

Company Registration Number: 07649335 (England & Wales)

EUROPA SCHOOL UK
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|--|---|
| Members | J Holderness-Laar (Chair of Members) K Loudon A Brent T Stock (Chair of Governors) L Horton (appointed 9 February 2022) J Spiro (appointed 9 February 2022) |
| Governors | L Wood, Principal and Accounting Officer ¹ A Brent, Chair of Governors (to 7 October 2021) ¹ J Holderness-Laar ² S Purves, Deputy Chair of Governors ^{1,2} L Kan S Philippot-Gasc, (reappointed 05 July 2022) T Stock, Chair of Governors (from 8 October 2021) ^{1,2} S Wright ^{1,2} B Durkin E Bressan (resigned 21 March 2022) K Loudon A Sidbury ^{1,2} S Cohen (appointed 20 July 2022) |
| | ¹ Member of the Finance and General Purposes Committee ² Member of the Audit and Risk Committee |
| Company registered number | 07649335 |
| Company name | Europa School UK |
| Principal and registered office | Thame Lane Culham Abingdon Oxfordshire OX14 3DZ |
| Internal Auditor | CKCA Ltd No 4 Castle Court 2 Castlegate Way Dudley DY1 4RH |
| Senior leadership team | L Wood, Principal P Marechau, Head of Primary S Kynoch, Deputy Head of Primary, SENCO & Safeguarding Lead T Simpson, Deputy Head of Secondary R Butcher, Deputy Head of Secondary M-C Greenwood, Director of Finance and Operations A Cole-Morgan, HR and School Development Manager |

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
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Independent auditor Cooper Parry Group Ltd
Chartered Accountants
Statutory Auditor
Cubo Birmingham
Office 401, 4th Floor
Two Chamberlain Square
Birmingham
B3 3AX

Bankers

Barclays Bank PLC
2 The Square
Abingdon
Oxfordshire
OX14 5AS

Lloyds Bank Plc
8 Ock Street
Abingdon
Oxfordshire
OX14 5AP

Virgin Money Plc
129-129A High Street
Oxford
Oxfordshire
OX1 4DF

Solicitors

Freeths LLP
Routeco Office Park
Davy Avenue
Knowhill
Milton Keynes
MK5 8HJ

Veale Wasbrough Vizards LLP
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the period from 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Governors' report and a Directors' report, including a strategic report, under Company Law.

The principal activity of the Company is operating a school serving an area centred on Abingdon and Oxford. The School offers a broad and balanced curriculum and specialises in Modern European Languages and Sciences, leading to the European Baccalaureate qualification. Europa School UK opened in September 2012 and has been an all-through (4 to 19 years old) school since September 2017, with 630 and 410 pupils currently enrolled in Primary and Secondary respectively based on the Autumn 2022 Census.

Structure, governance and management

a. Constitution

Europa School UK (the company) is a company incorporated on 26 May 2011 in England and Wales, limited by guarantee with registered company number 07649335. The company is also an exempt charity. The primary governing documents for the company are its Memorandum and Articles of Association and the Funding Agreement signed with the Secretary of State for Education on 28 June 2012.

The Governors act as the Trustees for the charitable activities of the School and are also the Directors of the charitable company for the purpose of Company Law. The charitable company operates as Europa School UK.

Details of the Governors who served throughout the period and to the date of approval of this report and financial statements are included in the Reference and Administrative Details on page 1.

Europa School UK is a Free School and, as such, is subject to UK Law and Regulations governing Academies including, but not limited to, the Academies Act (2010) and amending legislation.

b. Members' liability

Each Member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a Member, or within one year after they cease to be a Member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they ceased to be a Member.

The details on Members' liability can be found in the company's Memorandum and Articles of Association.

c. Governors' indemnities

The Trust has opted into the Department of Education's Risk Protection Arrangement ('RPA'), an alternative to insurance where UK government funds cover losses that arise. The scheme protects Members and Governors from claims arising from negligent acts, errors or omissions whilst on Trust business. The scheme provides cover up to £10,000,000.

d. Method of recruitment and appointment or election of Governors

Under the School's constitution, the Governing Body is comprised as follows:

- The Principal, who is treated for all purposes as being an ex-officio Governor
- Up to seven Governors, who are appointed by the Members of the Academy Trust
- Two Staff Governors, who are elected by staff at the Academy Trust
- Two Parent Governors, who are elected by parents of registered pupils at the Academy Trust
- Up to Three co opted Governors, who are appointed by Governors who have not themselves been so appointed.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

In addition, the Secretary of State for Education may appoint further Governors in certain circumstances. The Staff and Parent Governors are elected by secret ballot.

Governors are appointed for a four-year period, except that this time limit does not apply to the Principal. Subject to remaining eligible to be a particular type of Governor, any Governor can be re-appointed or re-elected.

When appointing new Governors by co optation, the Governing Body will consider the skills and experience mix of existing Governors, in order to ensure that the Governing Body has the necessary skills to contribute fully to the Academy Trust's ongoing development.

e. Policies adopted for the induction and training of Governors

The School has subscribed to the Oxfordshire Governors' Services run by Oxfordshire County Council which offers an extensive training program for Governors and Clerks locally and online. Governors have attended one or more courses from induction to specialist modules, as well as external educational conferences. In-house training has also been organised for Safeguarding Children, First Aid and OFSTED preparation. Training opportunities during 2021-22 have mainly been on-line due to the restrictions caused by the pandemic. Further online training options are available through the School's subscriptions to The Key.

All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they need to undertake their role as Governors, through both an internal shared drive facility and the Oxfordshire County Council Governors' Hub. Regular updates, including the latest information on COVID-19, are regularly emailed by the Clerk to the Governors on the Governors' Hub.

f. Organisational structure

The Governing Body oversees the management, approves strategy and policies and monitors performance. The Governors are responsible for adopting a three-year financial and development plan and an annual budget, approving the annual statutory accounts, monitoring the Trust by the use of management accounts and other data, and making the major decisions about the direction of the Trust, capital expenditure and staff appointments.

The Governing Body meets at least twice each term. It has established an overall framework for the governance of the School and determines membership, terms of reference and procedures of Committees of the Governing Body and other working groups. The Governing Body receives reports, including policies from its Committees for ratification. Committees may invite experts to contribute to their work, as Associate Governors. These Associates have no voting rights but their contribution can be invaluable on specific issues.

The Governing Body monitors the activities of the Committees through the minutes of their meetings and through direct reporting from the elected Chair of each Committee. It may also from time to time establish working groups to perform specific tasks over a limited timescale.

The Governing Body has established the following four Committees, each one having its own terms of reference detailing the responsibilities discharged to it:

1. Premises and Liaison
2. Finance, and General Purposes
3. Audit and Risk Committee
4. Primary Education – Curriculum, Standards, Teaching and Learning
5. Secondary Education – Curriculum, Standards, Teaching and Learning
6. Admissions
7. Remuneration

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

The following decisions are reserved for the full Governing Body:

- To consider any proposals for changes to the status or constitution of the Academy Trust and its Committee structure
- To appoint or remove the Chair and/or Deputy Chair
- To appoint and/or consider the performance management of the Principal

The Governors have devolved the day-to-day management of the School to the Senior Leadership Team ('SLT'), which is led by the Principal. The SLT comprises the Head of Primary, the Deputy Head of Primary, two Deputy Heads of Secondary, the Director of Finance and Operations and the HR and School Development Manager. The Principal is the Academy Trust's Accounting Officer and has overall responsibility for the day-to-day financial management of the Academy Trust. The SLT implements the policies laid down by the Governors and reports back to them on performance.

g. Arrangements for setting pay and remuneration of key management personnel

The Governors consider the Governing Body and the Senior Leadership Team to comprise the key management personnel of the School in charge of directing and controlling, running and operating the School on a day to day basis. All Governors give their time freely and no Governor received any remuneration in the current or prior year, other than those Governors who are also employees of the School. Details of Governors' remuneration and expenses are disclosed in note 10 of the financial statements.

The pay of the Senior Leadership Team is reviewed annually by the Board of Governors / Remuneration Committee in line with the School's pay and remuneration policy and by reference to published pay scales for both teaching and administrative support staff.

h. Trade union facility time

Relevant union officials

| | |
|---|---|
| Number of employees who were relevant union officials during the year | 1 |
| Full-time equivalent employee number | 1 |

Percentage of time spent on facility time

| Percentage of time | Number of employees |
|--------------------|---------------------|
| 0% | 1 |
| 1%-50% | - |
| 51%-99% | - |
| 100% | - |

Percentage of pay bill spent on facility time £

| | |
|---|-----------|
| Total cost of facility time | - |
| Total pay bill | 3,890,449 |
| Percentage of total pay bill spent on facility time | - % |

Paid trade union activities

| | |
|---|-----|
| Time spent on paid trade union activities as a percentage of total paid facility time hours | - % |
|---|-----|

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GOVERNORS' REPORT (CONTINUED)
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Structure, governance and management (continued)

i. Related parties and other connected charities and organisations

There are no related parties or connected organisations that either control or significantly influence the decisions and operations of the School.

Since 1 September 2017, the School had been occupying the Culham site under a series of temporary Licences to Occupy Agreement between the Secretary of State for Housing Communities and Local Government and Europa School UK. Following the expiry of the previous Licence on 31 March 2018, the School occupied the site without a Licence, until the last Licence to Occupy was signed on 22 January 2020. This Licence expired on 4 September 2020, being the commencement date of the Agreement for Lease between the Secretary of State for Housing Communities and Local Government and Europa School UK.

The Agreement for Lease will remain in place until the ongoing programme of capital and maintenance works funded by the ESFA is fully completed, at which point the Agreement for Lease will cease and a 125-year Lease Agreement will be entered into by the Academy Trust. The signing of the Lease Agreement is expected to take place during the 2022-23 academic year.

Objectives and activities

a. Objects and aims

The principal objects of the Trust, as set out in its Articles of Association, are to:

- Operate Europa School UK
- Advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a School offering a broad and balanced curriculum, specialising in Languages and Sciences.

b. Objectives, strategies and activities

The key priorities for the period are contained in the Trust's Development Plan which is available from the Principal.

The main objectives of the School are:

- Teaching the school's curriculum as enhanced by the requirements of the English National Curriculum with an emphasis on modern European Languages and Sciences, with strong links to the business and social communities
- Preparation of pupils for the International Baccalaureate ('IB') diploma
- During this year, the school has also begun the candidacy phase for the International Baccalaureate (IB) Middle Years Programme to replace the EB curriculum for Secondary. Preparations for gaining authorisation in 2022-23 are also in place
- Teaching staff adopt a pluri-lingual approach, with their own linguistic competence providing a model for pupils. They are completely fluent in the language through which they teach and maintain an immersion approach to language acquisition

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities (continued)

Other conditions and requirements in respect of the School set out in the Funding Agreement are:

- The School will be at the heart of its community, promoting community cohesion and sharing facilities with other schools and the wider community
- There will be assessment for pupils' performance as they apply to maintained schools and the opportunity to study for external qualifications
- Religious Education will be given to all pupils in accordance with the requirements for agreed syllabuses
- The Admissions Policy and arrangements for the School will be in accordance with admissions law and the Department for Education ('DfE') Codes of Practice, as they apply to maintained schools, subject to any exceptions granted
- Teachers' levels of pay and conditions of service at the School will be the responsibility of the Free School Trust
- There will be an emphasis on the needs of the individual pupils including pupils with special education needs ('SEN'), both those with and without statements of SEN
- There will be no charge in respect of admission to the School and the School will only charge pupils for the education provided at the School, where the law allows maintained schools to charge.

The School is committed to continual improvement, which is achieved in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self evaluation, data analysis, action planning and feedback from School Council meetings, parent, pupil and staff surveys.

c. Public benefit

The Trust aims to advance for the public benefit education in Abingdon and the surrounding area, offering a balanced curriculum, specialising in Languages and Sciences, and an excellent education environment for its pupils. Furthermore, demand for school places in the area served by the School has risen in recent years and population forecasts show that there will be continuing pressure on school places. No account is taken of an applicant's aptitude or ability when determining admissions to the School.

The Governors confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

Strategic report

Achievements and performance

a. Review of activities, achievements and performance

The main activities of Europa School UK ('ESUK') for the year ended 31 August 2022 were as follows:

2021-22 was a significant year for the School Trust for several reasons: we completed the first full academic year in school since the COVID pandemic with the reestablishment of national assessments, we completed the extensive capital works, we marked the ending of our long association as an Accredited European School and completed our first International Baccalaureate Diploma two-year cycle.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

School Places

Europa School UK enlarged its intake at Reception from 56 to 84 in 2015-16 and will continue to grow to a full three-form entry all-through school. The governing body agreed to increase the PAN in Reception to 90 starting from September 2019. Demand for places is strong; for entry into Reception in September 2021, there were 199 first preferences application for 90 places. Given the very specific nature of the legacy European School curriculum, particularly the language demands, and our curriculum changes, there were only a few enquiries for the spare places in S5 to S7 (Years 11-13), but this is expected to improve following the first cohort's very good results in the IB Diploma in 2022.

Following a decision to increase 12 KS2 classes to 30 in one step from September 2021 (rather than wait for the larger classes to move up the School), the Primary section and lower Secondary are at full capacity. The total School roll reached 994 of the potential 1050 places.

Curriculum Change

Europa School UK underwent significant curriculum change due to the loss of its ES accreditation on 31 August 2021. The Primary School has adopted national curricula for its unique bilingual model, where pupils access a full curriculum through two languages throughout their Primary education. From Reception, pupils study half the week in English and the other half in the stream languages (French, German or Spanish). The School meets all the national statutory assessment arrangements. Success in compulsory assessments generally matches or exceeds that of local and national norms, even though our pupils spend only half their time in the English learning context, on which the assessments are based.

