

**UNITED STATES - UNITED KINGDOM
EDUCATIONAL COMMISSION**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 SEPTEMBER 2021

AUDITORS: MOORE KINGSTON SMITH LLP | 60 GOSWELL ROAD | LONDON EC1M 7AD

**UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

CONTENTS

Commissioner's Report:	2
Objectives and Activities	2
Achievements and Performance	2
Financial Review	9
Structure, Governance and Management	12
Commissioners	15
Reference and Administrative Details	17
 Independent Auditors' Report	 18
 Financial Statements:	 22
Income & Expenditure Account	22
Balance Sheet	23
Cash Flow Statement	24
Notes to the Financial Statements	25

**UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

COMMISSIONER'S REPORT

OBJECTIVES AND ACTIVITIES

The United States-United Kingdom Educational Commission was established by Treaty by the American and British governments in 1948 and forms part of the worldwide Fulbright Programme.

The mission of the Commission is to advance knowledge, promote civic engagement and develop compassionate leaders through education exchange between the peoples of the United Kingdom and of the United States. Its vision is a world where there are no obstacles to learning, understanding and collaboration.

It delivers this mission primarily by offering merit-based scholarships to graduates of American and British universities to pursue further academic study and research in America and the UK, in accordance with Commission guidelines.

The Commission houses the Fulbright Advisory Service, which is the leading source of information in the UK for those wishing to study in the United States. It also facilitates the Sutton Trust US Programme.

A more detailed explanation of the principal activities undertaken by the Commission is given in the 'Achievements and Performance' section below.

Sources of Funding

The Commission receives core funding from the US and UK governments. It raises additional funding (*Other Funding*) from a range of sources, which currently include the devolved Scottish and Welsh Governments, foundations, research charities, corporates and a number of universities.

The Commission is able to receive tax-efficient donations from businesses and individuals through the Fulbright Foundation (UK tax-payers), through our US 501(c)(3) Foundation (US tax-payers) and through the CAF American Donors Fund (dual tax-payers). Further details are available from the Commission.

Expenditure

There are three areas of expenditure: (i) *Programme Costs* which comprise Fulbright scholarships, short-term exchange schemes (including Summer Institutes) and direct programme-support costs, (ii) *Administration* and (iii) the *Fulbright Advisory Service*.

ACHIEVEMENTS AND PERFORMANCE

Overall, the Commission has delivered significant value on all the Key Performance Indicators set for the 2020-2021 fiscal year. The following are the highlights of what has been achieved.

COMMISSIONER'S REPORT

We have enhanced and expanded the scope and impact of core activities by significantly expanding our virtual programming – from the new “Across the Pond” conversation series between Fulbright scholars to the first ever global Community College fair; by launching a number of new awards including the Global Challenges Teaching Awards that promote our strategic goals and by developing a new Communications Strategy alongside the launch of our public facing strategic plan.

We continue to promote diversity, equity and inclusion as essential elements to achieving education excellence. We have done this by launching the Fulbright Champions programme at hitherto underrepresented universities; by establishing the Fulbright Ambassadors portal to support applicants through awards application process; by launching the new Fulbright Stephen Lawrence Award in Policing in partnership with three Historically Black University Law Schools and by offering programming that focuses on disability, LGBTQ and race and ethnicity issues as well as by significantly increasing the diversity of interview panellists; event speakers; and commission staff. The commission board recruitment and selection process have also been overhauled with the result of increased diversity among trustees.

We continue to cultivate stakeholder engagement and to strengthen financial stability. We have established five new partnerships with US universities and surpassed our fundraising goal for the year.

Finally, we have introduced a new process and platform to manage staff development and performance and to measure – on a regular basis – staff satisfaction. Despite having to deal with the many and often unpredictable disruptions caused by Covid-19, the team has been running our core activities to a high standard while also rolling out new initiatives and formulating future projects. The team have displayed considerable dexterity and tenacity in achieving our goals across the past year and staff satisfaction remains high.

Fulbright Awards Programme

Despite the ongoing challenges that COVID-19 poses, US and UK Universities have resumed a relatively normal agenda for academic year 2021-22, and have welcomed students in person on campus. A large proportion of our Postgraduate students managed to depart their home country and embark on their Fulbright experience as scheduled. Namely, 45 US students made it to the UK during the autumn 2021, and the remaining 2 students will arrive in Spring 2022 because that is when their programme starts. All of our UK Postgraduates travelled to the US for their programmes.

Because the Fulbright programme for Scholars and Student Researchers was suspended during Autumn 2020 with the option to delay their grant until later in the year or to defer to academic 2021-22, we have a very large US cohort joining us for academic year 2021-22. 15 arrived in the country during the autumn and we are expecting a further 47 in the spring and summer 2022 (including the various special programmes we host alongside our core funded awards). Whilst our UK Scholars were also given the opportunity to defer their grant, we were asked to cap our selections to ensure our cohort size did not grow: the US could not accommodate the scale of growth across all of the global programmes with outgoing scholars visiting the US. This meant we made a relatively smaller selection of 8 new grantees for academic year 2021-22, and 8 deferred from previous years.

COMMISSIONER'S REPORT

The total number of US-UK Fulbright grantees in 2021 was 117 (2020: 124) as detailed below (2020 figures in brackets):

UK grantees 26 (21) students
10 (18) scholars (including 2 Distinguished Teachers)

US grantees 47 (47) students
34 (36) scholars (including 3 Distinguished Teachers, 4 Global scholars and 5 specialists. It does not include our deferred scholars from 2020-21)

Examples from among the many extraordinary 2021-2022 grantees are:

- Daniel Cash is a Senior Lecturer at Aston University's Law School. He exclusively researches the Credit Rating Industry and its regulation, operation, and impact upon the financial sector. He has founded the Credit Rating Research Initiative, bringing together leading voices in the field to push for a better environment within the sector. Daniel has also founded Aspiring Black Lawyers, an initiative designed to address the distinct underrepresentation of Black and Mixed-Heritage people in the legal sector by working with students and connecting them to specialists who can aid their development. At New York University's Stern Business School, Daniel aims to establish the new credit rating initiative and develop a field-leading textbook on the credit rating field. By bringing together some of the world's leading scholars and practitioners, the book will hopefully form a bridge between the field in the US and the UK.
- Yusrah Shweikh is a consultant ophthalmologist based at the Sussex Eye Hospital. She is the co-founder and director of Eye Heroes, which is an award-winning national initiative to raise awareness about eye health in the UK. She specialises in the medical and surgical management of glaucoma and has completed two surgical glaucoma subspecialist fellowships at the internationally renowned Moorfields Eye Hospital in London. In addition to clinical work, Yusrah has active interests in research and training. Her major current interest is in avoidable blindness.
- Ndakuna started his career as a mental health nurse. He later studied Engineering, while working full-time, night shifts, to fully fund his education at Brunel University. Ndakuna has also completed MSc and MBA programmes at Oxford University, led global projects and teams, and worked across five industries (Telecom, Healthcare, Automobile, Construction and Government), while building a chain of self-sustaining healthcare clinics in parallel, for the last 14 years. Ndakuna intends to both contribute and learn from the Harvard University community, offering the lenses of a nurse, engineer, and social entrepreneur to various discussions such as mental health and data privacy. While not policy-oriented, these are areas of knowledge a policy-maker must have. Data privacy is today a human right issue, and Ndakuna hopes to use the MCOMP to understand end-to-end value creation in the policy design process, as well as build a network of UK and US organisations involved in data transfer, to establish a collaborative data privacy environment. One of Ndakuna's ambitions (post-Harvard) is to found a data privacy think tank in the UK.
- Genevieve is from Leeds and has an undergraduate degree from the University of Edinburgh in History & History of Art and an MSc from the London School of Economics in Criminal Justice Policy, for which she received the university's Titmuss and Delia Ashworth prizes for outstanding achievement. As a Fulbrighter, Genevieve will undertake a Master's of Social Work at the University of Houston, Texas. She is interested in forensic social work, mitigation and different forms of justice. She plans to concentrate her studies on Defense-Initiated Victim Outreach (DIVO), a restorative initiative used in a

COMMISSIONER'S REPORT

number of states across the US and predominantly in capital cases. Studying in Houston, Genevieve will have access to specialist trauma modules, a legislative internship and a field practicum which will further develop her awareness of the setting in which DIVO operates. She expects that the time she spends stateside will provide a fresh perspective on state systems and will inform the doctoral study she intends to undertake examining the DIVO initiative in a UK context. Whilst studying in Texas Genevieve is excited to visit the rodeo, go on road trips and is looking forward to enjoying live bluegrass and country music.

