staff**: provide staff with guidance and support to equip them for change, increase job satisfaction, helping them to achieve their potential in a transforming organisation;

- **Optimise Systems:** streamline processes and improve efficiency, improving customer experience, releasing staff capacity to improve quality, making IH London a rewarding place to work and learn;

- **Expand Impact:** develop and scale high quality accessible learning, and testing experiences that remove barriers, connect more people globally, and reinforce IH London's reputation for excellence.

Strategic aim	Description
Build organisational resilience	Evaluate business operating model and cost base to return to generating surplus and continue to strengthen its resilience to consistently deliver its charitable objectives and purpose.
Be more digitally literate	Become a digitally literate and data driven organisation to be more efficient and remain relevant and competitive in a changing landscape.
Offer an outstanding educational tourism experience to our customers.	Ensure we deliver excellent customer service to enable our customers to have a world class educational tourism experience at IH London and during their time in London.
Make IH London an attractive and rewarding place to work.	Empower, reward, and support our staff by offering meaningful and impactful work and opportunities to develop and grow with the aim of being an employer of choice.
Effectively communicate and	Ensure that IH London has high visibility in the market with effective and relevant messaging and resourcing to enable our customers and

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maximise IH London's value proposition to the market	their representatives to find us, like us and to secure their programmes with the greatest of ease.

Senior Leadership Team
The Senior Leadership Team remained largely unchanged in 2025.

Mark Rendell is the Chief Executive Officer, who joined IH London in January 2019. Mark is also a Director on the International House World Organisation (IHWO) board and a committee member on the Cambridge Assessment Standards Committee.

Arif Kaji is the Director of Finance and Company Secretary. Arif is a member of the Finance Panel at English UK, and member of the Finance Panel at International House World Organisation (IHWO).

Lawrence Jackson was the Director of Sales and Marketing, who left the organization in May 2026.

Caroline Turner is the Director of Operations.

Jason White is the Director of Examinations.

Manuel Benchetrit is the Director of Young Learners.

Financial Review

2025 was another challenging year for the sector in general. There has been no respite in the macro-economic and geo-political headwinds. In fact, global trading partners have endured further uncertainty through introduction of punitive reciprocal trade tariffs first imposed by the US Administration in January 2025. We now have further geo-political tensions in the Middle East, which has led to a strong possibility of another energy crisis, possibly culminating in restriction on aviation fuel, and reduction in airline capacity, pushing up cost of travel, with further consequences on inflation, and cost of living. Factors that will further impact on the ELT sector, which is heavily dependent on international student mobility.

The ELT sector continues to be impacted by significant reduction in student numbers from the post Pandemic peak of 2023. IH London's trading is heavily dependent on international student migration, which has been falling and may not recover to pre-Pandemic levels, in addition to increasing competition from operators within and outside the UK through a contracting market.

Despite the huge and increasing headwinds, maintaining overall revenues at 2024 levels was encouraging. Its market position, strong brand name, and diversified portfolio of products continue to be helpful.

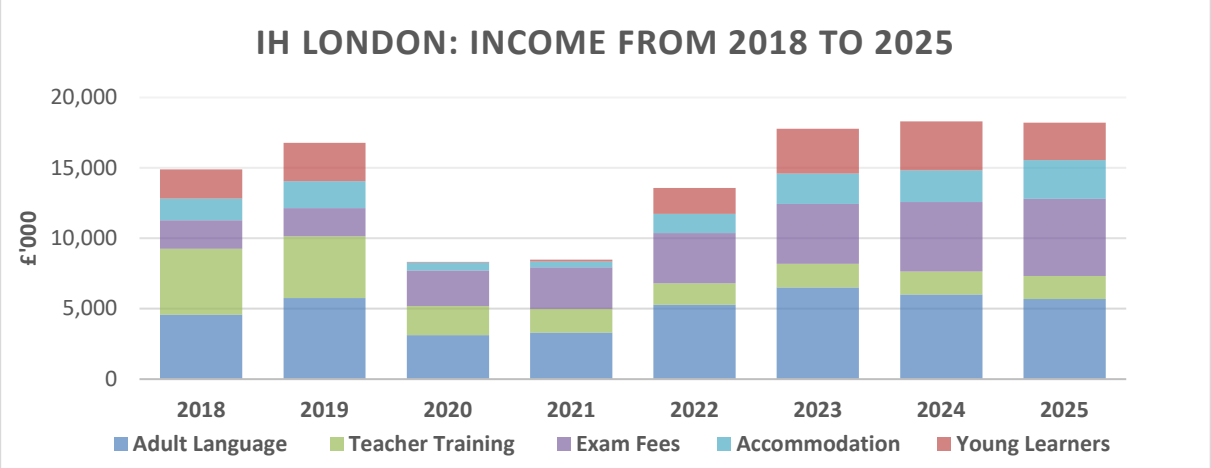
IH London delivered similar revenues from 2024, with overall revenues were flat at £18.4M

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(2024: £18.5M). In addition, IH London has a diversified product range, which helps the organization to cushion against possible downturn.

There has been a notable change in the product mix in 2025, compared to 2024.

- Teacher Training performed at the same level as 2024 (£1.6M); a product that traditionally performs well in an economic downturn.
- There was a fall in adult student numbers, reducing income from adult language courses to £5.7M (2024: £6.0M, or 5.1%). Despite the continued fall in international student numbers, the fall in income has not been as large.
- The largest fall was felt in Young Learners, where income fell from £3.5M in 2024 to £2.7M; a fall of £798K or 23.1%. This fall is not unique to IH London, but a sector wide impact. A buoyant pipeline until the introduction of punitive trade tariffs imposed by the US Government, creating global uncertainty, and a subsequent fall in sales pipeline and conversions.
- Exam income continued its upward trajectory from 2024, increasing income by £0.5M to £5.5M; an increase of almost 11%.