Multi-lingual education continues in Secondary, by subject specialism, with Human Sciences studied in the second language along with the language itself being compulsory right through to S7 (Year 13). A third language is compulsory from S1 to S5 (French, German, Spanish or Italian) and may be continued in the Sixth Form. The Secondary curriculum is broad with all KS4 students studying triple sciences, history and geography and options subjects in art, music and/or economics.

The Secondary school is in transition from a European School (ES) curriculum to an IB one. The Sixth Form has already received IB World status to teach the IB Diploma. In 2020-2, the School obtained candidate status for the IB Middle Years Programme (MYP) and started teaching MYP in S1 (Year 7) in September 2021. Years 8 – 11 still used European School syllabuses in a transitional arrangement agreed with the European School Board of Governors in 2020. In addition, the School started teaching GCSE English language and mathematics in Years 10 and 11 given the loss of recognition of an ES S5 certificate. The curriculum transformation will continue in 2022-23 and 2023-24, with the School applying for authorisation of the IB MYP for all Secondary cohorts S1-S5 (Years 7-11).

59% of our intake has English as an additional language (EAL, the national figure is 15%) and all Primary pupils are learning in a language other than English for half the week. The performance against national measures of literacy must be seen in this light, but the School continues to show added value in this area.

Catch-Up Funding

School funding for COVID catch-up was c.£8,000 for 2021-22. This was allocated across the School, specifically:

- Supporting enhanced teaching: extra hours for teaching assistants to support language learning in English and the stream languages,
- Extra tuition: small group work in KS4 to support the introduction of English and Maths GCSEs.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

The School deferred £1,668 of the 16-19 catch-up funding to 2021-22. This was due to better expected progress in S7 following the lockdown and the difficulty in finding tutors for English and Mathematics. The accumulated catch-up funding was spent on English and Mathematics tuition in Year 13 for the weaker students (including SEN and disadvantaged cohort), who were identified at risk of not achieving a qualification in English and/or mathematics. Much voluntary support was also given to students by staff, including by the Principal who interviewed every Year 13 student to understand concerns and achievement issues and provide some mathematics support. The impact was a 100% pass rate in English at Baccalaureate level and a 97.5% pass rate in mathematics. This was significantly above expectations.

Baccalaureate Results

This was the school's first IB Diploma session and we were delighted to achieve a 100% pass rate with an average Diploma score of 36, which is equivalent to 3 As at A-level. 35% of our cohort obtained a mark of 40 or more, which is equivalent to at least four grades A at A-level. 50% of our cohort obtained a bilingual Diploma through studying an additional first language or a subject in one of the stream languages, an exceptional achievement. All of our students are intending to go on to Higher Education (some following gap years) and current destinations include top Universities in the UK and across Europe.

GCSE

The School introduced GCSE qualifications in English language and mathematics as an interim measure due to the ending of the European School Accreditation until the adoption of the IB MYP Diploma. 97.5% of the cohort achieved at least a standard pass (grade 4+) in both English language and mathematics and 77% achieved a strong pass (grade 5+). This was an excellent outcome and significantly higher than national performance of 50%.

Primary Assessments

This academic year is the first year that statutory testing returned since the academic year 2018-19 due to the COVID-19 pandemic. Comparisons can be made to assess the extent of developmental delay and what needs to be done to close the gap.

Europa's bilingual model is progressive for performance in national tests and in comparisons with national levels, because the lower number of hours devoted to English teaching across the Primary school compared to other national schools impacts the development of the English skills tested in the Primary years. However, we do find that attainment in national tests improves towards the end of Primary and in Secondary, as pupils benefit from the smooth transition between the two parts of the School and through the development of transferable skills in learning across the two languages: English and the stream languages.

Early Years Foundation Stage (EYFS)

63% of our Reception cohort achieved a good level of development (GLD) in 12 areas of competence, including reading, writing and mathematics skills, which is the same proportion of the cohort as in 2019. The national figure was 71% in 2019. The average score for the baseline assessment was 32.4, down from 35.1 in 2019, which gives an indication of the development loss over the pandemic period.

Phonics

64% of the Year 1 pupils passed the phonics test, down from 80% in 2019. The national figure was 75% in 2022. 98% of Year 2 have now passed the phonics test, a rise from 96% in 2019 and above the national average of 89%. It is very pleasing to observe the high performance of phonics by the end of Year 2, especially as our students have to master phonic skills in both English and their stream language.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

KS1 SATS

The results in the KS1 SAT tests and Teacher Assessments (TA) are shown in the table below compared to the School and national picture in 2018-19.

| Tasks | 2021-22 | | 2021-22 | | 2018-19 | | 2018-19 | |
|-------------------------------------|---------|------|----------|------|---------|------|----------|------|
| | School | | National | | School | | National | |
| | % EXS+ | %GDS | % EXS+ | %GDS | % EXS+ | %GDS | % EXS+ | %GDS |
| English reading | 84% | 33% | 67% | 18% | 80% | 24% | 75% | 21% |
| English writing (TA) | 64% | 19% | 58% | 8% | 66% | 16% | 69% | 15% |
| Mathematics | 82% | 28% | 68% | 15% | 89% | 26% | 76% | 22% |
| Combined reading, writing and maths | 60% | | | | 71% | | 65% | |

N.B.: EXS+ represents the proportion of the cohort with at least the expected standard, and GDS - Greater Depth Standard - represents the proportion with higher scores in the tests.

The results in 2021-22 are lower than those in 2018-19 except in the reading test.

The School's results exceed the national averages from 2018-19 except in writing and consequently the combined percentage. This is due to the limited amount of time to develop written English skills because of the bilingual teaching.

Year 4 Multiplication Tests

This is the first year that students in Year 4 have taken multiplication tests. The tests are performed on a computer and require students to answer multiplication questions up to the 12 times table within a time limit. Although rote learning is not a high-level skill, recall of timetable facts is essential for many areas of mathematics. The average cohort score was 19.5 out of a total of 25, with 12% obtaining a perfect score. We have no national data yet to make a national comparison.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

KS2 Results

The School and national data are shown in the table below for 2021-22 and 2018-19 for the end of key stage tests and the Teacher Assessments (TA).

| Subject | 2021-22 | | 2021-22 | | 2018-19 | | 2018-19 | |
|---|---------|-------|----------|-------|---------|-------|----------|-------|
| | School | | National | | School | | National | |
| | % EXS+ | % GDS | % EXS+ | % GDS | % EXS+ | % GDS | % EXS+ | % GDS |
| English reading | 80% | 31% | 74% | 28% | 87 | 35 | 73 | 27 |
| English grammar | 84% | 40% | 72% | | 85 | 44 | 75 | 36 |
| English Writing Teacher TA | 74% | 14% | 69% | 14% | 84 | 31 | 78 | 20 |
| Mathematics | 79% | 31% | 71% | 23% | 84 | 24 | 79 | 27 |
| Science TA | 83% | N/A | 79% | N/A | 91 | N/A | 83 | N/A |
| Expected standard in reading, writing and mathematics | 68% | 9% | 59% | 8% | 71 | 9 | 65 | 11 |

N.B. EXS+ represents the proportion of the cohort with at least the expected standard in the tests and Teacher Assessments and GDS - Greater Depth Standard - represents the proportion with higher scores in the tests.

Clearly, by KS2, the School results are above national averages across all subjects. The drop in performance in 2021-22 compared to 2018-19 is a national phenomenon and it is clear that this cohort will require more time to recover progress in their learning after the pandemic.

SEN Provision

The School has two dedicated SENCOs for the Primary and Secondary respectively, who are also working across the School to provide cover, contingency and good transitions for our SEN cohort. We also created the post of SEN administrator, allowing the SENCO to focus on interventions.

Currently, there are 71 children identified as having SEN, for which they are receiving, or have received additional and different support. This number will possibly reduce in September, as the SEN-heavy Year 6 cohort move to Secondary. We are aware of some new Reception starters who have identified SEN and we are working on transition pathways for them currently. Under the terminology for SEN, all these children receive 'SEN Support.' There is no distinction made in the reported data as to whether they are receiving or have received support from professionals outside the School. However, the School records all interventions and professionals involved. One child in Primary has an EHCP and another three applications are in progress, with a fourth anticipated. According to primary need, 30% of the children are supported for Cognition and Learning needs (C&L) including dyslexia, 13% for Emotional and Behavioural difficulties (SEMH) and 30% for Communication and Interaction (C&I), including ADHD and ASD. Some of the children are supported for more than one area of learning need. From experience of last year, we budgeted for additional support for our in-coming Reception cohort. This support was shared between Reception and Year 1, due to on-going behaviour issues in Year 1. The split in SEN type is changed from last year, with more diagnoses of ADHD and ASD, taking children from the SEMH general heading.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

Interventions this Academic Year

| Intervention Purpose | Number of Pupils |
|---|------------------|
| ARCH reading scheme and other volunteers encouraging reading in a workshop style | 12 |
| ELSA support 1:1 for specific emotional behaviour issues | 10 |
| Play therapy - 12-week intervention | 2 |
| Zones of regulation behaviour management - 12-week course given by C&I therapist | 4 |
| SEN TA role across Reception & KS1 and various 1:1 interventions scheduled for KS2 | 8 |
| English HLTA role - Each class in KS2 receives 1 hour per week for a group of SEN students in literacy or mathematics | 30 |
| Nuffield Early Language intervention and 6-month trial of this Government-funded intervention training in Reception classes | Circa 12 |

Secondary

The following indicates number of pupils with different specific primary needs. Percentages are not given as some pupils have more than one primary need.

| Need | No of Pupils |
|--|--------------|
| Autism Spectrum Disorder (ASD) | 5 |
| Moderate Learning Difficulty (MLD) | 5 |
| Other difficulty/disability | 3 |
| Physical Disability (PD) | 1 |
| SEN support non-specified | 1 |
| Social, Emotional and Mental Health (SEMH) | 12 |
| Speech Language and Communication Needs (SLCN) | 6 |
| Specific Learning Difficulty (SpLD) | 27 |
| Visual Impairment (VI) | 1 |

Most pupils on the SEN register have a Specific Learning Difficulty (SpLD) as their primary learning need (27/54, 50%). An SpLD includes dyslexia, dyscalculia and dyspraxia. Having such a high prevalence in School will increase the number of pupils that need access arrangements. In order to support these pupils, we have targeted literacy intervention. Although this is currently with a limited cohort, we review the pupils' needs each year and assess who needs extra dedicated support.

All pupils are assessed using GL Assessment Progress Tests in English and mathematics during S1 to give baseline assessment and an indication of underlying ability.

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GOVERNORS' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

Over and above support in lessons, we offer small group support in the following areas:

- Literacy (with a trained Dyslexia Specialist Teacher)
- Mathematics
- EAL
- French
- German
- Social Skills.

We also have some capacity to offer 1:1 support for some identified students focusing on organisational skills, learning readiness and school anxiety.

When predicting the impact of an area of need or difficulty in a cohort, it is necessary to consider also the co-morbidity or complexity of challenges that affect learning, causing barriers or delays. There is, however, an increasingly troublesome aspect to the profile of a growing number of our youngsters in Secondary, to an extent that it is becoming an educational need, and that is severe anxiety. The direct impact on education of this stress can be serious: school avoidance, interrupted schooling, loss of confidence, negative approach to learning and under-performance.

Many different interventions have been put in place to mitigate these problems including referral to School Nurse, support groups with peers, individual support sessions, time out in the sensory room, individual support, building a team of peer support around the student, support sessions for communication and interaction skills, support and adjustments made for assessment cycles.

Premises

In September 2017, Europa School UK took over supervision of the entire site from the European School, but ultimate responsibility for the site remains with the DfE until a full lease is in place.

The school campus had been much neglected over the past decade during the closure phase of the European School Culham. We have been negotiating with the Department for Education concerning the scope of the works to be carried out on the school site, covering the statutory landlord's obligations and a capital works programme to deliver the "safe, warm and dry" promise made by the Minister of State for Education. In addition, the Department for Education (DfE) have agreed to commission additional works, which the School identified in other areas of the site not in the scope of the original programme. This good outcome will significantly reduce the maintenance costs for the Trust in the next few years and make the site more affordable.

The capital works programme started in July 2020 and continued over the academic year with completion in November 2021. The maintenance works and Landlord obligations started in July 2019 and, due to the significant backlog of repair work, this programme is likely to continue into 2022-23. The infrastructure improvements are significant and welcome and include extensive repair and/or replacement of flat roofs, emergency lighting, heating system, windows, fire doors, external doors and curtain windows in the Tower Block. The School signed an Agreement for Lease with the Department for Education in September 2020 and now needs to agree a Deed of Covenant for the Footbridge with Oxfordshire County Council, before it can take over the full lease.

Our School has a growing profile: the third stream (English and Spanish) opened in September 2015 and has currently reached Year 7 (S1) in the academic year 2021-22. The School lacks large classroom space to accommodate this increasing roll and we have engaged in parental fundraising to afford internal restructuring in one of the campus buildings to create two large Primary classrooms in 2020-21. We are planning to create two further classrooms in 2022-23.

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Strategic report (continued)

Achievements and performance (continued)

Our existing Primary accommodation is distributed around three main areas, one of which is Terrapins consisting of eight classrooms. The Terrapins were life-expired and, during the winter of 2019-20, the roofs of some of the classrooms failed and the classes had to be evacuated to other areas of the School (Drama Studio). The School submitted a CIF bid in December 2019 to replace the life-expired classrooms. However, the DfE decided to take over the replacement programme. This replacement programme is in two phases: firstly, to replace the units with temporary refurbished units – this was completed in September 2020 - and then to build a permanent modular structure. The design and planning have been delayed due to the need to include sustainability goals. The ITT has been issued and the detailed design phase is now expected to start in Autumn 2022.

