

Company registration number: 136044

**Experiment In International Living Company Ltd by Guarantee
(A Company Limited by Guarantee and not having Share Capital)**

Financial statements

for the financial year ended 31 December 2018

**Experiment In International Living Company Ltd by Guarantee
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**Experiment In International Living Company Ltd by Guarantee
Company limited by guarantee**

Directors and other information

Directors	Katy Dobey Gary Cooke Paul Conway Evelyn Flynn Paul Quinn (Resigned 02/07/18) Rachel Power Niamh Hill Ryan O Giobuin (Resigned 22/02/18) Damien Thomson (Resigned 22/02/18) Aidan Healy Catherine Ryan Katie Mahon (appointed 22/02/18)
Secretary	Gary Cooke
Company number	136044
Registered charity number	20107390
Registered office	Experiment In international Living Limited 1 Empress Place Summerhill North Cork
Business address	1 Empress Place Summerhill North Cork
Auditor	M White & Co Courthouse Chambers 27/29 Washington Street Cork
Bankers	Allied Irish Bank Limited 36/37 Tullow Street Carlow

**Experiment In International Living Company Ltd by Guarantee
Company limited by guarantee**

Directors and other information (continued)

Solicitors

O Cathain & Co
South Terrace
Cork

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Directors report

The directors present their annual report and the audited financial statements of the company for the financial year ended 31 December 2018.

Directors

The names of the persons who at any time during the financial year were directors of the company are as follows:

Katy Dobey
Gary Cooke
Paul Conway
Evelyn Flynn
Paul Quinn
Rachel Power
Niamh Hill
Ryan O Giobuin
Damien Thomson
Aidan Healy
Catherine Ryan
Katie Mahon

Gary Cooke also acted as secretary for the year.

Board member meeting attendance 2018:

Katy Doby attended 6 out of 8 meetings
Gary Cooke attended 6 out of 8 meetings
Paul Conway attended 7 out of 8 meetings
Evelyn Flynn attended 4 out of 5 meetings
Rachel Power attended 3 out of 8 meetings
Niamh Hill attended 8 out of 8 meetings
Ryan O Giobuin attended 4 out of 5 meetings
Aidan Healy attended 6 out of 8 meetings
Catherine Ryan attended 3 out of 8 meetings
Paul Quinn attended 1 out of 3 meetings
Katie Mahon attended 8 out of 8 meetings

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Directors report (continued)

Principal activities

The organisation is a charitable company limited by guarantee. The company does not have a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding one Euro (€1).

The charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association and managed by a Board of Directors.

The charity has been granted charitable tax status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No CHY 22114 and is registered with the Charities Regulatory Authority.

The charity's objects and principal activities are the promotion of intercultural learning experiences that enrich lives and inspire global citizenship in the following areas:

Study Abroad

Living and studying in another country, for periods up to 9 months.

Explore Awards and Scholarships

Funds overseas intercultural learning opportunities and ongoing "action projects" for people from diverse backgrounds.

The Global Citizen Award

A development education initiative supported by Irish Aid which engages returned participants from a range of organisations in Ireland in awareness raising activities about global issues.

Life Long Learning Cultural Groups

Non formal, life long, issue based, experiential learning itineraries and conferences.

In May 2017 EIL joined the European Federation for Intercultural Learning (EFIL). EFIL is the European Association of AFS Intercultural Programs. AFS is an international, voluntary, non-governmental, non-profit organization that provides intercultural learning opportunities to help people develop the knowledge, skills and understanding needed to create a more just and peaceful world.

Through membership of EFIL new partnerships have been established between EIL and AFS European based organisations in Austria, Belgium, Czech Republic, Croatia Finland, Hungary, Italy, Slovakia Slovenia and Switzerland. In Autumn discussions with AFS International commenced in relation to the possibility of EIL becoming a member of AFS International.

In February 2018 EIL became an International Associate Member of AFS International. EIL is now recognized as AFS Ireland within the AFS Network. As an International Associate EIL is entitled to participate in all AFS programmes and to attend all AFS events as an equal participant, however EIL does not have a vote in the AFS General Assembly until, and if, it graduates to becoming a full member of AFS International.

Organisational structure

There is a clear division of labour between the Board and the organisation's management, with the Board responsible for major decisions under a formal schedule of matters reserved to the Board for decision.

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Directors report (continued)

Board of directors and governance

The company is governed by a Board of Directors. The responsibility of the Board includes setting the organisation's strategic aims, providing leadership to put these aims into effect, supervising management and reporting to stakeholders.

The Memorandum and Articles of Association, most recently amended in January 2018, represent the founding governance document of the organisation .