Whilst inflation has been steadily falling over the last few months it has, however, been stubbornly sluggish. The reductions in Bank Base Rates have been a welcome relief. However, further reductions are expected to be slower and longer than previously forecast given the expected upward pressure on inflation from the global energy crisis impacted by the geo-political tensions in the Middle East. Consequently, inflationary pressure is expected to continue to impact input costs, and with limited opportunity to increase product prices in a challenging and contracting market, it will become even more important to ensure the cost base is kept manageable.

During 2025, several projects were completed. For example, project to migrate IT infrastructure to fully cloud was successfully completed. This will not only reduce long-term

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operational costs, but it will also increase security, durability and flexibility in remote access.

The challenging trading conditions and continued cost pressures generated, for the first time, a deficit of £444K (2024: £81K surplus). Against a backdrop of continuing and strong headwinds faced by the ELT sector, we expect market conditions to remain turbulent for the foreseeable future. IH London is closely monitoring its operating capability and structure and ensuring operating costs are at least in line with revenues.

Expenditure for the year on charitable activities was £18.8M (2024: £18.4M).

IH London refinanced its CBILS and the working capital loans from Lloyds Bank PLC to Charity Bank in 2024. In addition a new facility with Charity Bank was arranged to purchase the annex (ground and lower ground floor) at the adjacent building – 16.5 Stukeley Street. Total repayments on all loans resulted in a reduction of £113K (2024: £490K). The loans are secured on both properties at 16 Stukeley Street and 16.5 Stukeley Street and are repayable over the next 19 years (2024: 20 years).

The Charity ended the year with cash of £1,145K (2024: £1,456K) without recourse to an overdraft and a considerable fixed asset.

Streamlined Energy and Carbon Reporting (SECR)

The Charity is committed to reducing its environmental impact and improving the efficiency of its operations. During the year, the Charity continued to monitor and manage energy consumption across its teaching and office facilities.

The Charity does not consume gas. All of the Charity's energy consumption relates to electricity. Energy efficiency measures undertaken during the year included:

- Continued promotion of energy saving practices amongst staff and students, including use of motion sensor lighting systems, which automatically switch lights on and off based on room occupancy. This helps minimise energy usage in areas that are not actively in use.

- During the year, the Charity completed the migration of IT infrastructure to cloud-based hosting solutions. As a result, on site server equipment was significantly reduced, eliminating the need for dedicated server room cooling and therefore reducing the requirement for energy intensive cooling and associated electricity consumption associated with operating air conditioning. This transition has contributed to a reduction in the Charity's energy usage and associated greenhouse gas emissions.

- Increased use of LED lighting and energy efficient equipment where replacements were required.

- Optimisation of heating, ventilation and air conditioning controls to improve energy performance whilst maintaining a comfortable learning environment.

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- Encouraging digital delivery of course materials and administrative processes to reduce paper consumption and associated environmental impacts.

- Supporting flexible and hybrid working arrangements, where operationally appropriate, to help reduce commuting related emissions.

Energy Consumption	2025	2024
Electricity (Kwh)	319,701	352,840
Scope 2 emissions (tCO_2e)	56.59	73.06
Intensity ratio: tCO_2e per £m income	3.08	3.94

Electricity consumption decreased from 352,840 kWh in 2024 to 319,701 kWh in 2025, a reduction of 9.4%. Associated greenhouse gas emissions and the Charity's emissions intensity ratio also declined during the year. These improvements reflect the Charity's ongoing focus on energy efficiency, including the migration of IT infrastructure to cloud-based hosting solutions and the use of occupancy-controlled lighting systems.

Methodology
Greenhouse gas emissions have been calculated in accordance with the UK Government Environmental Reporting Guidelines using the UK Government GHG Conversion Factors for Company Reporting applicable to the relevant reporting year.

Intensity ratio
The Charity considers tonnes of CO_2e per £m of income to be the most appropriate intensity metric as it provides a meaningful measure of environmental performance relative to the scale of the Charity's activities and facilitates comparison between reporting periods.

The Charity will continue to evaluate further opportunities to improve energy efficiency and reduce greenhouse gas emissions as part of its broader commitment to environmental sustainability.

Public Benefit

In reviewing the Charity's aims, and putting them into action, the trustees have taken account of the Charity Commission's guidance on public benefit.

The Charity provides services for the advancement of education, a charitable purpose recognised by the Charity Commission. Whilst the Charity is required to charge for its services to fund their provision, it also offers programmes at low and zero cost. In addition, the Charity also delivers professional development of language teachers to raise language teaching standards worldwide.

We have historically provided a substantial programme of lessons at a nominal cost both in English as a Foreign Language and in Modern Languages to disadvantaged people in London,

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widening access to those who might not be able to afford the full cost of such courses. These courses have been accessible to all citizens and provided by supervised trainee teachers on initial teacher training courses or by experienced teachers taking a more advanced training course, usually the Cambridge DELTA. Those benefiting include unemployed people, recent migrants, refugees, and others who can demonstrate their need.

The Charity continues to support Refuaid, an organisation that helps refugees, and Crisis, an organisation that helps the homeless. Support includes free general English, exam preparation, and subsidised teacher training programmes.

The Charity continues to operate in alignment with the objects in its Memorandum and providing courses in English and other languages, teacher training and professional development programmes, and language testing services.

IH London continues to be actively engaged in helping to raise standards within the English Language Teaching industry (ELT). Several teachers' materials have been published in ELT sector publications, and our teachers regularly deliver free workshops at leading industry events. Our CEO was until 2024 Chair of the national trade association (English UK) and continues to serve as a Board member that represents ELT in the UK and is a member of the Accreditation UK inspection scheme board.

