Charity registration number 281859

Company registration number 01508550 (England and Wales)

THE ENGLISH LANGUAGE CENTRE

A COMPANY LIMITED BY GUARANTEE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

THE ENGLISH LANGUAGE CENTRE
A COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Richard Day	
	Robert Kidd	
	Richard Stewart MBE	
	John Tiernan	
	Katherine Wells	
	Nigel Paramor	(Appointed 20 March 2025)
	Richard Clark	(Appointed 25 March 2026)
Secretary	Philip Hopkins	
Charity number	281859	
Company number	01508550	
Chief executive	Philip Hopkins	
Registered office	33 Palmeira Mansions Church Road Hove East Sussex BN3 2GB	
Auditors	Friend-James Limited 4th Floor, Park Gate 161-163 Preston Road Brighton East Sussex BN1 6AF	

THE ENGLISH LANGUAGE CENTRE
A COMPANY LIMITED BY GUARANTEE
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THE ENGLISH LANGUAGE CENTRE
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees present their report and accounts for the year ended 31 December 2025.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

Objectives and activities

The charity's object and its principal activity continues to be that of providing educational services to foreign students, including the provision of scholarships and the development of materials and methods of teaching English as a foreign language.

The aims of the charity are the advancement of education for the public benefit through:

- the teaching of English as a foreign language, promoting intercultural understanding and encouraging appreciation of the different ways we all live, think and learn.
- the institution and organisation of charitable schools for teaching English as a foreign language in the UK.
- the provision of scholarships and the development of materials and methods of teaching English as a foreign language.

The core values of the charity in furtherance of its objects are:

- **Excellence:** to offer the highest standards in teaching, training, services and facilities.
- **Integrity:** to be honest, fair and ethical in all relationships.
- **Innovation:** believe in constantly reviewing and developing our teaching, facilities, services and staff.
- **Respect:** endeavour to treat everyone equally and with respect, understanding that everyone is unique with different needs and different goals.
- **Collaboration:** recognise the importance of working and studying together, as a team.

All of the charity's activities are charitable. Any financial surplus is available to fund future developments of the charity in pursuit of its objects.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The activities are budgeted to meet the charity's needs at the expected level of students.

Strategic report

Achievements and performance

2025 was a difficult year for UK ELT in general and ELC was not exempt. As a result, there was a further drop in year-on-year bookings. The main reason for this fall in bookings seems to be a weak global economy, high costs of living, and as a result, lower disposable income. After a poor start to the year, ELC took measures to reduce costs particularly staffing costs through part-time working, not replacing departing staff and limited redundancies. The measures taken resulted in a significantly better financial position at the end of the year than initially forecast.

The charity continued to provide scholarships and grants to widen access and support local, national and international organisations in accordance with its charitable objects. The charity provided tuition scholarships for Ukrainian refugees at all three schools and offered two scholarships to enable overseas teachers of English to attend the IATEFL (International Association of Teachers of English as a Foreign Language) conference. The charity continued to support the local community by offering subsidised rental of classrooms to local educational organisations in Brighton in the evenings (e.g. Philosophy Society).

There continued to be a good number of government sponsored students (through regional/national government programmes in Saudi Arabia and Oman) and a small number of teachers studying on overseas teachers' development courses (and General English) with funding from the EU's Erasmus+ programme.

Student satisfaction across the 3 schools remains very high

Financial review

The Statement of Financial Activities shows a deficit of £58,993 (2024: surplus of £8,989) and unrestricted funds stand at £533,701 (2024: £592,694). The freehold land and buildings were revalued in 2018. The reserve stands at £5,844,286 (2024: £5,844,286). Total reserves at 31 December 2025 were £6,377,987 (2024: £6,436,980).

The trustees are satisfied that the necessary finance and systems are in place to enable the charity to maintain financial sustainability.

The trustees have approved the rationalisation of borrowings with the aim of ensuring the future of the charity.

The trustees reviewed the charity's reserves policy. The charity has a policy of holding sufficient reserves to fund major refurbishment works to update the three centres and their properties. This is ongoing work and it is expected that a similar level of reserves will be required in the future. The trustees have a policy in place that any temporary cash surplus is held in an interest-bearing account.

Going concern

After considering the company's forecast for the next 12 months, the trustees have a reasonable expectation that the charity has adequate cash and resources to meet all requirements to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of preparation.