Biographies of all 2020-2021 grantees, can be found on the Commission's website at www.fulbright.org.uk.

An integral part of the Fulbright experience is our enrichment programme. We typically bring our US cohort together several times throughout the year. Due to COVID-19, in-person events were not possible and therefore we ran a series of virtual events. The benefit of virtual events is the ability to bring grantees together from both sides of the Atlantic. We held six virtual events targeted at US Postgraduates, three of which were open to our UK Postgraduates, offering cross cultural networking opportunities and fostering a Fulbright community in a far more holistic way. In fact, there has been a major push to bring together UK and US grantees. Key to this has been the development of a regular series entitled "Across the Pond" where one American and one British Fulbright Scholar compare and contrast transatlantic approaches and ideas about a specific subject - from tracking infectious diseases to public interactions with national parks. Scholars put themselves forward to speak and the Awards team organises the pairings.

The Fulbright awards programme continues to offer a large catalogue of opportunities, and competition 2022-23 was no exception. Having renewed the majority of our agreements, we were able to offer 24 US Scholar partner awards, and 43 US postgraduate partner awards.

On the UK side, 11 of our UK Postgraduate awards and 6 of our US Scholar awards will be funded by partners. This includes our new Fulbright Stephen Lawrence Award allowing policing professionals to pursue research in areas related to law enforcement, public health and community engagement with regard to race.

Summer Institutes

In Summer 2020 we intended to support 32 participants. Unfortunately, due to Covid-19 we had to defer the programme to 2021 and then to 2022. We selected 16 participants from the 2020 applicant pool and will run another application process in 2021/22 to select the remaining 16.

For those participants who had been selected in 2020, we wanted to celebrate their achievement and make them feel part of the Fulbright community. Furthermore, we aimed to give them some tools, resources, and contacts to become more global minded, culturally aware, and informed citizens. We also wanted to encourage their leadership development. We hope this intervention will increase the impact of their time in the UK. Continuing our virtual learning experience from 2020 we offered several opportunities to our participants hosted either by the Fulbright Commission or our partner universities in the UK:

- Guided Online Tour of the Palace of Westminster followed by Questions & Answers Talk by Diana Warwick, Baroness Warwick of Undercliffe, Member of the House of Lords

COMMISSIONER'S REPORT

- Queen's University Belfast Online Winter School: February 1-5, 2021: Participants are able to choose options from a menu of 20 sessions looking at 'Pandemics: Past, Present, Future', to explore and debate what our world may look, sound, smell and feel like beyond COVID-19, organized by The Faculty of Arts, Humanities and Social Sciences at Queen's University Belfast. (This opportunity is only available for the three students who were selected for QUB's Summer Institute in 2020.)
- Panel Discussions by the participants: May 17, 2021: "Undergraduate Leadership during Covid-19" by Claudia Linczer, Gracie Goodpasture and Reese Dunne Panel Discussion and "The Impact of COVID-19 on Higher Education" by Benjamin Randall, Danielle Hjerpe, Karlee Resler-Seek and Shivam Patel
- University of Bristol Arts, Activism and Social Justice Summer School: June 14 – July 2, 2021

Students highlighted how the virtual events gave them an opportunity to learn about the cultural and educational aspects of the UK, and how it increased their anticipation of experiencing this on-site next summer. Others pointed out how they enjoyed interacting with their fellow cohort members either in the social interactive sessions, which were "great opportunities to build comradery" with their cohort or in the student panel session, because it "allowed the students to truly convey their unique perspectives and personalities ... and allowed us to show the diversity that the US-UK Fulbright program encompasses."

Students also enjoyed participating in panel sessions attended by alumni of the Fulbright Programme, members of the board and staff of the US-UK Fulbright Commission: "These online events were very informative and helped me understand what it means to be a part of the Fulbright community. Specifically, it was great to learn about Fulbright from their perspectives and experiences". Participants also stressed how much they appreciated to have been offered a learning experience in a year where so many opportunities were cancelled on short notice. One participant noted "I enjoyed how we were able to stay connected despite the COVID-19 circumstances."

EducationUSA at Fulbright

The Commission hosts the EducationUSA advising team for the UK and is part of the global network of EducationUSA advisors. It is the US State Department network and the recognised official source of information on applying to American universities in the UK.

COVID-19 has meant we have redesigned our activity, especially since our staff are not able to travel around the UK and many of the events we previously attended have not been able to take place in the normal way.

In the 2020-21 year, we provided information on US higher education in the following ways:

- We reimagined College Day, traditionally the largest US university fair in Europe, to become a virtual event. Focused on high quality student interaction, 155 universities attended and more than 1,500+ undergraduate students joined virtually. Our Application Bootcamp sessions helped attendees learn more about the admissions process, with more than 30 sessions over the course of the fair. The event was made possible with a grant from the US Embassy in London.
- We delivered an LLM fair for British students to meet with US law schools, as part of the EducationUSA LLM tour.

COMMISSIONER'S REPORT

- We held a Community Colleges Fair, highlighting this unique aspect of US higher education and providing a spotlight on how British students could use a community college to gain a degree. We worked across the EducationUSA network, so while we hosted the event, students from a number of other countries, including Brazil, Peru, Germany, Spain and France joined the event.
- We have continued to deliver a comprehensive schedule of events about studying in the US, which this year have been entirely virtual. Working with the Cultural Affairs team at the US Embassy, our events also included two panel of experts and students on the topic of Women's Colleges and HBCUs, which were aligned to International Women's Day and Black History Month.
- We have introduced a new service to allow students across the UK to book a video appointment through our website, allowing us to safely offer, in an efficient way, advice and support to prospective students who are navigating their options.
- We've worked closely with UniversitiesUK to deliver in partnership with the US Embassy events for study abroad advisors to learn more about US visas in what has been a challenging year for student mobility.

Sutton Trust US Programme

The Commission continued to partner with the Sutton Trust to administer the Sutton Trust US Programme. The programme provides talented UK state school students with the opportunity to experience US culture and higher education first-hand and supports their subsequent application to study an undergraduate degree at a US institution.

The regular programme includes four UK-based residential events and three one-week US events, which act as the cornerstone of the programme. With COVID-19, we had to reposition our programming to adapt, and like in 2020, 2021 saw the programme delivered entirely virtually throughout the spring and summer, including 'virtual US weeks'.

The team also provided support to the students who had attended the virtual 2020 programme and who chose the US for their first degree in 2021: 44 students gained places and significant funding or scholarships at US institutions. These students started their undergraduate studies in autumn 2021. The Commission's costs were funded mainly by grants from the Sutton Trust.

Alumni

The Commission's Strategic Plan 2020-23 proposes an alumni engagement programme that "celebrates, informs, inspires and involves our alumni in many different ways. From regular communications and events to volunteering opportunities and giving campaigns, we will look to build an ever more beneficial relationship between the Commission and our Fulbrighters."

Our Fulbrighters and the extraordinary impact they have are the reason we do the work we do. For their part, they have the capacity to be an important partner in accelerating the achievement of our strategic goals. Our aim is two-fold: to build a positive grantee experience and a mutually beneficial relationship with the Commission after the award. An Alumni Engagement Strategy, led by the Director of External Relations, was approved by the board in October 2021.

We are very grateful to the Alumni Advisory Council which provides invaluable insight and advice to the Commission team and whose members – over the last year have hosted a number of in-person and virtual get togethers with both alumni and grantees. Their photographs and biographies are now on the Commission website.

COMMISSIONER'S REPORT

Alumni are active in reading applications and sitting on interview panels. A number of them have volunteered to be Fulbright Ambassadors, offering through the Unibuddy platform on our website, to answer questions from applicants about the application process.

This year the Alumni Award was given to Genevieve Ryan who is doing a Master's of Social Work at the University of Houston. Genevieve is from Leeds and has an undergraduate degree from the University of Edinburgh in History & History of Art and an MSc from the London School of Economics in Criminal Justice Policy, for which she received the university's Titmuss and Delia Ashworth prizes for outstanding achievement. Genevieve is interested in forensic social work, mitigation and different forms of justice. She plans to concentrate her studies on Defense-Initiated Victim Outreach (DIVO), a restorative initiative used in a number of states across the US and predominantly in capital cases.

Finally, the Fulbrighter Network, an initiative launched by the Commission for the worldwide Fulbright community – marked its second anniversary in August 2021. At the time of writing more than 24,000 Fulbrighters based in 165 countries and representing 72 cohort years are signed up to be part of the virtual network.