International House World Organisation

International House Trust Limited holds 50% of the authorised share capital (plus one affiliate share) of International House World Organisation Limited (IHWO), a company serving the international affiliate network of over 133 centres in 45 countries. IHWO sets quality standards for its affiliates, currently branded as the 'IH Charter' and regularly inspects the Trust to monitor the school's compliance. Further details about the IHWO network are provided on their website, www.ihworld.com.

Accreditation and Professional Memberships

IH London places great importance on the quality of its teaching, training and other related services that are provided through its schools.

As a result, it has several accreditations and memberships that help ensure quality is maintained and, where possible, improved. The Charity's key accreditations and memberships are:

- *Independent Schools Inspectorate* (ISI) – ISI run a government approved quality assurance scheme called *Educational Oversight* that accredits independent schools which allows them to issue Tier 4 student visas. As a result, the Charity holds a highly Trusted Sponsor license, (SBY3ENNAS), issued by the UK Visa and Immigration Authority.
- *Eaquals (Evaluation and Accreditation of Quality in Languages Services),* is an international accreditation scheme for quality language providers. The Scheme provides an inspection and membership service.
- *Accreditation UK* - the accreditation scheme jointly run by the British Council and English UK

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is the leading quality assurance in the UK for the ELT sector. Both the School and the Young Learners division are inspected at least every four years. The planned Young Learners British Council inspection in 2024 delivered an exceptional outcome, achieving no less than 12 strengths.

- *English UK* - the Charity is a member of the professional body that represents the accredited English language teaching and language training sector.
- *Cambridge Assessment* - for Cambridge teacher training and examinations. IH London is also a British Council approved IELTS Centre for both the standard IELTS and the secure (SELT) IELTS. In addition, the Charity's Covent Garden school is now the *only* designated Platinum Centre in the UK awarded by Cambridge University Press and Assessment, positioning IH London into an enviable position.
- International Association of Teachers of English as a Foreign Language (IATEFL) - is an association for teachers, lecturers, teacher trainers, academic managers: researchers, and institutions· involved in English Language Teaching (ELT) with a mission to link, develop and support English Language Teaching professionals worldwide.

Risk Management

The Charity has a comprehensive risk management policy which was strengthened further through the Governance Framework in 2021. The Finance, General Purpose, Risk and Audit Committee scrutinises the risk register and risk mitigations, prepared by the senior leadership team, before recommending it to the Board. The risk register is reviewed monthly by the senior leadership team and every quarter alternating between the Committee and the Board. The current primary risks identified by the Board are:

Primary Risks	Mitigations
Geopolitical tensions / Political changes key markets Countries falling into conflict with their neighbors or the UK, leading to a fall in student numbers. Change in key target country policies resulting in loss of revenue. For example, war between Russia and Ukraine. China: geopolitical tensions over Hong Kong. Middle East: geo-political tensions and subsequent war.	• Monitor global affairs closely. • Develop, maintain and strengthen close relationships with key partners across the globe. • Education and Assessments have a good geographical spread of markets. • Ensure the organisation is agile to change legal structure to adapt and continue to service under new policies compliant with regulatory changes. • Retain a strong presence in other major territories to maintain visibility and good communications. Ensure the school is not over dependent on any single nation or

Trustees' Report

Primary Risks	Mitigations
	region.
Ties with Europe Reputational damage in Europe. Loss of work rights for EU nationals (students and staff).	• Membership and representation through English UK to champion UK ELT. • Focus sales on new markets in diverse locations around the world. • From January 2021, students no longer require a study visa to learn English for up to six months. Standard tourist visa is sufficient • Reintroduction of the Erasmus+ program from January 2027. • In addition, the proposed Youth Mobility Scheme (YBS) with European partners.
Recession / Inflation / Adverse forex impact Cost of living crises significantly adversely impacting the cost base, diluting margins. The threat of recession, upward trajectory in Bank Base rates further squeezing household net disposable income, reduced business confidence, increase in unemployment curtailing spending and investments by individuals and companies.	• Competitive tendering for all new contracts at the end of contract terms. • Continuous review of cost base, ensuring value for money assessments to optimise margins. • Diversify into new territories and markets, develop new products and services and diversify revenue streams. • Tender for public sector contracts and develop subscription model. • Promote languages as a tool that helps individuals improve their employability. Promote teacher training as an option for alternative career prospects. • Forward exchange contracts. • Where possible and at the opportune time, seek opportunities to refinance long term loans on improved terms, increasing liquidity.

Trustees' Report

Primary Risks	Mitigations
Cybercrime and associated liability Key data is hacked leading to loss of business intelligence, personal information, and potential financial penalties. Reputational damage.	• Cyber insurance cover. • Preventative measures: staff training, up to date firewalls and anti-virus protection, regular checks and audit of all IT equipment and infrastructure, penetration testing, regular system back-up. • Develop disaster recovery strategy. • Develop data retention policy. • Initiate compliance assessments for data protection, GDPR and regulatory compliance, and regular compliance audits. • Migrate IT systems to cloud.
Loss of accreditation Loss of ISI would mean schools cannot issue Tier 4 visas. Loss of accreditation UK status would mean the school could not trade.	• Maintain high quality levels through sufficient staffing, training, and resources. • Regularly review the accreditations criteria and conduct mock inspections.
Loss of key staff	• Initiate succession planning across all departments. • Ensure all new staff receive an induction. • Ensure job descriptions and interview process for new recruits identifies good fit for the organization, following value proposition of the organization. • Adequate training programmes for professional staff development. • Initiate a competitive but affordable employee benefits programme.

Through careful planning, the Board carefully reviews and mitigates these risks, which could lead

Trustees' Report

to a combination of reputational, brand image, and financial damage through adverse demand for the Charity's products and services if not managed.

Management has and will continue to implement several initiatives to sustain and improve ongoing revenue conversion and managing the cost base. Initiatives such as continuous value for money assessments across all procurement, competitive tendering for every contract review.

