

**UNITED STATES - UNITED KINGDOM
EDUCATIONAL COMMISSION**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2020**

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**UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
FINANCIAL STATEMENTS
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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

In February 2020 the Commission Board approved a Strategic Plan (2020-2023) after extensive consultation with staff and commissioners. The Plan is based on the newly articulated mission and vision quoted above and identifies two key priorities for the next three years: to widen access across Commission programming and to tackle global challenges.

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Underpinning the drive to widen access is a Diversity, Equity and Inclusion Vision which was approved by the Board in October 2020. Work on this issue has been ongoing across the year with, among other things, the launch of the Opportunity Fund for UK Fulbright postgraduate students who would be unable to take up the award without additional financial support; the establishment of specific diversity goals for Fulbright applicant and finalist cohorts; an outreach campaign to underrepresented universities in the UK; an overhaul of recruiting and selection procedures for Commission staff and bespoke anti-racism training for the Commission staff.

The US-UK Fulbright Commission aims to provide a safe environment for staff and all those associated with its programmes. We are committed to protecting from harm and abuse all those in the Fulbright and wider community with whom we have dealings. During the year we have reviewed and strengthened all our safeguarding policies and procedures.

The Commission's focus on global challenges has resulted in the proposed Global Challenges Teaching Awards that are the centrepiece of a new fundraising campaign. The past year has also seen considerable activity around fundraising from new and varied sources. A November 2019 event at the US Ambassador's residence in London raised the funding for a new Entrepreneurship Award. A grant from the US-based Rita Allen Foundation allowed for the launch of a pilot UK Civic Science Award, enabling the Commission to be a Host Partner (the only British partner) in the growing Civic Science community in the US.

These achievements - and the ones enumerated below - took place against the disruptive backdrop of the Covid-19 pandemic which officially suspended the Fulbright Programme in March 2020, effectively cancelled all other in-person Commission activity and meant that the entire office has been working from home since March. Despite the many challenges, repatriation of those Fulbrighters who chose to return to their home country happened relatively smoothly and Commission operations and programming migrated to the virtual world, sparking a number of digital initiatives as seen below.

Fulbright Awards Programme

COVID-19 inevitably caused major disruption to the Fulbright programme, but we have managed to resume programming in most cases. A large proportion of our Postgraduate students managed to depart their home country and embark on their Fulbright experience as scheduled. Namely, 40 US students made it to the UK during the autumn, and the remaining 9 students planned to arrive in Spring 2021. Half of our UK Postgraduates travelled to the US for their programmes, and the other half are either intending to travel spring 2021 or are completing their programme virtually.

The Fulbright programme for Scholars and Student Researchers was suspended and autumn departures prohibited due to COVID-19, with the goal of reinstating it in January 2021. In planning for spring 2021 departures, with COVID still at large, our grantees were given options as to when they wanted to pursue their Fulbright experience. Consequently, some scholars will complete their Fulbright from January 2021, some are moving their dates later in the year, and others are deferring to academic year 2021-22.

In our 2019 competition (for study in the academic year 2020-21) we received 254 applications for the UK awards programme and over 1,000 for the US awards programme. The Commission awarded 124 scholarships (academic year 2019-20: 119).

The Commission also ran the Distinguished Awards in Teaching for UK citizens for the second time. We offered awards to two British Distinguished Teachers who will go to the US in 2021, for six months each.

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The total number of US-UK Fulbright grantees in 2020 was 124 (2019: 135) as detailed below (2019 figures in brackets):

UK grantees 21 (27) students
18 (22) scholars (including 2 Distinguished Teachers)

US grantees 49 (47) students
36 (39) scholars (including 3 Distinguished Teachers and 5 Global scholars)

Examples from among the many extraordinary 2020-2021 grantees are:

- Daniel Hughes is an alumnus of Bangor University, where he graduated with a PhD in English Literature in 2018. Daniel is also a recipient of the M Wynn Thomas New Scholar's Prize, which recognises outstanding early-career contributions to the study of Welsh Writing in English. Austin's Harry Ransom Center is actually home to the largest collection of Welsh literature outside the UK, and Daniel will be utilising these collections as he develops a monograph on Welsh modernist writing. Daniel will teach a course on Modern Welsh Literature in English at UT Austin, and will also give a series of public lectures on the same topic.
- Brenda Efurhievwe is a human rights activist and aspiring barrister. "Nigerian by blood, Polish by nationality and British by experience", she was drawn to the Fulbright Programme due to her high regard for the benefits of intercultural exchange. Brenda obtained a first-class honours LLB in the UK and went on to work as an Asylum Caseworker at UK Visas & Immigration. Witnessing the practical application of the Refugee Convention and its effect on asylum seekers motivated her to undertake research in this field, with a view of influencing asylum policy and practice in the future. Brenda's research interests focus on refugee law, LGBTQ+ rights and racial justice. She is currently providing remote assistance as a Volunteer Asylum Lawyer with European Lawyers in Lesvos, while continuing to act in the organising committee of Black Protest Legal Support. At Columbia Brenda hopes to benefit from clinical practice in immigration and human rights, while continuing her research into the means of avoiding the current catch-22 mechanism inherent in applying for refugee status.
- Elliott Hoey conducted his PhD research in linguistics at the Max Planck Institute for Psycholinguistics in The Netherlands. He comes to Loughborough by way of the University of Basel, where he examined how construction workers coordinate their activities with one another. His research interests span conversation analysis, gesture studies, and discourse-functional linguistics. He recently published a book about silence in conversation, 'When Conversation Lapses: The Public Accountability of Silent Copresence' (Oxford University Press). For his Fulbright project, Hoey will examine palliative care consultations, with an eye toward improving conversations about death and dying. By working on video-recorded consultations in a hospice, he aims to uncover the recurrent communicative practices that people use in advancing or discouraging talk about death. This research will proceed in close collaboration with top scholars of social interaction at Loughborough, and also with the support of the Institute for Advanced Studies.
- Jackie Wan has been a mental health nurse for 14 years, specialising in mental health and deafness. After completing a BSc (hons) in Healthcare Practice at the University of London, St. George's, she was inspired to undertake further education with the aim of achieving a longer-term improvement of services for deaf people. Jackie is unspeakably delighted to receive a Fulbright grant as it will be a boost to her greatest passion, which is advocating for deaf mental health service users, particularly as she observes first-hand how many