Lecture programme

Together with our university partners Pembroke College, Oxford; King's College London and the University of Edinburgh, we have started to rotate the event between universities and to move the date to the autumn. In 2021 the event took place in November in Oxford and featured the leading thinker on global health, Professor Devi Sridhar of the University of Edinburgh. The lecture was entitled "Preventing the Next Pandemic" and was livestreamed to audiences around the world. It was accompanied by a KCL Ipsos MORI survey into global attitudes towards global collaboration in public health.

Offices

In June 2015, the Commission moved from its previous office adjacent to Battersea Power station to its current office at Camelford House in Vauxhall. The Commission has a lease with Thames Water on these premises and pays a commercial rent. The Commission has been able to extend the duration of its guaranteed tenancy at Camelford House to 30 September 2024.

Plans and Outlook for the year ahead

In the next financial year, the Commission will seek to:

- Launch a fundraising campaign promoting diversity, equity and inclusion as essential elements in achieving academic excellence
- Implement new awards competition and finance processes designed to automate hitherto time-consuming procedures and embed our CRM, Salesforce, into the everyday work of the Commission
- Design and launch a new website

FINANCIAL REVIEW**Income**

Total income for the year was £5,068,342, a 2.5% decrease over the prior year due to a reduction in our programme during the continuing Covid-19 pandemic and a corresponding fall in income.

US Government Funding

The US Government funds the Commission through a basic grant allocation and through miscellaneous grants offered during the year. The basic allocation for the current year was unchanged from the previous year at \$925,918 but was augmented by further funding for enhancing the programme. A further \$799,710 (2020: \$265,148) of other funding was received. This is intended primarily for the rollout of the 'Fulbrighter' platform and to support awardees with their travel costs. At 30 September 2021, £1,008,987 remained in a restricted reserve to be spent on future programmes and events.

The US Government also provides funds to organisations within the United States which undertake administration on behalf of the global Fulbright programme, including for the Commission. These funds are not received by the Commission and do not form part of its accounts but have been estimated at circa \$545,000 based on a State Department analysis of 2016 expenditures.

UK Government Funding

The UK Government allocation remains at its previous level of £1,000,000. During the pandemic, a reduction of spending on our traditional programme has allowed investment in our diversity, equity and inclusion initiatives.

Other Grant Funding

Other funding amounted to £2,726,175, a decrease of 17.9% on the prior year (2020: £3,321,617). This funding comprised principally sponsorship of scholarships by universities (both monetary and in-kind contributions), research charities and corporates, together with donations received via the Fulbright Foundation, funding from the Sutton Trust for the US Programme and grants from the US Embassy. The reduction in other funding this year is a result of pandemic related reduced activity.

Grants from the Fulbright Foundation amounted to £16,000 (2020: £66,145) and provided part funding for an alumni award to a UK postgraduate.

The Scottish Government continued its funding of the Commission for a thirteenth year for the purpose of enhancing academic exchange between Scotland and the US.

A recent agreement with the Welsh Government similarly aims to promote academic exchange between Wales and the US.

Other income

Other income of £85,029 was 24.5% lower than the previous year (2020: £112,604), as our events remained online and generally reduced in scope.

Expenditure

Total expenditure of £4,604,253 was 10.0% lower than the previous year (2020: £5,115,553). Costs reduced most specifically in our awards programmes due to reduced activity during the pandemic.

Programme Costs

Total expenditure on scholarships amounted to £3,059,380, an 11.7% decrease on the previous year (2020: £3,465,298) as a result of less new awardees this year when many places were occupied by deferrals from the first year of the pandemic. 60% (2020: 61%) of the awards expenditure was for American postgraduate students and scholars coming to the UK, and 40% (2020: 39%) was for British postgraduates and scholars going to the US. The vast majority of awards for American grantees are funded by our partnerships with UK universities.

Other exchange programme expenditure amounted to £41,116 (2020: £31,417) with our Summer Institutes still curtailed, but our Civil Science Award sponsored by the Rita Allen Foundation proceeding.

Programme support costs were £79,421 (2020: £172,914) and primarily covered Fulbright scholar enrichment events, outreach and publicity and advertising of awards. The reduction is due to less need to support Fulbright grantees this year with repatriation and quarantine support.

Administration and Advisory Service Costs

Administration costs were £1,010,169 (2020: £933,727) and Advisory Service costs were £366,719 (2020: £469,337). Total staff costs decreased 1.9% to £1,033,589 due to a headcount reduction on one of our programmes.

Surplus/deficit

The excess of income over expenditure for the year amounted to £464,089 (2020: £81,071). These surpluses are a result of the generous additional support we have received in recent years from the US government which has supplemented our restricted reserves for supporting future programmes and activities. The gain on investments was £241,491 (2020: loss of £17,432). The credit to the Accumulated fund was £6,478 (2020: £11,051).

Assets

Net assets increased to £4,204,890 (2020: 3,512,001).

Investments are included in the accounts at market value, and the value of the portfolio at year-end was £2,047,763 (2020: £1,817,094). The investments are managed by a professional investment manager with the aim of both providing an income and increasing the capital value at least in line with inflation. The Commission has established an ethical investment policy to be followed by the investment manager.

Cash at bank and in hand was £1,790,975 (2020: £1,353,632). Debtors were a little lower at £2,666,965 (2020: £2,858,507). Total creditors were also lower at £2,314,944 (2020: £2,538,880). These changes are due to generous additional funding from the US government but also a partial unwinding of balances that built up during the pandemic.

Reserve Funds and Reserves Policy

The Commission receives funding from organisations for specific scholarships, programmes or other projects, and any unspent monies at the year-end are shown as restricted reserves. These currently comprise funding received from the US Government, the US Embassy in London, the UK Government, our Fulbright Opportunity Fund, funding for the Sir Cyril Taylor Memorial Award and Rita Allen awards.

The Accommodation Fund comprises the net proceeds received in 2009 from the sale of the Commission's office at that time, two thirds of which the two governments agreed should be retained for future office costs. The fund has grown with interest and capital gains from the investment of these proceeds. In addition, the Commission has made periodic transfers from the accumulated fund in order to increase the value of the investment portfolio and thus its ability to fund future office costs.

From last year, we have split the Accommodation Fund in our financial statements into a restricted portion – the original two thirds stipulated by the governments to be for office costs together with accumulated net income – and a designated portion – those monies, including the other one third of the property disposal proceeds, set aside for accommodation costs at the behest of our corporate trustee. This amended classification more accurately represents the restrictions on these funds and replaces the previous treatment as an endowment.

The Accommodation Fund will continue to be used for the Commission's future premises costs. In 2021, investment and interest income of £32,628 (2020: £33,595) was added to the Fund and a gain on investments of £241,491 (2020: loss of £17,432), investment management fees of £11,352 (2020: £10,887) and a contribution to office rental costs of £33,646 (2020: £33,257) were deducted.

The combined balance on all restricted funds at the end of 2021 was £2,772,031 (2020: £2,199,061) and on the designated portion of the accommodation fund the balance was £1,012,503 (2020: £899,062). In addition to funding our accommodation costs, these funds are earmarked for future awards and events.

The balance in the Accumulated Fund at the year-end is held as a general reserve. In May 2021, the Board approved a new reserves policy for the Commission which sets a target of £460,000 or approximately four months of expenditure for the accumulated fund. The balance is currently £420,356 and the Board expects the target to be achieved within a couple of years. The Board has, however, accepted that were there to be a need for exceptional investment, the Accumulated Fund could be called upon, delaying the attainment of the target.

Movements on all reserves are shown on page 30, note 7.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal and Governance

The United States-United Kingdom Educational Commission, commonly known as the Fulbright Commission, is an unincorporated association established by Anglo-American treaty in 1948. A revised treaty was signed on 10th May 1965 and subsequently was amended by exchanges of diplomatic notes between the British and American governments (in 1967, 1971, 1992 and 2014).

The 2014 exchange of diplomatic notes provided for the Commission to be managed by a company limited by guarantee, established under English law and called 'the US-UK Fulbright Commission' (company number 8900668). This company was appointed as the sole Commissioner of the US-UK Educational Commission in place of the 14 individual Commissioners.

The Articles of Association of the US-UK Fulbright Commission provide that there shall be two members and up to 14 directors, all of whom shall be nationals of the UK and or citizens of the US, up to 7 being British and up to 7 American. The directors will be known as Commissioners; references in this report to 'Commissioners' therefore relate to the directors of the company. The Secretary of State for Education and the US Ambassador to the United Kingdom are the two members and have the power to appoint, respectively, the British and American commissioners.