Management has in the past taken several strategic actions to improve working capital and liquidity including refinancing of the two existing loans (CBILS and working capital), renegotiating contracts, managing working capital outgoings, and reducing the net cash burn each month. These are presented to the Trustees monthly with the trading update. Management will continue to undertake a review of its cost base to ensure liquidity continues to be adequately above the gross and net cash burn rate. Any surplus cash position will be evaluated for strategic investment opportunities which will increase capacity, widen, and enhance IH London's revenue streams, increase retention and customer experience, and further improve its brand image and reputation for excellence.

The Trustees have reviewed the Charity's expected future cash flows and have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the Charity's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Reserves

Any cash generated surplus to reserve requirements will be applied to making improvements to the Charity's facilities and investing in further charitable activities.

The Charity's reserves are constituted wholly by unrestricted funds. As of 31 December 2025, the reserves stood at £7,749K (2024: £8,193K); a reduction of £444K resulting from the year's trading deficit.

On the backdrop of prolonged and persistent headwinds, the Charity will look to protect its market territory and take appropriate decisions with the aim to at least break even and maintain cash neutral position. When trading conditions improve, to seek opportunities for investment and expansion of operations and generate surpluses. The Charity will pursue a policy of maintaining and where possible increasing the reserves to support the Charity's ongoing activities.

The Trustees maintain a planned level of cash and short-term deposits, taking account of:

- The Charity's charitable purposes.
- Operational and financial risks and seasonal fluctuations.
- Cash which may be needed for future developments.

The underlying free reserves of the company stood at £nil at 31 December 2025 (2024: £nil). The Trustees consider that the current levels of free reserves and cash are adequate, given that:

Trustees' Report

- Most of the income is received in advance of courses starting, which provides the Charity with a strong cash flow.
- The Charity has a history of generating trading surpluses as well as cash inflows from its activities.

The Charity maintains its short-term deposits divided between banks to obtain the best risk-free market return.

Structure, Governance and Management

The company is governed by its Memorandum and Articles of Association adopted on 2 January 1976. They were subsequently amended on 28 September 2009. For the purposes of good governance and ensuring the Charity's charitable objectives are fit for purpose and they continue to comply with applicable laws and regulations, the Board of Trustees reviewed, amended, approved, and adopted by Special Resolution the amended governance documents on 13 June 2024.

International House Trust Limited, trades as "International House London" or "IH London" and at two residential Young Learner Centres, which in 2025 traded as 'IH Frensham', and 'IH Oxford'.

The Board approved governance documents state that there must be at least five but no more than twelve Trustees. All Trustees are also the members of the company: the guarantee for each member is limited to £1. Trustees serve for an initial term of three years and may be appointed to serve for a further two terms but no more than 9 years.

If a Trustee's re-appointment would result in them serving more than nine years in office, they may only be re-appointed if the other Trustees consider the circumstances to be exceptional and the re-appointment is approved by a resolution of at least 75% of the other Trustees. Following such re-appointment, a Trustee may be re-appointed for one further subsequent term of three years on these same terms but only after taking a break from office of a minimum of three years.

Trustees are recruited by advertisement and by the personal recommendation of existing Trustees and are interviewed by the Chair of the Human Resource Committee (renamed from People and Culture Committee) and at least two other Trustees. Candidates are appointed by a resolution passed by the Board. New Trustees are provided with an induction programme and ongoing training is arranged as needed for all Trustees.

The Board of Trustees met four times in 2025 for four Board Meetings. Major strategic decisions are reserved for the Board, including approval of the budget, capital programmes and senior appointments.

The Board of Trustees delegates day-to-day responsibilities for management to the senior leadership team, led by the Chief Executive. The Board oversees how this delegation is being managed by the reporting of regular financial, sales and key management activities to Board Committees, and, where appropriate, to the Board.

Trustees' Report

Trustee	Committee Membership
Phil Huggon	> Chair of the Board of Trustees > Finance, General Purposes, Audit and Risk Committee
Isabel Di Vanna	> Vice Chair of the Board of Trustees > Finance, General Purposes, Audit and Risk Committee
Tomasz Mazgai	
Gareth Hughes	> Human Resources Committee (Chair)
Rosalind Richards OBE	> Human Resources Committee Resigned 29 April 2026
Samantha Grainger	> Finance, General Purposes, Audit and Risk Committee > Human Resources Committee
Vincenzo Raimo	> Human Resources Committee
Christian Staral	Appointed 12 May 2025 > Finance, General Purposes, Audit and Risk Committee (Chair)
Maria Isabella La Forgia	Appointed 12 May 2025 > Finance, General Purposes, Audit and Risk Committee
Christopher Graham	Appointed: 9 February 2026 > Finance, General Purposes, Audit and Risk Committee

Board Committees

The **Finance, General Purposes, Audit and Risk Committee** (which met four times in 2025) is responsible for advising the Board on matters such as the school's business and financial performance, loan servicing, capital expenditure and issues relating to property, monitoring the management of the risks facing the Charity and reviewing the annual financial statements as well as a general remit to prepare issues for presentation to the Board.

The **People and Culture Committee (now renamed Human Resources Committee),** (which met four times in 2025) is responsible for reviewing the composition and governance of the Board, recruiting, and recommending prospective Trustees to the Board for appointment, and for developing policies for managing trustee rotation. Additionally, the Committee is responsible for reviewing and agreeing remuneration policies for all staff. The Committee is also responsible for reviewing and agreeing remuneration policies for senior management, the Charity's key management personnel, for which it has been given delegated authority. The emolument for key management personnel is generally benchmarked and based on remuneration to attract the

Trustees' Report

relevant seniority and skills and/or comparable remuneration in the sector.