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barriers there are for deaf people to access good mental health care. She will undertake a Master's degree in Clinical Investigation at the University of Rochester, which will be instrumental towards her goal of contributing to evidence-based practice in her field. Chief among her many aspirations is for deaf service users to be centrally involved with the research and development of their mental health services.

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. This year, almost 60 US grantees travelled to Wales in January for our Fulbright Forum event. The event was an exploration of Welsh culture, history and language. Hosted by Cardiff University and supported by Universities Wales and the Welsh Government, the grantees took part in a number of tours and activities. Namely, A Welsh Language workshop; presentations from fellow grantees on their current research and Fulbright experience in the UK; a visit to the Senedd, during which the grantees were given a tour of the building, learned about Welsh devolution and took part in a Q&A with Welsh Assembly Members. They also enjoyed an evening at the National Museum Cardiff, where Education Minister Kirsty Williams and Sophie Howe, the Commissioner for Future Generations, welcomed grantees. Finally, the event was concluded with a tour of Principality Stadium, the national stadium of Wales and home to the Welsh national Rugby Union team.

Unfortunately due to COVID-19, we were forced to cancel our in-person end of year event in Glasgow. Instead, we hosted a very successful and fun 2-day virtual event at the end of June. Some elements of this event have been recorded, including an amazing lecture by Arun Sood on Robert Burns; <https://www.youtube.com/watch?v=r-CSxNyeQBo>. We were very pleased to keep the Scottish theme, despite not being there in person.

For our UK Postgraduates, we hosted an informal get-together in June and then a virtual orientation in July. The events included numerous information sessions with our alumni on different themes, and our popular session on "What is America Talking About?". External speakers at the event included Yael Lempert, Deputy Chief of Mission at the U.S. Embassy; Phillip Martin, Senior Investigative Reporter, WGBH; Cynthia Graber, Journalist and co-founder of Gastropod podcast; Dan Moulthrop, CEO of Cleveland City Club.

Our Orientation for our 2020-21 US cohort, which usually takes place early September, was also moved to virtual format for safety reasons. We transformed the 3 day orientation into a series of four virtual events. These have included pre-departure and arrival orientations and a session called Navigating Race and Identity, chaired by Dr. Ronda Zelezny-Green.

The Fulbright awards programme continues to offer a large catalogue of opportunities, and competition 2021-22 was no exception. Having renewed the majority of our agreements, we were able to offer 28 US Scholar partner awards, and 39 US postgraduate partner awards. We also negotiated a 5% increase in stipend for all general scholar awards and increased the stipend amount offered to US postgraduate students, making this opportunity more attractive and accessible to our US audience. We were also thrilled to include a new award with University of Edinburgh, for a US Postgraduate to pursue a master's degree in any discipline.

On the UK side, 11 of our UK Postgraduate awards and 8 of our US Scholar awards will be funded by partners. This excludes the awards we will make via our core funds.

Summer Institutes

Our Summer Institute Programme are 3 to 4 week programmes for US undergraduate students. Participants can explore the culture, heritage, and history of the UK while experiencing UK Higher Education at a UK University. Like our other Fulbright programmes, participants are selected for academic merit, leadership potential and cultural curiosity. Unlike our other programmes we explicitly prioritise candidates who have never left the US and are unlikely to without our support. Many of our participants are low income and/or first generation students from a diverse range of backgrounds.

In Summer 2020 we intended to support 32 participants. Unfortunately, due to Covid-19 we had to defer the programme to 2021. We selected 16 participants from this year's applicant pool and will run another application process next year to select the remaining 16.

To kick start the Fulbright journey for the 16 selected participants, and to foster a sense of community within their cohort, we are putting on a series of virtual events throughout 2020-21. The first session in July 2020 was delivered by Bernd Vogel, Professor in Leadership at Henley Business School. The purpose of this session was to deepen their understanding of leadership from the Fulbright Commission's perspective, highlighting how educational exchange and cultural immersion contribute to the development of compassionate leadership. Also, a panel made up of Fulbright alumni, discussed "Developing a Global Mindset - How to Build Cultural Intelligence Without Leaving the US".

