

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 2023

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
J Spiro

Governors

L Wood, Principal and Accounting Officer¹
A Brent¹
J Holderness-Laar²
S Purves, Deputy Chair of Governors^{1,2}
L Kan (resigned 22 June 2023)
S Philippot-Gasc
T Stock, Chair of Governors¹
S Wright
B Durkin
K Loudon
A Sidbury, Chair of the Audit and Risk Committee^{1,2}
S Cohen
M Mavrikis (appointed 22 June 2023)
V Shepherd (appointed 12 December 2023)

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

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
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Senior leadership team

L Wood, Principal
P Maréchau, Head of Primary (resigned 31 August 2023)
S Kynoch, Deputy Head of Primary, 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
M Gaillard, Deputy Head of Primary (appointed 1 September 2023)

Independent auditors

Cooper Parry Group Limited
Statutory Auditor
Cubo Birmingham
Office 401, 3rd 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
Routeo Office Park
Davy Avenue
Knowhill
Milton Keynes
MK5 8HJ

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

EUROPA SCHOOL UK
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

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 2022 to 31 August 2023. 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 International 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 628 and 444 pupils currently enrolled in Primary and Secondary respectively based on the Autumn 2023 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 unlimited cover.

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 2023

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-option, 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 2022-23 have mainly been online. 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 GovernorsHub. Regular updates are regularly emailed by the Clerk to the Governors on the GovernorsHub.

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

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.

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

The Trustees 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 (structure changed to two Deputy Heads of Primary, with no Head of Primary from September 2023), 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 11 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	4,424,455
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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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.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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
- Preparation of pupils for the International Baccalaureate Middle Years Programme Certificate (The School gained authorisation for the International Middle Years Programme in Spring 2023).
- Teaching staff use 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.

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.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

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 2023 were as follows:

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 2022, there were 215 first preferences application for 90 places. The total number of students on the School role reached 1,039 of the potential 1,080 places with space only available in the upper Secondary and Sixth Form due to the recent changes in the curriculum from an accredited European School to an International Baccalaureate (IB) World School.

Curriculum Change

The School obtained IB World School status for its Middle Years Programme (MYP) in 2022, which is currently running in Years 7, 8 and 11. It has already established an IB Diploma programme in Sixth Form. In 2022-23, Years 9 and 11 were still being taught using European School syllabuses as part of a transition arrangement with the European School Board of Directors. This was completed in August 2023 and all Year groups now follow the IB curriculums.

The School has a unique bilingual model; from Reception, Primary pupils study half the week in English and the other half in one of 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 study of a 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 with options subjects in Art, Music or Economics.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

In addition, the School started teaching GCSE English Language and Mathematics in Years 10 and 11 given the loss of recognition of a European School Year 11 certificate.

55% 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

The School's allocation for the 16-19 catch-up funding was £1,627, for 2022-23. The funding was spent on Mathematics tuition in Year 13 for the weaker students (including those students not achieving a Grade 4 equivalent in GCSE, SEN and disadvantaged cohort) who were identified at risk of not achieving a qualification in Mathematics. Much voluntary support was also given, 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 98% pass rate in Mathematics. This was significantly above expectations.

We also delivered our National Tutoring Programme (NTP) with a 60% funding subsidy via school-led tutoring. This was spread across the School. In Primary, tutoring was delivered for English and Mathematics in small group sessions. In Secondary, additional tutoring was given in the stream languages. The impact was improved success in national assessments.

Baccalaureate Results

This was the School's second IB Diploma session and we were delighted to achieve a 98% pass rate with an average diploma score of 35, which is equivalent to 3 As at A-Level. This grade was below the average grade achieved in 2022 due to the Examination Board's grading reverting to pre-pandemic levels.

Most of our students are intending to go on to Higher Education, some following gap years and Foundation courses. Current destinations include top universities in the UK and across Europe. One student is taking up a degree apprenticeship.

Other Statutory Assessments

Europa School's bilingual model is progressive for performance in national tests and by comparison 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 lower 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 studied - English and the stream language.

School Performance in National Testing in 2022-23 for Various Cohorts:

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

Assessment	Data	All	Male	Female	SEN K	PP	EAL	National
EYFS	% GLD	70%	59%	84%	25%	-		65.5%
Phonics	% Pass in Yr. 1	61%	65%	54%	100%	33%	63%	75%
Phonics	% Pass in Yr. 2	91%	92%	90%	75%	100 %	95%	90%
end of KS1	% EXP+ in reading, writing and maths	51%	47%	55%	25%	-	51%	
Multiplication	average score	18.9	18.9	18.9	16.6	18.3	19.4	
end of KS2	% EXP+ in reading, writing and maths	72%	71%	73%	25%	-	74%	59%
KS4	% GCSE standard passes in English & maths	88%	84%	90%	75%	-		
KS4	% GCSE strong pass in English & Maths	70%	60%	77%	25%	-		
KS5	% Pass IB Diploma	98%	96%	100%	100%	100%	100%	97%
	average mark	35						35

Clearly, by KS2 the School results are above or match national averages across all subjects, where data is available at the time of reporting.