The School completed a tender process using a consultancy service (Minerva) to appoint new maintenance contracts, which will be in place in September 2022 for PPM, cleaning and grounds maintenance.

Finance

The School renewed its fundraising call to parents in Autumn 2021, reflecting the on-going challenging financial climate. Our income continues to be low and our outgoings are always increasing, experiences shared by many other schools, especially in the context of educational catch-up following the COVID pandemic, rising utility and other costs. We also still need to complete the classroom building programme in the Hostel Block to move existing Primary classes from the Secondary building in time for the growth in Secondary numbers. We have raised £109K from this appeal from parents, including £28K for capital projects.

The School submitted two further CIF bids in the year. One was for the replacement of electrical boards that are life-expired and potentially dangerous. The other was for drainage improvements to play areas, which are unusable in bad weather conditions. Both bids failed and the Governors remain concerned about these issues.

The School has taken other necessary steps to counteract our low funding, for example by increasing student numbers in our Primary classes to 30 and by having a flat management structure. We remain committed to keeping our costs low, however utility costs have been significantly higher than expected following the war in Ukraine and inflationary pressures have become widespread.

Three years ago, the School submitted a business case to the ESFA concerning the non-funding of the top class of the Spanish stream class and was awarded funding by actual pupil numbers in the three academic years 2019-20, 2020-21 and 2021-22. While this award recognised the principle on which the application was made (which is also enshrined in the School's Funding Agreement), it only mitigated the non-funding of the top Spanish stream for three years to August 2022. Following the expiry of this temporary arrangement, the top Spanish stream is once again unfunded, a situation that will continue until August 2029 at a projected loss of approximately £1,575,000 to the School. With the strong support of the Full Governing Body, the School therefore submitted in Autumn 2021 a further business case to the ESFA to extend the period of actual pupil number funding until this top Spanish cohort has completed their schooling and funding can fairly be based on the previous year's census. However, this application was rejected by the ESFA in Spring 2022. Without remedy, this will create an unsustainable financial burden for the School. The Full Governing Body continues to support the School in arguing the case for fair funding of this class based on the significant and predicible impact it has year-on-year on the growth of the School. In May 2022, the Full Governing Body resolved to inform the ESFA that it will be responding to the ESFA's letter of rejection. In November 2022, the Chair of Governors, the Principal and the Director of Finance held a meeting with the local MP to secure political support for a renewed application for in-year funding.

b. Other Key performance indicators

The Academy Trust also uses a number of non-financial performance indicators.

- In the Primary School, Europa follows the DfE requirements for reporting pupils progress and attainment. Pupil attainment and progress is normally assessed by teachers and moderated by exchange with local schools, as well as being subject to the external national assessments.

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Strategic report (continued)

Achievements and performance (continued)

- All pupils are tracked and teachers assess their progress with national tests for baselines and progress accountability. There are termly pupil progress meetings and data is analysed to identify pupils who are at risk of underachievement.
- National assessments in Primary: Pupils are assessed against EYFS measures, the national phonics check and KS1&2 SATs. The results are compared with national and county statistics.
- Attainment in Primary is measured against National Curriculum expectations in English literacy, numeracy and science. All areas of the curriculum are reported to parents each semester.
- Assessments in Secondary: Students are assessed against curriculum criteria (IB and ES) and internal and public examinations are carried in years 10-13.
- The School continues the GL Assessment tests into lower Secondary to further monitor progress. The recent GL assessment demonstrated high levels of literacy and numeracy with 90%+ predicted pass rates at GCSE English and mathematics.
- Europa is subject to a dual inspection system. As a UK state school, Europa falls within the regular OFSTED inspection regime. As an IB World School, it is subject to periodic inspections to reconfirm accreditation. Currently, these are set at five-year intervals.
- Attendance: Europa has achieved good attendance rates despite significant absences due to high rates of COVID infections caused by the Omicron variant. The attendance rate was 93% over the academic year, with a persistent absence rate of 17%.
- The School launched parent and student questionnaires to gain feedback at the end of the summer term 2022. The results were very pleasing across both parts of the School: the feedback has proved useful in planning site improvement over the summer, including toilet repairs and repainting.
- Exclusions: Europa has had no permanent exclusions during this reporting period.
- SEN provision: There is good provision and support for pupils with SEN are now monitored via Pupil Profiles, which cover an assess / plan / do / review cycle. We monitor SEN pupils via pupil progress meetings and class councils and the pupil profiles give us the expectations for their progress. TA support is planned with clear guidelines given and progress monitored. All SEN students in Year 13 over the past four years have passed their Bacculaureate with special arrangements in place.
- Safety and well-being: In September 2017, Europa took over supervision of the entire site from the European School, but ultimate responsibility for the site remains with the DfE until a full lease is in place. Europa has managed some challenging situations to ensure that a high level of safety and security is offered throughout. Pupils are encouraged to eat healthily and to treat each other with respect. An anti-bullying policy is in place and the isolated significant incidents reported over the year have been dealt with by positive reinforcement of good behaviour and a multi-agency response.
- An updated fire action (following training from our H&S consultant) and business contingency plan is in place.
- Performance management: Our appraisal system includes key targets and a regular cycle of lesson observations, to ensure that staff have the support and CPD they need to improve and sustain quality.

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Strategic report (continued)

Achievements and performance (continued)

The Trust uses a number of benchmarks or performance indicators to evaluate its financial performance and drive budgetary control and monitoring.

A key financial performance indicator for the Trust is the level of reserves held at the balance sheet date and, in particular, the amount of unrestricted reserves plus restricted income reserves carried forward. At 31 August 2022, the balance of the unrestricted and restricted income reserves was £555,388 (2021: £494,396). Further details on the level of reserves held by the Trust are set out in the Reserves Policy section below. Cost pressures increased towards the end of the academic year and are continuing into the 2022-23 year. Governors believe they can fund these for 2022-23 from reserves, but have serious concerns beyond that time. A key underlying cause of these concerns is the current non-funding of the top Spanish cohort about which the School, with the strong support of the full Governing Body, continues to make representations to the ESFA, as summarised above in this report.

As the majority of the Trust's funding is based on pupil numbers, the number of pupils is also a key performance indicator. The total number of pupils during the year ended 31 August 2022 was 994, which is an increase of 8% from the previous year.

Staffing costs are another key performance indicator for the Trust and the percentage of total staff costs to total educational grant funding (being General Annual Grant 'GAG', plus other operating educational grants from the Education and Skills Funding Agency 'ESFA' and/or Local Authority) for the year was 83.3% (2021: 82.1%), while the percentage of staff costs to total costs (excluding depreciation and Local Government Pension Scheme 'LGPS' FRS102 pension cost charges) was 76.8% (2021: 77.3%).

c. Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the School has sufficient resources to continue in operational existence for the foreseeable future, subject to details from the Government about the further support it will be giving to all schools to cope with the increasing cost pressures of inflation and ESFA funding of the top Spanish stream class. The return to funding based on the previous year's census from September 2022 means the top Spanish stream class will once again not be funded until they complete their schooling in August 2029, creating a significant cost pressure for the School (see above). The Governing Body and School Leadership Team continue to make the case to the ESFA to extend the previous funding arrangement that recognised Europa is still a growing school.

In addition to this, the School still relies on voluntary contributions from the parent community to supplement its income in order to continue operating as a going concern, which remains a key financial uncertainty and risk facing the Trust, along with COVID challenges which may reduce the level of voluntary parental support. Following the signing of the Agreement for Lease in early September 2020, the School set up tenancy agreements for members of staff and their families for two of the three properties on site, one starting in January 2021 and the other in August 2021. In addition, the School is close to entering into an agreement with an external provider for the management of bookings and community lettings. Since early 2022, these arrangements have started to generate a modest level of income from hiring out site facilities. to coincide with the near completion of both capital and maintenance works.

For these reasons, the Governing Body continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies note of the Financial Statements.

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Strategic report (continued)

Achievements and performance (continued)

d. Fundraising

In 2020-21, the School repeated for the fourth successive year a general fundraising appeal to the whole community of pupils' families with a view to supplementing income received from the ESFA for operational purposes. The appeal continues to be supported by both the Principal and the Governing Body. Although an amount of £1 per day per child was suggested as part of the appeal, all contributions are strictly voluntary and entirely discretionary. The funds raised benefit all children in the School, without prejudice and independently of parents' capacity to contribute and/or fundraise.

Due to the financial impact of the pandemic on many families, the Governing Body and School Leadership Team did not pursue fundraising as actively during lockdowns. Nevertheless, the School carefully launched a new general fundraising appeal to the parents' community in November 2021.

Fundraising is primarily undertaken by staff and parents, no professional fundraisers or commercial participators work with the Trust currently. Fundraising is undertaken in line with the Fundraising regulator's Code of Fundraising Practice and is monitored by both the Principal and the Governing Body.

The Trust is mindful of the requirement to protect the public, particularly vulnerable people, from unreasonably intrusive or persistent fundraising approaches or undue pressure to donate. No complaints have been received in respect of fundraising activities. The general complaints policy of the Trust would be applicable if so.

Financial review

a. Financial review

The majority of the Trust's income is received from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2022 and the associated expenditure of these grants are shown as restricted funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the ESFA and other funders and these are shown as restricted fixed asset funds in the Statement of Financial Activities. The balance of the restricted fixed asset fund is reduced by the depreciation charges on the assets acquired using these funds.

For the year ended 31 August 2022, the Trust's total income (excluding capital grants) was £5,484,750 (2021: £5,005,521), while the total expenditure (excluding depreciation and LGPS FRS102 pension cost charges) was £5,423,758 (2021: £4,956,846), resulting in a net surplus for the year of £60,992 (2021: net surplus of £48,675).

This surplus has been materially funded by parental fundraising of £84,372 (2021: £113,678) to compensate for the ongoing insufficient GAG funding per pupil and the increased staff related costs incurred during the year. The balance of reserves at 31 August 2022, excluding the restricted fixed asset funds and LGPS liability fund was £555,388 (2021: £494,396).

The net assets of the School at 31 August 2022 amount to £1,148,771 representing an increase of £1,247,603 compared to 31 August 2021. This resulted from £60,992 surplus from the School's operating activities (which has been supplemented by parental donations) actuarial gains and other pension movements of £1,007,000 on the LGPS defined benefit pension scheme and a net increase of £179,611 of the fixed assets fund (capital grants received less depreciation for the year).

The net book value of fixed assets at 31 August 2022 was £884,658. The fixed assets held by the Trust are used exclusively for providing education and associated support services to the pupils of the Trust.

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87% of the income received in the year relates to grants received from the ESFA, mainly the General Annual Grant. These are shown as Restricted Funds in the Statement of Financial Activities. The ratio of GAG funding per pupil was £5,092 (2021: £4,360) for the year.

Staff costs of £4,165,627 (excluding LGPS FRS102 pension cost charges) represent 91.1% of the School's General Annual Grant.

£232,676 of Capital Grants was received during the year.

Included within the School's balance sheet at year-end is a defined benefit pension scheme liability of £341,000 (2021: £1,348,000), which arises from the deficit in the Local Government Pension Scheme ('LGPS') that is attributable to the school. Further details regarding the deficit in the LGPS at 31 August 2022 are set out in note 21 to the financial statements.

The key financial policies reviewed and adopted during the period included the Financial Procedures Policies and Manual, which lays out the framework for the Trust's financial management, including financial responsibilities of the Board of Governors, Principal, managers, budget holders and other staff, as well as the delegated authorities for spending.

b. Reserves policy

The Governors review the reserves levels of the School annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors also take into consideration the future plans of the School, the uncertainty over future income streams and other key risks identified during the risk review.

The Governors have determined that the appropriate level of free cash reserves should be approximately 10% of total incoming resources or 1.3 months of costs. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as long-term staff absences, urgent maintenance, etc.

The School's current level of funds at 31 August 2022 is £1,148,771 (2021: £(98,832)), of which £555,388 (2021: £494,396) is total income funds (both restricted and unrestricted) and £555,388 (2021: £494,396) is free reserves (that is, total funds less the amount held in fixed assets and restricted funds).

Although the current level of free reserves is marginally below the target level identified above, the Governors continue to look at and evaluate strategies for raising additional income. In 2021-22, the letting agreement with Vivify started to generate a small income stream from the weekly lettings of facilities and the summer school in July-August 2022. In addition, the Governors are continuing to carefully review key areas of operational expenditure, particularly curriculum and overhead costs. Until the Lease Agreement is signed and maintenance works are fully completed by the DfE, some site costs are covered by the ESFA. The Governors expect that a very significant operating deficit will be generated in 2022-23 due to the switch to the lagged-funding basis combined with strong inflationary pressures and major utility cost increases. However, the deficit is expected to be covered by a combination of existing total income funds brought forward at 1 September 2022, the 2022-23 fundraising appeal to parents, as well as additional income from site lettings from April 2023 and targeted cost savings. It is expected that there will be increasing pressure on cash flows in the second half of 2022-23, which will require close monitoring.

The value of the restricted fixed asset fund at 31 August 2022 is £934,383 (2021: £754,772), which is represented by the fixed assets that are used exclusively for providing education and associated support services to the pupils of the Trust. These funds can only be realised by disposing of the associated tangible assets.

The pension reserve fund has a deficit balance at 31 August 2022 of £341,000 (2021: £1,348,000), which represents the deficit in the LGPS at the balance sheet date. The effect of the LGPS deficit is that, currently, the Trust is required to make employer pension contributions of 18% in order to fund the deficit. These pension contributions are funded from the Trust's annual recurring income, which impacts its ability to continue to deliver its educational outcomes with the available public funding it receives.