The 2014 diplomatic notes also confirmed that the US-UK Educational Commission is a 'not-for-profit organisation'.

Commissioners are appointed for a term of 3 years and are then eligible for reappointment for one further term of three years. Thereafter, they are only eligible for reappointment after an interval of at least one year. Commissioners undertake an induction programme on appointment and are given regular opportunities to engage with staff and with Commission activities during their period of office.

The Commission is exempt from taxation under the terms of the treaty.

Board and Board Committees

The sole Commissioner, represented by its Board of directors/Commissioners, meets three times a year. It is supported by various committees, composed of Commissioners, meeting regularly in between. The committees are:

- Finance, Audit & Risk
- Alumni & Development
- Remuneration & Nominations

The supporting committees report at each full Board meeting, where policy decisions are made. The Board's decisions are then implemented by the Executive Director, who reports back at each meeting.

The chair of the Commission is appointed by the Board from among its members and alternates between a British and an American member.

A list of current Commissioners and supporting committees is given at the end of this report.

COMMISSIONER'S REPORT

Management and Staff

The Executive Director is appointed by the Board of Commissioners to implement its policies and is considered to be the Commission's key management personnel. The Executive Director has overall responsibility for the recruitment and training of staff to administer these policies, delegated to the senior team and the Human Resources Manager. The Commission employed 22 permanent staff during the year (2020: 25). These staff were supported by temporary staff to assist with the Sutton Trust US programme.

Remuneration policies and the annual pay review for all staff are considered by the Remuneration and Nominations Committee which makes recommendations to the Board. The remuneration of the Executive Director is reviewed annually by the Board after consideration of performance against the objectives for the year.

Grant-Making Policy

a) Fulbright Scholarship Programme

Fulbright scholarships are open to those at postgraduate level and above. Applications are welcomed from all sections of the community and are offered on the basis of academic merit. Application forms and details of the process are available at the Fulbright website www.fulbright.org.uk.

b) Other Exchange Programmes

The Commission runs and participates in a number of other exchange programmes, in which successful applicants are sent on short courses aimed at increasing their knowledge and understanding of the host country, as well as the development of particular skills for the individual, such as leadership. Information about these exchange programmes and how to apply for them may be found on the Commission's website. It should be noted that grants given under these schemes are not classed as Fulbright scholarships.

Risk management

The principal risks facing the Commission together with the key mitigation actions taken or planned are reviewed at least annually by the Board.

In recent times, one of the key risks has been around our governmental funding. But, in fact, both governments have recently increased their support. Nevertheless, the Commission mitigates this risk by maintaining close contact with our government sponsors, carrying adequate financial reserves and continuing to make every effort to broaden our sources of funding in both the US and the UK.

In recent times, the Board has given due consideration to the challenges faced and lessons learned from the public health crisis and ensured that plans are in place should there be a recurrence. Mitigation here includes close liaison with our government sponsors, investment in our online offerings for grantees but also in our ability to enable home working by staff.

The other principal risks relate to the need to attract and retain high quality staff and the risks in the investment portfolio. The former is mitigated by continuous improvement of our recruitment processes and review of our employee benefits. The latter is mitigated by retaining a reputable firm of investment managers and close review by members of our finance, audit and risk committee.

COMMISSIONER'S REPORT

Statement of Commissioner's Responsibilities

The Commissioner, through the Executive Director, requires financial statements to be prepared for each financial year which give a true and fair view of the state of affairs of the Commission and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Commissioner follows best practice and:

- selects suitable accounting policies and then applies them consistently;
- makes judgements and estimates that are reasonable and prudent; and
- prepares the financial statements on the going concern basis, confirming it is appropriate to presume the Commission will continue to operate.

The Commissioner, through the Executive Director, requires that proper accounting records be kept which disclose with reasonable accuracy at any time the financial position of the Commission to enable it to ensure that the financial statements comply with relevant requirements. It is also responsible for safeguarding the assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Commissioner is aware:

- there is no relevant audit information of which the organisation's auditor is unaware, and
- the Commissioner has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the auditor is aware of that information.

COMMISSIONER'S REPORT

COMMISSIONERS

Honorary Chair

Ambassador Philip T. Reeke, Chargé d'Affaires, ad interim

Set out below are the Directors/Commissioners of the company - the US UK Fulbright Commission - who served during the year and up to the date of this report:

UK Members

Ian Coates (until 31 December 2020)

Drake Dubin

Victoria Garnett

Nigel Newton (until 31 August 2021)

Professor Colin Riordan (until 31 August 2021)

Professor Sir Steve Smith

Susan Stewart

Zamila Bunglawala (from 1 January 2021)

Mukul Devichand (from 1 September 2021)

Miriam Patterson (from 1 January 2021)

Other occupation

Director for Higher Education Policy, STEM and Tertiary Providers, Department for Education

Chief Operating Officer, Business in the Community

Detective Superintendent, Metropolitan Police

Chief Executive, Bloomsbury Publishing plc

President & Vice Chancellor, Cardiff University

UK Government International Education Champion, Department for Education

Director, The Open University of Scotland

Director, International Education Directorate, Department for Education

Editor of Audio Programming, New York Times

Senior Editor at Practical Law, Thomson Reuters

US Members

Sara Cerrell (Chair)

Kathryn Crockart

Dame Vivian Hunt

Alexsis de Raadt St James (until 31 August 2021)

Robin Saunders

Christina Tribble

Professor Keith Magee (from 1 September 2021)

Paul O'Neill (from 1 September 2021)

Other occupation

Founder and Managing Director, Global Change Network

Minister Counsellor for Public Affairs, US Embassy

Senior Partner, UK & Ireland, McKinsey & Company

Founder and Managing Partner Merian Ventures

Managing Partner, Clearbrook Capital Partners LLP

Cultural Affairs Officer, US Embassy

Chair and Professor of Social Justice, Newcastle University

Company Director

Committees

Finance, Audit & Risk

Drake Dubin (Chair)

Zamila Bunglawala (from 1 January 2021)

Ian Coates (until 31 December 2020)

Kathryn Crockart

Miriam Patterson (from 1 January 2021)

Robin Saunders

COMMISSIONER'S REPORT

Alumni & Development Susan Stewart (Chair)
 Nigel Newton (until 31 August 2021)
 Alexis de Raadt St James (until 31 August 2021)
 Mukul Devichand (from 1 September 2021)
 Keith Magee (from 1 September 2021)
 Paul O'Neill (from 1 September 2021)
 Louisa Harding-Edgar (Alumni Council Chair)

Remuneration & Nominations Colin Riordan (Chair until 31 August 2021)
 Victoria Garnett
 Dame Vivian Hunt
 Sir Steve Smith (Chair from 1 September 2021)
 Christina Tribble

The Chair of the Board, Sara Cerrell, is an ex officio member of all the committees.

COMMISSIONER'S REPORT

REFERENCE AND ADMINISTRATIVE DETAILS

EXECUTIVE DIRECTOR

Maria Balinska-Szczerba

ADDRESS

Unit 302, Camelford House
89 Albert Embankment
London SE1 7TP
www.fulbright.org.uk

BANKERS

Lloyds Bank
Southampton Row
London WC1B 5HR

AUDITORS

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London EC1M 7AD

SOLICITORS

Bates, Wells Braithwaite
10 Queen Street Place
London EC4R 1BE

INVESTMENT MANAGER

Cazenove Capital Management
1 London Wall Place
London EC2Y 5AU

Signed: 
Sara Cerrell (Mar 14, 2022 15:42 GMT)

Dated: 3 March 2022

Sara Cerrell

Chair, on behalf of the Corporate Commissioner: the US UK Fulbright Commission

**UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION**

Opinion

We have audited the financial statements of United States–United Kingdom Educational Commission for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 FRS 102 ‘The Financial Reporting Standard Applicable in the UK and Ireland’ (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Commission’s affairs as at 30 September 2021, and of its incoming resources and application of resources, for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with FRS 102.

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 financial statements section of our report. We are independent of the Commission 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 Commissioners’ 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 organisation’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 Commissioners with respect to going concern are describe 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 Commissioner is responsible for the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where FRS 102 requires us to report to you if, in our opinion:

- the information given in the Commissioner's Annual Report is inconsistent in any material respect with the financial statements; or
- the Commission has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of Commissioners

As explained more fully in the Commissioner's responsibilities statement set out on page 14, the Commissioner is 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 Commissioner determines 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 Commissioner is responsible for assessing the Commission'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 Commissioner either intends to liquidate the Commission or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor and report in accordance with FRS 102.