In October, we organized a second virtual event. Sessions included a discussion on The Impact of COVID-19 on Higher Education in the UK, with Susan Stewart, Director of The Open University in Scotland and Professor Sir Steve Smith, the UK Government International Education Champion. Our very own Executive Director also delivered an interactive session called Developing Compassionate Leadership: a Personal Perspective

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 government 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 2019-20 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, 179 universities attended and more than 2,250 undergraduate students joined virtually. Our Application Bootcamp sessions helped attendees learn more about the admissions process, with 33 sessions over the course of the fair. The event was made possible with a grant from the US Embassy in London and EducationUSA provided a further grant to make up some of the lost revenue from the in-person fair.
- We delivered an LLM fair for British students to meet with US law schools, as part of the EducationUSA LLM tour.
- Ran comprehensive seminars on undergraduate study and our PostgradUSA events to help prospective students and their families understand the process of applying to US universities, which transitioned to online events mid-way through the year.

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- Our advisors supported individual US higher education institutions by answering questions about the UK education system and how to recruit in the UK, while they also answered thousands of phone and email questions from students and parents about applying to US universities.
- Visited a variety of UK fairs, conferences, events and universities for outreach to advise students and staff on the various Fulbright programmes and other opportunities to study in the US. After March 2020, we have taken up places at virtual fairs wherever possible.

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 delivered entirely virtual programming for the cohort throughout the spring and summer, including “virtual US weeks”.

The team also provided support to the students who had attended the 2019 programme and who chose the US for their first degree in 2020: 56 students gained places and significant funding or scholarships at US institutions. These students started their undergraduate studies in autumn 2020. The Commission's costs were funded mainly by grants from the Sutton Trust.

Alumni

Strengthening the relationship between the Commission and its Alumni is a priority and the team has taken a number of steps to support this priority.

There has been significant investment in updating and organising the alumni database in Salesforce in order to be able to communicate with them in a regular and reliable manner. Alumni have been engaged through a number of pulse surveys asking questions about the value of their Fulbright experiences and the ways in which they want to interact and support the Commission. Thanks to people's now widespread familiarity with Zoom, the Commission has produced a number of alumni webinars where Fulbrighters from both the US and UK come together to discuss issues in their areas of expertise – from Covid-19 to the future of the arts. Alumni on both sides of the Atlantic also continue to provide support as reading panellists for award applications and as alumni panellists at orientation events.

The Alumni Advisory Council provides invaluable insight and advice to the Commission team and meets regularly with the Executive Director and the Director of Awards. They are very engaged in the Commission's DEI work and are working with the Awards team to put together a mentoring programme for UK applicants.

This year the Alumni Award was given to William J. Carter, to support his first year of a PhD in Political Geography at the University of California, Berkeley. William is a graduate of the University of Bristol and the co-founder and co-chair of Phillenials, an initiative to introduce the teaching of political philosophy into classrooms across the UK.

Finally, in August 2020 the Fulbrighter App – an initiative launched by the Commission for the worldwide Fulbright community – marked its first anniversary. At the time of writing more than 20,000 Fulbrighters based in 165 countries and representing 72 cohort years had signed up to be part of the virtual network.

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Lecture programme

This year, because of the pandemic, the annual Fulbright Legacy Lecture was transformed into a digital event. The keynote speaker was the President of the University of California and former Secretary of Homeland Security, Janet Napolitano. Joining her in a moderated discussion were the Principal and Vice Chancellor of the University of Edinburgh Peter Mathieson, the President and Principal of King's College, London Ed Byrne and the Warden of Merton College, Pro-Vice Chancellor of the University of Oxford, Irene Tracey. The event was chaired by the Executive Editor of Voice and AI at the BBC (and Fulbright alumnus) Mukul Devichand. The event was accompanied by a KCL Ipsos MORI survey into global attitudes towards the social and public value of universities.

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. However, the Commission team has been working from home since March 2020.

Plans and Outlook for the year ahead

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

- Deliver a fundraising strategy based on the 2020-23 strategic plan approved by the Board in February 2020.
- Deliver a communications plan based on the 2020-23 strategic plan approved by the Board in February 2020.
- Continue to develop and implement our diversity and widening access policies across programmes and staff recruitment.

FINANCIAL REVIEW

Income

Total income for the year was £5,196,624, a 7.3% decrease over the prior year due to a reduction in our programme, particularly events, during the 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 specifically aimed at supporting the Fulbright programme through the pandemic period. A further \$265,148 (2019: \$577,270) of other funding was received. This is intended primarily for the rollout of the 'Fulbrighter' platform and, from EducationUSA, to support the Advisory Service. At 30 September 2020, £705,772 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, but during the pandemic, we were not able to claim the full amount due to the cancellation or deferral of certain elements of our programme.

Other Grant Funding

Other funding amounted to £3,321,617, an increase of 3.4% on the prior year (2019: £3,211,852). 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. Even during the pandemic, the core awards programme continued to grow with new awards such as the one we have created with the Rita Allen Foundation.

Grants from the Fulbright Foundation amounted to £66,145 (2019: £94,371) and, together with monies received via our US 501(c)(3), provided funding for the Barzun prizes to promote community involvement by US grantees studying in the UK, our new Entrepreneurship Award supported by funds raised with the assistance of the US Ambassador and 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. However, the public health emergency meant that the programme for Scotland will be deferred partly to next year and the grant decreased to £59,093.

Other income

Other income of £112,604 was 44.8% lower than the previous year (2019: £204,126), due to the replacement of our important US College Day Fair with an online event.

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Expenditure

Total expenditure of £5,115,553 was 0.7% higher than the previous year (2019: £5,082,368). Costs were relatively stable overall, with this small increase been driven by payroll costs.