SEN Provision

The School has one dedicated SENCOs for the Primary and Secondary, but is supported by an Administrator and experienced SEN Teaching Assistants.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

Year	SEN Support	EHCP	No of pupils in year	% of pupils with SEN
Reception	2	2	90	2.2% SEN Support 2.2% EHCP
1	3		90	3.3%
2	12		89	13.4%
3	6		90	6.6%
4	11	2	91	12.1%
5	12		90	13.3%
6	14		90	13.3%
Total	60	4	630	SEN Support 9.5 EHCP 0.6
				SEN Support 12.6% EHCP 4.0%
7	17		90	19%
8	7		60	11.7%
9	9		60	15.0%
10	14		57	24.6%
11	8		55	14.5%
12	8	1	47	17.0% EHCP 2%
13	6		38	15.7%
Total	79	1	407	19.4%

Key Points:

- Education Health and Care Plans have risen in number from 1 to 5. There are 4 Education Health and Care Needs Assessments at different stages of the process.
- We operate a watch list on children who need extra support and we have identified as potentially needing to go formally onto the SEN register.
- Numbers increase in upper years, as identification increases

Premises

In September 2017, Europa School UK took over the 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. There have been delays in agreeing a Deed of Covenant for the Footbridge over the A415 with Oxfordshire County Council, which has impacted the School being able to 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 in the academic year 2022-23. The School lacks large classroom space to accommodate this increasing roll and we have engaged in parental fundraising to afford internal restructuring. Over the summer of 2023, the School created two further classrooms in the Hostel and Tower Blocks and enlarged two further classrooms in the Hostel Block. In Secondary, the School also created a product design lab and a ceramics room.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

Our existing Primary accommodation is distributed around three main areas, one of which is the 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 damaged 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 - then to build a permanent modular structure. The design and planning of the permanent structure were delayed due to the need to include sustainability goals and subsequently as a result of the awarded contractor being unable to continue the build. A new ITT has been issued and the build is now expected to be completed by Autumn 2025.

The Landlord (Located) completed agreed maintenance work, including replacement of 200 fire doors and pitched roof repairs during 2022-23.

Fundraising

The School renewed its fundraising call to families in letters sent by the Principal to parents 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 significant inflationary pressures and unfunded pay rises. We raised £119,620 from this appeal from parents in 2022-23.

b. Key performance indicators

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 2023, the balance of the unrestricted and restricted income reserves was £441,518 (2022: £555,388). Further details on the level of reserves held by the Trust are set out in the Reserves Policy section below.

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 2023 was 1,039, which is an increase of 4.5% 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 88.6% (2022: 83.3%), while the percentage of staff costs to total costs (excluding depreciation and Local Government Pension Scheme 'LGPS' FRS102 pension cost charges) was 77.1% (2022: 76.8%).

Other Key Performance Indicators

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

- In the Primary School, Europa School 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.
- All pupils are tracked, and teachers assess their progress with national tests for baselines and progress accountability. There are semester pupil progress meetings and data is analysed to identify pupils who are at risk of underachievement.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

- 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: In 2022-23 students were assessed against Curriculum criteria (IB and ES) and internal and public examinations were carried in Years 10-13.
- The School continues the GL-Assessment tests into lower Secondary to further monitor progress. The recent GL assessments demonstrated high levels of Literacy and Numeracy with 90%+ predicted pass rates at GCSE English and Mathematics.
- Europa School is subject to a dual inspection system. As a UK state school, Europa School falls within the regular OFSTED inspection regime. As an IB World School, it is subject to periodic inspection to reconfirm accreditation. Currently these are set at five-year intervals.
- Attendance: Europa School has achieved good attendance rates over the academic year by use of interventions and ensuring parents are contacted daily concerning any absence from School. The attendance rate was 95% over the academic year, with a persistent absence rate of 14%.
- Exclusions: Europa School 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. Teaching Assistant support is planned with clear guidelines given and progress monitored. All SEN students in Year 13 over the past four years have passed their Baccalaureate with special arrangements in place.
- Education provision for Ukrainian students: The School welcomed 18 Ukrainian students into the school and opened a Ukrainian IB course, an English second language course and a German ab initio course to facilitate their progression. Students whose families were part of the Homes for Ukraine scheme were funded by the local authority from March 2022 or their arrival date, if later. There were three students whose funding will be on a lagged basis, having arrived in the UK on alternative schemes not attracting any specific funding for Ukrainian students.
- Safety and well-being: In September 2017, Europa School 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 School 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. 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 an external 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 staff have the support and CPD they need to improve and sustain quality.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

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 continuing cost pressures and given the non-funding situation of the top class in the Spanish stream, which the School has now accepted will not be funded throughout their scholarship.

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 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 the three properties on site. In addition, the School has 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.

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.