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 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- we obtained an understanding of the legal and regulatory requirements applicable to the charitable company through the use of permanent audit file information, updated this year for any changes that have been identified by management or by our own investigations and considered that the most significant is the UK financial reporting standards as issued by the Financial Reporting Council;
- we obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance and through reviews of relevant accounting and management records;
- we assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, based on our work as outlined above;
- we enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations, using associated documentary evidence to better understand items of interest;
- based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. As well as specific audit testing, this included approaching accounting records with an inquisitive and sceptical mindset such that we examined items that were felt to be of interest or of higher risk in this area, and obtaining additional corroborative evidence as required.

To address the risk of fraud through management override of controls, we carried out the following work:

- procedures were undertaken to identify any unusual or unexpected matters, and the rationale behind any such matters was examined;
- journal entries were reviewed to identify unusual transactions;
- judgements and assumptions made in determining the accounting estimates set out in the accounting policies were reviewed.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioner.
- Conclude on the appropriateness of the Commissioner's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Commissioner. Our audit work has been undertaken so that we might state to the Commissioner 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 any party other than the Commission and the Commissioner, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Statutory auditor

28 March 2022

Devonshire House
60 Goswell Road
London
EC1M 7AD

**UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Notes	2021 Unrestricted funds £	2021 Designated funds £	2021 Restricted funds £	2021 Total £	2020 Total £
INCOME						
Grants						
United States Government	9	710,812	-	576,154	1,286,966	1,027,985
United Kingdom Government	10	767,022	-	203,150	970,172	734,418
Other Funding	11	2,464,882	-	261,293	2,726,175	3,321,617
		<u>3,942,716</u>	<u>-</u>	<u>1,040,597</u>	<u>4,983,313</u>	<u>5,084,020</u>
Other Income						
Bank Deposit Interest	2	2	-	297	299	8,469
Investment Income	12	-	16,154	16,474	32,628	33,595
Miscellaneous Income		52,102	-	-	52,102	70,540
		<u>52,104</u>	<u>16,154</u>	<u>16,771</u>	<u>85,029</u>	<u>112,604</u>
TOTAL INCOME		<u>3,994,820</u>	<u>16,154</u>	<u>1,057,368</u>	<u>5,068,342</u>	<u>5,196,624</u>
EXPENDITURE						
Programme Costs	14	2,887,691	-	339,674	3,227,365	3,712,489
Administration Costs	15	799,605	13,949	196,615	1,010,169	933,727
Fulbright Advisory Service	15	301,046	8,330	57,343	366,719	469,337
TOTAL EXPENDITURE		<u>3,988,342</u>	<u>22,279</u>	<u>593,632</u>	<u>4,604,253</u>	<u>5,115,553</u>
NET INCOME before gains / (losses) on investments		<u>6,478</u>	<u>(6,125)</u>	<u>463,736</u>	<u>464,089</u>	<u>81,071</u>
Translation difference on dollar denominated restricted funds		-	-	(12,691)	(12,691)	(16,558)
(Losses) / Gains on investments	3	-	119,566	121,925	241,491	(17,432)
Transfers between funds		-	-	-	-	-
NET INCOME		<u>6,478</u>	<u>113,441</u>	<u>572,970</u>	<u>692,889</u>	<u>47,081</u>
RECONCILIATION OF FUNDS						
Total funds brought forward		413,878	899,062	2,199,061	3,512,001	3,464,920
Funds carried forward	7	<u>420,356</u>	<u>1,012,503</u>	<u>2,772,031</u>	<u>4,204,890</u>	<u>3,512,001</u>

None of the Commission's activities were acquired or discontinued during the above two years.

All recognised gains and losses are disclosed in the Income and Expenditure Account.

**UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
BALANCE SHEET
AT 30 SEPTEMBER 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible Assets	2	14,131	21,648
Investments	3	2,047,763	1,817,094
		<u>2,061,894</u>	<u>1,838,742</u>
CURRENT ASSETS			
Debtors	4	2,666,965	2,858,507
Cash at Bank and in Hand		1,790,975	1,353,632
		<u>4,457,940</u>	<u>4,212,139</u>
CREDITORS FALLING DUE WITHIN ONE YEAR			
Provision for unpaid programme costs	5	2,145,319	2,008,074
Other Creditors due within one year	5	141,625	153,050
		<u>2,286,944</u>	<u>2,161,124</u>
NET CURRENT ASSETS		<u>2,170,996</u>	<u>2,051,015</u>
CREDITORS FALLING DUE AFTER MORE THAN ONE YEAR	6	28,000	377,756
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>4,204,890</u></u>	<u><u>3,512,001</u></u>
FUNDS			
Unrestricted funds	7	420,356	413,878
Designated funds	7	1,012,503	899,062
Total unrestricted funds		<u>1,432,859</u>	<u>1,312,940</u>
Restricted funds	7	2,772,031	2,199,061
TOTAL FUNDS		<u><u>4,204,890</u></u>	<u><u>3,512,001</u></u>

Advantage is taken in preparing this report of the provisions applicable to small entities including from the requirement to prepare a Strategic Report.

The financial statements were approved by the Board and authorised for issue on 3 March 2022 and were signed on its behalf by:

Sara Cerrell
Sara Cerrell (Mar 14, 2022 15:42 GMT)

Chair of Commission

Maria Balinska
Maria Balinska (Mar 16, 2022 16:53 GMT)

Executive Director

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2021	2021	2020	2020
	£	£	£	£
Operating Activities				
Net Income		464,089		81,071
Add : Loss on disposal of fixed assets		620		-
Less : Translation difference on dollar denominated restricted funds		(12,691)		(16,558)
Less : Investment Income		<u>(32,927)</u>		<u>(42,064)</u>
		419,091		22,449
Add back non-cash items:				
Depreciation	10,325		8,424	
Surplus on the sale of equipment	<u>-</u>		<u>-</u>	
		<u>10,325</u>		<u>8,424</u>
		429,416		30,873
Movements in current assets and liabilities:				
Debtors	191,542		(828,887)	
Creditors	<u>(223,935)</u>		<u>382,929</u>	
		<u>(32,393)</u>		<u>(445,958)</u>
Cash (outflow)/inflow from operating activities		<u>397,023</u>		<u>(415,085)</u>
Investing Activities:				
Purchase of investments	(727,888)		(495,631)	
Proceeds of sale of investments	724,416		516,548	
Purchases of office equipment	(3,429)		(30,072)	
Investment income received	32,927		42,064	
Decrease in cash held for investment purposes	<u>14,294</u>		<u>(9,788)</u>	
		<u>40,320</u>		<u>23,121</u>
Net cash (outflow)/inflow		<u>437,343</u>		<u>(391,964)</u>
Change in cash balances:				
Cash at bank and in hand		<u>437,343</u>		<u>(391,964)</u>

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 ACCOUNTING POLICIES

a) Accounting Basis

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' ("FRS 102") and has regard to the requirements of the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) where relevant, though it should be noted that the Commission is not a registered UK charity nor a public benefit entity as defined by FRS 102. The financial statements are prepared in sterling which is the functional currency of the Commission. Monetary amounts in these financial statements are rounded to the nearest pound. The financial statements have been prepared under the historical cost convention as modified by the recognition of certain investment assets measured at fair value.

The principal accounting policies are set out below.

b) Going Concern

These financial statements are prepared on a going concern basis. The Board has assessed whether the use of the going concern basis is appropriate and has considered possible events or conditions that might cast significant doubt on the ability of the Commission to continue as a going concern. The Board has made this assessment for a period of at least one year from the date of the approval of the financial statements.

In particular, the Board has considered the Commission's forecasts and projections and has taken account of the effect on income and activity and pressures on investment income from the COVID-19 pandemic.

In making this assessment the Commissioners have considered that whilst income streams have been affected this will not affect the Commission's ability to continue its activities. Annual budgets have been revised taking this into account with prudent figures for both income and expenditure. The Commission holds sufficient reserves and has liquid assets in the form of investments which are readily available to convert into cash if required.

The Board is of the view that there are no material uncertainties for the coming year that affect their assessment. Following due consideration, the Board has concluded that there is a reasonable expectation that the Commission has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board continues to adopt the going concern basis in preparing these financial statements.

c) Income

All income is included in the Statement of Financial Activities when the Commission is legally entitled to the income and the amount can be quantified with reasonable accuracy.

d) Funding of the Commission

The Commission's source of core funding is by way of grants receivable from the United States and United Kingdom Governments.