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The next LGPS valuation is scheduled for 2022, with revised employer contribution rates applicable from 1 April 2023. The Governors have noted however that the Government has provided a guarantee that, in the event of an Academy closure, any outstanding LGPS liabilities would be met by the Department for Education.

c. Investment policy

Cash balances enable day to day functions and are invested to optimal effect by the School with the objective of ensuring maximum return on assets invested, but with minimal risk. During the period, the School's surplus cash balances were held in a risk limited, short term bank account with a reputable financial institution.

d. Principal risks and uncertainties

The Governors have assessed the major risks to which the Trust is exposed, especially in the operational areas, such as in relation to teaching, health and safety, safeguarding and school trips, and in relation to the control of finances and strategic development of the Trust. They have introduced systems, including operational procedures and internal financial controls, in order to minimise risk and have agreed a Risk Management Strategy and Risk Management Plan, which incorporates a Risk Register. The Trust's Risk Register and resulting Risk Management Strategy were comprehensively overhauled in 2021-22 and are now live documents, which are constantly reviewed by Governors and the Senior Leadership Team in the light of any new information. Specific Committees review the risks related to their area of governance and risk management is regularly discussed at FGB meetings. In addition, a dedicated Audit and Risk Committee (separate from the Finance and General Purposes Committee) was set up in early 2022. Where significant financial risk still remains, the Governors have ensured the Trust has adequate insurance cover in place.

The principal risks and uncertainties facing the Trust are as follows:

Governance

The School's Finance Policies and Procedures Manual, which lays out the framework for the School's financial management, including financial responsibilities of the Governing Body, Principal, Director of Finance and Operations, Finance Manager, Finance Officer and other staff, as well as the delegated authorities for spending (as reflected in newly-implemented online banking facilities from November 2020), has been updated as per the latest guidance received from ESFA through its Academies Financial Handbook ('AFH'), with an enhanced focus on Internal Controls, Segregation of Duties and Fraud Prevention. These procedures have now been embedded.

Priority has also been given this year to further developing the skillset of the Governing Body, informed by the Governing Body's annual skills audit. One new Governor and two new Members have been appointed (see page 1) The Governing Body has also appointed Associate Governors to contribute to sub-committees, both to strengthen the Committees now and to contribute to Governing Body succession planning.

The Internal Scrutiny Report for 2021-22 issued by CKCA, the Internal Auditor to the Trust, focused on internal financial controls: Wages and Salaries, Purchases and payments, Income and Nominal ledger. Their findings demonstrated that the Trust has good financial controls in place. Recommendations were advisory and included incorporating credit card usage and authorisation procedures in the finance manual, amending the threshold for obtaining quotes to £5,000 (agreed at Finance committee level June 2022), and consider a digital pay platform for school trips.

Risk Management

The Governors have assessed the major risks to which the School is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Governors established a separate Audit and Risk Committee in 2021-22. The Governors have also implemented a number of systems to assess and minimise those risks, including internal controls. Where significant financial risk still remains, the Governors have ensured the School has adequate mitigation in place, including insurance cover.

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An on going risk management process has been established, identifying risks and their potential impact in a newly-created, dynamic Risk Register, divided in sub-sections for dedicated ownership and monitoring by the various Committees of the Governing Body.

The principal risks and uncertainties facing the School are as follows:

Educational

The success of the Trust is dependent on continuing to attract pupil applicants in sufficient numbers by maintaining the highest educational standards across all key stages. To mitigate this risk, the Governors ensure that pupil success and achievement are closely monitored and reviewed, with corrective actions embedded at an early stage, and that relationships and partnerships with parents, the local community and other organisations and groups are maintained and are effective in producing a cohesive and supportive community.

Encouragingly, despite the challenges experienced during the last disrupted year, 84 % of parents in the parent survey said their child(ren) were making good progress in their learning; 91.3 % said they would recommend Europa to another family and 87% said their children enjoyed school.

The processes for monitoring pupil progress across the School have been strengthened this year against the background of the evolving curriculum and is one of the Governing Body's priorities for the year. The Governing Body has also overseen the development of an all-through School Language Strategy.

The last year saw the introduction of a new cross-Primary Maths curriculum, which ensures coherent mathematical development across our four stream languages. Similar harmonisation across the Primary School has been achieved in the curriculum for English. It is important to note that the Primary school has been in a state of constant evolution, growing by one class a year, as each additional Spanish cohort joined it. The School is now complete, with seven classes each of French / English, German / English and Spanish / English. This makes the Primary school one of the largest in Oxfordshire.

A permanent Deputy Head was appointed in 2020-21 to make the Primary SLT more robust, but the need for additional SLT support is anticipated.

Since the School is currently over subscribed in Primary, risks to revenue funding from a falling roll are assessed as small. In Secondary, all year groups from S1 (Year 7) to S3 (Year 9) are also at full or nearly full capacity. As a legacy issue due to the transfer of students from the European School and earlier uncertainties around Brexit and the European curriculum, S6 (Year 12) and S7 (Years 13) had a significant number of unfilled places in 2021-22. With the very good results achieved in the first year of the International Baccalaureate Diploma, Governors expect more students to be attracted to the School. This, together with progression through the School of larger cohorts, should see vacancies reduce in the coming years.

Safeguarding and Child Protection

The Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline. The Governors have appointed a Lead Governor for Safeguarding, who has regular discussions with the School Safeguarding Leads. Safeguarding is also a standing item on Governing Body meetings.

Financial

The Trust has considerable reliance on continued Government funding through the ESFA. In the period, approximately 92% of the Trust's income was ultimately Government funded. This level is expected to materially decrease in 2022-23 with the funding basis for our growing School switching to the lagged-funding basis. In addition, there is no assurance that Government policy or practice will remain the same, or that public funding will continue at the same levels or on the same terms, particularly in the light of continuing changes in the National Funding Formula for schools.

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The return to funding based on the previous year's census from September 2022 means the top Spanish stream class is once again not be funded until they complete their schooling in August 2029, creating a significant cost pressure and risk for the School (see above). The Governing Body and School Leadership Team continue to make the case to the ESFA to extend the previous funding arrangement that recognised Europa is still a growing school.

Continuing increases in employment costs, including basic pay, pension costs associated with both the Teachers and the Local Government Pension Schemes, as well as utility and premises costs will also continue to place huge pressure on the Trust's financial position and its ability to deliver balanced budgets in the foreseeable future. Given recent inflationary pressures in the economy, particularly in energy costs, and the larger than expected salaries increases recommended by Government bodies, the School will have to seek to address this non-funding situation via a new business case in Autumn 2022.

The Governors examine the financial health of the Trust formally twice per term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Governors and Finance and General Purposes Committee meetings.

Regarding the funding of significant capital developments, the Department for Education, as Landlord, has undertaken to carry out substantial repairs and maintenance as part of a schedule of works to keep the School "safe, dry and warm". These extensive capital and maintenance works started in July 2020 and continued throughout 2020-21 and 2021-22. Maintenance works are expected to continue into 2022-23, with the new modular Primary building scheduled for completion in Autumn 2023, after delays in agreeing the specification and achieving compliance with new sustainability guidelines. The Agreement for Lease was signed in September 2020 and it is expected that the Lease Agreement will be signed by the Trust upon full completion of the maintenance works programme during 2022-23.

Liquidity

At the balance sheet date, the School had no significant liabilities arising from trade creditors or debtors, where there would have a significant effect on the School's liquidity. However, there will be continuing pressure on cash flows throughout 2022-23, which will require close monitoring. Beyond August 2022, the School will be looking to secure further in-year funding, which is crucial to liquidity.

Staffing

The success of the School is reliant on the quality of its staff, so Governors monitor and review policies and procedures to ensure continued development and training of staff, as well as ensuring there is clear succession planning. In the recent parents' survey, 83.8% parents said they believed the quality of the teaching staff is very good. All staff embrace ongoing CPD opportunities and Governors have supported improved pay and development pathways for our valued TA workforce.

Pensions Costs

The Governors recognise that the LGPS deficit represents a significant potential liability to the School. However, the Governors consider that the School is able to meet its known annual contribution commitments for the foreseeable future.

Failures in Governance and / or Management

The risk in this area arises from the potential failure to effectively manage the School's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Governors continue to review and ensure appropriate measures are in place to mitigate these risks, which includes those relating to fraud and mismanagement of funds.

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Fraud and Mismanagement of Funds

In 2021-22, the Trust engaged CKCA as external advisers to perform a program of internal scrutiny work as required by the ATH 2021. Cooper Parry remain external auditors for this year. All financial staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

Plans for the future periods

The School strives to continually improve levels of attainment for all pupils. Following the opening of the full Secondary School from ages 11-19 when the European School closed in August 2017, the School continued its expansion to three-form entry throughout the Primary School until 2021-22, with the implication that a new classroom must be refurbished every year. The School has also increased class sizes to 30 for all Key Stage 2 classes from September 2021. New classrooms will need to be created within existing accommodation, as the School grows.

In Secondary, the School obtained full accreditation for the International Baccalaureate Diploma in April 2020, with the first IB cohort achieving very good results in 2021-22. The Trust decided to implement an IB Middle Years programme in S1-S5 (Years 7-11) and is in transition to the curriculum, expecting to receive accreditation by September 2023.

Following the signing of the Agreement for Lease and subsequent Lease Agreement, the School intends to maximise income generation from the Culham site. The School has, and will continue, to improve the site to create the best possible environment for our pupils to maximise their attainment.

Funds held as custodian on behalf of others

The School and its Governors do not act as Custodian Trustees of any other charity.

Employee involvement and employment of Disabled Persons

The Trust's policy is to consult and discuss with employees, through Unions and at staff meetings, matters likely to affect employees' interests. Information about matters of concern to employees is given through information bulletins, reports and meetings, which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Trust's performance.

During employment, the Trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advanced employment opportunities are available to them to reach their full potential.

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

The Trust has developed an Equality Policy which has been applicable since September 2019.

Disclosure of information to auditor

Insofar as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

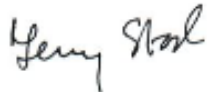
EUROPA SCHOOL UK
(A Company Limited by Guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Auditor

The auditors, Cooper Parry Group Ltd, have indicated their willingness to continue in office and will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

The Governors' Report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 15 December 2022 and signed on its behalf by:



T Stock
Chair of Governors

EUROPA SCHOOL UK
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GOVERNANCE STATEMENT

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Europa School UK has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

As Governors, we have reviewed and taken account of the guidance in the DfE's Governance Handbook and Competency Framework for Governance.

The Board of Governors has delegated the day to day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between Europa School UK and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal controls.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Board of Governors has formally met 6 times during the year ended 31 August 2022.

Attendance during the year at meetings of the Board of Governors was as follows:

| Governor | Meetings attended | Out of a possible |
|-------------------|-------------------|-------------------|
| L Wood | 6 | 6 |
| A Brent | 5 | 6 |
| E Bressan | 2 | 4 |
| J Holderness-Laar | 5 | 6 |
| S Purves | 5 | 6 |
| L Kan | 6 | 6 |
| S Philippot-Gasc | 6 | 6 |
| T Stock | 6 | 6 |
| S Wright | 6 | 6 |
| B Durkin | 6 | 6 |
| K Loudon | 5 | 6 |
| A Sidbury | 4 | 6 |
| S Cohen | 0 | 0 |

The Director of Finance and Operations also attended all meetings during the year.

The Board of Governors reviewed the Trust's governance structure during the year to evaluate its impact and effectiveness. The Board of Governors has a wide range of skills that contribute to the successful governance of the Trust and are satisfied that the current structure in place is appropriate and effective for the Trust.

The diverse Board of Governors of Europa School UK contains a variety of skills and expertise, representing all stakeholders and the multicultural, multilingual vision of the School. Under arrangements for Free Schools and Academies in England, Europa school UK is both a Company registered at Companies House and a Charitable Trust, exempt from the requirement to register with the Charity Commission. The Company is a company limited by guarantee and the five Members (excluding the ex officio Chair of Governors) of the Company contributed a guarantee of £10 each to form the Company. The Chair of the Governing Body becomes a Member ex officio. The Members have the responsibility of appointing up to seven Members of the Governing Body of the School. The Members meet at least once per year and were chaired by J Holderness-Laar.

At the end of the academic year 2021-22, there were 12 appointed Governors including the Principal. The parent and staff bodies each elect two Governors. Five (out of a possible seven) Governors are currently appointed by the founding Members. There are also three posts for co-opted Governors appointed by the Governing Body. The Principal is appointed by the Governors.

EUROPA SCHOOL UK
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Board of Governors has remained stable in size this academic year with two resignations, one new appointment and one re-appointment. All Chairs of the Committees have relevant skills and expertise in their field.

- The Primary and Secondary Education Committees are chaired by founding Member Jackie Holderness Laar, an Educationalist who has experience of more than 35 years, with a particular interest in international and multilingual education.
- The Premises and Liaison Committee is chaired by Terry Stock (Chair of Governors), a retired Chief Executive of the Vale of White Horse District Council and erstwhile Capital Projects Manager. Terry was also a Board Member of Abingdon & Witney College, serving spells as Chair of Finance and of the full Board. He was also Chair of Governors at Kingfisher School in Abingdon, as well as Chair of the Propeller Academy Trust. Terry became a Member of the Abingdon Learning Trust in 2018. In addition, this Committee benefits from the support of an Associate Member with legal expertise.
- The Chair of the Finance and General Purposes Committee has been held since 1 September 2019 by Simon Purves, Deputy Chair of Governors and formerly Chair of Governors. Simon brings greatly valued insight into current models of governance, as well as a wealth of experience in ICT.
- In this academic year the Governing Body decided to create a separate Audit and Risk Committee with Adam Sidbury as Chair. Adam is also a member of the Finance and General Purposes Committee. Adam has expertise in business, including investment management and start-ups.