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 2023 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 2023, the Trust's total income (excluding capital grants) was £5,859,826 (2022: £5,484,750), while the total expenditure (excluding depreciation and LGPS FRS102 pension cost charges) was £5,973,696 (2022: £5,423,758), resulting in a net deficit for the year of £113,870 (2022: surplus of £60,992).

This deficit has been materially mitigated by parental fundraising of £108,998 excluding capital fundraising (2022: £84,372) to compensate for the ongoing insufficient GAG funding per pupil, the non-funding of the top class of the Spanish stream, the switch to the lagged funding basis for the first time in 2022-23 and the increased staff related costs incurred during the year. The balance of reserves at 31 August 2023, excluding the restricted fixed asset funds and LGPS liability fund was £441,518 (2022: £555,388).

The net assets of the School at 31 August 2023 amount to £1,279,349 representing an increase of £130,578 compared to 31 August 2022. This resulted from a £113,870 deficit from the School's operating activities supplemented by parental donations of £108,998, actuarial gains and other pension movements of £247,000 on defined benefit pension schemes and a net decrease of £2,552 of the fixed assets fund (capital grants received less depreciation for the year).

The net book value of fixed assets at 31 August 2023 was £839,379. The fixed assets held by the Trust are used exclusively for providing education and associated support services to the pupils of the Trust.

85% 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 £4,519 (2022: £5,092) for the year.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Staff costs of £4,622,866 (excluding LGPS FRS 102 pension cost charges) represent 98.64% of the School's General Annual Grant.

£105,203 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 £94,000 (2022: £341,000), 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 2023 are set out in note 23 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 reserves at 31 August 2023 is £1,279,349 (2022: £1,148,771), of which £441,518 (2022: £555,388) is total income funds (both restricted and unrestricted) and £441,518 (2022: £555,388) is free reserves (that is, total funds less the amount held in fixed assets and restricted funds).

The value of the restricted fixed asset fund at 31 August 2023 is £931,831 (2022: £934,383), 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 2023 of £94,000 (2022: £341,000), 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 19.3% 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. The last LGPS valuation was carried out in 2022, with current employer contribution rates applicable until 31 March 2026. 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. This account was subsequently closed in October 2023 and the surplus cash balances transferred to the main bank accounts for ease of access.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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 is now a live document, which is 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 Full Governing Body 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:

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.

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 S4 (Year 10) are also at full or nearly full capacity. During the school's transition from an accredited European School to an International Baccalaureate World School due to Brexit, S6 (Year 12) and S7 (Years 13) still had a significant number of unfilled places in 2022-23. With the very good results achieved in the first two years 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 student vacancies reduce in the coming years. The School has also increased work on marketing development and organised more open day events.

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 all Governing Body and Committee meetings.

Financial

The Trust has considerable reliance on continued Government funding through the ESFA. In the period, approximately 89% of the Trust's income was ultimately Government funded. This level has materially decreased from 2021-22 with the funding for our growing School switching to a lagged-funding basis for the first year in 2022-23.

The School submitted a business case to the ESFA concerning the non-funding of the top class of the Spanish stream class and gained a partial award of being funded by actual pupil numbers in the academic years 2019-20, 2020-21 and 2021-22. The School submitted a new business case to extend the actual pupil number funding whilst the top class was in the School, but it was rejected by the ESFA. The School has continued to argue the case for a fair funding of this class which is a predicable growth through the School, resulting in a meeting with the Rt. Hon. Nick Gibb, Minister of State, in December 2022. The School resubmitted a business case in February 2023, but this was again rejected by the ESFA in May 2023. This means that a whole class of 30 pupils will receive no state funding for the rest of their time at the School.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

The School has taken other necessary steps to counteract our low funding, including the retention of current students in the School and attracting more external students. However, this has been challenging. A renewed marketing campaign is needed, as well as a plan to better understand how to retain and attract students to our unique offer.

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.

The School's heating system, installed by the DfE, is oil-fuelled. This makes the School vulnerable to changes in oil pricing, mitigated in part by making use of the ESPO Framework (Public Sector Procurement) agreement.

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 Governing and Finance and General Purposes Committee meetings.

LGPS 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.

Estates

The DfE Capital and Landlord's maintenance works over 2020-22 provided significant improvement in the site infrastructure. 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 transfer of the footbridge licence from the DfE to the School. The School now needs to set aside funds for ongoing maintenance issues, which are to be expected for the Listed and aging buildings.

In 2020, the DfE agreed to replace the eight dilapidated terrapin classrooms on site. This programme has been ongoing since, but has been delayed due to the need to adhere to changing building design guidance (incorporating sustainability objectives) and issues concerning the modular building contractor. The programme is now expected to be completed in Autumn 2025.

The School has an Estate Management Plan and, over the next few years, the School needs to plan for increasing the number of large classrooms and building an additional sports facility to accommodate the growth.

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 that there is clear succession planning. All staff embrace ongoing CPD opportunities and Governors have supported improved pay and development pathways for our valued workforce of teaching Assistants.

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 include those relating to fraud and the mismanagement of funds.