(i) The United States Government grant is approved annually and paid in quarterly instalments. The full grant for the Commission's financial year, which is intended to cover the cost of the ensuing academic year's programme costs, is accrued for.

(ii) The United Kingdom Government grant is approved annually and paid monthly on the basis of cash flow forecasts submitted by the Commission. The UK Government's financial year differs from that of the Commission but the full grant is accrued into the Commission's accounts in line with committed expenditure.

(iii) The accounts are prepared on the basis that neither Government will claw back funds under-utilised or interest earned on such funds.

e) In-Kind Contributions

The Commission receives contributions from US and UK universities in the form of in-house settlement of tuition fees. The Commission began to report the value of in-kind contributions from 2011: the values are supplied by the university or the administering co-operating agency.

f) Expenditure

Expenditure is accounted for on an accruals basis.

Expenditure on activities funded solely by the United States Government includes an appropriate proportion of overheads, premises costs and depreciation.

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 ACCOUNTING POLICIES (Continued)

g) Employee benefits

The cost of short-term employee benefits are recognised as a liability and an expense.

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

Termination benefits are recognised immediately as an expense when the Commission is demonstrably committed to terminating the employment of an employee or to providing termination benefits.

h) Fixed Assets

Computer equipment, furniture and similar items are depreciated on a straight line basis over a period of three years from the date they are first brought into use.

i) Investments

(i) Are shown in the balance sheet at market value; any unrealised gain or loss over original cost is taken to reserves.

(ii) Income on investments is included in the accounts when receivable.

j) Debtors

Debtors are measured at the amounts recoverable.

k) 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.

l) Creditors

Creditors are recognised where there is a present obligation at the reporting date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement and the amount can be estimated reliably.

m) Provision for Unpaid Programme Costs

(i) The Commission regards itself as committed to the full amount of programme costs, when the awards have been made. Consequently, the charge to the Income & Expenditure Account includes the committed expenditure for the following academic year's programme.

(ii) Provisions for unpaid programme costs are reviewed at the end of each financial year, necessary adjustments being made to the Income & Expenditure Account.

n) Financial instruments

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

Financial instruments are recognised in the Commission's balance sheet when the Commission 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 trade and other 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when the Commission transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 ACCOUNTING POLICIES (Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Commission after deducting all of its liabilities.

Basic financial liabilities

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

Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Trade creditors 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 creditors 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, and only when, the Commission's obligations are discharged, cancelled, or they expire.

o) Funds

(i) Restricted funds are to be used for specified purposes as laid down by the donor.

Expenditure which meets these criteria is identified to the fund.

(ii) Designated funds are to be used for specified purposes as laid down by the Commissioner.

p) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling in the period of the transaction

All assets held at the balance sheet date which are denominated in US dollars are translated at the market closing rate of \$1.3467 to sterling (2020: \$1.2916).

Profits or losses on exchange are credited/charged to Programme Costs.

q) Cash flow

The cash flow statement can be found on page 24.

r) Judgements and key sources of estimation uncertainty

In the application of the Commission's accounting policies, the trustee is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of revision and future periods where the revision affects both current and future periods.

In the view of the Commissioner, in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements, nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2 FIXED ASSETS	Equipment Fixtures & Fittings	Fixed Assets Total
	£	£
Cost:		
At 1st October 2020	248,014	248,014
Additions	3,429	3,429
Disposals	(25,518)	(25,518)
At 30th September 2021	<u>225,925</u>	<u>225,925</u>
Depreciation:		
At 1st October 2020	226,366	226,366
Charge for the Year	10,325	10,325
Disposals	(24,897)	(24,897)
At 30th September 2021	<u>211,794</u>	<u>211,794</u>
Net Book Value:		
At 30th September 2021	<u>14,131</u>	<u>14,131</u>
At 30th September 2020	<u>21,648</u>	<u>21,648</u>
	2021	2020
Depreciation charged to:		
Administration	5,158	4,212
Advisory Service	5,158	4,212
	<u>10,316</u>	<u>8,424</u>

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

3 INVESTMENTS

3a) Movements in listed investments	2021	2020
	£	£
Market value 1st October	1,774,365	1,812,714
Acquisitions at cost	727,888	495,631
Disposal proceeds	(724,416)	(516,548)
Net realised and unrealised gains and losses	241,491	(17,432)
Market value at 30th September	<u>2,019,328</u>	<u>1,774,365</u>
Value at cost 30th September	<u>1,681,901</u>	<u>1,582,455</u>

3b) Geographic breakdown	2021	2021	2021	2020
	£	£	£	£
	Listed	Cash	Total	Total
	investments			
In the UK	876,116	28,435	904,551	1,027,794
Outside the UK	1,143,212		1,143,212	789,300
	<u>2,019,328</u>	<u>28,435</u>	<u>2,047,763</u>	<u>1,817,094</u>

3c) Investments that are material in terms of the investment portfolio (i.e. over 5%) are disclosed below

	Portfolio %	Market value £
Vanguard Standard & Poors Exchange Traded Fund	11.0%	222,740
SUTL Cazenove Sustainable	10.5%	211,564
Vanguard FTSE UK All Share	9.0%	182,512
Trojan Ethical Income Fund	7.6%	153,487
Schroder Global Sustainable Fund	6.3%	126,187
Trojan Ethical Fund	6.2%	124,593
Rathbone Ethical Bond Fund	5.4%	108,270

4 DEBTORS	2021	2020
	£	£
Trade Debtors	419,529	370,401
Grants due from US Government (See Note 9)	482,737	319,416
Grants due from UK Government (See Note 10)	1,027,990	573,751
Prepayments and accrued income	563,098	1,472,224
Other Debtors	173,611	122,715
	<u>2,666,965</u>	<u>2,858,507</u>
Amounts included above due after more than one year:	<u>28,000</u>	<u>373,111</u>

CREDITORS FALLING DUE WITHIN ONE YEAR

5	2021	2020
	£	£
Provision for unpaid programme costs		
5a) FY20 (Academic Year 2020/21)	1,610,760	-
FY19 (Academic Year 2019/20)	424,524	1,829,110
Prior Programme Years	110,035	178,964
	<u>2,145,319</u>	<u>2,008,074</u>

Other Creditors	£	£
5b) Trade creditors	16,001	27,388
Accruals	91,007	95,589
Taxation and social security	23,298	24,335
Amount due to the Fulbright Foundation	11,319	5,738
	<u>141,625</u>	<u>153,050</u>

CREDITORS FALLING DUE AFTER MORE THAN ONE YEAR

6	2021	2020
	£	£
Unpaid Programme Costs - Future Years	<u>28,000</u>	<u>377,756</u>