During the current school year:

Further members of the Governing Body in 2021-22 were:

- Lynn Wood has been the Principal and Accounting Officer of Europa School UK since 1 September 2018. She was previously Head of Secondary with Europa and prior to that with the European School.
- Dr Andrew Brent was Chair of Governors from May 2019 until October 2021. Andrew combines a strong interest in science with a passion for education. Currently Deputy Chief Medical Officer, Consultant Physician and Honorary Senior Clinical Lecturer in Infectious Diseases and Internal Medicine at Oxford University Hospitals and the University of Oxford, he brings a strong commitment to the core values of the School.
- Steve Wright (parent-elected Governor), a member of the Finance and General Purposes Committee and of the Audit and Risk Committee, is a former chartered engineer, with an MBA from London Business School. Post-MBA, Steve moved into programme management in complex change programmes, and then into senior strategy / IT / business change in distressed businesses. He works as a change director, helping senior teams make decisions and develop plans. He brings a breadth of skills and experience to the Governing Body, including strategy, finance, analysis and problem solving.
- Dr Sandrine Philippot-Gasc is an elected Staff Governor. She is a French Geography and History Teacher, who has very strong social skills and as such is an excellent link between students, staff and Governors.
- Mrs Lydia Kan (parent-elected Governor) is Deputy Chair of the Premised Committee and member of the Education Committee. Lydia is an architect and brings considerable expertise and experience in school design to the Premises Committee.
- Mr Sami Cohen (Member-appointed Governor) sits on the two Education Committees. Sami is a retired headmaster of a local independent school and brings pedagogical and leadership expertise to the Governing Body. He is also a linguist.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

- Mrs Karin Loudon (Member-appointed Governor) is a member of the Education Committees. She has expertise in early years education and is particularly interested in promoting the German language and its role in the International Baccalaureate.
- Mrs Belinda Durkin is an elected Staff Governor. Belinda is a class teacher in the Primary School and is the mathematics coordinator.

A wide pool of voluntarily offered expertise is also available to the Governors, including legal and financial support. The Governors of Europa are continuously increasing their expertise through a variety of training opportunities.

The key competencies of education, finance and regulation are covered by the joint groups of Governors and Members. We are proud to have such a dedicated and skilful team of volunteers spending many hours in the forward planning and governance of Europa. All new Governors joining have filled in the skills audit form from the National Governors Association, which was a key element in their appointment.

Our vision for the School and seeing how our pupils are thriving gives us the strength to continue that work. We aim to provide a unique learning experience in the UK to both the current and future pupils of Europa.

The Trust has a Governing Board of Conduct Conflicts of Interest policy in place, which contains a section on Openness and Transparency, including Conflicts of Interest. All Members, Governors, Associate Governors and Senior Leadership Team employees are required to complete a declaration of any business or pecuniary interests at the start of each academic year or, in the case of individuals taking up these roles during the year, at the point of taking up their role. A Register of Business Interests is then maintained by the Director of Finance and Operations and available on the School website. At the start of each Full Governing Body meeting, the Clerk to the Board of Governors will ask for any new declarations of interest, which will be recorded in the minutes and provided to the Director of Finance and Operations for monitoring in relation to any transactions with any organisations in which interests have been declared. Any transactions with organisations in which any interests have been declared must be reported to the Board of Governors in advance of the transactions, so that formal approval can be provided by the Board where the transaction is considered appropriate and formal notification to the ESFA can then be made, including where relevant, seeking pre-approval. Ahead of the termly Audit & Risk Committee meetings, the Director of Finance and Operations prepares a checklist including any Connected Parties relationships and transactions, which is submitted to the Committee members for information and review.

Full Governing Body Skills Audit

An audit of the skills present within the Governing Body was carried out in June 2022 with twelve responses from Governors, including two Associate Governors. All participants were asked to complete the questionnaire from the National Governors' Association 2020 updated audit. Each question was rated with levels of experience / skills: 1 = None, 5 = Extensive.

Overall, the Board has a very good range of skills. There were also a number of Governors who have not served as Governors in another school or sector, so their experience would be limited to Europa. This, however, is a desirable skill and not an essential one. The next audit of skills will be carried out in Autumn 2023.

Objectives and challenges

Main objectives and challenges to the Governing Body:

1. Aims and Vision: The core objective is to provide an excellent multicultural, multilingual European education enhanced by national requirements. As Governors, we expect the vision of the School to be clearly reflected in the day-to-day running of the School. Governors are aware of the unique nature of Europa compared to other English schools, even other bilingual Free Schools. The Governors and School Leadership are proud of the widening of the pedagogical offer with the addition of the Spanish / English stream since September 2015.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

2. Curriculum: As a direct consequence of Brexit, the School lost its European School accreditation on 31 August 2021. This has presented a very significant challenge over the last few years, as the School has needed to put in place a new curriculum model and end qualification. After a detailed option appraisal and consultation with the European Schools Board of Governors, the DfE and the School community, we are very proud to have begun the transition to a multi-lingual International Baccalaureate curriculum to replace the European Schools curriculum. A detailed summary of the curriculum plan and transition is available here: <https://drive.google.com/file/d/1JKe6CTvf81RDHwjybMvKkcryel8se21H/view>

Europa was granted IB World School status in April 2020 and started teaching the IB Diploma Programme (S6-S7 or Years 12-13) in September 2020 and the IB Middle Years programme (S1-S5 or Years 7-11) in September 2021. The IB programme throughout the Secondary years will allow the School to preserve its multi-lingual and multi-cultural ethos.

3. Estate: The maintenance backlog of the current site has continued to be a major challenge over the last academic year. Thankfully, these legacy issues are in an advanced stage of redressal by the DfE who currently control the site, and have made significant progress in line with the agreed schedule of maintenance and capital works. The School signed an Agreement for Lease with the Secretary of State for Housing Communities in September 2020 and is expected to sign the long-term Lease Agreement upon full completion of the maintenance and capital works programmes.
4. Finances: Insufficient funding increases are another major threat, which is being closely monitored by our Finance, Audit and General Purposes Committee. The impact on the overall spending budget for both Curriculum resources and overheads in 2021-22 has remained material across the School. There was increased financial pressure caused by the impact of COVID with additional overheads and a significant reduction in non-grant income. Smaller pupil numbers in Upper Secondary inherited from the previous European School remain a cost pressure. During 2021-22, the Finance, Audit and General Purposes Committee and the Governing Body have overseen and reviewed the preparation of detailed three-and-six-year financial projections. These confirm that, although the next few years remain financially challenging and will require ongoing support from parents through voluntary donations, the business model for the School is relatively solid, with a more financially balanced outlook in the medium-term following graduation of the smaller legacy cohorts. A key priority will be continued funding of the top Spanish stream beyond the current agreement to August 2022.
5. Staff Recruitment and Retention: The need to retain and attract teachers with the right subject and language skills to our School, where they teach under unique conditions, requires sound finances with some flexibility. Europa is at risk of independent schools offering better paid positions, both within the UK (mainly looking for language expertise) and across the globe (international schools, other European Schools). Our teachers are required to deliver a complex curriculum, which requires more joint planning time and team working than in other schools. This creates a special bond, but also a substantial workload, and the Governing Body remains hugely grateful for the continued hard work and dedication of the teaching staff. Recruitment issues for language teachers from the European Union has been exacerbated since January 2021 following the end of the Brexit Transition Period.
6. Academic Performance: Europa submits annual attainment data to the Local Authority for inclusion in national databases, as required by the Secretary of State. Europa's pupils have a good record against these measures. As is the case for other UK schools, the reported data cover only a part of the achievements of pupils. In the case of Europa, it is important to note that these data take no account of children's attainment in literacy in German, French and Spanish. For some pupils, this attainment is on a par with, or even exceeds, that achieved in English; and for all pupils, progress in these languages is at a level for which the National Curriculum offers no adequate measure. Increasing use is made of the European Common Framework for progress and assessment in language acquisition. The School has achieved partnership status with the Goethe Institut (PASCH) and the French Ministry of Foreign Affairs (Label France Education) to support the teaching of German and French respectively. The School has also established good links with the Spanish Embassy and has signed an agreement with the University of Cervantes.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Through these partnerships, pupils are able to take optional language proficiency examinations. The examinations correspond to the levels of the Common European Framework of Reference for Languages (CEFR) and range from level A1 for beginners to C1 for the most advanced language learners. The level of participation and achievement is very high. Internal reporting of academic progress to the Governing Body has been reviewed and strengthened since 2020-21, progress on which the Governing Body plans to build in subsequent years.

Finance and General Purposes Committee

The Finance and General Purposes Committee is a subcommittee of the main Governing Body. Its main responsibilities are detailed in the School's Financial Policies and Procedures Manual. They include:

- The initial review and authorisation of the annual budget and three-year plan
- The regular monitoring of actual expenditure and income against budget, as well as cash flows
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006, the Charities SORP (FRS 102) 2015, the Academy Trust Handbook and other guidance issued by the DfE and / or ESFA
- Authorising the award of contracts of, or over, £10,000
- Approving salary changes.

The key issue dealt with by the Finance and General Purposes Committee during the year remained the review of the Trust's three-year and six-year financial plans and the actions required to address the reduced funding and impact on the level of reserves expected over these timescales. In addition, the Committee considered in detail the financial aspects of the proposal to increase class sizes to 30 throughout the Primary School from September 2021.

Attendance during the year at meetings of the Finance and General Purposes Committee was as follows:

| Governor | Meetings attended | Out of a possible |
|-----------|-------------------|-------------------|
| S Purves | 5 | 5 |
| L Wood | 5 | 5 |
| A Brent | 2 | 5 |
| B Durkin | 2 | 3 |
| A Sidbury | 5 | 5 |
| T Stock | 5 | 5 |
| S Wright | 5 | 5 |

Audit and Risk Committee

The Trust's Audit and Risk Committee maintains an oversight of the Trust's governance, risk management, internal control and value for money framework. The Committee also reviews the reports of the Auditors (acting as Responsible Officer) on the effectiveness of financial procedures and controls. These reports are also communicated to the Full Governing Body. The key issue dealt with by the Audit and Risk Committee during the year was the review of the Internal Scrutiny Report on the Trust's internal financial controls received from CKCA and the actions undertaken to address the recommendations included in the report.

Attendance during the year at meetings of the Audit and Risk Committee was as follows:

| Governor | Meetings attended | Out of a possible |
|-------------------|-------------------|-------------------|
| A Sidbury | 1 | 1 |
| S Purves | 1 | 1 |
| S Wright | 1 | 1 |
| T Stock | 0 | 0 |
| J Holderness-Laar | 0 | 0 |

EUROPA SCHOOL UK
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As Accounting Officer, the Principal has responsibility for ensuring that the School delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the School's use of its resources has provided good value for money during each academic year, and reports to the Board of Governors where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the School has delivered improved value for money during the year by:

Efficient and Appropriate Use of Resources

The Governing Body has continued to ensure that the school maximizes its income and minimises its costs without compromising its core mission.

Although the School benefits from a large and welcoming site, there has nevertheless been pressure on classroom space due to the addition of a new Spanish class each year. This has been exacerbated since 2020-21 by the ongoing site maintenance and capital works, which have meant parts of the School have not been available for teaching. Our Primary classrooms are used to their full capacity with classes of 30 throughout and we have a very high rate of room occupancy in the whole School, with all full-sized classrooms in use throughout the week and smaller spaces in frequent use despite the difficulties of the site layout. Operating at the limit of our capacity, the School is nevertheless responding to both the general demand for school places in Oxfordshire and the specific demand for a multi-lingual, multi-cultural school, by increasing pupil numbers. An essential component of the Estate Plan to support this has been a two-stage replacement programme of eight life-expired temporary classrooms (stage 1 completed, stage 2 to be completed in 2022-23), as well as internal re-structuring of a set of medium classroom spaces to create two large classrooms, generously funded by parental donations.

Staff deployment is kept under constant review to ensure the best use of our Teachers, Teaching Assistants and Support Staff. Employment of a largely multilingual staff, including a substantial number with previous experience of European Schools, has ensured quick understanding and high competence in meeting the aims of the School and developing appropriate teaching methods. Directed teacher time prioritises classroom presence, along with individual and joint preparation.

Despite passing from Primary only to all-through funding, the Europa School block allocation remains low compared with other Free Schools in the country. The funding is used efficiently to provide an additional 15 hours per year in KS1, 80 hours in KS2, a standard number of hours in KS3 and KS4 and about 50-60% increase in directed teaching hours at KS5, when compared with typical UK schools. This allows in Primary for the effective 50/50 split between learning through English and learning through one of the stream languages (French, German and Spanish) and in Secondary, the successful completion of the broad International Baccalaureate. Cost effectiveness has been supported by a very flat management structure and excellent commitment of staff. Although additional management resource has been created this year in the form of Deputy Heads of Primary and Secondary reflecting the growth of the School, the School Leadership Team remains lean against similar benchmarks.

The transition from the School's accredited European status to an International Baccalaureate World School has facilitated significant training of staff to teach the IB. It will also reduce the teacher allocation, thus bringing in some savings in staff costs, although it will continue to be a large programme compared to schools offering A-levels. The School should also benefit in due course from funding via the DfE Large Programme uplift.

Educational Results

As detailed above in this report, our educational results demonstrate steady progress throughout the School from somewhat below national levels at entry to well above those levels in Baccalaureate success. These achievements have been supported by Europa Primary unique curriculum and the IB curriculum, the high level of commitment shown by staff and pupils, the cognitive benefits of multilingual education, the strong focus of the Governors and the efficient staffing model that targets academic success and supportive relationships throughout. The School has maintained the high academic outcomes for the IB programme, with its first set of results in July 2022.