Fraud and Mismanagement of Funds

In 2022-23, the Trust retained CKCA as external advisers to perform a program of internal scrutiny work as required by the ATH 2022. Cooper Parry remain external auditors for this year. All financial staff receive training and support to keep them up to date with financial practice requirements and to develop their skills in this area.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Fundraising

In 2022-23, the School continued a general fundraising appeal to the whole community of pupils' families, with a view to supplementing income received from the ESFA for operational purposes including the costs of the unfunded class of 30 students. 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 benefits all children in the School, without prejudice and independently of parents' capacity to contribute and / or fundraise.

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.

Liquidity

At the balance sheet date, the School had no significant liabilities arising from trade creditors or debtors, which would have a significant effect on the School's liquidity. However, there will be continuing pressure on cash flows throughout 2023-24, which will require close monitoring.

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, when the Spanish section reached Year 6. The School has also increased class sizes to 30 for all Key Stage 2 classes from September 2021. New classrooms have been created each academic year within existing accommodation to accommodate the Primary School growth.

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 both July 2022 and July 2023. The Trust decided to implement an IB Middle Years programme (MYP) in S1-S5 (Years 7-11) and obtained IB World School status for the MYP in 2022. The Curriculum has been in transition from the European Schools syllabus to the MYP Curriculum, which was completed in August 2023. From September 2023, all Year groups now follow the IB Curriculum throughout the Secondary School.

The School plans to prepare and submit a business case to increase its PAN to accommodate the predicted growth in the Secondary School until 2028-29, when the three-form entry year is due to reach S7 (Year 13).

Following the signing of the Agreement for Lease and subsequent Lease Agreement, the School intends to further develop and 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.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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 and updated in 2022-23.

Disclosure of information to auditors

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

Auditors

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 14 December 2023 and signed on its behalf by:

DocuSigned by:

Terry Stock

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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 2023.

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

Governor	Meetings attended	Out of a possible
L Wood (Principal and Accounting Officer)	6	6
A Brent	5	6
J Holderness-Laar	4	6
S Purves (Deputy Chair of Governors)	5	6
L Kan	3	4
S Philippot-Gasc	4	6
T Stock (Chair of Governors)	6	6
S Wright	5	6
B Durkin	5	6
K Loudon	6	6
A Sidbury	6	6
S Cohen	5	6
M Mavrikis	1	2

The Director of Finance and Operations also attended five of the six 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 contains a variety of skills and expertise, representing all stakeholders and the multicultural, multilingual vision of the School.

At the end of the academic year 2022-23, 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 Members. There are also three posts for co-opted Governors appointed by the Governing Body. The Principal is appointed by the Governors.

The key competence's 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.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

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 School.

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 School. This, however, is a desirable skill and not an essential one.

The next audit of skills will be carried out in Autumn 2023.

Conflict of Interests

The Academy Trust has a Conflicts of Interest policy in place, which is regularly reviewed and updated by management and the Board of Governors. This policy is communicated to all Members, Governors and employees of the Academy Trust and all Members, Governors, Associate Governors and Senior Leadership Team employees are required to confirm they have read the Conflicts of Interest policy on annual basis.

In line with the policy, all Members, Governors and Senior Leadership Team employees are required to complete a declaration of any business or pecuniary interests on an annual basis or, in the case of individuals taking up these roles during the year, at the point of taking up their role. A Register of Interests is then maintained by the Director of Finance and Operations and the Clerk to the Governing Body, which is reviewed at the start of each Governing Body meeting and also monitored by the Director of Finance and Operations 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 are 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.

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 financial statements are produced in accordance with the requirements of the Companies Act 2006, the Charities SORP (FRS 102) 2015, the Academies Financial Handbook and other guidance issued by the DfE and / or ESFA
- Recommending the award of contracts of, or over, £10,000 for approval by the Governing Body
- 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 financial plan and the actions required to address the reduced funding and impact on the level of reserves expected over this timescale.

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

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Governor	Meetings attended	Out of a possible
S Purves (Chair of Committee)	4	4
L Wood	4	4
A Brent	4	4
A Sidbury	4	4
T Stock	4	4
S Wright	2	2

Audit and Risk Committee

The 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 website and GDPR compliance 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 (Chair)	3	3
S Purves	3	3
J Holderness-Laar	0	3

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 maximises 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. 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 multilingual, 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 2024-25), as well as internal re-structuring of a set of medium classroom spaces to create two large classrooms.

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

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.

The School's funding allocation 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.

The schools International Baccalaureate Diploma is 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 slightly 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 International Baccalaureate 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 first two years of its International Baccalaureate programme.

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 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

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GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Governing Body has 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 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 2022 to 31 August 2023 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.

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 combined a detailed review of the School's website, as well as an assessment of GDPR compliance.

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 2023 as planned. There were some green rated ('Merits Attention') internal control recommendations identified from the review, as well as one amber rated ("Significant") internal control recommendation which related the completion of an information audit by the School. The Governors and SLT have agreed to implement the recommendations during the course of the next academic year.

