

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 2020**

**EUROPA SCHOOL UK**  
**(A Company Limited by Guarantee)**

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**EUROPA SCHOOL UK**  
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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Members**

A Parker  
C Della Croce  
J Holderness-Laar  
K Loudon  
A Shorrocks  
J Weber  
A Brent

**Governors**

L Wood, Principal and Accounting Officer<sup>1</sup>  
A Brent, Chair of Governors<sup>1</sup>  
A Shorrocks, Deputy Chair of Governors (resigned 6 January 2020)  
J Holderness-Laar  
S Purves, Deputy Chair of Governors<sup>1</sup>  
S Kynoch (term of office ended 31 October 2020)  
L Kan  
R Barter<sup>1</sup>  
A Bailey (term of office ended 13 January 2020)  
S Philpott-Gasc  
S Wright (appointed 14 January 2020)<sup>1</sup>  
T Stock (appointed 16 December 2019)<sup>1</sup>  
B Durkin (appointed 31 October 2020)

<sup>1</sup> Member of the Finance, Audit and General Purposes Committee

**Company registered number**

07649335

**Company name**

Europa School UK

**Principal and registered office**

Culham  
Abingdon  
Oxfordshire  
OX14 3DZ

**Senior leadership team**

L Wood, Principal  
P Marechau, Head of Primary  
S Kynoch, Acting Deputy Head of Primary, SENCO & Safeguarding Lead  
T Simpson, Acting Deputy Head of Secondary, IB Coordinator (from 1 September 2020)  
R Butcher, Acting Deputy Head of Secondary (from 1 September 2020)  
M-C Greenwood, Director of Finance and Operations  
A Cole-Morgan, HR and School Development Manager

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Independent auditor**

Cooper Parry Group Ltd  
Chartered Accountants  
Statutory Auditor  
Park View  
One Central Boulevard  
Blythe Valley Park  
Solihull  
West Midlands  
B90 8BG

**Bankers**

Barclays Bank PLC  
Marcham Road  
Abingdon  
Oxfordshire  
OX14 1UB

Lloyds Bank Plc  
8 Ock Street  
Abingdon  
Oxfordshire  
OX14 5AP

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

**Solicitors**

Freeths LLP  
Power House  
Harrison Cloase  
Knowhill  
Milton Keynes  
MK5 8PA

Knights plc  
Midland House  
West Way  
Botley  
Oxford  
OX2 0PH

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 2020**

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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 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report under charity law and a Directors' report, including a strategic report, under company law.

The principal activity of the company is operating a school serving an area centred on Abingdon and Oxford. The School offers a broad and balanced curriculum and specialises in Modern European Languages and Sciences, leading to the European Baccalaureate qualification from June 2022 (refer to page 9 for further details).

Europa School UK opened in September 2012 and has been an all-through (4 to 19 years old) school since September 2017, with 572 and 354 pupils currently enrolled in Primary and Secondary respectively based on the Autumn 2020 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 above on members' liability can be found in the company's Memorandum and Articles of Association.

**c. Trustees' indemnities**

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. The scheme protects Members and Governors from claims arising from negligent acts, errors or omissions whilst on Trust business. The scheme provides cover up to £10,000,000.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Structure, governance and management (continued)**

**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 7 Governors, who are appointed by the Members of the Academy Trust
- 2 Staff Governors, who are elected by staff at the Academy Trust
- 2 Parent Governors, who are elected by parents of registered pupils at the Academy Trust
- Up to 3 co opted Governors, who are appointed by Governors who have not themselves been so appointed.

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

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

When appointing new Governors by co optation, the Governing Body will give consideration to 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. Most 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. Further online training options are available through the School's subscriptions to The Key.

All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they need to undertake their role as Governors, through both an internal shared drive facility and the Oxfordshire County Council Governors' Hub. Regular updates, including the latest information on COVID-19, are regularly emailed by the Clerk to the Governors on the Governors' Hub. Some members of the Finance, Audit and General Purposes Committee attended the DfE funded Integrated Curriculum Financial Planning training early in 2020. Finally, all Governors are encouraged to attend regular 'Learning Walks' on site, which offer a chance to meet staff and pupils.

**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. It 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.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Structure, governance and management (continued)**

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

- Premises and Liaison
- Finance, Audit and General Purposes
- Primary Education – Curriculum, Standards, Teaching and Learning
- Secondary Education – Curriculum, Standards, Teaching and Learning.