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

7 MOVEMENT ON FUNDS

Movement in 2021	Bal b/f £	Income £	Expenditure £	Gains/(losses)/ transfers £	Bal c/f £
<i>General funds</i>					
Accumulated Fund	413,878	3,994,820	(3,988,342)	-	420,356
<i>Designated funds</i>					
Accommodation Fund	899,062	16,154	(22,279)	119,566	1,012,503
<i>Unrestricted funds subtotal</i>	<u>1,312,940</u>	<u>4,010,974</u>	<u>(4,010,621)</u>	<u>119,566</u>	<u>1,432,859</u>
<i>Restricted funds</i>					
Accommodation Fund	916,802	16,474	(22,720)	121,925	1,032,481
US Government	705,772	576,154	(272,939)	-	1,008,987
US Embassy	32,721	128,622	(20,580)	-	140,763
UK Government	-	109,150	(5,745)	-	103,405
Scottish Government	1,758	-	(1,758)	-	-
Fulbright Opportunity Fund	287,361	94,297	(99,624)	(12,691)	269,343
Summer Institutes	40,355	7,233	-	-	47,588
Sir Cyril Taylor Award	70,916	-	(65,090)	-	5,826
Rita Allen Foundation	75,996	109,438	(50,934)	-	134,500
Entrepreneurship Award	58,173	-	(50,626)	-	7,547
Alumni Award Fund	-	16,000	(3,616)	-	12,384
Barzun Prizes	9,207	-	-	-	9,207
<i>subtotal</i>	<u>2,199,061</u>	<u>1,057,368</u>	<u>(593,632)</u>	<u>109,234</u>	<u>2,772,031</u>
All funds	<u>3,512,001</u>	<u>5,068,342</u>	<u>(4,604,253)</u>	<u>228,800</u>	<u>4,204,890</u>
Movement in 2020	Bal b/f £	Income £	Expenditure £	Gains/(losses)/ transfers £	Bal c/f £
<i>General funds</i>					
Accumulated Fund	402,827	4,600,008	(4,588,957)	-	413,878
<i>Designated funds</i>					
Accommodation Fund	912,916	16,633	(21,856)	(8,631)	899,062
<i>Unrestricted funds subtotal</i>	<u>1,315,743</u>	<u>4,616,641</u>	<u>(4,610,813)</u>	<u>(8,631)</u>	<u>1,312,940</u>
<i>Restricted funds</i>					
Accommodation Fund	930,929	16,962	(22,288)	(8,801)	916,802
US Government	768,836	196,036	(259,100)	-	705,772
US Embassy	22,370	31,593	(21,242)	-	32,721
Scottish Government	2,483	-	(725)	-	1,758
Anniversary Appeal	16,075	-	(16,075)	-	-
Fulbright Opportunity Fund	299,213	53,148	(48,442)	(16,558)	287,361
Summer Institutes	38,355	2,000	-	-	40,355
Sir Cyril Taylor Award	70,916	72,663	(72,663)	-	70,916
Rita Allen Fellowship	-	117,113	(41,117)	-	75,996
Entrepreneurship Award	-	58,173	-	-	58,173
Barzun Prizes	-	32,295	(23,088)	-	9,207
<i>sub total</i>	<u>2,149,177</u>	<u>579,983</u>	<u>(504,740)</u>	<u>(25,359)</u>	<u>2,199,061</u>
All funds	<u>3,464,920</u>	<u>5,196,624</u>	<u>(5,115,553)</u>	<u>(33,990)</u>	<u>3,512,001</u>

- (i) Accumulated Fund: represents the balance available to the Commission for programme purposes
- (ii) Accommodation Fund: this fund comprises the proceeds from the sale in 2009 of the Commission offices at 62 Doughty Street, together with income earned on the proceeds and transfers from the accumulated fund. This fund is reserved for funding accommodation costs i.e. rent and service charges and is divided into a restricted portion, representing those funds and accumulated income which, at the time of the office sale, were restricted by the US State Department for funding the Commission's accommodation and a designated portion which is set aside for office rental at the discretion of the Corporate Trustee.
- (iii) Other restricted Funds: these represent the unspent balance of funds received for specific projects including awards, outreach, programme enhancement and specific office expenditures.

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

8 PRIOR YEAR INCOME AND EXPENDITURE ANALYSIS BY FUNDS

	2020	2020	2020	2020
	Unrestricted	Designated	Restricted	Total
	funds	funds	funds	Total
	£	£	£	£
INCOME				
Grants				
United States Government	831,949	-	196,036	1,027,985
United Kingdom Government	684,418	-	50,000	734,418
Other Funding	3,007,320	-	314,297	3,321,617
	<u>4,523,687</u>	<u>-</u>	<u>560,333</u>	<u>5,084,020</u>
Other Income				
Bank Deposit Interest	5,781	-	2,688	8,469
Investment income	-	16,633	16,962	33,595
Miscellaneous Income	70,540	-	-	70,540
	<u>76,321</u>	<u>16,633</u>	<u>19,650</u>	<u>112,604</u>
TOTAL INCOME	<u>4,600,008</u>	<u>16,633</u>	<u>579,983</u>	<u>5,196,624</u>
EXPENDITURE				
Programme Costs	3,491,766	-	220,723	3,712,489
Administration Costs	719,883	13,623	200,221	933,727
Fulbright Advisory Service	377,308	8,233	83,796	469,337
TOTAL EXPENDITURE	<u>4,588,957</u>	<u>21,856</u>	<u>504,740</u>	<u>5,115,553</u>
NET INCOME / (EXPENDITURE)	<u>11,051</u>	<u>(5,223)</u>	<u>75,243</u>	<u>81,071</u>
Translation difference on dollar denominated restricted funds	-	-	(16,558)	(16,558)
Gains / (losses) on investments	-	(8,631)	(8,801)	(17,432)
Transfers between funds	-	-	-	-
NET MOVEMENT IN FUNDS	<u><u>11,051</u></u>	<u><u>(13,854)</u></u>	<u><u>49,884</u></u>	<u><u>47,081</u></u>
RECONCILIATION OF FUNDS				
Total funds brought forward	402,827	912,916	2,149,177	3,464,920
Funds carried forward	<u><u>413,878</u></u>	<u><u>899,062</u></u>	<u><u>2,199,061</u></u>	<u><u>3,512,001</u></u>

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

9 UNITED STATES GOVERNMENT GRANT	2021	2020
	£	£
Grant due as at 1st October	319,416	214,761
Grants for the Year	1,286,966	1,027,985
Receipts during the Year	(1,123,645)	(923,330)
Grant due as at 30th September	<u>482,737</u>	<u>319,416</u>
10 UNITED KINGDOM GOVERNMENT GRANT	2021	2020
	£	£
Grant due as at 1st October	573,751	583,333
Grant for the Year	970,172	734,418
Receipts during the Year	(515,933)	(744,000)
Grant due as at 30th September	<u>1,027,990</u>	<u>573,751</u>
11 OTHER FUNDING	2021	2020
	£	£
UK Fulbright Foundation (See Note 19)	16,000	66,145
British Friends of Harvard Business School	65,090	20,184
British Academy of Film and Television Arts	11,138	11,613
British Schools and Universities Foundation	18,130	15,429
British Library Eccles Centre	17,340	33,000
Cancer Research	-	10,000
Elsevier BV	43,529	48,442
US Friends of Queen's University, Belfast	27,500	27,500
Urology Foundation	-	23,227
Lloyds of London	76,175	146,215
Metropolitan Police	-	9,000
National Library of Scotland	17,340	16,500
Rita Allen Foundation	109,438	117,113
Private Donors/Foundations	14,336	53,555
Royal College of Surgeons in England	13,650	27,300
Royal Society of Edinburgh	-	11,312
Sir Cyril Taylor Charitable Foundation	-	72,663
Scottish Government (See Note 7)	(763)	59,093
Welsh Government	67,647	76,625
Sutton Trust	194,704	221,228
UK Universities - Monetary Contributions (See Note 13(a))	845,696	1,146,850
UK Universities - In-Kind Contributions (See Note 13(a))	915,568	899,430
US Universities - Monetary Contributions (See Note 13(b))	46,096	59,978
US Universities - In-Kind Contributions (See Note 13(b))	98,939	117,622
US Embassy (See Note 7)	128,622	31,593
Total other funding	<u>2,726,175</u>	<u>3,321,617</u>
12 INVESTMENT INCOME	2021	2020
	£	£
Income from listed investments	32,626	33,430
Interest on cash deposits	2	165
	<u>32,628</u>	<u>33,595</u>

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

13 (a) FUNDING FROM UK UNIVERSITIES (See Note 11)

	Monetary Contributions	In-Kind Contributions	2021 £
Bangor University	14,000	16,000	30,000
University of Birmingham	60,992	19,440	80,432
University of Bristol	14,000	25,600	39,600
Cardiff University	29,750	21,950	51,700
Coventry University	13,700	17,900	31,600
Dundee University	15,750	-	15,750
Durham University	42,575	22,790	65,365
University of East Anglia	14,000	17,600	31,600
University of Edinburgh	41,500	34,200	75,700
University of Exeter	37,625	24,300	61,925
University of Glasgow	14,000	19,350	33,350
Glasgow School of Art	27,500	-	27,500
University of Kent	14,000	20,500	34,500
King's College London	3,000	-	3,000
LAMDA	15,500	21,855	37,355
Lancaster University	14,000	24,430	38,430
University of Leeds	-	20,750	20,750
University of Leicester	14,000	-	14,000
Loughborough University	(15,000)	-	(15,000)
Imperial College London	15,500	36,700	52,200
Institute of Education London	16,500	-	16,500
London School of Economics & Political Science	-	23,520	23,520
University College London	33,000	88,600	121,600
University of Manchester	14,000	20,500	34,500
University of Newcastle	14,000	24,300	38,300
Northumbria University	13,700	16,000	29,700
University of Nottingham	38,000	25,000	63,000
Queen's University Belfast	28,700	17,700	46,400
Queen Mary, University of London	31,250	23,950	55,200
University of Roehampton	40,125	15,352	55,477
Royal College of Art	-	29,000	29,000
Royal Holloway, University of London	15,500	17,200	32,700
Royal Veterinary College	16,500	22,710	39,210
University of Sheffield	29,750	24,950	54,700
SOAS, University of London	17,500	22,500	40,000
Southampton University	13,700	20,693	34,393
Swansea University	-	21,313	21,313
University of St Andrews	-	18,800	18,800
University of Stirling	13,700	20,845	34,545
University of Strathclyde	34,379	47,250	81,629
University of Sussex	14,000	18,500	32,500
Trinity Laban	15,500	12,480	27,980
University of Warwick	14,000	22,340	36,340
University of York	45,500	18,700	64,200
	<u>845,696</u>	<u>915,568</u>	<u>1,761,264</u>