Programme Costs

Total expenditure on scholarships amounted to £3,465,298, a 2.5% decrease on the previous year (2019: £3,554,162) as a result of some programme elements not proceeding this year. 61% (2019: 59%) of the awards expenditure was for American postgraduate students and scholars coming to the UK, and 39% (2019: 41%) 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 £31,417 (2019: £80,147) with our Summer Institutes, in particular, curtailed.

Programme support costs were £172,914 (2019: £127,111) and primarily covered Fulbright scholar enrichment events, outreach and publicity and advertising of awards. The increase this year is due to additional help the Commission gave, with support from the US Government, to Fulbright grantees during the pandemic with repatriation and quarantine support.

Administration and Advisory Service Costs

Administration costs were £933,727 (2019: £894,461) and Advisory Service costs were £469,337 (2019: £449,808). Total staff costs increased 7.2% to £1,053,390 due to inflationary increases and recruitment to support the enhanced activities of the Commission.

Surplus/deficit

The excess of income over expenditure for the year amounted to £81,071 (2019: £523,239). 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 loss on investments was £17,432 (2019: gain of £45,495). The credit to the Accumulated fund was £11,051 (2019: £85,828).

Assets

Net assets increased to £3,512,001 (2019: 3,464,920).

Investments are included in the accounts at market value, and the value of the portfolio at year-end was £1,817,094 (2019: £1,845,656). 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 £1,353,632 (2019: £1,745,596). Debtors were higher at £2,858,507 (2019: £2,029,620). Total creditors were also higher at £2,538,880 (2019: £2,155,952). These changes are due to a delay in agreeing this year's scholarship programme with invoicing sponsors also then happening later than normal.

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Reserve Funds

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 Scottish Government, our Fulbright Opportunity Fund, funding for the Sir Cyril Taylor Memorial Award and amounts carried forward from our anniversary appeal.

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 this 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 change has been accounted for as a prior year adjustment.

The Accommodation Fund will continue to be used for the Commission's future premises costs. In 2020, investment and interest income of £33,595 (2019: £34,009) was added to the Fund and a loss on investments of £17,432 (2019: gain £45,495), investment management fees of £10,887 (2019: £10,811) and a contribution to office rental costs of £33,257 (2019: £35,314) were deducted.

The combined balance on all restricted funds at the end of 2020 was £2,199,061 (2019: £2,149,177 as restated) and on the designated portion of the accommodation fund the balance was £899,062 (2019: £912,916 as restated). 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.

Movements on all reserves are shown on page 29, note 7.

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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.

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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 25 permanent staff during the year (2019: 21). 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.

This year, 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.

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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.

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COMMISSIONERS

Honorary Chair

The Honourable Robert Wood Johnson, US Ambassador to the Court of St James's.

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

Sir Nigel Sheinwald (Chair until 29 February 2020)
Ian Coates

Drake Dubin

Victoria Garnett

Andrew Griffiths (until 31 August 2020)
Nigel Newton
Professor Colin Riordan

Susan Stewart
Professor Sir Steve Smith (from 5 June 2020)

Other occupation

Non Executive Company Director
Director for Higher Education Policy, STEM and Tertiary Providers, Department for Education
Chief Operating Officer, Business in the Community
Detective Superintendent, Metropolitan Police
Executive Director, Investor Forum
Chief Executive, Bloomsbury Publishing plc
President & Vice Chancellor, Cardiff University
Director, The Open University of Scotland
UK Government International Education Champion, Department for Education

US Members

Sara Cerrell (Chair from 1 March 2020)

Courtney Austrian (until 19 June 2020)

Kim Dubois (until 14 February 2020)
Dame Vivian Hunt

Alexsis de Raadt St James

Robin Saunders

Kathryn Crockart (from 1 September 2020)

Christina Tribble (from 1 September 2020)

Other occupation

Founder and Managing Director, Global Change Network
Minister Counsellor for Public Affairs, US Embassy
Cultural Affairs Officer, US Embassy
Senior Partner, UK & Ireland, McKinsey & Company
Founder and Managing Partner Merian Ventures
Managing Partner, Clearbrook Capital Partners LLP
Minister Counsellor for Public Affairs, US Embassy
Cultural Affairs Officer, US Embassy

Committees

Finance, Audit & Risk

Andrew Griffiths (Chair until 31 August 2020)
Drake Dubin (Chair from 1 September 2020)
Courtney Austrian (until 19 June 2020)
Ian Coates
Robin Saunders
Kathryn Crockart (from 1 September 2020)

COMMISSIONER'S REPORT

Alumni & Development

Susan Stewart (Chair)
Nigel Newton
Alexsis de Raadt St James
Olivia Horsfield (Alumni Council Chair) (until 20 Feb 2020)
Louisa Harding-Edgar (Alumni Council Chair)
(from 9 March 2020)

Remuneration & Nominations

Colin Riordan (Chair)
Kim Dubois (until 14 February 2020)
Victoria Garnett
Dame Vivian Hunt
Sir Steve Smith (from 5 June 2020)
Christina Tribble (from 1 September 2020)

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:

Dated: 11 February 2021



Sara Cerrell (Feb 12, 2021 16:55 GMT)

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 2020**

INDEPENDENT AUDITORS' REPORT

Opinion

We have audited the financial statements of United States–United Kingdom Educational Commission for the year ended 30 September 2020 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 2020, 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Commissioner's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Commissioner has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Commission's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