A Fundraising Committee has been established by the School as a working group to promote development and income-generating initiatives during the period. Some governors contribute to this Committee, and a nominated Governor reports back to the Governing Body, although the Fundraising Committee does not sit under the formal auspices of the Governing Body.

The following decisions are reserved for the full Governing Body:

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

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

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

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

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

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Structure, governance and management (continued)**

**h. Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	<b>2</b>
Full-time equivalent employee number	<b>2</b>

**Percentage of time spent on facility time**

<b>Percentage of time</b>	<b>Number of employees</b>
0%	<b>2</b>
1%-50%	-
51%-99%	-
100%	-

**Percentage of pay bill spent on facility time**

	<b>£</b>	
Total cost of facility time	-	
Total pay bill	<b>2,723,409</b>	
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. Engagement with employees (including disabled persons)**

The School'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 School 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 School'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 School has developed an Equality Policy applicable from September 2019.



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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Structure, governance and management (continued)**

**j. Related parties and other connected charities and organisations**

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

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

The Agreement for Lease will remain in place until the ongoing programme of capital and maintenance works funded by the ESFA is fully completed, at which point the Agreement for Lease will cease and a 125-year Lease Agreement will be entered into by the Academy Trust. The signing of the Lease Agreement is expected to take place during the 2021-22 academic year.

**Objectives and activities**

**a. Objects and aims**

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

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

**b. Objectives, strategies and activities**

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

The main objectives of the School are:

- Teaching the European Schools' 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 unique and desirable European Baccalaureate, to be taken in the last year of Secondary;
- Teaching staff adopt a pluri-lingual approach, with their own linguistic competence providing a model for pupils. They are completely fluent in the language through which they teach and maintain an immersion approach to language acquisition.

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;

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Objectives and activities (continued)**

- 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 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; and
- There will be no charge in respect of admission to the School and the School will only charge pupils for the education provided at the School where the law allows maintained schools to charge.

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

**c. Public benefit**

The School 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 School'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 for the year ended 31 August 2020 were as follows:

2019-20 was the third year of operation of the all-through school offering European School education in Oxfordshire. Places in secondary Years 10-13 had been taken up in 2017 mostly by former pupils of the European School, Culham, under the agreement setting up our School, but also by attracting students from across the local area, a situation accommodated by allowing up to 60 per year group. Given the very specific nature of the European Baccalaureate, particularly the language demands, there were only a few enquiries for the spare places in S5 to S7, but with the primary section again at full capacity, the total school roll reached 900 of the potential 958 places.

Europa School UK enlarged its intake at Reception from 56 to 84 four years ago and will therefore continue to grow to a full three-form entry all-through school. The Governing Body agreed to increase the Published Admission Number (PAN) in Reception to 90 starting from September 2019. Demand for places is strong with a 100% oversubscription rate at Reception level.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Strategic report (continued)**

**Achievements and performance (continued)**

Europa School UK continued to be an Accredited European School, the only one in the UK. The School has enhanced the European Schools' curriculum to meet the national statutory assessment arrangements. Pupils are learning the full curriculum through two languages throughout the primary school. Success in compulsory assessment 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 stream language itself being compulsory right through to the Baccalaureate. A third language is compulsory from S1 to S5 and may be continued for the Baccalaureate.

Roughly half our intake has English as an additional language (EAL, the national figure being 18%) 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.

This academic year was significantly impacted by the COVID epidemic, where all National Key Stage assessments were cancelled. The School remained open throughout the lockdown period from 23 March 2020 for children of key workers and vulnerable families and to provide distance learning for all cohorts. We also allowed some SEN students to access in-school provision to provide 1-1 support, but also offer extra virtual support sessions as well. On 1 June 2020, the School re-opened to Reception and Year 1 classes on a rotation basis and to Year 6 who attended four days per week, with distance learning provided on Wednesdays. Our Year 12 groups had in-school provision for two weeks at the end of June and beginning of July 2020. An outdoor, physically distanced activity session was organised for all primary groups in the last week of the summer term to allow pupils to meet their class and teachers (current and future where possible).

The School's distance learning provision was in place before the start of the lockdown due in part to good anticipation and pre-planning, but also because we had an established Google Classroom platform in place for homework and assignment communication across secondary and upper primary, as well as having recent experience of a short school closure caused by drainage issues on site. In secondary, the students were given a distance learning timetable providing 1-2 contact periods per week for each subject, to deliver work for the full amount of subject study. These timetabled lessons very quickly became the hubs for delivery of online lessons, with break-out sessions provided for small group language support. In primary, the provision was via Google Classroom, the School's data system and emails to parents, but again teachers moved to online virtual lessons and assemblies. Training on the Google platform was delivered centrally and on a one-to-one support basis and was ongoing throughout the lockdown period. Although the supply was limited, the School loaned its laptops to students with no provision, or in situations where several siblings were sharing one device. Many primary teachers provided printed workbooks as well. Some online testing was also performed, particularly in upper secondary and a trial of an online testing platform was carried out.