Employee Engagement

A few years ago, IH London introduced a monthly Town Hall, in response to feedback received in the annual employee engagement survey. The agenda for this meeting includes standing items on updates on revenue, strategic initiatives, and progress against annual financial targets. Additionally, there are updates on specific projects, as well as items for discussion raised by staff in the meeting. The executive directors host the meeting in turn and provide regular updates on their areas of the business. The monthly Town Hall Meetings are well attended by a good representation of staff across departments. IH London have introduced a staff suggestions box, and the responses are shared in the weekly newsletter. The development and introduction of the Intranet in 2024 have further enhanced communication channels between senior management.

There are also monthly meetings between the Senior Leadership Team and Heads of Departments to discuss departmental developments.

All Directorates have regular meetings with their teams to address issues faced by employees as they arise and/or proactively. There is also a good working relationship with the Union, who are involved as a first stage in organisational changes impacting on human resources, such as new benefits, policy updates, salary reviews and restructures. The CEO and Director of Finance also meet with them monthly to discuss any emerging issues or queries. This provides an opportunity to resolve any potential problems before they escalate. The Union will often provide feedback on engagement initiatives, such as the questions in the annual employee survey.

Equal Opportunities

The Charity actively applies its Equal Opportunities Policy to create an environment where all employees are treated with respect and are not subjected to discrimination. IH London believes that the pursuit of equality of opportunity is fundamental to the achievement of the vision and mission.

Our policy statement extends to recruitment and selection, career progression, and training of staff where we encourage fairness and equality. Additionally, we make reasonable adjustments for employees to ensure that staff with disabilities are not substantially disadvantaged in carrying out their responsibilities.

One such initiative is access to Togetherall, a benefit available to all staff. Additionally, where requested, we have reasonable adjustments for staff to work flexibly and / or hybrid where feasible.

In terms of equal pay, women earn £1.02 for every £1 that men earn comparing the median hourly pay. When comparing mean (average) hourly pay, women's mean hourly pay is 2.4% higher than men.

Trustees' Report

Other Matters

As part of the Trustees' ongoing commitment to good governance and best practice, a formal retendering process for external audit services was undertaken in respect of the audit of the financial year ending 31 December 2025. Tenders were received from four audit firms, including the incumbent auditors, HaysMac. Representatives from the Finance, General Purposes, Audit and Risk Committee, together with the Director of Finance and the Head of Finance, met with the shortlisted firms. Following careful consideration, HaysMac was reappointed as external auditor.

Statement of Trustees' Responsibilities

The Trustees (who are the directors of the company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

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 company and of its net incoming resources for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charity Statement of Recommended Practice (SORP).
- Make judgments 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.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

The Trustees are responsible for keeping proper 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 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

In so far as each of the Trustees is aware:

- There is no relevant audit information of which the company's auditor is unaware.

Trustees' Report

- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Report was approved by the Board of Trustees and signed on their behalf by:

P. Huggon

Philip Huggon
Chair of the Board of Trustees

Date: 27.7. 2026

Independent auditor's report to the members of International House Trust Limited

Year ended 31 December 2025

Opinion

We have audited the financial statements of International House Trust Limited for the year ended 31 December 2025 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2025 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable 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 trustees with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the members of International House Trust Limited

Year ended 31 December 2025

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, the Chair's Report and the CEO's 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions 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 Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and 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 by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent auditor's report to the members of International House Trust Limited

Year ended 31 December 2025

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on pages 24 and 25, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to company and charity law applicable in England and Wales, safeguarding regulations, the Independent School Inspectorate, Accreditation UK, health and safety requirements, GDPR and employment law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Companies Act 2006 and the Charities Act 2011, and consider other factors such as payroll tax.

Independent auditor's report to the members of International House Trust Limited

Year ended 31 December 2025

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to income recognition and management override of controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journal entries; and
- Challenging assumptions and judgements made by management in their accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Tracey Young (Senior Statutory Auditor)
For and on behalf of HaysMac LLP,
Statutory Auditors
10 Queen Street Place
EC4R 1AG
London

Date: 3 August 2026

Statement of financial activities incorporating an income and expenditure account

Year ended 31 December 2025

	Note	**2025 £'000**	2024 £'000 Restated
Income from:			
Charitable activities			
Teaching and learning	2	**18,206**	18,293
Investments		**12**	14
Other	2	**174**	222
Total		**18,392**	18,529
Expenditure on:			
Charitable activities	3	**18,836**	18,448
Total		**18,836**	18,448
Net (expenditure)/income	14	**(444)**	81
Net movement in funds		**(444)**	81
Reconciliation of funds:			
Funds brought forward		**8,193**	8,112
Total funds carried forward		**7,749**	8,193

All the above results relate to unrestricted funds.

2024 has been restated for a reclassification of commission payments from income to expenditure. The adjustment increases both income and expenditure by £936k with no change to the net income of £81k.

The notes on pages 34 to 48 form part of these financial statements.

Balance Sheet

As at 31 December 2025

	Note	2025 £'000	2024 £'000
Fixed assets			
Tangible fixed assets	8	**13,791**	14,147
Intangible fixed assets	9	**138**	157
Investments	10	**1**	1
		13,930	14,305
Current assets			
Debtors	11	**3,674**	3,646
Cash at bank and in hand		**1,145**	1,456
		4,819	5,102
Creditors: amounts falling due within one year	12	**(6,709)**	(6,793)
Net current liabilities		**(1,890)**	(1,691)
Net assets less current liabilities		**12,040**	12,614
Creditors: Amounts falling due after more than one year	13	**(4,291)**	(4,421)
Total net assets		**7,749**	8,193
The funds of the charity:			
Unrestricted funds		**7,749**	8,193
Total charity funds		**7,749**	8,193

The notes on pages 34 to 48 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Trustees and signed on their behalf by:

P. Huggon

Philip Huggon

Trustee and Chair

Date: 27.7. 2026

Cash Flow Statement

Year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Cash flows from operating activities:			
Net cash provided by operating activities	i	353	675
Cash flows from investing activities:			
Interest received		12	15
Sale of tangible fixed assets		4	-
Purchase of tangible fixed assets		(172)	(3,732)
Purchase of intangible fixed assets		(75)	(85)
Net cash (used in) investing activities		(231)	(3,802)
Cash flows from financing activities:			
Interest payable		(320)	(225)
Repayment of borrowings		(113)	(2,830)
New borrowings in year		-	4,560
Net cash (used in)/provided by financing activities		(433)	1,505
Changes in cash and cash equivalents in the year		(311)	(1,622)
Cash and cash equivalents at 1 January 2024		1,456	3,078
Cash and cash equivalents at 31 December 2025		1,145	1,456

Note i) Reconciliation of net (expenditure)/income to net cash inflow from operating activities

	2025 £'000	2024 £'000
Net (expenditure)/income for the year (as per the Statement of financial activities)	(444)	81
Depreciation charges	622	530
Interest receivable	(12)	(15)
Interest payable	320	225
(Profit) on the sale of fixed assets	(4)	-
(Increase) in debtors	(28)	(293)
Decrease in creditors (excluding the bank loan)	(101)	147
Net cash provided by from operating activities	353	675

Cash Flow Statement

Year ended 31 December 2025

Note ii) Analysis of cash and cash equivalents:

	1 January 2025	Cash Flow	31 December 2025
	£'000	£'000	£'000
Cash at bank and in hand	1,456	(311)	**1,145**

Notes to the accounts

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a. Company Information

International House Trust Ltd is a private company, limited by guarantee, domiciled in England and Wales (registration number 01239120) and is a charity registered with the Charity Commission in England and Wales (registration number 270860). The registered office is 16 Stukeley Street, Covent Garden, London WC2B 5LQ.

b. Basis of financial statements

The financial statements have been prepared in accordance with the 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 (FRS102) (Second edition effective 1 Jan 2019) – (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) and the Charities Act 2011.

c. Going concern

The Charity has managed and maintained cashflows through challenging trading conditions and management of costs with surpluses from 2022 to 2024. The 2025 results generated a deficit for the first time since the end of the Pandemic. However, IH London are looking to take appropriate action to address its cost base to ensure wider strategic realignment to help IH London respond to market and sector changes and pivot its strategic priorities accordingly.

Based on cashflow projections, the Trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the charity's financial viability. On that basis they believe the going concern basis of accounting is appropriate for these annual financial statements.

d. Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably. Income received in advance of the provision of a service is deferred until the criteria for income recognition are met. Specifically:

- Tuition fees are accounted for across the period in which the course is provided. Income relating to courses and related accommodation delivered across financial periods is apportioned based on the number of course days that fall in each period.
- Investment income, rental income and trading income are accounted for in the period

to which they relate.

- Examination income is recognised in the period in which the examination takes place.

e. Expenditure

Charitable activities result in expenditure related to the direct furtherance of the company's charitable objectives. All expenditure is accounted for on the accruals basis. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the company to the expenditure. The cost headings comprise expenditure directly attributable to the activity.

Direct costs comprise accommodation, teaching salaries and payments, examinations department costs, agents' commissions, student social programme, teaching materials, student insurance and activities to widen access amongst disadvantaged groups.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. They are allocated directly to the company's charitable activities following categorisation in accordance with the following table:

Category	**Definition**
Support staff	All non-direct employee costs, including employees managing teaching staff, including any bonus, redundancy and terminations payments, recruitment, training, and welfare costs.
Marketing and communications	Marketing and communications costs, excluding employee costs.
Establishment and Office	Facility expenditure (including rent, rates, and utilities), and stationery, phone, postage, and IT costs, excluding staff costs.
Finance, legal and professional	Finance costs including bank charges, merchant fees and VAT payable on agent commissions, current gains and losses, legal, surveyor and other professional fees. Employee costs are excluded.
Other expenses	Other costs including travel, hospitality, and subsistence, product development, subscriptions and any other costs not falling within another category.

Governance costs, included within support costs, relate to compliance with constitutional and statutory requirements and include an apportionment of the CEO's and Finance Director's employee costs, Trustees' expenses, and audit fees.

f. Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably; this is normally upon notification of the interest paid or payable by the

Notes to the accounts

Bank.

g. Operating leases

Where title to the equipment remains with the lessor, rental charges are charged on a straight-line basis over the term of the lease.

h. Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives of the company. There are no restricted funds in the current or prior year.

i. Tangible fixed assets

Tangible fixed assets costing more than £1,000 used by the charity over a period of one year or more are capitalised:

- Freehold land is not depreciated.
- Freehold buildings are depreciated over 50 years.
- Leasehold improvements depreciated over 298 months to end of the lease term.
- Fixtures, fittings, and furniture are depreciated over 10 years on a straight-line basis.
- Computers, video equipment, language laboratories and equipment are depreciated over 3 years on a straight-line basis.

j. Intangible fixed assets

Intangible fixed assets costing more than £1,000 used by the company over a period of one year or more are capitalised:

- Course development, website development and software are depreciated over 3 years on a straight-line basis.
- 'SchoolWorks', the school's main management information system is depreciated over 7 years on a straight-line basis, being an estimate of its expected use.
- Goodwill is depreciated over 5 years.

k. Cash at bank and in hand and short-term deposits

Cash at bank and cash in hand are funds available to the Charity. Other cash is categorised as short-term deposits.

l. Debtors

Trade debtors are amounts invoiced and unpaid. Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Amounts invoiced but not yet due for payment are recognised as debtors.

Notes to the accounts

m. Creditors

Creditors are recognised when there is an obligation at the balance sheet as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payments where such discounting is material. Course fees in advance are treated as deferred income and are for amounts received, or due for receipt, but where all or part of the course has not yet been provided.

n. Taxation

The company is a registered charity. It is not liable to income tax or corporation tax on income derived from its charitable activities.