Plans for the future

2026 was looking to be a bit better than 2025 but the war with Iran has created great uncertainty. The sale of 35 Church Road, Hove will enable the charity to repay all loans and receive an injection of cash. In addition to a renewed focus on marketing, the charity will continue to keep a tight control on expenditure. There will be a continued drive to recruit new trustees to the board.

Structure, governance and management

The charity is a company limited by guarantee and is therefore governed by a memorandum and articles of association. The Legal and Administrative Information page forms part of this report.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Richard Day	
Robert Kidd	
John Rudd	(Resigned 20 August 2025)
Richard Stewart MBE	
John Tiernan	
Katherine Wells	
Michael West	(Resigned 20 August 2025)
Nigel Paramor	(Appointed 20 March 2025)
Richard Clark	(Appointed 25 March 2026)

None of the trustees has any beneficial interest in the company.

All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Board of Trustees requires breadth and depth of experience to carry out its duties effectively and efficiently.

The recruitment of suitable persons with the time available to give is always a difficult task. However, the trustees seek to ensure that the following attributes are represented amongst its members:

- Legal background
- Financial / accounting experience
- Education experience
- Business experience at a senior management level
- Diverse backgrounds

The trustees receive support with training where appropriate.

The trustees are responsible for the overall management of the charity and meet at least four times each year. All trustees give of their time freely and receive no remuneration or other benefit from their work with the charity.

The trustees determine the general policy of the charity. The day to day running of the charity is delegated to the chief executive and the senior management team. The chief executive and the senior management team undertake the key leadership role overseeing educational, employment and administrative functions.

The chief executive is invited to attend meetings of the trustees, and the chief executive has also undertaken the role of company secretary. Key management remuneration is set by a committee appointed by the board including external advisors.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. The charity has a policy to cover all external insurable risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

There are no active connected charities with whom the charity has material transactions.

Asset cover for funds

The funds of the charity are all unrestricted for charitable purposes. These assets are considered sufficient to meet the charity's obligations.

Employee involvement

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Auditor

In accordance with the company's articles, a resolution proposing that Friend-James Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.

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Richard Stewart MBE
Trustee
Dated: 30/04/2026

THE ENGLISH LANGUAGE CENTRE
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees, who are also the directors of The English Language Centre for the purpose of company law, 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).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

THE ENGLISH LANGUAGE CENTRE
A COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE ENGLISH LANGUAGE CENTRE

Opinion

We have audited the financial statements of The English Language Centre (the 'charity') for the year ended 31 December 2025 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 charitable company's affairs as at 31 December 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concem 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.

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 directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

• the directors' report and the strategic report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires 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
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

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:

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

• the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

• we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity and education sector;

• we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including Companies Act 2006, taxation legislation, data protection, anti-bribery and employment. We also reviewed the compliance with education regulatory bodies such as British Council for accreditation and Independent Schools Inspectorate.

• we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

• identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

• making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

• considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

Audit response to risks identified

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

• performed analytical procedures to identify any unusual or unexpected relationships;

• tested journal entries to identify unusual transactions;

• investigated the rationale behind significant or unusual transactions; and

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

• agreeing financial statement disclosures to underlying supporting documentation;

• reading the minutes of meetings of those charged with governance;

• enquiring of management as to actual and potential litigation and claims.

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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. 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.

David Gabrielle FCCA (Senior Statutory Auditor)
for and on behalf of Friend-James Limited .....

Chartered Accountants
Statutory Auditor

4th Floor, Park Gate
161-163 Preston Road
Brighton
East Sussex
BN1 6AF

THE ENGLISH LANGUAGE CENTRE
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	**Unrestricted funds general 2025** £	Unrestricted funds general 2024 £
Income from:			
Charitable activities	**2**	6,031,938	6,761,587
Expenditure on:			
Charitable activities	**3**	6,090,931	6,752,598
Total charitable expenditure		6,090,931	6,752,598
Net (expenditure)/income for the year/ Net movement in funds		(58,993)	8,989
Fund balances at 1 January 2025		6,436,980	6,427,991
Fund balances at 31 December 2025		6,377,987	6,436,980