All scheduled school meetings etc. continued during the lockdown period virtually, including staff and governance. Furthermore, the School developed many opportunities for students to work together virtually and to provide more variety to their distance learning. Examples included virtual project weeks for Years 7-9, work experience week for Year 10, a pre-IB teaching month for Year 11, a Careers and UCAS week for Year 12 and a graduation experience for Year 13.

Pastoral support was strong with class teachers having on-line assemblies of students with their cohorts. On-line attendance registers were maintained, and non-attendance was followed-up. Consequently, attendance rates were very high. Class Council meetings held virtually allowed teachers to discuss each student in secondary and students with low engagement were identified, so that monitoring / learning support / parental contact could be promptly actioned during the summer term and at the reopening of the School in September 2020.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Strategic report (continued)**

**Achievements and performance (continued)**

The School continued to issue academic reports. In primary, a spring progress check was issued in March / April 2020 and a summer report provided a formative assessment of each child's participation in the distance learning / on-line provision. In secondary, a full progress check was issued, as well as an end-of-year report with grades (using European school mark scales) and comments for each subject (except PE). The grades were used in class council sessions and cohort analysis tracked progress over this difficult year. Grading of students was difficult due to the lack of usual full assessment programmes and face-to-face contact. The progress in oral work, particularly in the stream languages, was limited during lockdown and will be a key focus for remediation in the academic year 2020-21.

Student wellbeing was a particular concern and class teachers were instrumental in maintaining contact and referring concerns to the Leadership Team. An email for safeguarding concerns was set up and the designated Safeguarding Leads met regularly to discuss issues.

Staff wellbeing was also paramount with many teachers working in isolation at home, without the usual school face-to-face contact and support from other staff. Virtual staff meetings were maintained on a weekly basis, as well as subject /language / cohort teams. Senior Leaders contacted individual staff and the appraisal process continued online. Teaching Assistants were directed to provide in-school provision, but teaching staff were also used due to required staffing levels. Workload was significant for staff adjusting to the distance provision, which meant that planning, delivery and assessment had to be completely reviewed and adapted to the virtual environment.

The school is unique in the UK in following the European Schools' programme, culminating in the European Baccalaureate at age 18. In this academic year, the European Baccalaureate was awarded on the basis of the preliminary marks obtained in the first and second semester, in the absence of written and oral final examinations. Our cohort of S7 students achieved a 100% pass rate with an average mark of 81%, which represents an equivalent average grading of 3 A's at A-Levels. Almost all of our students are intending to go on to Higher Education and current destinations include top Universities in the UK and across Europe. A larger number than usual decided to defer or apply for 2021 entry.

The School was successful in obtaining National Examination centre status for GCSEs and A-Levels due to the difficulties in using other centres for our students. We entered a small number of students for English and Maths GCSEs (due to their decision to leave the School at the end of Year 11) and a small cohort of Italian students, where we could not offer Sixth Form courses. Our pass rate was 100%, with good grades achieved.

The School has a relatively low number of pupils eligible for Pupil Premium payments. We put strong measures in place for these pupils and they are achieving good results and making similar, and in some cases, better progress than their peers.

We have a qualified SENCO in place in primary, who has supervised a full programme of identification and support of those with Special Educational Needs.

Currently, there are 62 primary children identified as having SEN, for which they are receiving or have received additional and different support. This number is marginally higher than last year, as children joining in Reception have newly assessed needs. Under the terminology for SEN, all these children receive 'SEN Support.' There is no distinction made in the reported data as to whether they are receiving or have received support from professionals outside the School. However, the School records all interventions and professionals involved. One child in primary has an EHCP and another, currently in Y6, is in the process of assessment. According to primary needs, 49% of the children are supported for Cognition and Learning needs (C&L), 37% for Emotional and Behavioural difficulties (SEMH) and 14% for Communication and Interaction (C&I). Some of the children are supported for more than one area of learning need. Due to improved early identification, we currently support two children in Reception. The split in SEN type is similar to last year, with a rise in SEMH and fewer C&I children. We are expecting two Reception children in September 2020 with ASD assessments confirmed or in progress and one with LCSS support in place from age 2.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Strategic report (continued)**

**Achievements and performance (continued)**

We have a secondary SENCO in place, who is completing the required training programme.