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GOVERNANCE STATEMENT (CONTINUED)

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 2023, 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.
- correspondence from ESFA.

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 14 December 2023 and signed on their behalf by:

DocuSigned by:

DA68CA857D7E411...
Terry Stock
Chair of Governors

DocuSigned by:

4C0EB55BBB9F409...
Lynn Wood
Accounting Officer

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

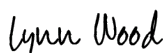
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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, including for estates safety and management, received by the School under the Funding Agreement in place between the School and the Secretary of State. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the School Board of Governors are able to identify any material irregular or improper use of funds by the School, or material non compliance with the terms and conditions of funding under the School's Funding Agreement and the Academy Trust Handbook 2022.

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.

DocuSigned by:



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L Wood

Accounting Officer

Date: 14 December 2023

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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 2022 to 2023;
- 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 14 December 2023 and signed on its behalf by:

DocuSigned by:

 DA68CA857D7E411...
Terry Stock
 Chair of Governors

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' 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 2023 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 2022 to 2023 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 2023 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 2022 to 2023 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 Auditors' 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.

Conclusions relating to going concern

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 AUDITORS' 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 Auditors' 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 set out in page 26, 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 AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EUROPA SCHOOL UK (CONTINUED)**

Auditors' 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 Auditors' 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 2022, the Academies Accounts Direction 2022 to 2023, 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 Auditors' Report.

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' 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 Auditors' 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 dark ink, appearing to read 'Simon Atkins', is written over a horizontal line.

Simon Atkins FCA (Senior Statutory Auditor)

for and on behalf of

Cooper Parry Group Limited

Statutory Auditor

Cubo Birmingham

Office 401, 3rd Floor

Two Chamberlain Square

Birmingham

B3 3AX

15 December 2023

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 2022 to 2023, 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 2022 to 31 August 2023 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 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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 2022 to 31 August 2023 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 Limited
Statutory Auditor

Cubo Birmingham
Office 401, 3rd Floor
Two Chamberlain Square
Birmingham
B3 3AX

Date: 15 December 2023

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	131,294	300	121,078	252,672	353,019
Other trading activities	6	80,467	-	-	80,467	55,862
Investments	5	539	-	-	539	1,008
Charitable activities		447,008	5,200,218	-	5,647,226	5,338,222
Total income		659,308	5,200,518	121,078	5,980,904	5,748,111
Expenditure on:						
Charitable activities	7,8	348,802	5,738,894	123,630	6,211,326	5,904,508
Total expenditure		348,802	5,738,894	123,630	6,211,326	5,904,508
Net income/(expenditure)		310,506	(538,376)	(2,552)	(230,422)	(156,397)
Transfers between funds	16	(424,376)	424,376	-	-	-
Net movement in funds before other recognised gains		(113,870)	(114,000)	(2,552)	(230,422)	(156,397)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	23	-	361,000	-	361,000	1,404,000
Net movement in funds		(113,870)	247,000	(2,552)	130,578	1,247,603
Reconciliation of funds:						
Total funds brought forward	16	555,388	(341,000)	934,383	1,148,771	(98,832)
Total funds carried forward	16	441,518	(94,000)	931,831	1,279,349	1,148,771

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

The notes on pages 36 to 58 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	839,379	884,658
Current assets			
Debtors	14	102,907	125,058
Cash at bank and in hand		919,958	992,406
		<u>1,022,865</u>	<u>1,117,464</u>
Creditors: amounts falling due within one year	15	(488,895)	(512,351)
Net current assets		<u>533,970</u>	<u>605,113</u>
Net assets excluding pension liability		<u>1,373,349</u>	<u>1,489,771</u>
Defined benefit pension scheme liability	23	(94,000)	(341,000)
Total net assets		<u><u>1,279,349</u></u>	<u><u>1,148,771</u></u>
Funds of the School			
Restricted funds:			
Fixed asset funds	16	931,831	934,383
Pension reserve	16	(94,000)	(341,000)
Total restricted funds	16	<u>837,831</u>	<u>593,383</u>
Unrestricted income funds	16	<u>441,518</u>	<u>555,388</u>
Total funds		<u><u>1,279,349</u></u>	<u><u>1,148,771</u></u>

The financial statements on pages 33 to 58 were approved by the Governors, and authorised for issue on 14 December 2023 and are signed on their behalf, by:

DocuSigned by:

Terry Stock

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T Stock

Chair of Governors

The notes on pages 36 to 58 form part of these financial statements.

EUROPA SCHOOL UK
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	(115,714)	102,344
Cash flows from investing activities	19	43,266	7,410
Cash flows from financing activities		-	-
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(72,448)	109,754
Cash and cash equivalents at the beginning of the year		992,406	882,652
Cash and cash equivalents at the end of the year	20, 21	<hr/> <hr/> 919,958	<hr/> <hr/> 992,406

The notes on pages 36 to 58 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 2023

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 2022 to 2023 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 there was 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 not be funded until they complete their schooling in August 2029, creating a significant cost pressure for the 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 the three properties on site. In addition, the School has 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 further level of income from hiring out site facilities.