As an educational body the company is exempt from charging value added tax (VAT) on its educational services. Where appropriate, expenditure is recorded inclusive of irrecoverable VAT.

o. Estimation uncertainty

In the application of the Charity's accounting policies, Trustees are required to make judgements, estimates, and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

p. Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans that are subsequently measured at amortised cost using the effective interest method.

Financial assets comprise debtors less prepayments. Financial liabilities comprise creditors.

Notes to the accounts

q. Pensions

A defined contribution group personal pension (GPP) scheme operated through Scottish Widows is available to all permanent employees with three months' service. The employer's contribution was equal to 4% of basic salary and the employee determines their contribution, subject to the minimum specified by auto-enrolment legislation. The Charity offers a salary sacrifice option and these contributions are included within the employer's pension scheme contributions. Employees who are not eligible for the GPP scheme are auto enrolled into 'The People Pension' in accordance with current employment legislation.

Notes to the accounts

2 Income from charitable activities

	2025	2024
	£'000	£'000
		Restated
Adult Language Courses	**5,698**	6,007
Young Learners	**2,664**	3,462
Teacher training courses	**1,628**	1,643
Examination fees	**5,480**	4,937
Accommodation	**2,736**	2,244
	18,206	18,293

Other income of £174k (2024: £222k) predominantly comprises Social Activity and Meeting Room income.

3 Expenditure on charitable activities

	2025	2024
	£'000	£'000
		Restated
Direct costs of teaching and examinations		
Adult Language courses	**2,533**	2,638
Young Learners	**1,161**	1,491
Teacher training courses	**940**	877
Examinations	**3,209**	3,062
Accommodation	**3,512**	3,204
Other direct costs	**128**	199
	11,483	11,471
Support costs (note 4)	**7,353**	6,977
	18,836	18,448

Notes to the accounts

4 Expenditure on support costs and governance

	General Support	Governance	2025
	£'000	**£'000**	**£'000**
Staff, including teaching management	**4,376**	**82**	**4,458**
Marketing and communications	**572**	**-**	**572**
Establishment and office	**970**	**-**	**970**
Finance, legal and professional	**217**	**43**	**260**
Write offs and provisions	**39**	**-**	**39**
Depreciation and amortisation	**622**	**-**	**622**
Interest payable	**320**	**-**	**320**
Other expenditure	**112**	**-**	**112**
	7,228	**125**	**7,353**

	General Support	Governance	2024
	£'000	£'000	£'000
Staff, including teaching management	4,280	83	4,363
Marketing and communications	540	-	540
Establishment and office	999	-	999
Finance, legal and professional	280	41	321
Write offs and provisions	(111)	-	(111)
Depreciation and amortisation	530	-	530
Interest payable	225	-	225
Other expenditure	110	-	110
	6,853	124	6,977

5 Staff costs

	2025	2024
	£'000	£'000
Gross salaries	**6,721**	6,802
Social security costs	**671**	555
Employer's pension scheme contributions	**200**	199
	7,592	7,556
Self-employed and agency staff	**483**	437
	8,075	7,993

Notes to the accounts

5 Staff costs (continued)

The number of employees whose emoluments for the year (including taxable benefits but not employer's pension scheme contributions or national insurance) exceeded £60,000 was:

	2025	2024
	Number	Number
Employees earning between:		
£120,001 and £130,000	**2**	2
£100,001 and £110,000	**2**	1
£90,001 and £100,000	**1**	-
£80,001 and £90,000	**2**	1
£70,001 and £80,000	**2**	4
£60,001 and £70,000	**4**	5
	13	13

Employer's pension contributions of £37,115 (2024: £35,506) were made for the above employees.

The aggregate remuneration, including any applicable employer's national insurance, severance payments and employers pension scheme contributions for 'key management personnel', referred to as the Senior Leadership Team on page 12, was £825,694 (2024: £775,749).

The average headcount of employees analysed by function was:

	2025	2024
	Headcount	Headcount
Examinations	**204**	181
Teaching	**148**	149
Support	**110**	115
	462	445

During the year redundancy and termination payments of £40,680 (2024: £3,290) were paid.

Notes to the accounts

6 Trustees' remuneration & related party transactions

The trustees neither received nor waived any emoluments during the year (2024: £nil). Four trustees (2024: seven trustees) were reimbursed travelling expenses of £1,508 (2024: £2,246) during the year.

No trustee (2024: nil) were engaged in a teaching capacity with a total remuneration of £nil (2024: £nil).

7 Operating leases

The charity has the following future minimum lease payments under non-cancellable operating leases for each of the following years:

	2025	2024
	£'000	£'000
Within one year	**9**	19
Between one year and five years	**38**	12
	47	31

The lease commitments relate principally to photocopiers.

Notes to the accounts

8 Tangible fixed assets

	Freehold land and buildings	Leasehold Properties	Fittings, furniture, and Equipment	Total
	£'000	£'000	£'000	£'000
Cost				
1 January 2025	15,752	4,536	2,532	**22,820**
Additions	66	-	106	**172**
Disposals	-	-	(28)	**(28)**
31 December 2025	15,818	4,536	2,610	**22,964**
Depreciation				
1 January 2025	5,721	637	2,315	**8,673**
Charge	323	98	107	**528**
Disposals	-	-	(28)	**(28)**
31 December 2025	6,044	735	2,394	**9,173**
Net book value				
31 December 2025	**9,774**	**3,801**	**216**	**13,791**
1 January 2025	10,031	3,899	217	14,147

The leasehold properties are an extension to the freehold building at 16 Stukeley Street. 'Freehold land and buildings' include £3m of non-depreciating freehold land.