In secondary, there are 45 students identified as having SEN (Jan 2020), for which they are receiving or have received additional and differentiated support. This number is higher than last year, as the lower school has larger classes with proportionately greater SEND profiles. The number represents just over 12% of our students in secondary, which is above the national average for SEND.

Two students in secondary have an EHCP and are in the process of applying for a transfer (via the LA) to special schools for their conditions (UTC in Didcot and LVS in Yarnton). There are 11 pupils that receive regular and individualised TA support.

Beside the couple who are seeking to move to specialist settings, we have two more students (S1-S2) with severe cognitive difficulties who follow a differentiated curriculum, which needs to be consolidated and adequately staffed next year. We have one visually impaired (VI) student in S3, who uses specialised equipment and receives in-class support, as well as SENSS intervention (LA); there are TA hours dedicated also to the preparation of the class materials.

There are 35 students who have Dyslexia-type difficulties, 6 of whom receive Learning Support specifically for literacy. The current S1 cohort has five boys who have severe forms of Dyslexia, so that they can only record their work clearly on a laptop. Exam access arrangements for tests are afforded to some pupils based on their Educational Psychologist Report, though in S5, S6 & S7, the access arrangements must be ratified by Brussels.

There are 21 students listed as having SEMH (social, emotional & mental health) difficulties, such as ADHD, adoption, bereavement, anger and anxiety. One trend we notice is an increase in the numbers of students concerned about their anxiety levels in and out of school since the COVID-19 lockdown period.

We have a number of pupils with Dyspraxia, though this condition is less recognised (and therefore less diagnosed), yet has a marked effect on the pupil's performance and academic attainment. It is recognised that many students with SEND have multiple difficulties, or comorbidity, which have a greater impact on their cognitive delay. This is an important aspect that demands a greater investment in trained or specialized support for the individuals with complex needs.

We have eight pupils living with Autism, as far as we know (some families choose not to disclose), and as expected, each individual has their own characteristics, strengths and weaknesses. It is an aim of the School to improve awareness and support for individuals with ASD (e.g. Talkabout for Teens started in Jan 2020).

The use of TA support is vital and there is an important case to be made to increase the allocation of skilled TAs, and precision technological support, as there are students who are not necessarily on the SEN register who benefit from focused support, which in turn has a positive impact on teaching and learning for the rest of the class. As the school population increases, the challenges experienced by staff multiply, which puts vulnerable students at greater risk. Projecting forward to September 2020, we have an extremely challenging group (Year 6) moving up into Secondary, which will place greater strain on our teaching staff and TA team. The need for a well-resourced base in school for SEND support, which can also be used for language learning, is evident.

SEN support continued over the lockdown, with some students coming into School to receive support from SEN TAs, as well as individualised and group support provided by the distance learning.

There were also many challenges to the School during this academic year due to the implications of Brexit and the forthcoming loss of the European School accreditation in July 2021, which means that the School needs to implement a new curriculum model, starting with a change in our end qualification. In September 2019, the School submitted an application for authorisation to teach the International Baccalaureate (IB) Diploma programme. This was accepted and, following a successful inspection, we were awarded IB World school status in April 2020 to start teaching the IB DP from September 2020.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Strategic report (continued)**

**Achievements and performance (continued)**

Throughout this period, we worked closely with the office of the Regional Commissioner for Schools (London and South Region) and the European Schools group at the Department for Education. We have also worked on new curriculum proposals for our primary and secondary schools below Year 12. The Trust has decided to implement an IB Middle Years programme in Years 7-11 and in April 2020, we agreed a transitional arrangement with the European Schools for the use of ES syllabuses, so that cohorts of students are able to finish Key Stages, using consistent syllabuses and curriculum.

With the impending loss of ES accreditation, the School has been actively trying to develop cultural and linguistic links with other organisations supporting foreign language learning in the UK. In February 2020, the School gained PASCH status with the Goethe Institut to support our German language teaching. In August 2020, we achieved LabelFrancEducation Status with the Institut Francais to support our French Language teaching. These successful outcomes are exciting developments for the School and will help to secure our bilingual models. The School has already started to work on building links for Spanish teaching.