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, subject to details from the Government about the further support it will be giving to all schools to cope with the continuing cost pressures and given the non-funding situation of the top class in the Spanish stream, which the School has now accepted will not be funded throughout their scholarship. 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 2023

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
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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:

Leasehold property	- Between 2% and 15% straight line
Computer equipment	- 25% straight line
Other fixed assets	- 15% straight line
Furniture and fittings	- 15% straight line
Motor vehicles	- 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
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 remains in place until the ongoing programme of capital and maintenance works funded by the ESFA is fully completed and other residual site issues are resolved, at which point the Agreement for Lease will cease and a 125-year Lease Agreement will be entered into by the School. 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 2023, 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 14. 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 15. 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

1.14 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.

1.15 Reclassification of comparatives

Income from hiring out of facilities was included within income from other educational activities in the financial statements for the year ended 31 August 2022. This income has been reclassified to income from other trading activities in these financial statements.

1.16 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 27.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 23, 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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.

Critical areas of judgement:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	131,294	300	15,875	147,469	120,343
Capital Grants	-	-	105,203	105,203	232,676
Total 2023	<u>131,294</u>	<u>300</u>	<u>121,078</u>	<u>252,672</u>	<u>353,019</u>
Total 2022	<u>85,092</u>	<u>4,566</u>	<u>263,361</u>	<u>353,019</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Educational Activities				
DfE/ESFA grants				
General Annual Grant	-	4,686,510	4,686,510	4,573,018
Other DfE/ESFA grants:				
Other DfE/ESFA Group grants	-	77,950	77,950	89,636
Pupil Premium	-	59,373	59,373	48,812
UiFSM	-	116,078	116,078	116,602
Supplementary grant	-	111,374	111,374	46,292
Teachers Pension grant	-	15,929	15,929	14,277
Teachers Pay grant	-	-	-	5,052
	-	5,067,214	5,067,214	4,893,689
Other Government grants				
Local Authority grants	-	120,637	120,637	33,907
	-	120,637	120,637	33,907
Other income from educational operations	447,008	-	447,008	338,690
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	-	-	1,698
Recovery Premium	-	7,021	7,021	6,000
School Led Tutoring grants	-	5,346	5,346	4,455
Other COVID related funding	-	-	-	4,799
	-	12,367	12,367	16,952
COVID-19 additional funding (non-DfE/ESFA)				
COVID Mass Testing grants	-	-	-	14,843
Kick Start funding	-	-	-	40,141
	-	-	-	54,984
	447,008	5,200,218	5,647,226	5,338,222
	447,008	5,200,218	5,647,226	5,338,222
Total 2022	338,690	4,999,532	5,338,222	

The School received £7,021 of COVID recovery premium funding and £5,346 of School Led Tutoring funding in the year and costs incurred in respect of this funding totalled £7,021 and £5,346 respectively.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Short term deposits	539	539	1,008
Total 2023	<u>539</u>	<u>539</u>	<u>1,008</u>
Total 2022	<u>1,008</u>	<u>1,008</u>	

6. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Hire of facilities	<u>80,467</u>	<u>80,467</u>	<u>55,862</u>
Total 2022	<u>55,862</u>	<u>55,862</u>	

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Educational operations:					
Direct costs	3,137,275	-	440,287	3,577,562	3,167,282
Support costs	1,582,591	561,010	490,163	2,633,764	2,737,226
Total 2023	<u>4,719,866</u>	<u>561,010</u>	<u>930,450</u>	<u>6,211,326</u>	<u>5,904,508</u>
Total 2022	<u>4,537,627</u>	<u>592,260</u>	<u>774,621</u>	<u>5,904,508</u>	

Of the total expenditure of £6,211,326 (2022: £5,904,508), £348,802 (2022: £233,015) was allocated to unrestricted funds, £5,738,894 (2022: £5,597,743) was allocated to restricted funds and £123,630 (2022: £83,750) was allocated to restricted fixed asset funds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Educational operations	3,577,562	2,633,764	6,211,326	5,904,508
Total 2022	3,167,282	2,737,226	5,904,508	

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
LGPS FRS102 net pension interest cost	17,000	25,000
Staff costs	1,582,591	1,710,944
Depreciation	123,630	83,750
Technology costs	28,347	31,482
Insurance	16,937	22,528
Catering	122,965	116,889
Bank interest and charges	648	929
Other support costs	681,655	697,879
Professional and governance fees	53,848	43,307
Legal fees	6,143	4,518
	2,633,764	2,737,226

9. Net expenditure

Net expenditure for the year includes:

	2023 £	2022 £
Operating lease rentals	4,455	-
Depreciation of tangible fixed assets	123,630	83,750
Fees paid to auditors for:		
- audit	10,500	8,950
- other services	5,500	7,795

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	3,533,932	3,200,773
Social security costs	304,634	269,462
Pension costs	864,332	1,050,475
	<hr/> 4,702,898	<hr/> 4,520,710
Agency staff costs	16,968	16,917
	<hr/> 4,719,866	<hr/> 4,537,627

b. Staff numbers

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

	2023 No.	2022 No.
Management	7	7
Teachers	81	74
Support	78	73
	<hr/> 166	<hr/> 154

c. Higher paid staff

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

	2023 No.	2022 No.
In the band £70,001 - £80,000	2	2
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-

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 £535,333 (2022 £565,292).