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

Date: 17 February 2021
Devonshire House
60 Goswell Road
London
EC1M 7AD

**UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	2020	2020	2020	2020	2019
	Unrestricted	Designated	Restricted	Total	Total
Notes	funds	funds	funds	Total	Total
	£	£	£	£	£
INCOME					
Grants					
United States Government	9	831,949	-	196,036	1,027,985
United Kingdom Government	10	684,418	-	50,000	734,418
Other Funding	11	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	12	-	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	14	3,491,766	-	220,723	3,712,489
Administration Costs	15	719,883	13,623	200,221	933,727
Fulbright Advisory Service	15	377,308	8,233	83,796	469,337
		<u>4,588,957</u>	<u>21,856</u>	<u>504,740</u>	<u>5,115,553</u>
NET INCOME before gains / (losses) on investments		<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)	-
(Losses) / Gains on investments	3	-	(8,631)	(8,801)	(17,432)
Transfers between funds		-	-	-	-
NET INCOME		<u>11,051</u>	<u>(13,854)</u>	<u>49,884</u>	<u>47,081</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		402,827	912,916	2,149,177	3,464,920
Funds carried forward	7	<u>413,878</u>	<u>899,062</u>	<u>2,199,061</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 2020

		2020	2019
			(as restated)
	Notes	£	£
FIXED ASSETS			
Tangible Assets	2	21,648	-
Investments	3	1,817,094	1,845,656
		<u>1,838,742</u>	<u>1,845,656</u>
CURRENT ASSETS			
Debtors	4	2,858,507	2,029,620
Cash at Bank and in Hand		1,353,632	1,745,596
		<u>4,212,139</u>	<u>3,775,216</u>
CREDITORS FALLING DUE WITHIN ONE YEAR			
Provision for unpaid programme costs	5	2,008,074	1,840,929
Other Creditors due within one year	5	153,050	127,127
		<u>2,161,124</u>	<u>1,968,056</u>
NET CURRENT ASSETS		<u>2,051,015</u>	<u>1,807,160</u>
CREDITORS FALLING DUE AFTER MORE THAN ONE YEAR	6	377,756	187,896
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>3,512,001</u></u>	<u><u>3,464,920</u></u>
FUNDS			
Unrestricted funds	7	413,878	402,827
Designated funds	7	899,062	912,916
Total unrestricted funds		<u>1,312,940</u>	<u>1,315,743</u>
Restricted funds	7	2,199,061	2,149,177
TOTAL FUNDS		<u><u>3,512,001</u></u>	<u><u>3,464,920</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 11 February 2021 and were signed on its behalf by:

Sara Cerrell
Sara Cerrell (Feb 12, 2021 16:55 GMT)

Chair of Commission

Maria Balinska
Maria Balinska (Feb 12, 2021 16:57 GMT)

Executive Director

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2020

	2020	2020	2019	2019
	£	£	£	£
Operating Activities				
Net Income		81,071		523,239
Less : Translation difference on dollar denominated restricted funds		(16,558)		-
Less : Investment Income		<u>(42,064)</u>		<u>(48,349)</u>
		22,449		474,890
Add back non-cash items:				
Depreciation	8,424		8,464	
Surplus on the sale of equipment	<u>-</u>		<u>-</u>	
		8,424		8,464
		<u>30,873</u>		<u>483,354</u>
Movements in current assets and liabilities:				
Debtors	(828,887)		(578,741)	
Creditors	<u>382,929</u>		<u>494,886</u>	
		<u>(445,958)</u>		<u>(83,855)</u>
Cash (outflow)/inflow from operating activities		(415,085)		399,499
Investing Activities:				
Purchase of investments	(495,631)		(754,835)	
Proceeds of sale of investments	516,548		769,701	
Purchases of office equipment	(30,072)		(8,464)	
Investment income received	42,064		48,349	
Decrease in cash held for investment purposes	<u>(9,788)</u>		<u>(5,561)</u>	
		23,121		49,190
Net cash (outflow)/inflow		<u>(391,964)</u>		<u>448,689</u>
Change in cash balances:				
Cash at bank and in hand		<u>(391,964)</u>		<u>448,689</u>

**UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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 2020

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 2020

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 \$1.2916 to sterling (2019: \$1.229). 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 2020

2 FIXED ASSETS	Equipment Fixtures & Fittings	Fixed Assets Total
	£	£
Cost:		
At 1st October 2019	226,695	226,695
Additions	30,072	30,072
Disposals	(8,753)	(8,753)
At 30th September 2020	<u>248,014</u>	<u>248,014</u>
Depreciation:		
At 1st October 2019	226,695	226,695
Charge for the Year	8,424	8,424
Disposals	(8,753)	(8,753)
At 30th September 2020	<u>226,366</u>	<u>226,366</u>
Net Book Value:		
At 30th September 2020	<u>21,648</u>	<u>21,648</u>
At 30th September 2019	<u>-</u>	<u>-</u>
	2020	2019
Depreciation charged to:		
Administration	4,212	4,232
Advisory Service	4,212	4,232
	<u>8,424</u>	<u>8,464</u>

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

3 INVESTMENTS

3a) Movements in listed investments	2020	2019
	£	£
Market value 1st October	1,812,714	1,782,085
Acquisitions at cost	495,631	754,835
Disposal proceeds	(516,548)	(769,701)
Net realised and unrealised gains and losses	(17,432)	45,495
Market value at 30th September	<u>1,774,365</u>	<u>1,812,714</u>
Value at cost 30th September	<u>1,582,455</u>	<u>1,617,543</u>