FUNDING FROM US UNIVERSITIES (See Note 11)

	Monetary Contributions	In-Kind Contributions	2021 £
13 (b)			
Elon University	24,331	-	24,331
The New School	13,059	-	13,059
New York Wagner	8,706	18,862	27,568
Indiana University	-	36,148	36,148
University of Minnesota	-	43,929	43,929
	<u>46,096</u>	<u>98,939</u>	<u>145,035</u>

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

14 PROGRAMME COSTS

14a AWARDS	Unpaid Costs b/f 2020 £	Transfers £	Payments during Year £	Charges to I & E Account £	Exchange Differences £	Unpaid Costs c/f 2021 £
FULBRIGHT SCHOLARSHIPS						
For Future Academic Years	377,756	(335,103)	-	(5,063)	(9,590)	28,000
FY21 (Academic Year 2021/22)						
UK Students	-	29,652	574,576	966,734	11,276	433,086
UK Scholars	-	101,251	21,289	203,496	7,094	290,552
US Students	-	204,200	1,224,466	1,487,393		467,127
US Scholars	-	-	36,405	402,347		365,942
Other Awards	-	-	17,947	72,000		54,053
Total FY20 (Academic Year 2020/201)	<u>-</u>	<u>335,103</u>	<u>1,874,683</u>	<u>3,131,970</u>	<u>18,370</u>	<u>1,610,760</u>
FY20 (Academic Year 2020/21)	1,829,110		1,315,473	(60,027)	(29,086)	424,524
Prior Years	178,964		59,404	(7,500)	(2,025)	110,035
Total AWARDS	<u>2,385,830</u>	<u>-</u>	<u>3,249,560</u>	<u>3,059,380</u>	<u>(22,331)</u>	<u>2,173,319</u>
				2021 £		2020 £
TOTAL AWARDS				<u>3,059,380</u>		<u>3,465,298</u>
14b OTHER PROGRAMME COSTS						
OTHER EXCHANGE PROGRAMMES						
Summer Institutes				-		-
Other				41,116		31,417
Sub-totals				<u>41,116</u>		<u>31,417</u>
PROGRAMME-SUPPORT COSTS						
Orientations & Grantee Events				1,495		44,535
Interviews, Visas & Other Costs				1,107		1,999
Outreach Activities				3,338		16,726
Lectures				-		-
Alumni activities				501		2,207
Promotion of Programmes				2,411		3,910
Other Support Payments				70,569		103,537
Sub-totals				<u>79,421</u>		<u>172,914</u>
Exchange Rate (Gain)/Loss				47,448		42,860
TOTAL OTHER PROGRAMME COSTS				<u>167,985</u>		<u>247,191</u>
TOTAL PROGRAMME COSTS				<u>3,227,365</u>		<u>3,712,489</u>

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

15 ADMINISTRATION & ADVISORY SERVICE COSTS

	Admin 2021	Advising * 2021	Total 2021	Admin 2020	Advising * 2020	Total 2020
	£	£	£	£	£	£
Staff Costs (See Note 16)	744,297	289,292	1,033,589	694,097	359,293	1,053,390
Premises Costs	36,718	36,718	73,436	38,753	38,753	77,506
Operating Costs	176,035	26,095	202,130	140,095	47,738	187,833
Legal & Professional	31,956		31,956	40,570	-	40,570
Audit Costs - Current Year	16,000		16,000	16,000	-	16,000
Depreciation: Furniture & Equipment	5,163	5,163	10,326	4,212	4,212	8,424
College Day Costs		9,451	9,451	-	18,789	18,789
Other income generating events		-	-	-	552	552
	<u>1,010,169</u>	<u>366,719</u>	<u>1,376,888</u>	<u>933,727</u>	<u>469,337</u>	<u>1,403,064</u>

* The costs of the Advisory service are funded by grants from the US Government, income generated by the service and specific dedicated funding; no funding is provided from the UK Government grant.

16 STAFF COSTS

	Admin 2021	Advising 2021	Total 2021	Admin 2020	Advising 2020	Total 2020
	£	£	£	£	£	£
Salaries	587,837	240,227	828,064	556,363	302,981	859,344
Employers National Insurance	62,685	20,816	83,501	61,822	29,052	90,874
Pension Contributions	69,297	27,256	96,553	61,019	26,456	87,475
Other Staff Costs	24,478	993	25,471	14,893	804	15,697
Total staff costs	<u>744,297</u>	<u>289,292</u>	<u>1,033,589</u>	<u>694,097</u>	<u>359,293</u>	<u>1,053,390</u>

The key management personnel of the Commission are the members of the Executive Committee.

Maria Balinska-Szczerba	Executive Director
Rowena Boddington	Director, Advising and Marketing
Christopher Horry	Chief Operating Officer
Amy Moore	Director, Fulbright Awards Programme
Afua Osei	Director of External Relations (from 1 February 2021)

The total employee benefits of the Executive Committee amounted to £384,147 (2020 : £369,616).

The highest paid employee was the Executive Director.

Commission members did not receive any remuneration (2020: £nil). Travel expenses of £211 were reimbursed (2020: £1,355).

17 STAFF NUMBERS

	2021	2020
Staff at start of year	24	22
Staff at end of year	22	24
Average staff during the year	28	30
Average permanent staff during the year	22.3	24.6
Average permanent FTEs during the year	21.3	24.2

18 OPERATING LEASE COMMITMENTS

The Commission had total minimum commitments at the year end under operating leases payable after 30 September as follows:

	Property		Office Equipment	
	2021	2020	2021	2020
	£	£	£	£
Within one year	51,621	51,621	5,760	6,874
Within two to five years	103,242	154,863	23,040	4,582

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

19 RELATED PARTY TRANSACTIONS

During the year transactions took place with the Fulbright Foundation (registered charity number 328571), which has common objectives and is under common control with the Commission. Outstanding balances at 30 September were as follows:

	2021	2020
<i>Owed by:</i>		
Fulbright Foundation	-	-
	<u>-</u>	<u>-</u>
<i>Owed to:</i>		
Fulbright Foundation	11,319	5,738
	<u>11,319</u>	<u>5,738</u>

These transactions are in respect of grants from sponsors or donors totalling £16,000 (2020: £66,145) less net payments of £16,000 (2020: £66,145) and expenses recharged of £5,581 (2020: £5,738).

20 FORMER PENSION SCHEME

The Commission had been contacted in an earlier year by the League for the Exchange of Commonwealth Teachers (LECT) regarding the Educational Exchanges Pension Scheme (EEPS), a defined-benefit pension scheme to which LECT staff and some former Commission staff belong.

The LECT had raised the possibility that there may be a liability for the Commission in respect of the scheme, but the Commission has received legal advice indicating that this is not so.

The Commission met with LECT in October 2013. No new information or insights were provided by LECT, and the Commission subsequently formally reiterated its view, in writing on 1 October 2014, that it has no liability to LECT, and considers the matter closed.

21 PRIOR YEAR ADJUSTMENT

On page 11, in the Commissioner's report, it is explained how we, last year, changed our accounting policy in respect of the Accommodation Fund which provides annual contributions to the Commission's housing costs. Formerly the fund was presented as an endowment, but has now been split into restricted and designated portions, better reflecting the restrictions on the fund's use.

21 NON ADJUSTING POST BALANCE SHEET EVENTS

The Commission continues to pursue its principal objective of sponsoring educational exchange between the United States and the United Kingdom.

The public health emergency of the last two years means that conditions on university campuses have not always been conducive to executing our programmes and, as a result, some activities have been deferred or even cancelled.

These financial statements reflect the status of the Commission's programmes as at 30 September 2021. Events subsequent to the balance sheet date which may effect the execution of these programmes will fall into the next accounting period and are not expected to materially effect the Commission's financial position.