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NOTES TO THE FINANCIAL STATEMENTS
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11. 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:

		2023 £	2022 £
L Wood	Remuneration	90,000 - 95,000	85,000 - 90,000
	Pension contributions paid	20,000 - 25,000	20,000 - 25,000
S Philppot-Gasc	Remuneration	40,000 - 45,000	40,000 - 45,000
	Pension contributions paid	10,000 - 15,000	5,000 - 10,000
B Durkin	Remuneration	25,000 - 30,000	25,000 - 30,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000

During the year ended 31 August 2023, no Governor expenses have been incurred (2022 - £NIL).

12. Governors' and Officers' insurance

The School has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Governors and officers indemnity element from the overall cost of the RPA scheme membership.

13. Tangible fixed assets

	Leasehold property £	Furniture and fittings £	Motor vehicles £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation						
At 1 September 2022	743,352	237,842	1,367	718,353	55,113	1,756,027
Additions	17,583	3,582	-	57,186	-	78,351
At 31 August 2023	760,935	241,424	1,367	775,539	55,113	1,834,378
Depreciation						
At 1 September 2022	168,160	163,672	1,367	495,014	43,156	871,369
Charge for the year	19,019	20,262	-	78,111	6,238	123,630
At 31 August 2023	187,179	183,934	1,367	573,125	49,394	994,999
Net book value						
At 31 August 2023	573,756	57,490	-	202,414	5,719	839,379
At 31 August 2022	575,192	74,170	-	223,339	11,957	884,658

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NOTES TO THE FINANCIAL STATEMENTS
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13. 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 remains in place until various residual site issues are resolved, at which point the Agreement for Lease will cease and a 125-year Lease Agreement will be entered into by the School. 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 2023, which is all included at cost.

14. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	2,547	-
Other debtors	29,777	20,261
Prepayments and accrued income	70,583	104,797
	<u>102,907</u>	<u>125,058</u>

15. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	182,336	204,297
Other taxation and social security	60,879	59,962
Other creditors	65,543	88,785
Accruals and deferred income	180,137	159,307
	<u>488,895</u>	<u>512,351</u>

	2023 £	2022 £
Deferred income at 1 September 2022	71,413	77,291
Resources deferred during the year	103,148	71,413
Amounts released from previous periods	(71,413)	(77,291)
	<u>103,148</u>	<u>71,413</u>

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 2024.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

16. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General funds	555,388	659,308	(348,802)	(424,376)	-	441,518
Restricted general funds						
General Annual Grant (GAG)	-	4,686,510	(5,110,886)	424,376	-	-
Pupil Premium	-	59,373	(59,373)	-	-	-
UIFSM	-	116,078	(116,078)	-	-	-
Teacher Pay grants	-	15,929	(15,929)	-	-	-
Other DfE/ESFA grants	-	77,951	(77,951)	-	-	-
Local Authority grants	-	120,637	(120,637)	-	-	-
COVID Recovery premium	-	7,021	(7,021)	-	-	-
School Led Tutoring grants	-	5,346	(5,346)	-	-	-
Supplementary grant	-	111,373	(111,373)	-	-	-
Other restricted grants and income	-	300	(300)	-	-	-
Pension reserve	(341,000)	-	(114,000)	-	361,000	(94,000)
	<u>(341,000)</u>	<u>5,200,518</u>	<u>(5,738,894)</u>	<u>424,376</u>	<u>361,000</u>	<u>(94,000)</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

16. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Restricted fixed asset funds						
Tangible fixed assets	884,658	-	(123,630)	78,351	-	839,379
Capital grants	21,675	105,203	-	(69,763)	-	57,115
Other capital funding	28,050	15,875	-	(8,588)	-	35,337
	<u>934,383</u>	<u>121,078</u>	<u>(123,630)</u>	<u>-</u>	<u>-</u>	<u>931,831</u>
Total Restricted funds	<u>593,383</u>	<u>5,321,596</u>	<u>(5,862,524)</u>	<u>424,376</u>	<u>361,000</u>	<u>837,831</u>
Total funds	<u><u>1,148,771</u></u>	<u><u>5,980,904</u></u>	<u><u>(6,211,326)</u></u>	<u><u>-</u></u>	<u><u>361,000</u></u>	<u><u>1,279,349</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 2023.