EUROPA SCHOOL UK
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

Governance Arrangements during the COVID-19 Outbreak

Governing Body and subcommittee meetings have continued to be virtual during 2021-22 due to the ongoing COVID pandemic. The Governing Body has overseen and regularly reviewed the School's COVID policy, and is proud that the infection control mitigations put in place have helped maintain well below average levels of SARS-CoV-2 infection among the School community.

Financial Oversight

A small administrative Team ensures highly effective financial controls. Monthly reconciliations, prepared by the Finance Manager, are reviewed and signed off by the Director of Finance and Operations (FCA). The Finance Manager resigned in September 2022 and her main responsibilities are now carried out by an external accountancy firm, MLG Education Services. The Governing Body's Finance and General Purposes Committee has profited from financial expertise among its members. The Committee analyses the monthly management accounts prior to extended meetings five / six times a year, covering accuracy and appropriate use of resources in line with the mission of the School. The outcomes are then reported to the Full Governing Body. The Audit and Risk Committee oversees the effectiveness of financial controls and liaises with the external auditors.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of School policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact, should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in ESUK for the year from 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

In 2021-22, the Governing Body decided to create a separate Audit and Risk Committee from the Finance Committee. One of its key objectives is to review and update the Trust Risk Register. The Risk Register captures the key risks to which the School is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors oversees the entire Risk Register, but has delegated ownership of individual risks to the relevant Committees, which review these risks each meeting and update the Risk Register as required. The Governing Body has also continued regularly to review the School's COVID Risk Register. The Governing Body is therefore satisfied that there has been, and continues to be, a robust and sustainable process for identifying, evaluating and managing the School's significant risks, throughout the year from 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

The risk and control framework

The School's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports, which are reviewed and agreed by the Board of Governors;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

EUROPA SCHOOL UK
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Board of Governors has decided to employ CKCA Limited as internal auditor.

This option has been chosen, as Governors believe this provides a robust and independent approach to providing assurance that the Trust's financial and non-financial controls and risk management procedures are operating effectively.

CKCA's role includes offering advice and insight to the Board of Governors on how to address weaknesses in financial and non-financial controls, as well as evaluating the suitability of, and level of compliance with financial and non-financial controls. This includes assessing whether procedures are effective and efficient, and checking whether agreed controls and procedures have been followed. CKCA have undertaken one focused review during the year and the scope of work included a detailed review of financial controls to cover wages and salaries, purchases and payments, income and nominal ledger activity.

On an annual basis, the internal auditor reports to the Board of Governors through the Audit and Risk Committee, on the operation of the systems of control and on the discharge of the Board of Governors' financial responsibilities and prepares an annual summary report to the Committee outlining the areas reviewed, key findings, recommendations and conclusions to help the Committee consider actions and assess year on year progress.

CKCA have delivered their program of work during the year ended 31 August 2022 as planned. Three green-rated ('Merits Attention') internal control recommendations were identified from the work completed and the Governors and management have agreed to implement two of the recommendations (relating to credit cards and purchasing quotes) and, mindful of value for money in the present economic climate, to review available options during the course of the next academic year in respect of the third recommendation (school trips income).

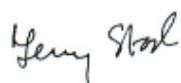
Review of effectiveness

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year ended 31 August 2022, the review has been informed by:

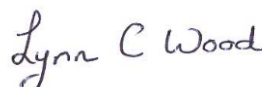
- the work of the internal scrutiny review by CKCA;
- the work of the external auditors;
- the work of the executive managers within the School who have responsibility for the development and maintenance of the internal control framework.
- the financial management and governance self-assessment process, including the School Resource Management Self-Assessment Tool.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes Committee and Audit and Risk Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Governors on 15 December 2022 and signed on their behalf by:



T Stock
Chair of Governors



L Wood
Accounting Officer

EUROPA SCHOOL UK
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Europa School UK, I have considered my responsibility to notify the School Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non compliance with ESFA terms and conditions of all funding received by the Trust, under the Funding Agreement in place between the Trust and the Secretary of State. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the School Governing Body are able to identify any material irregular or improper use of funds by the Trust, or material non compliance with the terms and conditions of funding under the School's Funding Agreement and the Academy Trust Handbook 2021.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Governors and ESFA.

Lynn C Wood

L Wood
Accounting Officer

Date: 15 December 2022

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STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

The Governors (who act as Trustees of Europa School and are also Directors of the charitable company for the purposes of Company Law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education Skills & Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year. Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

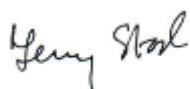
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Governors on 15 December 2022 and signed on its behalf by:



T Stock
Chair of Governors

EUROPA SCHOOL UK
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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EUROPA SCHOOL UK**

Opinion

We have audited the financial statements of Europa School UK (the 'school') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the School's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the School in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the School's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EUROPA SCHOOL UK (CONTINUED)**

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 Governors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Governors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the School and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report including the Strategic Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Governors' Responsibilities, the Governors (who are also the directors of the School for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the School'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 Governors either intend to liquidate the School or to cease operations, or have no realistic alternative but to do so.

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EUROPA SCHOOL UK (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

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

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

Our assessment focused on key laws and regulations the Academy Trust has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, the Academy Trust Handbook 2021, the Academies Accounts Direction 2021 to 2022, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities, including fraud, included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Academy Trust and how the Academy Trust is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Academy Trust's control environment and how the Academy Trust has-applied relevant control procedures, through discussions with Trustees and other management and by reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year and by performing walkthrough testing over key areas;
- obtaining an understanding of the Academy Trust's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

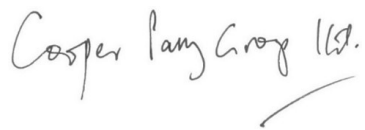
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EUROPA SCHOOL UK (CONTINUED)**

Use of our report

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

A handwritten signature in black ink that reads "Simon Atkins" with a flourish underneath.

Simon Atkins FCA (Senior Statutory Auditor)

for and on behalf of

Cooper Parry Group Ltd

Chartered Accountants

Statutory Auditor

Cubo Birmingham

Office 401, 4th Floor

Two Chamberlain Square

Birmingham

B3 3AX

19 December 2022

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EUROPA SCHOOL UK AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 1 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Europa School UK during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Europa School UK and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Europa School UK and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Europa School UK and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Europa School UK's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Europa School UK's funding agreement with the Secretary of State for Education dated 28 June 2012 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the School's income and expenditure.

The work undertaken to draw our conclusions included:

- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities, including reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year.
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EUROPA
SCHOOL UK AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

- Detailed testing of the income and expenditure of the Academy Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
Cooper Parry Group Ltd
Chartered Accountants
Statutory Auditor
Cubo Birmingham
Office 401, 4th Floor
Two Chamberlain Square
Birmingham
B3 3AX

Date: 19 December 2022

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

| | Note | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Restricted fixed asset funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Income from: | | | | | | |
| Donations and capital grants | 3 | 85,092 | 4,566 | 263,361 | 353,019 | 178,192 |
| Investments | 5 | 1,008 | - | - | 1,008 | 58 |
| Charitable activities | | 394,552 | 4,999,532 | - | 5,394,084 | 4,886,887 |
| Total income | | <u>480,652</u> | <u>5,004,098</u> | <u>263,361</u> | <u>5,748,111</u> | <u>5,065,137</u> |
| Expenditure on: | | | | | | |
| Charitable activities | 6,7 | 223,015 | 5,597,743 | 83,750 | 5,904,508 | 5,289,536 |
| Total expenditure | | <u>223,015</u> | <u>5,597,743</u> | <u>83,750</u> | <u>5,904,508</u> | <u>5,289,536</u> |
| Net income/(expenditure) | | 257,637 | (593,645) | 179,611 | (156,397) | (224,399) |
| Transfers between funds | 15 | (196,645) | 196,645 | - | - | - |
| Net movement in funds before other recognised gains/(losses) | | <u>60,992</u> | <u>(397,000)</u> | <u>179,611</u> | <u>(156,397)</u> | <u>(224,399)</u> |
| Other recognised gains/(losses): | | | | | | |
| Actuarial gains/(losses) on defined benefit pension schemes | 21 | - | 1,404,000 | - | 1,404,000 | (287,000) |
| Net movement in funds | | <u>60,992</u> | <u>1,007,000</u> | <u>179,611</u> | <u>1,247,603</u> | <u>(511,399)</u> |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | 15 | 494,396 | (1,348,000) | 754,772 | (98,832) | 412,567 |
| Total funds carried forward | 15 | <u>555,388</u> | <u>(341,000)</u> | <u>934,383</u> | <u>1,148,771</u> | <u>(98,832)</u> |

The Statement of Financial Activities includes all gains and losses recognised in the year.

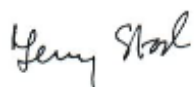
The notes on pages 43 to 64 form part of these financial statements.

EUROPA SCHOOL UK
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07649335

BALANCE SHEET
AS AT 31 AUGUST 2022

| | Note | | 2022 £ | 2021 £ |
|--|------|-----------|-------------|-----------|
| Fixed assets | | | | |
| Tangible assets | 12 | | 884,658 | 711,450 |
| Current assets | | | | |
| Debtors | 13 | 125,058 | 89,030 | |
| Cash at bank and in hand | | 992,406 | 882,652 | |
| | | 1,117,464 | 971,682 | |
| Creditors: amounts falling due within one year | 14 | (512,351) | (433,964) | |
| Net current assets | | | 605,113 | 537,718 |
| Net assets excluding pension liability | | | 1,489,771 | 1,249,168 |
| Defined benefit pension scheme liability | 21 | (341,000) | (1,348,000) | |
| Total net assets | | | 1,148,771 | (98,832) |
| Funds of the School | | | | |
| Restricted funds: | | | | |
| Fixed asset funds | 15 | 934,383 | 754,772 | |
| Pension reserve | 15 | (341,000) | (1,348,000) | |
| Total restricted funds | 15 | | 593,383 | (593,228) |
| Unrestricted income funds | 15 | | 555,388 | 494,396 |
| Total funds | | | 1,148,771 | (98,832) |

The financial statements on pages 40 to 64 were approved by the Governors, and authorised for issue on 15 December 2022 and are signed on their behalf, by:



T Stock
Chair of Governors

The notes on pages 43 to 64 form part of these financial statements.

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

| | Note | 2022 £ | 2021 £ |
|---|--------|------------------|-------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 17 | 102,344 | 64,365 |
| Cash flows from investing activities | 18 | 7,410 | 4,420 |
| Cash flows from financing activities | | - | - |
| | | <hr/> | <hr/> |
| Change in cash and cash equivalents in the year | | 109,754 | 68,785 |
| Cash and cash equivalents at the beginning of the year | | 882,652 | 813,867 |
| Cash and cash equivalents at the end of the year | 19, 20 | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 43 to 64 form part of these financial statements

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the School, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SOP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the School to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

Following notification from the ESFA in Autumn 2019, the School received funding based on actual pupil numbers. This recognises the addition of the third (Spanish) stream, since the alternative funding model based on the previous year's census would effectively mean the top Spanish stream is not funded. This arrangement had been agreed for three academic years from 2019 to 2022, following which the current default is a return to funding based on the previous year's census. The return to funding based on the previous year's census from September 2022 means the top Spanish stream class will once again not be funded until they complete their schooling in August 2029, creating a significant cost pressure for the School. The Governing Body and School Leadership Team continue to make the case to the ESFA to extend the previous funding arrangement that recognised Europa is still a growing school.

In addition to this, the School still relies on voluntary contributions from the parent community to supplement its income in order to continue operating as a going concern, which remains a key financial uncertainty and risk facing the Trust, along with cost of living challenges which may reduce the level of voluntary parental support. Following the signing of the Agreement for Lease in early September 2020, the School set up tenancy agreements for members of staff and their families for two of the three properties on site, one starting in January 2021 and the other in August 2021. In addition, the School has an agreement with an external provider for the management of bookings and community lettings. Since From early 2022, these arrangements have started to will generate a modest further level of income from hiring out site facilities. to coincide with the near completion of both capital and maintenance works.

As such, after making appropriate enquiries, the Board of Governors therefore has a reasonable expectation that the School has sufficient resources to continue in operational existence for the foreseeable future. For this reason, the Board of Governors continues to adopt the going concern basis in preparing the financial statements.

1.3 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the School at the discretion of the Governors.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.3 Fund accounting (continued)

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

1.4 Income

All incoming resources are recognised when the School has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the School has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the School, can be reliably measured.

• **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance Sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

• **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

• **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the School has provided the goods or services.

• **Donated fixed assets (excluding transfers on conversion or into the School)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the School's accounting policies.

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

• **Charitable activities**

These are costs incurred on the School's educational operations, including support costs and costs relating to the governance of the School apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.6 Interest receivable

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

1.7 Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Depreciation is provided on the following bases:

| | |
|------------------------------|---------------------|
| Long-term leasehold property | - 2% straight line |
| Computer equipment | - 25% straight line |
| Fixtures and fittings | - 15% straight line |
| Improvements to property | - 50% straight line |

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Since 1 September 2017, the School had been occupying the School site under a series of temporary Licences to Occupy Agreements between the Secretary of State for Housing Communities and Local Government and Europa School UK. Following the expiry of the previous Licence on 31 March 2018, the School occupied the site without a Licence, until the last Licence to Occupy was signed on 22 January 2020. This Licence expired on 4 September 2020, being the commencement date of the Agreement for Lease between the Secretary of State for Housing Communities and Local Government and Europa School UK. The Agreement for Lease will remain in place until the ongoing programme of capital and maintenance works funded by the ESFA is fully completed, at which point the Agreement for Lease will cease and a 125-year Lease Agreement will be entered into by the Academy Trust. As such, no value for the land and buildings of the whole School site has therefore been reflected in the financial statements, other than the value of buildings work and improvements undertaken on the site up to 31 August 2022, which is all included at cost.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet 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 of the settlement can be estimated reliably. Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 Financial instruments

The School only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the School and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.12 Taxation

The School is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the School is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.13 Pensions

Retirement benefits to employees of the School are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the School in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.14 Agency arrangements

The School acts as agent in distributing bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the School does not have control over the charitable application of the funds. The funds received and any balances held are recognised in note 23.