The Board meets 8 times each year and it delegates the day-to-day operation of the organisation to the management and staff. The Board retains responsibility for all major decisions that impact on the charity's affairs. Examples of major items which would require board approval include new programmes, new or amended policies, change in marketing strategy, investment of funds, use of unrestricted funds and level of reserves to be maintained. Minutes of all meetings are recorded. The organisation is led by the Chairperson of the Board and controlled by the full board of directors that discharges its responsibility to ensure that the organisation is performing well, ensuring the unrestricted reserves are at the approved level, and meeting its accounting and legal obligations.

None of the Directors have been paid any remuneration or received any other benefits from an employment with The Experiment in International Living or a related entity.

Directors may incur costs in fulfilling their duties, for example in travelling to meetings or activities to understand or monitor what is taking place. The reimbursement of properly incurred expenses is not considered a payment for goods or services or the remuneration of a trustee, nor does it count as any kind of personal benefit.

The Board reviews its own performance informally. The Board regularly reviews the necessary blend of skills and experience on the board on a yearly basis. Board members do not receive any remuneration in respect of their services to the charity. Expenses are reimbursed where claimed. There have been no contracts or arrangements entered into during the financial year in which a board member was materially interested or which were significant in relation to the charity's activities. The organisation has implemented both a Conflict of Interest Policy and a Conflict of Loyalty Policy which are signed by Board members. The Board is committed to maintaining high standards of corporate governance and the organisation is fully compliant with the following standards, guidelines and recommended memberships.

Standing committees of the board

There are two permanent Board Sub-Committees. These are:

- * Risk and Audit Committee
- * Governance Committee

Memberships and adherence to sector-wide standards of best practice

The organisation is in membership of:

- * The National Youth Council of Ireland
- * The Wheel
- * The Irish Development Education Association (IDEA)
- * Federation EIL
- * AFS International
- * European Federation of Intercultural Learning
- * The Small Firms Association

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Directors report (continued)

- * World Youth & Student Travel Confederation (resigned at end of 2018)

The organization adheres to the following Codes of Practice:

- * The Comhlamh Code of Good Practice for Volunteer Sending Agencies
- * The National Quality Standards Framework (NQS) of The Department of Children & Youth Affairs
- * Dochas Code of Images & Messages

Policies and Codes of Conduct in place

- * Child Safeguarding Policy
- * Risk Assessment and Crisis Management Policy
- * EIL Anti-Fraud Policy
- * EIL Reserves Policy
- * Code of Conduct for Board Members
- * Volunteer Policy
- * Conflicts of Interest and Loyalty

Events after the end of the reporting period

There are no significant events subsequent to the year end that require disclosure in or adjustment to the amounts included in these financial statements.

Research and development

No research and development took place during the year.

Accounting records

The measures taken by the directors to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The accounting records of the company are located at the company's registered office.

Relevant audit information

In accordance with Section 330 of the Companies Act 2014, so far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all the steps he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of the information.

Auditors


In accordance with Section 383 (2) of the Companies Act 2014, the auditors, M.White & Co., Statutory Audit Firm, Courthouse Chambers, Washington Street, Cork will continue in office.

This report was approved by the board of directors on 2 May 2019 and signed on behalf of the board by:

Katy Dobey
Director



Gary Cooke
Director



**Experiment In International Living Company Ltd by Guarantee
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Directors responsibilities statement

The directors are responsible for preparing the directors report and the financial statements in accordance with applicable Irish law and regulations.

Irish Company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with Companies Act 2014 and accounting standards issued by the Financial Reporting, including FRS 102 The Financial Reporting Standard applicable in the UK and Ireland (Generally Accepted Accounting Practice in Ireland). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as to the financial year end and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

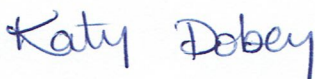
In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and surplus or deficit of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions .

Katy Dobey
Director



Gary Cooke
Director



**Independent auditor's report to the members of
Experiment In International Living Company Ltd by Guarantee**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Experiment In International Living Company Ltd by Guarantee (the 'company') for the financial year ended 31 December 2018 which comprise the income and expenditure account, statement of income and retained earnings, balance sheet and notes to the financial statements, including a summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2018 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the provisions available for small entities, in the circumstances set out in note 15 to the financial statements, 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 ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

**Independent auditor's report to the members of
Experiment In International Living Company Ltd by Guarantee (continued)**

Opinions on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited, and financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

**Independent auditor's report to the members of
Experiment In International Living Company Ltd by Guarantee (continued)**

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment 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 purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 company'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 company 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.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Independent auditor's report to the members of
Experiment In International Living Company Ltd by Guarantee (continued)