3b) Geographic breakdown	2020	2020	2020	2019
	£	£	£	£
	Listed investments	Cash	Total	Total
In the UK	985,065	42,729	1,027,794	1,210,968
Outside the UK	<u>789,300</u>	<u>-</u>	<u>789,300</u>	<u>634,688</u>
	<u>1,774,365</u>	<u>42,729</u>	<u>1,817,094</u>	<u>1,845,656</u>

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

	Portfolio %	Market value £
Vanguard FTSE UK All Share	12.7%	230,941
Vanguard Standard & Poors Exchange Traded Fund	10.9%	197,995
Schroder UK Real Estate Fund	10.2%	184,942
Trojan Ethical Income Fund	8.0%	145,845
Trojan Ethical Fund	6.3%	115,238
Rathbone Ethical Bond Fund	5.9%	106,922

4 DEBTORS

	2020	2019
	£	£
Trade Debtors	370,401	509,198
Grants due from US Government (See Note 9)	319,416	214,761
Grants due from UK Government (See Note 10)	573,751	583,333
Prepayments and accrued income	1,472,224	602,592
Other Debtors	<u>122,715</u>	<u>119,736</u>
	<u>2,858,507</u>	<u>2,029,620</u>
Amounts included above due after more than one year:	<u>373,111</u>	<u>128,900</u>

CREDITORS FALLING DUE WITHIN ONE YEAR

5	2020	2019
	£	£
Provision for unpaid programme costs		
5a) FY20 (Academic Year 2020/21)	1,829,110	-
FY19 (Academic Year 2019/20)	178,964	1,822,294
Prior Programme Years	<u>-</u>	<u>18,635</u>
	<u>2,008,074</u>	<u>1,840,929</u>
Other Creditors		
5b) Trade creditors	£ 27,388	£ 32,602
Accruals	95,589	56,715
Deferred income	-	19,720
Taxation and social security	24,335	18,090
Amount due to the Fulbright Foundation	<u>5,738</u>	<u>-</u>
	<u>153,050</u>	<u>127,127</u>

CREDITORS FALLING DUE AFTER MORE THAN ONE YEAR

6	2020	2019
	£	£
Unpaid Programme Costs - Future Years	<u>377,756</u>	<u>187,896</u>

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

7 MOVEMENT ON FUNDS

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>subtotal</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>

Movement in 2019	Bal b/f	Income	Expenditure	Gains/(losses)/ transfers	Bal c/f
	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)
	£	£	£	£	£
<i>General funds</i>					
Accumulated Fund	316,999	4,838,897	(4,753,069)	-	402,827
<i>Designated funds</i>					
Accommodation Fund	896,389	16,838	(22,836)	22,525	912,916
<i>Unrestricted funds subtotal</i>	<u>1,213,388</u>	<u>4,855,735</u>	<u>(4,775,905)</u>	<u>22,525</u>	<u>1,315,743</u>
<i>Restricted funds</i>					
Accommodation Fund	914,076	17,171	(23,288)	22,970	930,929
US Government	710,700	465,585	(177,317)	(230,132)	768,836
US Embassy	10,563	21,869	(10,062)	-	22,370
Scottish Government	3,526	-	(1,043)	-	2,483
Anniversary Appeal	27,861	28,500	(40,286)	-	16,075
Fulbright Opportunity Fund	-	53,768	-	245,445	299,213
Summer Institutes	11,588	38,355	(11,588)	-	38,355
Sir Cyril Taylor Award	-	105,476	(34,560)	-	70,916
Barzun Prizes	4,484	3,835	(8,319)	-	-
<i>sub total</i>	<u>1,682,798</u>	<u>734,559</u>	<u>(306,463)</u>	<u>38,283</u>	<u>2,149,177</u>
All funds	<u>2,896,186</u>	<u>5,590,294</u>	<u>(5,082,368)</u>	<u>60,808</u>	<u>3,464,920</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 2020

8 PRIOR YEAR INCOME AND EXPENDITURE ANALYSIS BY FUNDS

	2019 Unrestricted funds £	2019 Designated funds (as restated) £	2019 Restricted funds (as restated) £	2019 Total £
INCOME				
Grants				
United States Government	724,044	-	465,585	1,189,629
United Kingdom Government	950,000	-	50,000	1,000,000
Other Funding	2,998,504	-	213,348	3,211,852
	<u>4,672,548</u>	<u>-</u>	<u>728,933</u>	<u>5,401,481</u>
Other Income				
Bank Deposit Interest	10,572	-	3,768	14,340
Investment income	-	16,838	17,171	34,009
Miscellaneous Income	155,777	-	-	155,777
	<u>166,349</u>	<u>16,838</u>	<u>20,939</u>	<u>204,126</u>
TOTAL INCOME	<u>4,838,897</u>	<u>16,838</u>	<u>749,872</u>	<u>5,605,607</u>
EXPENDITURE				
Programme Costs	3,654,632	-	83,467	3,738,099
Administration Costs	732,362	14,094	148,005	894,461
Fulbright Advisory Service	366,075	8,742	74,991	449,808
TOTAL EXPENDITURE	<u>4,753,069</u>	<u>22,836</u>	<u>306,463</u>	<u>5,082,368</u>
NET INCOME / (EXPENDITURE)	<u>85,828</u>	<u>(5,998)</u>	<u>443,409</u>	<u>523,239</u>
Gains / (losses) on investments	-	22,525	22,970	45,495
Transfers between funds	-	-	-	-
NET MOVEMENT IN FUNDS	<u>85,828</u>	<u>16,527</u>	<u>466,379</u>	<u>568,734</u>
RECONCILIATION OF FUNDS				
Total funds brought forward	316,999	896,389	1,682,798	2,896,186
Funds carried forward	<u>402,827</u>	<u>912,916</u>	<u>2,149,177</u>	<u>3,464,920</u>