EUROPA SCHOOL UK
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

2. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible fixed assets are depreciated over their economic useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

3. Income from donations and capital grants

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Restricted fixed asset funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-------------------|--|--|--|---------------------------------------|---------------------------------------|
| Donations | 85,092 | 4,566 | 30,685 | 120,343 | 130,176 |
| Capital Grants | - | - | 232,676 | 232,676 | 48,016 |
| Total 2022 | 85,092 | 4,566 | 263,361 | 353,019 | 178,192 |
| Total 2021 | 115,279 | 3,297 | 59,616 | 178,192 | |

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**NOTES TO THE FINANCIAL STATEMENTS
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4. Funding for the Academy Trust's educational operations

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Educational Activities | | | | |
| DfE/ESFA grants | | | | |
| General Annual Grant | - | 4,573,018 | 4,573,018 | 4,127,642 |
| Other DfE/ESFA grants: | | | | |
| Other DfE/ESFA Group grants | - | 135,964 | 135,964 | 62,825 |
| Pupil Premium | - | 48,812 | 48,812 | 42,694 |
| UiFSM | - | 116,602 | 116,602 | 113,474 |
| Teachers Pension grant | - | 14,277 | 14,277 | 145,063 |
| Teachers Pay grant | - | 5,052 | 5,052 | 50,852 |
| | - | 4,893,725 | 4,893,725 | 4,542,550 |
| Other Government grants | | | | |
| Local Authority grants | - | 33,871 | 33,871 | 18,280 |
| | - | 33,871 | 33,871 | 18,280 |
| Other income from educational operations | 394,552 | - | 394,552 | 219,514 |
| COVID-19 additional funding (DfE/ESFA) | | | | |
| Catch-up Premium | - | 1,698 | 1,698 | 68,654 |
| Recovery Premium | - | 6,000 | 6,000 | - |
| School Led Tutoring grants | - | 4,455 | 4,455 | - |
| Other COVID related funding | - | 4,799 | 4,799 | - |
| | - | 16,952 | 16,952 | 68,654 |
| COVID-19 additional funding (non-DfE/ESFA) | | | | |
| CJRS grants | - | - | - | 2,229 |
| COVID Mass Testing grants | - | 14,843 | 14,843 | 35,660 |
| Kick Start funding | - | 40,141 | 40,141 | - |
| | - | 54,984 | 54,984 | 37,889 |
| | 394,552 | 4,999,532 | 5,394,084 | 4,886,887 |
| | 394,552 | 4,999,532 | 5,394,084 | 4,886,887 |
| Total 2021 | 168,909 | 4,717,978 | 4,886,887 | |

The School received £6,000 of COVID recovery premium funding and £4,455 of School Led Tutoring funding in the year and costs incurred in respect of this funding totalled £6,000 and £4,455 respectively

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Investment income

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---------------------|--|---------------------------------------|-----------------------------|
| Short term deposits | 1,008 | 1,008 | 58 |
| Total 2022 | <u>1,008</u> | <u>1,008</u> | <u>58</u> |
| Total 2021 | <u>58</u> | <u>58</u> | |

6. Expenditure

| | Staff Costs 2022 £ | Premises 2022 £ | Other 2022 £ | Total 2022 £ | Total 2021 £ |
|-------------------------|-----------------------------------|--------------------------------|-----------------------------|-----------------------------|--------------------|
| Educational operations: | | | | | |
| Direct costs | 2,826,683 | - | 340,599 | 3,167,282 | 2,956,208 |
| Support costs | 1,710,944 | 592,260 | 434,022 | 2,737,226 | 2,333,328 |
| Total 2022 | <u>4,537,627</u> | <u>592,260</u> | <u>774,621</u> | <u>5,904,508</u> | <u>5,289,536</u> |
| Total 2021 | <u>4,049,370</u> | <u>551,720</u> | <u>688,446</u> | <u>5,289,536</u> | |

Of the total expenditure of £5,904,508 (2021: £5,289,536), £233,015 (2021: £142,891) was allocated to unrestricted funds, £5,597,743 (2021: £5,047,955) was allocated to restricted funds and £83,750 (2021: £98,690) was allocated to restricted fixed asset funds.

7. Analysis of expenditure by activities

| | Activities undertaken directly 2022 £ | Support costs 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|------------------------|--|---|---------------------------------------|-----------------------------|
| Educational operations | <u>3,167,282</u> | <u>2,737,226</u> | <u>5,904,508</u> | <u>5,289,536</u> |
| Total 2021 | <u>2,956,208</u> | <u>2,333,328</u> | <u>5,289,536</u> | |

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FOR THE YEAR ENDED 31 AUGUST 2022**

7. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Total funds 2022 £ | Total funds 2021 £ |
|---------------------------------------|---------------------------------------|-----------------------------|
| LGPS FRS102 net pension interest cost | 25,000 | 16,000 |
| Staff costs | 1,710,944 | 1,316,512 |
| Depreciation | 83,750 | 98,690 |
| Technology costs | 31,482 | 25,145 |
| Insurance | 22,528 | 19,215 |
| Catering | 116,889 | 86,362 |
| Bank interest and charges | 929 | 334 |
| Other support costs | 697,879 | 737,348 |
| Professional and governance fees | 43,307 | 28,177 |
| Legal fees | 4,518 | 5,545 |
| | <u>2,737,226</u> | <u>2,333,328</u> |

8. Net expenditure

Net expenditure for the year includes:

| | 2022 £ | 2021 £ |
|---------------------------------------|-------------------|---------------|
| Depreciation of tangible fixed assets | 83,750 | 98,690 |
| Fees paid to auditor for: | | |
| - audit | 8,950 | 7,400 |
| - other services | 7,795 | 7,300 |
| | <u>16,745</u> | <u>14,700</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

9. Staff

a. Staff costs

Staff costs during the year were as follows:

| | 2022 | 2021 |
|-----------------------|-------------------------|-------------------------|
| | £ | £ |
| Wages and salaries | 3,200,773 | 2,937,406 |
| Social security costs | 269,462 | 249,347 |
| Pension costs | 1,050,475 | 844,208 |
| | <u>4,520,710</u> | <u>4,030,961</u> |
| Agency staff costs | 16,917 | 18,409 |
| | <u><u>4,537,627</u></u> | <u><u>4,049,370</u></u> |

b. Staff numbers

The average number of persons employed by the School during the year was as follows:

| | 2022 | 2021 |
|------------|-------------|------------|
| | No. | No. |
| Management | 7 | 7 |
| Teachers | 74 | 74 |
| Support | 73 | 55 |
| | <u>154</u> | <u>136</u> |

c. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | 2022 | 2021 |
|-------------------------------|-----------------|-----------------|
| | No. | No. |
| In the band £70,001 - £80,000 | 2 | 2 |
| In the band £80,001 - £90,000 | 1 | 1 |
| | <u><u>3</u></u> | <u><u>3</u></u> |

d. Key management personnel

The key management personnel of the School comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the School was £565,292 (2021 £560,804).

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Governors' remuneration and expenses

One or more Governors has been paid remuneration or has received other benefits from an employment with the School. The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff members under their contracts of employment. The value of Governors' remuneration and other benefits was as follows:

| | | 2022 | 2021 |
|-----------------|----------------------------|-----------------|-----------------|
| | | £ | £ |
| L Wood | Remuneration | 85,000 - 90,000 | 85,000 - 90,000 |
| | Pension contributions paid | 20,000 - 25,000 | 20,000 - 25,000 |
| S Kynoch | Remuneration | - | 5,000 - 10,000 |
| | Pension contributions paid | - | 0 - 5,000 |
| S Philppot-Gasc | Remuneration | 40,000 - 45,000 | 40,000 - 45,000 |
| | Pension contributions paid | 5,000 - 10,000 | 5,000 - 10,000 |
| B Durkin | Remuneration | 25,000 - 30,000 | 20,000 - 25,000 |
| | Pension contributions paid | 5,000 - 10,000 | 0 - 5,000 |

During the year ended 31 August 2022, no Governor expenses have been incurred (2021 - £NIL).

11. Governors' and Officers' insurance

In accordance with normal commercial practice, the School has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000. It is not possible to quantify the Trustees and Officers indemnity element from the overall cost of the RPA scheme.

12. Tangible fixed assets

| | Leasehold property £ | Furniture and fittings £ | Motor vehicles £ | Computer equipment £ | Other fixed assets £ | Total £ |
|--------------------------|----------------------------|--------------------------------|------------------------|----------------------------|----------------------------|-----------------------|
| Cost or valuation | | | | | | |
| At 1 September 2021 | 742,514 | 205,557 | 1,367 | 494,517 | 55,113 | 1,499,068 |
| Additions | 838 | 32,285 | - | 223,836 | - | 256,959 |
| At 31 August 2022 | <u>743,352</u> | <u>237,842</u> | <u>1,367</u> | <u>718,353</u> | <u>55,113</u> | <u>1,756,027</u> |
| Depreciation | | | | | | |
| At 1 September 2021 | 147,924 | 142,738 | 1,367 | 458,152 | 37,437 | 787,618 |
| Charge for the year | 20,236 | 20,934 | - | 36,862 | 5,719 | 83,751 |
| At 31 August 2022 | <u>168,160</u> | <u>163,672</u> | <u>1,367</u> | <u>495,014</u> | <u>43,156</u> | <u>871,369</u> |
| Net book value | | | | | | |
| At 31 August 2022 | <u><u>575,192</u></u> | <u><u>74,170</u></u> | <u><u>-</u></u> | <u><u>223,339</u></u> | <u><u>11,957</u></u> | <u><u>884,658</u></u> |
| At 31 August 2021 | <u><u>594,590</u></u> | <u><u>62,819</u></u> | <u><u>-</u></u> | <u><u>36,365</u></u> | <u><u>17,676</u></u> | <u><u>711,450</u></u> |

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12. Tangible fixed assets (continued)

Since 1 September 2017, the School had been occupying the School site under a series of temporary Licences to Occupy Agreements between the Secretary of State for Housing Communities and Local Government and Europa School UK. Following the expiry of the previous Licence on 31 March 2018, the School occupied the site without a Licence, until the last Licence to Occupy was signed on 22 January 2020. This Licence expired on 4 September 2020, being the commencement date of the Agreement for Lease between the Secretary of State for Housing Communities and Local Government and Europa School UK. The Agreement for Lease will remain in place until the ongoing programme of capital and maintenance works funded by the ESFA is fully completed, at which point the Agreement for Lease will cease and a 125-year Lease Agreement will be entered into by the Academy Trust. As such, no value for the land and buildings of the whole School site has therefore been reflected in the financial statements, other than the cost of buildings work and improvements undertaken on the site up to 31 August 2022.

13. Debtors

| | 2022 | 2021 |
|--------------------------------|-------------|--------|
| | £ | £ |
| Due within one year | | |
| Other debtors | 20,261 | 22,450 |
| Prepayments and accrued income | 104,797 | 66,580 |
| | 125,058 | 89,030 |
| | 125,058 | 89,030 |

14. Creditors: Amounts falling due within one year

| | 2022 | 2021 |
|--|-------------|----------|
| | £ | £ |
| Trade creditors | 204,297 | 150,925 |
| Other taxation and social security | 59,962 | 60,036 |
| Other creditors | 88,785 | 43,891 |
| Accruals and deferred income | 159,307 | 179,112 |
| | 512,351 | 433,964 |
| | 512,351 | 433,964 |
| | 2022 | 2021 |
| | £ | £ |
| Deferred income at 1 September 2021 | 77,291 | 63,486 |
| Resources deferred during the year | 71,413 | 77,291 |
| Amounts released from previous periods | (77,291) | (63,486) |
| | 71,413 | 77,291 |
| | 71,413 | 77,291 |

Included within deferred income are Universal Infant Free School Meals grants and other funds received for educational activities all of which will be utilised in the year ending 31 August 2023.