Michael White

For and on behalf of
M White & Co
Certified Public Accountants & Statutory Audit Firm
Courthouse Chambers
27/29 Washington Street
Cork

2 May 2019

M. WHITE & CO.
Auditors & Accountants
COURTHOUSE CHAMBERS,
27-29 WASHINGTON ST., CORK

**Experiment In International Living Company Ltd by Guarantee
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**Income and expenditure account
Financial year ended 31 December 2018**

	Note	2018 €	2017 €
Income	6	5,437,610	4,707,739
Expenditure		(5,268,076)	(4,685,170)
Surplus on ordinary activities before interest		169,534	22,569
Other interest receivable and similar income		-	100
Surplus on ordinary activities before taxation	9	169,534	22,669
Tax on surplus	10	(26,098)	(5,605)
Surplus on ordinary activities after taxation		143,436	17,064

The company has no other recognised items of income and expenses other than the results for the financial year as set out above.

The notes on pages 15 to 23 form part of these financial statements.

**Experiment In International Living Company Ltd by Guarantee
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**Statement of income and retained earnings
Financial year ended 31 December 2018**

	2018	2017
	€	€
Surplus for the financial year	143,436	17,064
Retained earnings at the start of the financial year	<u>454,360</u>	<u>437,296</u>
Retained earnings at the end of the financial year	<u><u>597,796</u></u>	<u><u>454,360</u></u>

Experiment In International Living Company Ltd by Guarantee
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Balance sheet
As at 31 December 2018

	Note	2018 €	€	2017 €	€
Fixed assets					
Tangible assets	12	452,193		451,585	
			452,193		451,585
Current assets					
Debtors	13	16,380		20,934	
Cash at bank and in hand		1,485,998		1,032,522	
		1,502,378		1,053,456	
Creditors: amounts falling due within one year	14	(1,356,775)		(1,050,681)	
Net current assets			145,603		2,775
Total assets less current liabilities			597,796		454,360
Net assets			597,796		454,360
Capital and reserves					
Capital reserves			434,536		434,536
Income and expenditure account			163,260		19,824
Members funds			597,796		454,360

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors on 2 May 2019 and signed on behalf of the board by:

Katy Dobey
Director



Gary Cooke
Director



The notes on pages 15 to 23 form part of these financial statements.

**Experiment In International Living Company Ltd by Guarantee
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**Notes to the financial statements
Financial year ended 31 December 2018**

1. General information

The company is a private company limited by guarantee, registered in Ireland. The address of the registered office is Experiment In international Living Limited, 1 Empress Place, Summerhill North, Cork. The company CRO number is 136044. The Charity No (CHY) is 22114.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies and measurement bases

Basis of preparation

The Financial Statements are prepared on the going concern basis, under the historical cost convention, and comply with the financial reporting standards of the Financial Reporting Council and promulgated by Chartered Accountants Ireland including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") as adapted by Section 1A of FRS 102, and the Companies Act 2014.

The financial statements are prepared in Euro, which is the functional currency of the entity.

Income and expenditure account policy

Income resources

Income consists of money earned from the rendering of services. These are included in the financial statements when received at headquarters. Incoming resources have been included in the financial statements only when realised or when the ultimate cash realisation of which can be assessed with reasonable certainty.

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Grants

Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

**Experiment In International Living Company Ltd by Guarantee
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**Notes to the financial statements (continued)
Financial year ended 31 December 2018**

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

No charge to current or deferred taxation will arise from next year on as during the current period the charity has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No CHY 20107390. The charity is eligible under the "Scheme of Tax Relief for Donations to Eligible Charities and Approved Bodies under Section 848A Taxes Consolidation Act, 1997" therefore income tax refunds arising from sponsorships exceeding €250 per annum are included in unrestricted funds. Irrecoverable value added tax is expended as incurred.

Tangible assets

Property, plant and equipment are recorded at historical cost or deemed cost, less accumulated depreciation and impairment losses. cost includes prime cost, overheads and interest incurred in financing the construction of tangible fixed assets. capitalisation of interest ceases when the asset is brought into use.

Freehold premises are stated at cost (or deemed cost for freehold premises held at valuation at the date of transition to frs 102) less accumulated depreciation and accumulated impairment losses

Equipment and fixtures and fittings are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 2% straight line
Fittings fixtures and equipment	- 12.5% reducing balance
Motor vehicles	- 20% reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

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**Notes to the financial statements (continued)
Financial year ended 31 December 2018**

Trade and other debtors

Trade debtors are recognised initially at transaction price (including transaction costs) unless a financing arrangement exists in which case they are measured at the present value of future receipts discounted at a market rate. Subsequently these are measured at amortised cost less any provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. All movements in the level of provision required are recognised in the profit and loss.