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

9 UNITED STATES GOVERNMENT GRANT	2020	2019
	£	£
Grant due as at 1st October	214,761	491,625
Grants for the Year	1,027,985	1,189,629
Receipts during the Year	(923,330)	(1,466,493)
Grant due as at 30th September	<u>319,416</u>	<u>214,761</u>
10 UNITED KINGDOM GOVERNMENT GRANT	2020	2019
	£	£
Grant due as at 1st October	583,333	350,000
Grant for the Year	734,418	1,000,000
Receipts during the Year	(744,000)	(766,667)
Grant due as at 30th September	<u>573,751</u>	<u>583,333</u>
11 OTHER FUNDING	2020	2019
	£	£
UK Fulbright Foundation (See Note 19)	66,145	94,371
British Friends of Harvard Business School	20,184	177,291
British Academy of Film and Television Arts	11,613	-
British Heart Foundation	-	55,738
British Schools and Universities Foundation	15,429	16,275
British Library Eccles Centre	33,000	16,500
Cancer Research	10,000	45,759
Elsevier BV	48,442	17,335
Fight for Sight	-	75,000
Urology Foundation	23,227	11,820
Institute for International Education (IIE)	-	3,931
Lloyds of London	146,215	90,699
Metropolitan Police	9,000	-
National Library of Scotland	16,500	16,500
Rita Allen Foundation	117,113	-
Private Donors/Foundations	53,555	16,660
Royal College of Surgeons in England	27,300	27,300
Royal Society of Edinburgh	11,312	11,820
Sir Cyril Taylor Charitable Foundation	72,663	105,476
Scottish Government (See Note 7)	59,093	70,000
Welsh Government	76,625	-
Sutton Trust	221,228	205,703
UK Universities - Monetary Contributions (See Note 13(a))	1,174,350	1,165,490
UK Universities - In-Kind Contributions (See Note 13(a))	899,430	803,235
US Universities - Monetary Contributions (See Note 13(b))	59,978	49,641
US Universities - In-Kind Contributions (See Note 13(b))	117,622	113,439
US Embassy (See Note 7)	31,593	21,869
Total other funding	<u>3,321,617</u>	<u>3,211,852</u>
12 INVESTMENT INCOME	2020	2019
	£	£
Income from listed investments	33,430	33,435
Interest on cash deposits	165	574
	<u>33,595</u>	<u>34,009</u>

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

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

	Monetary Contributions	In-Kind Contributions	2020 £
Aberdeen University	27,500	-	27,500
Aberystwyth University	13,450	14,700	28,150
Bangor University	13,450	33,300	46,750
University of Birmingham	28,450	19,170	47,620
University of Bristol	13,450	19,500	32,950
Cardiff University	23,450	19,450	42,900
Coventry University	13,450	16,600	30,050
Durham University	24,700	19,250	43,950
University of East Anglia	13,450	19,100	32,550
University of Edinburgh	27,500	-	27,500
Edinburgh Napier University	12,500	-	12,500
University of Exeter	35,950	18,500	54,450
University of Glasgow	13,450	18,920	32,370
University of Kent	13,450	16,200	29,650
King's College London	103,600	20,820	124,420
LAMDA	15,200	23,900	39,100
Lancaster University	20,950	20,230	41,180
University of Leeds	40,950	19,500	60,450
University of Leicester	13,450	19,760	33,210
University of Liverpool	20,950	23,650	44,600
Loughborough University	45,000	-	45,000
Imperial College London	15,200	30,000	45,200
Institute of Education London	15,200	-	15,200
London School of Economics & Political Science	15,200	29,760	44,960
University College London	30,400	79,800	110,200
University of Manchester	13,450	20,000	33,450
University of Newcastle	13,450	22,800	36,250
Northumbria University	13,450	15,500	28,950
University of Nottingham	28,450	26,995	55,445
Queen's University Belfast	112,050	33,850	145,900
Queen Mary, University of London	15,200	23,950	39,150
University of Roehampton	32,700	14,978	47,678
Royal Central School of Speech & Drama	15,200	18,221	33,421
Royal Holloway, University of London	15,200	16,800	32,000
Royal Veterinary College	15,200	21,630	36,830
University of Sheffield	23,450	23,750	47,200
SOAS, University of London	17,200	20,930	38,130
Southampton University	13,450	23,136	36,586
University of St Andrews	41,350	18,250	59,600
University of Stirling	13,450	16,950	30,400
University of Strathclyde	82,200	29,450	111,650
University of Surrey	16,500	-	16,500
University of Sussex	13,450	18,500	31,950
Trinity Laban	15,200	12,110	27,310
University of Warwick	-	21,280	21,280
University of York	53,450	18,240	71,690
	<u>1,174,350</u>	<u>899,430</u>	<u>2,073,780</u>

FUNDING FROM US UNIVERSITIES (See Note 11)

	Monetary Contributions	In-Kind Contributions	2020 £
13 (b)			
Elon University	15,484	-	15,484
Hubert Humphrey	-	45,228	45,228
Brown University	29,961	45,876	75,837
The New School	14,533	26,518	41,051
	<u>59,978</u>	<u>117,622</u>	<u>177,600</u>