All DfE/ESFA grants, which includes Pupil Premium, Universal Infant Free School Meal grants, Teacher Pay grants, all Local Authority funding, COVID Recovery Premium, School Led Tutoring grants, Supplementary grant 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

16. Statement of funds (continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General 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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NOTES TO THE FINANCIAL STATEMENTS
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16. 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>(98,832)</u>	<u>5,748,111</u>	<u>(5,904,508)</u>	<u>-</u>	<u>1,404,000</u>	<u>1,148,771</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	839,379	839,379
Current assets	461,340	469,073	92,452	1,022,865
Creditors due within one year	(19,822)	(469,073)	-	(488,895)
Provisions for liabilities and charges	-	(94,000)	-	(94,000)
Total	<u>441,518</u>	<u>(94,000)</u>	<u>931,831</u>	<u>1,279,349</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior 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	555,388	(341,000)	934,383	1,148,771

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

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(230,422)	(156,397)
Adjustments for:		
Depreciation	123,630	83,750
Capital grants from DfE and other capital income	(121,078)	(263,361)
Dividends, interest and rents from investments	(539)	(1,008)
Defined benefit pension scheme cost less contributions payable	97,000	372,000
Defined benefit pension scheme finance cost	17,000	25,000
Decrease/(increase) in debtors	22,151	(36,027)
(Decrease)/increase in creditors	(23,456)	78,387
Net cash (used in)/provided by operating activities	(115,714)	102,344

19. Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	539	1,008
Purchase of tangible fixed assets	(78,351)	(256,959)
Capital grants from DfE Group	105,203	232,676
Capital funding received from sponsors and others	15,875	30,685
Net cash provided by investing activities	43,266	7,410

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20. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	919,958	992,406
Total cash and cash equivalents	919,958	992,406

21. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	992,406	(72,448)	919,958
	<u>992,406</u>	<u>(72,448)</u>	<u>919,958</u>

22. Capital commitments

	2023 £	2022 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	14,967	-

23. 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 2020 and of the LGPS 31 March 2022.

Contributions amounting to £62,507 were payable to the schemes at 31 August 2023 (2022 - £57,269) 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.

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23. Pension commitments (continued)

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 2023 published by HM Treasury. 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 most recent actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Government Actuary's Department on 27 October 2023 and by the Department for Education on 30 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy) from 1 April 2024 (contribution rate to 31 March 2024 is 23.68% as set by the 31 March 2019 valuation).
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI.

The employer's pension costs paid to TPS in the year amounted to £573,252 (2022 - £515,098).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/members/faqs/valuation.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 2023 was £255,000 (2022 - £214,000), of which employer's contributions totalled £193,000 (2022 - £160,000) and employees' contributions totalled £ 62,000 (2022 - £54,000). 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Principal actuarial assumptions

	2023 %	2022 %
Rate of increase in salaries	2.95	3.05
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	5.20	4.25

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23. Pension commitments (continued)

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

	2023 Years	2022 Years
Retiring today		
Males	21.9	22.2
Females	25.0	24.5
Retiring in 20 years		
Males	21.8	23.1
Females	26.0	26.1

Sensitivity analysis

Increase in the reported value of defined benefit obligations:

	2023 £000	2022 £000
Discount rate - 0.1%	42	42
Mortality assumption - 1 year increase	66	63
CPI rate +0.1%	42	42
Salary increase rate +0.1%	1	-

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	1,116,000	917,250
Gilts	248,000	183,450
Property	155,000	110,070
Cash and other liquid assets	31,000	12,230
Total market value of assets	1,550,000	1,223,000

The actual return on scheme assets was £84,000 (2022 - £(47,000)).

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23. Pension commitments (continued)

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

	2023 £	2022 £
Current service cost	(290,000)	(532,000)
Interest income	57,000	19,000
Interest cost	(74,000)	(44,000)
Total amount recognised in the Statement of Financial Activities	(307,000)	(557,000)

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

	2023 £	2022 £
At 1 September	1,564,000	2,406,000
Current service cost	290,000	532,000
Interest cost	74,000	44,000
Employee contributions	62,000	54,000
Actuarial gains	(334,000)	(1,470,000)
Benefits paid	(12,000)	(2,000)
At 31 August	1,644,000	1,564,000

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

	2023 £	2022 £
At 1 September	1,223,000	1,058,000
Interest income	57,000	19,000
Actuarial gains/(losses)	27,000	(66,000)
Employer contributions	193,000	160,000
Employee contributions	62,000	54,000
Benefits paid	(12,000)	(2,000)
At 31 August	1,550,000	1,223,000

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24. Operating lease commitments

At 31 August 2023 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	4,860	-
Later than 1 year and not later than 5 years	14,985	-
	<u>19,845</u>	<u>-</u>

25. 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.

26. 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 during the year and a member of the key management personnel of the School, was 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 was paid within the normal pay scale for their role and received 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 £5,880 (2022: £8,423) to the School.

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27. Agency arrangements

The School distributes 16-19 bursary funds to students as an agent for the ESFA. In the year ended 31 August 2023, the School received £2,517 (2022: £4,238) and distributed £2,517 (2022: £4,238). No amounts are held at year end as undistributed funds that are repayable to the ESFA (2022: £Nil).