Trade and other creditors

Trade and other creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Cash & cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

**Experiment In International Living Company Ltd by Guarantee
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**Notes to the financial statements (continued)
Financial year ended 31 December 2018**

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

**Experiment In International Living Company Ltd by Guarantee
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**Notes to the financial statements (continued)
Financial year ended 31 December 2018**

Hedge accounting

The following funds are operated by the Charity:

Restricted Funds

Restricted Funds represent grants, donations and sponsorships received which can only be used for particular purposes specified by the donors or sponsorship programmes binding on the directors/trustees. Such purposes are within the overall aims of the charity.

Unrestricted Funds

Unrestricted Funds represent amounts which are expendable at the discretion of the Directors/Trustees in furtherance of the objectives of the charity and which have not been designated for other purposes. Such funds may be held in order to finance working capital or capital expenditure.

Designated Funds

Designated funds are unrestricted funds earmarked by the Directors/Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. The designations have an administrative purpose only and do not legally restrict the Board's discretion in applying the funds.

Endowment Funds

Endowment Funds represent those assets which must be held permanently by the charity, principally investments. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income.

Defined contribution plans

The Company operates a defined contribution plan. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate fund. Under defined contribution plans, the company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the company pays contributions to privately administered pension plans on a contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**Experiment In International Living Company Ltd by Guarantee
(A Company Limited by Guarantee and not having Share Capital)**

**Notes to the financial statements (continued)
Financial year ended 31 December 2018**

6. Income

Income represents net sales to customers. Turnover derives from activities undertaken in the Republic of Ireland for customers from abroad. The analysis of turnover is as follows:

	Year ending	Year ending
	2018	2017
	€	€
Rendering of Programmes	5,343,491	4,616,000
Rental income	11,007	14,260
Government Grants Received	83,112	77,479
	<u>5,437,610</u>	<u>4,707,739</u>

Government Grants Received During The Year

	Year 2018	Year 2017
	€	€
Youth Service Grant Scheme/Department Of Children And Youth Affairs	29,563	29,563
Development Education Grant/Irish Aid	53,549	47,916
	<u>83,112</u>	<u>77,479</u>

7. Staff costs

The average number of persons employed by the company during the financial year was 18 (2017: 19).

The aggregate payroll costs incurred during the financial year were:

	2018	2017
	€	€
Wages and salaries	587,653	648,094
Social insurance costs	63,607	65,414
Other retirement benefit costs	24,375	22,495
	<u>675,635</u>	<u>736,003</u>

All staff with the exception of CEO Kevin Hickey (€84,643) received remuneration of less than €60,000 during the year. The employer in addition to the salary has made pension contributions of €11,519 in relation to the CEO in 2018.

**Experiment In International Living Company Ltd by Guarantee
(A Company Limited by Guarantee and not having Share Capital)**

**Notes to the financial statements (continued)
Financial year ended 31 December 2018**

8. Directors remuneration

None of the Directors have been paid any remuneration or received any other benefits from an employment with The Experiment in International Living or a related entity.

Directors may incur costs in fulfilling their duties, for example in travelling to meetings or activities to understand or monitor what is taking place. The reimbursement of properly incurred expenses is not considered a payment for goods or services or the remuneration of a trustee, nor does it count as any kind of personal benefit.

9. Surplus before tax

Surplus is stated after charging/(crediting):

	2018	2017
	€	€
Depreciation of tangible assets	<u>16,209</u>	<u>15,656</u>

10. Tax on surplus

Major components of tax expense

	2018	2017
	€	€
Current tax:		
Irish current tax expense	26,973	5,605
Adjustments in respect of previous periods	(875)	-
Tax on surplus	<u>26,098</u>	<u>5,605</u>

Reconciliation of tax expense

The tax assessed on the surplus for the financial year is higher than the standard rate of corporation tax in Ireland of 12.5%.

	2018	2017
	€	€
Surplus before taxation	<u>169,534</u>	<u>22,669</u>
Surplus multiplied by rate of tax	(21,192)	(2,834)
Adjustments in respect of prior periods	(875)	-
Effect of items not deductible for tax purposes	(966)	1,415
Effect of different Irish tax rates on some earnings	(3,065)	(3,940)
Interest charge	-	(246)
Tax on surplus	<u>(26,098)</u>	<u>(5,605)</u>

**Experiment In International Living Company Ltd by Guarantee
(A Company Limited by Guarantee and not having Share Capital)**

**Notes to the financial statements (continued)
Financial year ended 31 December 2018**

11. Appropriations of income and expenditure account

	2018	2017
	€	€
At the start of the financial year	454,360	437,296
Surplus for the financial year	143,436	17,064
At the end of the financial year	<u>597,796</u>	<u>454,360</u>

All reserves relate to unrestricted funds.