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE ENGLISH LANGUAGE CENTRE
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Goodwill	7		178,723		223,403
Tangible assets	8		7,525,136		7,569,180
Current assets					
Stocks	9	4,497		2,796	
Debtors	11	160,628		515,373	
Cash at bank and in hand		1,500		117,953	
		166,625		636,122	
Creditors: amounts falling due within one year	13	(1,103,042)		(1,534,950)	
Net current liabilities			(936,417)		(898,828)
Total assets less current liabilities			6,767,442		6,893,755
Creditors: amounts falling due after more than one year	14		(389,455)		(456,775)
Net assets			6,377,987		6,436,980
Income funds					
General unrestricted funds		533,701		592,694	
Revaluation reserve		5,844,286		5,844,286	
			6,377,987		6,436,980
			6,377,987		6,436,980

An audit has been carried out under section 144 of the Charities Act 2011, later updated by the Charities Act 2022.

The financial statements were approved by the Trustees on 08/04/2026

.....
Richard Stewart MBE
Trustee

Katherine Wells
.....
Katherine Wells
Trustee

Company Registration No. 01508550

THE ENGLISH LANGUAGE CENTRE
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash absorbed by operations	**20**		(71,040)		(60,226)
Net cash used in investing activities			-		-
Financing activities					
Repayment of bank loans		(80,295)		(80,493)	
Net cash used in financing activities			(80,295)		(80,493)
Net decrease in cash and cash equivalents			(151,335)		(140,719)
Cash and cash equivalents at beginning of year			117,953		258,672
Cash and cash equivalents at end of year			(33,382)		117,953
Relating to:					
Cash at bank and in hand			1,500		117,953
Bank overdrafts included in creditors payable within one year			(34,882)		-

1 Accounting policies

Charity information

The English Language Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is 33 Palmeira Mansions, Church Road, Hove, East Sussex, BN3 2GB.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The 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 accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties at fair value. 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.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Fees represent the total invoice value of educational services rendered during the year. Fees are recognised as students commence their course. Fees invoiced in advance are included within deferred income and amounts are subsequently released to income from charitable activities as services are provided over the duration of a course.

Payments received on account are not recognised as income until the criteria for income recognition are met.

Government grants providing core funding are included within 'Income from Donations and Grants' and are recognised on receipt of proceeds where the grant does not impose performance related conditions, otherwise grants are recognised when the performance related conditions are met.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1 Accounting policies **(Continued)**

Resources expended are included in the Statement of Financial Activities on an accruals basis inclusive of any VAT which cannot be recovered.

Expenditure on governance costs of the charity includes all expenditure not directly related to the charitable activity. This includes audit fees, legal advice and the costs of compliance with constitutional and statutory requirements.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life.

Goodwill	Amortised over 10 years.

1.7 Tangible fixed assets

Tangible fixed assets 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	Buildings straight line 50 years
Fixtures, fittings & equipment	Written off in one to ten years from acquisition

Freehold land is not depreciated. Cost of land has been estimated at £929,289 (2024: £929,289).

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 net income/(expenditure) for the year.

1.8 Impairment of fixed assets

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

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price.

1.10 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.

1 Accounting policies **(Continued)**

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. 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. Accounts 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.

1.12 Employee benefits

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

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.

The charity participates in the Teachers' Pensions scheme, which is an unfunded government scheme providing benefits based on final pensionable pay. The funds of the scheme are separate from the company, although the charity's share of the scheme cannot be identified as the scheme is a multi-employer scheme, and so the pension costs are accounted for as a defined contribution scheme. The charity operates a defined contribution scheme for other employees whereby the assets of the scheme are held separately from those of the charity in independently administered funds. Contributions to this scheme are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

1.13 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1 Accounting policies **(Continued)**

1.14 Funds

The funds of the charity are all unrestricted for charitable purposes.

Designated funds are amounts that have been set aside at the discretion of the Trustees for a specific, but not legally binding, purpose.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the income and expenditure account on a straight line basis over the term of the relevant lease.