Notes to the accounts

9 Intangible fixed assets

	SchoolWorks	Website	On-line Education	Software Licenses	Goodwill	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
1 January 2025	639	348	89	98	20	**1,194**
Additions	8	67	-	-	-	**75**
31 December 2025	647	415	89	98	20	**1,269**
Amortisation						
1 January 2025	582	306	89	58	2	**1,037**
Charge	17	50	-	23	4	**94**
31 December 2025	599	356	89	81	6	**1,131**
Net book value						
31 December 2025	**48**	**59**	**-**	**17**	**14**	**138**
1 January 2025	57	42	-	40	18	157

Notes to the accounts

10 Investments

	2025	2024
	£'000	£'000
International House World Organisation Ltd (at cost)	**1**	1

The company owns the Ordinary Trust Share representing 50% of the issued share capital with a book value of £500 and 1 Affiliate Share in International House World Organisation Ltd (IHWO). Decisions by IHWO in general meetings can only be made with the agreement of both classes of shareholder and consequently the Trustees do not consider that International House Trust exercises control over IHWO. The accounts are therefore not consolidated on the basis that the charity does not control the financial and operating policies of IHWO. Its registered address is Unity Wharf, 13 Mill Street, London, SE1 2BH.

A summary of the results of IHWO are given below:

	2025	2024
Profit and loss account - IHWO Limited	**£'000**	£'000
Turnover	**961**	900
Cost of sales	**(187)**	(167)
Gross profit	**774**	733
Administrative expenses	**(767)**	(756)
Other income and expenditure	**4**	5
Change in fair value of financial assets	**-**	(60)
Tax on profit	**-**	15
Profit for the year	**11**	(63)
Total comprehensive income/(expenditure) for the year	**11**	(63)

	2025	2024
Balance Sheet - IHWO Limited	**£'000**	£'000
Fixed assets	**499**	497
Current assets	**375**	392
Creditors: amounts falling due within one year	**(157)**	(182)
Net current assets	**717**	707
Creditors: amounts falling due after one year	**-**	-
Provisions for liabilities	**(49)**	(50)
Net assets	**668**	657
International House Trust Ltd: 50% of shareholders' equity	**334**	329

Notes to the accounts

During the year the Trust made payments to IHWO of £23,281 (2024: £20,729) on normal commercial terms. Payments of £708 (2024: £469) were made by IHWO to the Trust.

11 Debtors

	2025	2024
	£'000	£'000
Trade debtors	**1,840**	1,802
Other debtors	**1,316**	1,180
Prepayments	**514**	662
Staff loans and advances	**4**	2
	3,674	3,646

12 Creditors: amounts falling due within one year

	2025	2024
	£'000	£'000
Loans repayable within one year	**127**	110
Trade creditors	**1,117**	1,230
Accruals	**1,961**	1,856
Taxation and social security	**154**	145
Deferred income: Course fees in advance	**3,306**	3,419
Other creditors	**44**	33
	6,709	6,793

Deferred Income

Opening Balance 1 January 2025	**3,419**	3,591
Released during the year	**(3,461)**	(3,527)
Newly deferred	**3,348**	3,355
Closing Balance 31 December 2025	**3,306**	3,419

Income is deferred for courses booked in advance.

Notes to the accounts

13 Creditors: amounts falling due after more than one year

	2025	2024
	£'000	£'000
Loan repayable within two to five years	**601**	527
Loan repayable in more than five years	**3,690**	3,894
Creditors: amounts falling due after more than one year	**4,291**	4,421

In September 2024, the Trust refinanced its CBILS and working capital loans from Lloyds Bank Plc to the Charity Bank. An additional loan facility was availed from Charity Bank to help fund the purchase of the annexed building (ground and lower ground floors) at 16.5 Stukeley Street previously occupied under a long leasehold. All three loans are for 20 years and secured over both 16 Stukeley Street and 16.5 Stukeley Street. Interest rates for all three loans are Bank of England Base Rates plus 2.50%. Total repayments of £113K (2024: £490k) were made in 2025.

14 Net (expenditure)/income for the year

This is stated after charging:	**2025**	2024
	£'000	£'000
Depreciation and Amortisation	**622**	530
Gain on disposal of tangible fixed assets	**(4)**	-
Auditor's remuneration:		
Audit fees	**34**	34
Tax services	**3**	8
Leasehold property rent	**26**	156
Operating leases equipment	**17**	19
Interest payable	**320**	225

15 Analysis of net (debt)/funds

	1 Jan 2025	**Cashflow**	**Non-cash changes**	**31 Dec 2025**
	£'000	**£'000**	**£'000**	**£'000**
Loans falling due within one year	**(110)**	**113**	**(130)**	**(127)**
Loans falling due after one year	**(4,421)**	**-**	**130**	**(4,291)**
	(4,531)	**113**	**-**	**(4,418)**
Cash at bank and in hand	**1,456**	**(311)**	**-**	**1,145**
	(3,075)	**(198)**	**-**	**(3,273)**

Notes to the accounts

15 Analysis of net (debt)/funds (continued)

	1 Jan 2024 £'000	Cashflow £'000	Non-cash changes £'000	31 Dec 2024 £'000
Loans falling due within one year	(617)	507	-	(110)
Loans falling due after one year	(2,184)	(2,237)	-	(4,421)
	(2,801)	(1,730)	-	(4,531)
Cash at bank and in hand	3,078	(1,622)	-	1,456
	277	(3,352)	-	(3,075)

16 Share capital

The company is limited by guarantee and does not have share capital. Members are not entitled to any dividends or to a share in the assets on dissolution. Each member undertakes to contribute up to a maximum sum of £1 on winding up. Each member has one vote. There were 9 members as at 31 December 2025 (2024: 9).

17 Ultimate controlling party

The charitable company is under the ultimate control of the Board of Trustees.

18 Capital commitments

At 31 December 2025 no capital commitments had been authorised, no commitments had been contracted (2024: £nil).