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Statement of funds

| | Balance at 1 September 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2022 £ |
|---------------------------------|--|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| General Funds - all funds | 494,396 | 480,652 | (223,015) | (196,645) | - | 555,388 |
| Restricted general funds | | | | | | |
| General Annual Grant (GAG) | - | 4,573,018 | (4,769,663) | 196,645 | - | - |
| Pupil Premium | - | 48,812 | (48,812) | - | - | - |
| UIFSM | - | 116,602 | (116,602) | - | - | - |
| Teacher Pay grants | - | 14,277 | (14,277) | - | - | - |
| Teacher Pension grants | - | 5,052 | (5,052) | - | - | - |
| Other DfE/ESFA grants | - | 135,964 | (135,964) | - | - | - |
| Local Authority grants | - | 33,871 | (33,871) | - | - | - |
| COVID Catch-up premium | - | 1,698 | (1,698) | - | - | - |
| COVID Recovery premium | - | 6,000 | (6,000) | - | - | - |
| School Led Tutoring grants | - | 4,455 | (4,455) | - | - | - |
| Other DfE/ESFA COVID grants | - | 4,799 | (4,799) | - | - | - |
| Other COVID grants and funding | - | 54,984 | (54,984) | - | - | - |
| Other income and funding | - | 4,566 | (4,566) | - | - | - |
| Pension reserve | (1,348,000) | - | (397,000) | - | 1,404,000 | (341,000) |
| | <u>(1,348,000)</u> | <u>5,004,098</u> | <u>(5,597,743)</u> | <u>196,645</u> | <u>1,404,000</u> | <u>(341,000)</u> |

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15. Statement of funds (continued)

| | Balance at 1 September 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2022 £ |
|-------------------------------------|--|-------------------------|---------------------------|--------------------------|-------------------------|--------------------------------------|
| Restricted fixed asset funds | | | | | | |
| Tangible fixed assets | 711,450 | - | (83,750) | 256,958 | - | 884,658 |
| Capital grants | 43,322 | 232,676 | - | (254,323) | - | 21,675 |
| Other capital funding | - | 30,685 | - | (2,635) | - | 28,050 |
| | <u>754,772</u> | <u>263,361</u> | <u>(83,750)</u> | <u>-</u> | <u>-</u> | <u>934,383</u> |
| Total Restricted funds | <u>(593,228)</u> | <u>5,267,459</u> | <u>(5,681,493)</u> | <u>196,645</u> | <u>1,404,000</u> | <u>593,383</u> |
| Total funds | <u><u>(98,832)</u></u> | <u><u>5,748,111</u></u> | <u><u>(5,904,508)</u></u> | <u><u>-</u></u> | <u><u>1,404,000</u></u> | <u><u>1,148,771</u></u> |

The specific purposes for which the funds are to be applied are as follows:

The General Annual Grant funding must be used for the normal running costs of the Academy Trust in line with the Trust's charitable objects and the terms and conditions of the Trust's funding agreement. Under the funding agreement with the Secretary of State, the School was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

All DfE/ESFA grants, which includes Pupil Premium, Universal Infant Free School Meal grants, Teacher Pay grants and Teachers' Pension grants, all Local Authority funding, COVID Recovery Premium, Other COVID related funding and all other restricted income, are all used in accordance with the specific restrictions of the individual grants and funding provided.

The Pension reserve represents the Local Government Pension Scheme deficit.

Restricted fixed asset funds represent the investment in fixed assets, net of accumulated depreciation, and includes the value of fixed assets transferred to the Academy Trust on conversion of the Schools within the Academy Trust and the value of fixed assets transferred from academies joining the Trust in the current or previous years, together with any capital expenditure funded from restricted or unrestricted funds. Unspent capital grants and capital income are also held in this fund and their use is restricted to the capital projects for which the grant awarded.

Comparative information in respect of the preceding year is as follows:

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15. Statement of funds (continued)

| | Balance at 19 September 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2021 £ |
|-------------------------------------|--|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| General Funds | 445,721 | 284,246 | (142,891) | (92,680) | - | 494,396 |
| | <u>445,721</u> | <u>284,246</u> | <u>(142,891)</u> | <u>(92,680)</u> | <u>-</u> | <u>494,396</u> |
| Restricted general funds | | | | | | |
| GAG funding | - | 4,010,707 | (4,103,387) | 92,680 | - | - |
| Pupil Premium | - | 42,694 | (42,694) | - | - | - |
| UIFSM | - | 113,474 | (113,474) | - | - | - |
| Teacher Pay grants | - | 50,852 | (50,852) | - | - | - |
| Teacher Pension grants | - | 145,063 | (145,063) | - | - | - |
| Other DfE/ESFA grants | - | 179,760 | (179,760) | - | - | - |
| Local Authority grants | - | 18,280 | (18,280) | - | - | - |
| COVID Catch-up premium | - | 68,654 | (68,654) | - | - | - |
| Other COVID related funding | - | 37,889 | (37,889) | - | - | - |
| Other income | - | 53,902 | (53,902) | - | - | - |
| Pension reserve | (827,000) | - | (234,000) | - | (287,000) | (1,348,000) |
| | <u>(827,000)</u> | <u>4,721,275</u> | <u>(5,047,955)</u> | <u>92,680</u> | <u>(287,000)</u> | <u>(1,348,000)</u> |
| | <u>(827,000)</u> | <u>4,721,275</u> | <u>(5,047,955)</u> | <u>92,680</u> | <u>(287,000)</u> | <u>(1,348,000)</u> |
| Restricted fixed asset funds | | | | | | |
| Fixed assets | 754,885 | 11,600 | (98,690) | 43,655 | - | 711,450 |
| Capital funding | 38,961 | 48,016 | - | (43,655) | - | 43,322 |
| | <u>793,846</u> | <u>59,616</u> | <u>(98,690)</u> | <u>-</u> | <u>-</u> | <u>754,772</u> |
| | <u>793,846</u> | <u>59,616</u> | <u>(98,690)</u> | <u>-</u> | <u>-</u> | <u>754,772</u> |
| Total Restricted funds | <u>(33,154)</u> | <u>4,780,891</u> | <u>(5,146,645)</u> | <u>92,680</u> | <u>(287,000)</u> | <u>(593,228)</u> |
| | <u>(33,154)</u> | <u>4,780,891</u> | <u>(5,146,645)</u> | <u>92,680</u> | <u>(287,000)</u> | <u>(593,228)</u> |
| Total funds | <u>412,567</u> | <u>5,065,137</u> | <u>(5,289,536)</u> | <u>-</u> | <u>(287,000)</u> | <u>(98,832)</u> |
| | <u>412,567</u> | <u>5,065,137</u> | <u>(5,289,536)</u> | <u>-</u> | <u>(287,000)</u> | <u>(98,832)</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Restricted fixed asset funds 2022 £ | Total funds 2022 £ |
|--|--|--|--|---------------------------------------|
| Tangible fixed assets | - | - | 884,658 | 884,658 |
| Current assets | 555,388 | 512,351 | 49,725 | 1,117,464 |
| Creditors due within one year | - | (512,351) | - | (512,351) |
| Provisions for liabilities and charges | - | (341,000) | - | (341,000) |
| Total | <u>555,388</u> | <u>(341,000)</u> | <u>934,383</u> | <u>1,148,771</u> |

Analysis of net assets between funds - prior year

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Restricted fixed asset funds 2021 £ | Total funds 2021 £ |
|--|--|--|--|---------------------------------------|
| Tangible fixed assets | - | - | 711,450 | 711,450 |
| Current assets | 494,396 | 433,964 | 43,322 | 971,682 |
| Creditors due within one year | - | (433,964) | - | (433,964) |
| Provisions for liabilities and charges | - | (1,348,000) | - | (1,348,000) |
| Total | <u>494,396</u> | <u>(1,348,000)</u> | <u>754,772</u> | <u>(98,832)</u> |

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17. Reconciliation of net expenditure to net cash flow from operating activities

| | 2022 | 2021 |
|---|----------------|---------------|
| | £ | £ |
| Net expenditure for the year (as per Statement of Financial Activities) | (156,397) | (224,399) |
| Adjustments for: | | |
| Depreciation | 83,750 | 98,690 |
| Capital grants from DfE and other capital income | (263,361) | (59,616) |
| Dividends, interest and rents from investments | (1,008) | (58) |
| Defined benefit pension scheme cost less contributions payable | 372,000 | 218,000 |
| Defined benefit pension scheme finance cost | 25,000 | 16,000 |
| (Increase)/decrease in debtors | (36,027) | 9,528 |
| Increase in creditors | 78,387 | 6,220 |
| Net cash provided by operating activities | 102,344 | 64,365 |

18. Cash flows from investing activities

| | 2022 | 2021 |
|---|--------------|--------------|
| | £ | £ |
| Dividends, interest and rents from investments | 1,008 | 58 |
| Purchase of tangible fixed assets | (256,959) | (55,254) |
| Capital grants from DfE Group | 232,676 | 37,351 |
| Capital funding received from sponsors and others | 30,685 | 22,265 |
| Net cash provided by investing activities | 7,410 | 4,420 |

19. Analysis of cash and cash equivalents

| | 2022 | 2021 |
|--|----------------|----------------|
| | £ | £ |
| Cash in hand and at bank | 992,406 | 882,652 |
| Total cash and cash equivalents | 992,406 | 882,652 |

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of changes in net debt

| | At 1 September 2021 | Cash flows | At 31 August 2022 |
|--------------------------|------------------------------------|-------------------|------------------------------|
| | £ | £ | £ |
| Cash at bank and in hand | 882,652 | 109,754 | 992,406 |
| | 882,652 | 109,754 | 992,406 |
| | 882,652 | 109,754 | 992,406 |

21. Pension commitments

The School's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Oxfordshire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £57,269 were payable to the schemes at 31 August 2022 and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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21. Pension commitments (continued)

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £515,098 (2021 - £492,183).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme. The School has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £214,000 (2021 - £181,000), of which employer's contributions totalled £160,000 (2021 - £134,000) and employees' contributions totalled £ 54,000 (2021 - £47,000). The agreed contribution rates for future years are 19.3% for employers and 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

| | 2022 | 2021 |
|--|-------------|------|
| | % | % |
| Rate of increase in salaries | 3.05 | 2.90 |
| Rate of increase for pensions in payment/inflation | 3.05 | 2.90 |
| Discount rate for scheme liabilities | 4.25 | 1.65 |

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

| | 2022 | 2021 |
|----------------------|-------------|-------|
| | Years | Years |
| Retiring today | | |
| Males | 22.2 | 22.4 |
| Females | 24.5 | 24.7 |
| Retiring in 20 years | | |
| Males | 23.1 | 23.4 |
| Females | 26.1 | 26.3 |

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21. Pension commitments (continued)

Sensitivity analysis

Increase in the reported value of defined benefit obligations:

| | 2022 | 2021 |
|--|-------------------|-------------------|
| | £000 | £000 |
| Discount rate -0.1% | 42 | 65 |
| Mortality assumption - 1 year increase | 63 | 96 |
| CPI rate +0.1% | 42 | 63 |
| | <u> </u> | <u> </u> |

Share of scheme assets

The School's share of the assets in the scheme was:

| | At 31 | At 31 August |
|-------------------------------------|--------------------|-------------------|
| | August 2022 | 2021 |
| | £ | £ |
| Equities | 917,250 | 782,920 |
| Gilts | 183,450 | 179,860 |
| Property | 110,070 | 74,060 |
| Cash and other liquid assets | 12,230 | 21,160 |
| | <u> </u> | <u> </u> |
| Total market value of assets | 1,223,000 | 1,058,000 |
| | <u> </u> | <u> </u> |

The actual return on scheme assets was £(47,000) (2021 - £156,000).

The amounts recognised in the Statement of Financial Activities are as follows:

| | 2022 | 2021 |
|---|-------------------|-------------------|
| | £ | £ |
| Current service cost | (532,000) | (352,000) |
| Interest income | 19,000 | 14,000 |
| Interest cost | (44,000) | (30,000) |
| | <u> </u> | <u> </u> |
| Total amount recognised in the Statement of Financial Activities | (557,000) | (368,000) |
| | <u> </u> | <u> </u> |

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21. Pension commitments (continued)

Changes in the present value of the defined benefit obligations were as follows:

| | 2022 | 2021 |
|--------------------------|-------------------------|-------------------------|
| | £ | £ |
| At 1 September | 2,406,000 | 1,550,000 |
| Current service cost | 532,000 | 352,000 |
| Interest cost | 44,000 | 30,000 |
| Employee contributions | 54,000 | 47,000 |
| Actuarial (gains)/losses | (1,470,000) | 429,000 |
| Benefits paid | (2,000) | (2,000) |
| | <u>1,564,000</u> | <u>2,406,000</u> |
| At 31 August | <u><u>1,564,000</u></u> | <u><u>2,406,000</u></u> |

Changes in the fair value of the School's share of scheme assets were as follows:

| | 2022 | 2021 |
|--------------------------|-------------------------|-------------------------|
| | £ | £ |
| At 1 September | 1,058,000 | 723,000 |
| Interest income | 19,000 | 14,000 |
| Actuarial (losses)/gains | (66,000) | 142,000 |
| Employer contributions | 160,000 | 134,000 |
| Employee contributions | 54,000 | 47,000 |
| Benefits paid | (2,000) | (2,000) |
| | <u>1,223,000</u> | <u>1,058,000</u> |
| At 31 August | <u><u>1,223,000</u></u> | <u><u>1,058,000</u></u> |

22. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

23. Agency arrangements

The School distributes 16-19 bursary funds to students as an agent for the ESFA. In the year ended 31 August 2022, the School received £4,238 (2021: £6,536) and distributed £4,238 (2021: £6,536). No amounts are held at year end as undistributed funds that are repayable to the ESFA (2021: £Nil).

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24. Related party transactions

Owing to the nature of the School and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the governors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the School's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place during the current and previous year:

J Marechau, the spouse of P Marechau, the Head of Primary and a member of the key management personnel of the School, is employed as a teacher by the School. J Marechau's appointment was made in open competition and P Marechau was not involved in the decision making process regarding the appointment. J Marechau is paid within the normal pay scale for their role and receives no special treatment as a result of their relationship to a member of the key management personnel of the School.

R Greenwood, the spouse of M-C Greenwood, the Director of Finance and Operations and a member of the key management personnel of the School, is employed as a teacher by the School. R Greenwood's appointment was made in open competition and M-C Greenwood was not involved in the decision making process regarding the appointment. R Greenwood is paid within the normal pay scale for their role and receives no special treatment as a result of their relationship to a member of the key management personnel of the School.

G Neville, the partner of S Purves, a Governor, is employed as an administrative support member by the School. G Neville's appointment was made in open competition and S Purves was not involved in the decision making process regarding the appointment. G Neville is paid within the normal pay scale for their role and receives no special treatment as a result of their relationship to a Governor of the School.

Governors and members of the key management personnel of the School made donations totalling £8,423 to the School.