2 Charitable activities

	Fee income	Ancillary income	Rental Income	Student Accommodation	Social activity income	Student transfers	Other income	Total	Total 2024
	£	£	£	£	£	£	£	£	£
Income within charitable activities	3,157,693	85,042	39,950	2,320,871	131,632	239,909	56,841	6,031,938	6,761,587

3 Expenditure on charitable activities

	General charitable activities 2025 £	General charitable activities 2024 £
Direct costs		
Teachers' Salaries	1,189,293	1,433,576
Depreciation and Amortisation	88,724	88,724
Educational Materials	85,634	91,055
IT Costs	62,518	91,906
Publicity	187,490	179,800
Establishment Expenses	350,434	445,209
Administrative Expenses	1,261,699	1,327,748
Staff Courses/Training	4,305	10,253
Student Accommodation	2,318,095	2,427,369
Financial Charges	73,594	62,373
Grants	23,603	61,233
Designated Fund Expenditure	93,979	118,352
Social Activities	135,725	171,349
Student Transfers	171,930	219,004
Redundancy Pay	24,008	-
	6,071,031	6,727,951
Governance	19,900	24,647
	6,090,931	6,752,598
Analysis by fund		
Unrestricted funds	6,090,931	6,752,598

The main charitable activity is providing educational services to foreign students. Support costs include promotion, computer, office, activities and various miscellaneous expenditure connected with the main charitable activity. Support costs have been allocated to the main charitable activity above. Governance costs include £16,200 (2024: £15,000) of audit fees and £8,483 (2024: £14,267) to auditors for non-audit services.

4 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but four trustees were reimbursed a total of £1,654 travelling expenses (2024 : £1,048).

5 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Teaching	54	65
Administration	28	32
Total	82	97

Employment costs	2025 £	2024 £
Wages and salaries	1,942,558	2,288,291
Social security costs	231,091	214,893
Other pension costs	148,065	159,257

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£60,001-£70,000	1	1
£100,001-£110,000	-	1
£120,001-£130,000	1	-

The one employee with annual remuneration exceeding £100,000 has retirement benefits accruing under the Teacher's Pension Scheme.

6 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

7 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 January 2025 and 31 December 2025	446,803
Amortisation and impairment	
At 1 January 2025	223,400
Amortisation charged for the year	44,680
At 31 December 2025	268,080
Carrying amount	
At 31 December 2025	178,723
At 31 December 2024	223,403

8 Tangible fixed assets

	Freehold land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost or valuation			
At 1 January 2025	7,865,000	349,463	8,214,463
At 31 December 2025	7,865,000	349,463	8,214,463
Depreciation and impairment			
At 1 January 2025	295,820	349,463	645,283
Depreciation charged in the year	44,044	-	44,044
At 31 December 2025	339,864	349,463	689,327
Carrying amount			
At 31 December 2025	7,525,136	-	7,525,136
At 31 December 2024	7,569,180	-	7,569,180

In 2017 the charity adopted the accounting policy of revaluation for Freehold land and buildings. The valuation in May 2018 was undertaken by professionally qualified valuers who estimated fair value taking into account the most effective way to effect a sale.

At 31 December 2025, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £1,243,943 (2023- £1,268,643).

Barclays Bank PLC hold charges over 31 & 33 Palmeira Mansions, 40 Salisbury Road and 35 Church Road, Hove, East Sussex.

8 Tangible fixed assets **(Continued)**

The trustees consider that the fair value of land and buildings is not materially different from the carrying value.

9 Stocks

	2025	2024
	£	£
Finished goods and goods for resale	4,497	2,796

10 Subsidiaries

The Charity also have sole ownership of Eastbourne School of English Limited, a dormant company limited by guarantee. The registered office for this company is 8 Trinity Trees, Eastbourne, Sussex, BN21 3LD.

Stanley Place (Holdings) Ltd was dissolved on 10 March 2026.

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
English In Chester Limited	33 Palmeira Mansions, Hove, England, BN3 2GB	Dormant	Ordinary	100.00	
Stanley Place (Holdings) Limited	33 Palmeira Mansions, Hove, England, BN3 2GB	Dormant	Ordinary		100.00

11 Debtors

	2025	2024
	£	£
Trade debtors	91,628	194,529
Other debtors	1,125	1,549
Prepayments and accrued income	67,875	319,295
	160,628	515,373

12 Loans and overdrafts

	2025	2024
	£	£
Bank overdrafts	34,882	-
Bank loans	504,400	584,695
	539,282	584,695
Payable within one year	149,827	127,920
Payable after one year	389,455	456,775

The long-term loans are secured by fixed charges over the company's properties.