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

14 PROGRAMME COSTS

14a AWARDS	Unpaid Costs b/f 2019 £	Transfers £	Payments during Year £	Charges to I & E Account £	Exchange Differences £	Unpaid Costs c/f 2020 £
FULBRIGHT SCHOLARSHIPS						
For Future Academic Years	187,896	(142,060)	-	332,483	(563)	377,756
FY20 (Academic Year 2020/21)						
UK Students	-	35,524	361,579	853,903	(33,306)	494,542
UK Scholars	-	-	-	258,926	(13,583)	245,343
US Students	-	85,950	998,630	1,537,655	-	624,975
US Scholars	-	-	-	464,250	-	464,250
Other Awards	-	-	23,088	23,088	-	-
Total FY20 (Academic Year 2020/201)	-	121,474	1,383,297	3,137,822	(46,889)	1,829,110
FY19 (Academic Year 2019/20)	1,822,294	20,586	1,635,697	(5,007)	(23,212)	178,964
Prior Years	18,635	-	18,635	-	-	-
Total AWARDS	<u>2,028,825</u>	<u>-</u>	<u>3,037,629</u>	<u>3,465,298</u>	<u>(70,664)</u>	<u>2,385,830</u>
				2020		2019
				£		£
TOTAL AWARDS				<u>3,465,298</u>		<u>3,554,162</u>
14b OTHER PROGRAMME COSTS						
OTHER EXCHANGE PROGRAMMES						
Summer Institutes				-		80,147
Other				31,417		-
Sub-totals				31,417		80,147
PROGRAMME-SUPPORT COSTS						
Orientations & Grantee Events				44,535		95,704
Interviews, Visas & Other Costs				1,999		4,789
Outreach Activities				16,726		23,067
Lectures				-		-
Alumni activities				2,207		2,947
Promotion of Fulbright Programme				3,910		604
Other Support Payments				103,537		-
Sub-totals				172,914		127,111
Exchange Rate (Gain)/Loss				42,860		(23,321)
TOTAL OTHER PROGRAMME COSTS				<u>247,191</u>		<u>183,937</u>
TOTAL PROGRAMME COSTS				<u>3,712,489</u>		<u>3,738,099</u>

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

15 ADMINISTRATION & ADVISORY SERVICE COSTS

	Admin 2020	Advising * 2020	Total 2020	Admin 2019	Advising * 2019	Total 2019
	£	£	£	£	£	£
Staff Costs (See Note 16)	694,097	359,293	1,053,390	659,807	322,749	982,556
Premises Costs	38,753	38,753	77,506	38,699	38,699	77,398
Operating Costs	140,095	47,738	187,833	129,523	43,014	172,537
Legal & Professional	40,570	-	40,570	46,242	-	46,242
Audit Costs - Current Year	16,000	-	16,000	15,958	-	15,958
Depreciation: Furniture & Equipment	4,212	4,212	8,424	4,232	4,232	8,464
College Day Costs	-	18,789	18,789	-	39,839	39,839
Other income generating events	-	552	552	-	1,275	1,275
	<u>933,727</u>	<u>469,337</u>	<u>1,403,064</u>	<u>894,461</u>	<u>449,808</u>	<u>1,344,269</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 2020	Advising 2020	Total 2020	Admin 2019	Advising 2019	Total 2019
	£	£	£	£	£	£
Salaries	556,363	302,981	859,344	529,391	268,359	797,750
Employers National Insurance	61,822	29,052	90,874	55,361	23,787	79,148
Pension Contributions	61,019	26,456	87,475	49,318	20,236	69,554
Other Staff Costs	14,893	804	15,697	25,737	10,367	36,104
Total staff costs	<u>694,097</u>	<u>359,293</u>	<u>1,053,390</u>	<u>659,807</u>	<u>322,749</u>	<u>982,556</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
Ana Guerra Pereira (until 31 August 2020)	Acting Director, Fulbright Awards Programme
Christopher Horry	Chief Operating Officer
Amy Moore (from 1 September 2020)	Director, Fulbright Awards Programme

The total employee benefits of the Executive Committee amounted to £369,616 (2019 : £386,604).
The highest paid employee was the Executive Director.

Commission members did not receive any remuneration (2019: £nil). Travel expenses of £1,355 were reimbursed (2019: £2,385).

17 STAFF NUMBERS

	2020	2019
Staff at start of year	22	20
Staff at end of year	24	22
Average staff during the year	30	26
Average permanent staff during the year	24.6	20.7
Average permanent FTEs during the year	24.2	19.7

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	
	2020	2019	2020	2019
	£	£	£	£
Within one year	51,621	51,621	6,874	6,874
Within two to five years	154,863	206,484	4,582	11,456

UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

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:

	2020	2019
<i>Owed by:</i>		
Fulbright Foundation	-	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
<i>Owed to:</i>		
Fulbright Foundation	5,738	-
	<u> </u>	<u> </u>
	<u>5,738</u>	<u> </u>

less net payments of £66,145 (2019: £90,508) and expenses recharged of £5,738 (2019: £5,646).

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 have 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. This change in accounting policy has been reflected as a prior year adjustment. There was no impact on the prior year surplus or reserves as a result of this change.

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 current public health emergency means that conditions on university campuses are not always conducive to executing our programmes and, as a result, some activities will be deferred or even cancelled.

These financial statements reflect the status of the Commission's programmes as at 30 September 2020. 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.









Commission Financial Statements 1920

Final Audit Report

2021-02-12

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