12. Tangible assets

	Freehold property	Fixtures, fittings and equipment	Motor vehicles	Total
	€	€	€	€
Cost				
At 1 January 2018	506,665	88,181	29,300	624,146
Additions	-	-	30,600	30,600
Disposals	-	-	(29,300)	(29,300)
At 31 December 2018	<u>506,665</u>	<u>88,181</u>	<u>30,600</u>	<u>625,446</u>
Depreciation				
At 1 January 2018	82,262	76,314	13,985	172,561
Charge for the financial year	10,133	1,484	4,592	16,209
Disposals	-	-	(15,517)	(15,517)
At 31 December 2018	<u>92,395</u>	<u>77,798</u>	<u>3,060</u>	<u>173,253</u>
Carrying amount				
At 31 December 2018	<u>414,270</u>	<u>10,383</u>	<u>27,540</u>	<u>452,193</u>
At 31 December 2017	<u>424,403</u>	<u>11,867</u>	<u>15,315</u>	<u>451,585</u>

13. Debtors

	2018	2017
	€	€
Trade debtors	7,484	9,896
Prepayments	8,896	11,038
	<u>16,380</u>	<u>20,934</u>

**Experiment In International Living Company Ltd by Guarantee
(A Company Limited by Guarantee and not having Share Capital)**

**Notes to the financial statements (continued)
Financial year ended 31 December 2018**

14. Creditors: amounts falling due within one year

	2018	2017
	€	€
Amounts owed to credit institutions	-	869
Trade creditors	440,831	354,149
Deposits	89,309	78,101
Other creditors including tax and social insurance	40,500	21,774
Accruals	256,689	214,117
Deferred income	529,446	381,671
	<u>1,356,775</u>	<u>1,050,681</u>

15. Ethical standards

In common with many other businesses of our size and nature, we use our auditors to prepare and submit corporation tax returns to the revenue and assist with the preparation of the financial statements.

16. Events after the end of the reporting period

There have been no significant events affecting the charity since the year-end.

17. Approval of financial statements

The board of directors approved these financial statements for issue on 2 May 2019.

**Experiment In International Living Company Ltd by Guarantee
(A Company Limited by Guarantee and not having Share Capital)**

The following pages do not form part of the statutory accounts.

Experiment In International Living Company Ltd by Guarantee
(A Company Limited by Guarantee and not having Share Capital)

Detailed profit and loss account
Financial year ended 31 December 2018

	2018	2017
	€	€
Income		
Rent receivable	11,007	14,260
Programme Income	5,343,491	4,616,000
Grants Received	83,112	77,479
	<u>5,437,610</u>	<u>4,707,739</u>
 Administrative expenses		
Wages and salaries	(587,653)	(648,094)
Employer's PRSI contributions	(63,607)	(65,414)
Pensions Costs	(24,375)	(22,495)
Staff training	(4,971)	(3,131)
Rates	(6,656)	(6,780)
Insurance	(16,241)	(15,029)
Programme Costs	(4,314,024)	(3,724,571)
Light and heat	(6,901)	(6,229)
Repairs , maintenance and cleaning	(11,814)	(10,884)
Postage	(3,837)	(4,730)
Printing and Stationery	(16,575)	(18,779)
Advertising	(6,690)	(15,307)
Telephone	(7,505)	(9,836)
I T Renewal	(60,457)	(19,050)
Staff Travel, Subsistence and Development	(34,568)	(26,339)
Board Travel, Subsistence and Development	(8,480)	(11,394)
Volunteer Travel, Subsistence and Development	(7,601)	(8,099)
Membership	(23,638)	(18,450)
AFS Network Strategic Investment Fund	(25,593)	-
Legal and professional	-	(11,002)
Research and Consultancy	(11,236)	(14,587)
Auditors remuneration	(4,858)	(4,800)
Bank charges and Interest	(4,304)	(4,514)
Depreciation of tangible assets	(16,209)	(15,656)
Gain/loss on disposal of tangible assets	(283)	-
	<u>(5,268,076)</u>	<u>(4,685,170)</u>
 Operating surplus	 169,534	 22,569
 Operating profit percentage	 3.1%	 0.5%
 Other interest receivable and similar income	 -	 100
 Surplus before taxation	 <u>169,534</u>	 <u>22,669</u>