13 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Bank loans and overdrafts	12	149,827	127,920
Other taxation and social security		46,671	99,419
Deferred income	15	260,461	305,671
Payments received on account		391,354	516,945
Trade creditors		145,784	444,461
Other creditors		41,733	6,720
Accruals		67,212	33,814
		1,103,042	1,534,950

14 Creditors: amounts falling due after more than one year

	Notes	2025	2024
		£	£
Bank loans	12	389,455	456,775

15 Deferred income

	2025	2024
	£	£
Arising from Deferred income	260,461	305,671

Deferred income is included in the financial statements as follows:

15 Deferred income (Continued)

	2025	2024
	£	£
Deferred income is included within:		
Current liabilities	260,461	305,671
Movements in the year:		
Deferred income at 1 January 2025	305,671	415,376
Released from previous periods	(305,671)	(415,376)
Resources deferred in the year	260,461	305,671
Deferred income at 31 December 2025	260,461	305,671

Deferred income is included in the financial statements as follows:

Deferred income comprises fees invoiced in advance of services provided for student courses and accommodation. Amounts are released to income from charitable activities over the duration of a course or stay.

16 Pension and other post- retirement benefit commitments

A defined contribution scheme provided by Scottish Widows is available to the charity's staff, the employer contribution rate being 6%. The pension charge for the year includes contributions payable of £93,474 (2024: £109,383). At the year-end £10,374 (2024: £13,298) was accrued in respect of contributions to this scheme.

The charity also participates in the Teachers' Pension Scheme (TPS), an unfunded defined benefit scheme. Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the charity has taken advantage of the exemption under FRS 102 and has accounted for its contributions as if it were a defined contribution scheme. Contributions on a pay as you go basis are credited to the exchequer under arrangements governed by the Superannuation Act 1972. A notional asset value is ascribed to the scheme for the purposes of determining contribution rates.

The pension charge for the year includes contributions payable to the TPS of £54,637 (2024: £50,981). At the year-end £6,263 (2024: £6,064) was accrued in respect of contributions to this scheme.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report was prepared on 31 March 2025 and was published on 4 November 2025. This report confirmed that the employer contribution rate was 28.68% until March 2027, inclusive of the administration charge.

17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2025	Incoming resources	Resources expended	At 31 December 2025
	£	£	£	£
General funds	592,694	6,031,938	(6,090,931)	533,701
Revaluation reserve	5,844,286	-	-	5,844,286

Previous year:	At 1 January 2024	Incoming resources	Resources expended	At 31 December 2024
	£	£	£	£
General funds	583,705	6,761,587	(6,752,598)	592,694
Revaluation reserve	5,844,286	-	-	5,844,286

18 Operating lease commitments

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

	2025	2024
	£	£
Within one year	13,389	9,004
Between two and five years	19,901	22,510
	33,290	31,514

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2025	2024
	£	£
Aggregate compensation	452,079	358,724

The aggregate compensation consists of gross pay, employer social security contributions and employer pension contributions for five personnel.

There were no other related party transactions in the period to disclose.

20	Cash absorbed by operations	2025	2024
		£	£
	(Deficit)/surplus for the year	(58,993)	8,989
	Adjustments for:		
	Depreciation of tangible fixed assets and amortisation of intangible assets	88,724	88,724
	Movements in working capital:		
	(Increase) in stocks	(1,701)	(1,572)
	Decrease/(increase) in debtors	354,745	(80,089)
	(Decrease)/increase in creditors	(408,605)	33,427
	(Decrease) in deferred income	(45,210)	(109,705)
	Cash absorbed by operations	(71,040)	(60,226)

21 Analysis of changes in net (debt)/funds

	At 1 January 2025	Cash flows	At 31 December 2025
	£	£	£
Cash at bank and in hand	117,953	(116,453)	1,500
Bank overdrafts	-	(34,882)	(34,882)
	117,953	(151,335)	(33,382)
Loans falling due within one year	(127,920)	12,975	(114,945)
Loans falling due after more than one year	(456,775)	67,320	(389,455)
	(466,742)	(71,040)	(537,782)

THE ENGLISH LANGUAGE CENTRE

A COMPANY LIMITED BY GUARANTEE

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2025

THE ENGLISH LANGUAGE CENTRE
A COMPANY LIMITED BY GUARANTEE
DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 £	2025 £	2024 £	2024 £
Turnover		-		-
Cost of sales				
Total cost of sales		6,377,987		6,436,980