In September 2017, Europa School UK took over supervision of the entire site from the European School Culham, but ultimate responsibility for the site remains with the Department for Education until a full lease is in place. The school campus had been much neglected over the past decade during the closure phase of the European School Culham. We have been negotiating with the Department for Education concerning the scope of the works to be carried out on the school site, covering the statutory landlord's obligations and a capital works programme to deliver the "safe, warm and dry" promise made by the Minister of State for Education. Moreover, the Department for Education have agreed to commission additional works, which the School identified in other areas of the site not in the scope of the original programme. This good outcome will significantly reduce the maintenance costs for the Trust in the next few years and make the site more affordable.

The capital works programme started in July 2020 and will continue over the next academic year 2020-21. The maintenance works linked to landlord obligations started in July 2019. The School signed an Agreement for Lease with the Secretary of State for Housing Communities in September 2020 and now needs to agree a Deed of Covenant for the Footbridge with Oxfordshire County Council.

Our School has a growing profile; the third stream (English and Spanish) opened in September 2015 and has currently reached Year 4 in the academic year 2019-20. The school lacks large classroom space to accommodate this increasing roll and we have engaged in parental fundraising to afford internal restructuring in one of the campus buildings to create two large primary classrooms. This building project was started in January 2020 (after receiving a licence from the ESFA), but was delayed during the COVID lockdown and was finally completed early September 2020. Our existing primary accommodation is distributed around three main areas, one of which is Terrapins consisting of eight classrooms. The Terrapins are life-expired and, during the winter of 2019-20, the roofs of some of the classrooms failed and the classes had to be evacuated to other areas of the school (Drama Studio). The School submitted a CIF bid in December 2019 to replace the life-expired classrooms; however the Department for Education decided to take over the replacement programme. This Terrapins programme is in two phases: firstly to replace the units with temporary refurbished units, which was completed in September 2020, and then to build a permanent modular structure, the design and planning of which will start early in the 2020-21 academic year.

The School renewed its fundraising call to parents in October 2019, 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 the extra COVID requirements.

The School has taken other necessary steps to counteract our low funding, for example by increasing student numbers in our incoming Reception classes to 30 and by adopting a flat management structure. We remain committed to keeping our costs low. We raised £139,000 from the 2019-20 fundraising appeal from parents.

**EUROPA SCHOOL UK**  
**(A Company Limited by Guarantee)**

**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Strategic report (continued)**

**Achievements and performance (continued)**

**b. Key performance indicators**

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

- In the primary School, ESUK follows the European Schools' assessment and reporting systems and the Department for education requirements for reporting pupils' progress and attainment. Pupil attainment and progress is 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 using the criterion reference scales of the European Schools, with national tests for baselines and progress accountability. There are termly pupil progress meetings and data is analysed to identify pupils who are at risk of underachievement.
- National assessments in primary: Pupils are assessed against EYFS measures, the national phonics check and KS1&2 SATs. The results are compared with national and county statistics. In this academic year, due to the COVID epidemic, all national assessments were cancelled.
- Attainment is measured against National Curriculum expectations in English literacy, numeracy and science through the annual GL-Assessment tests. The European Common Framework is used for French / German literacy for those approaching native speaker level. All areas of the curriculum are reported to parents each semester against the European Schools' criterion referenced measures.
- A specific variation to our Funding Agreement recognises the unique status of ESUK in offering the European Schools' curriculum and Baccalaureate. As a consequence, the School does not enter pupils for GCSE and is not included in national performance tables for secondary. To complement the Department for Education defined measures of Years 11 to 12 retention and Baccalaureate success, the School continues the GL-Assessment tests into lower secondary. These assessments were cancelled in this academic year due to the school lockdown, however we intend to use GL assessments across a large number of year groups in the next academic year to compensate for the lack of progress data.
- ESUK is subject to a dual inspection system. As a UK state school, ESUK falls within the regular OFSTED inspection regime. As a European School, it is subject to periodic inspection to reconfirm accreditation. Currently, these are set at two-year intervals.
- Attendance: ESUK has achieved good attendance rates from September 2019 up to the national lockdown in March 2020 with 95.8% attendance, improved from last year, and 7.20% persistent absence (defined by the Department for Education as >10% absence out of the total possible school half-days). The attendance from the school re-opening from 1 June 2020 for certain year groups was also very high. Percentage attendance in these year groups (most part-time) were 65%, 54% and 77% for the Reception, Year 1 and Year 6 cohorts respectively. This compares well with national data for open settings of 32%, 29% and 39%. Some students were not able to return sadly, as school buses had not been re-established.
- The School launched parent questionnaires in primary and secondary, as well as a secondary student survey to gain feedback on the distance learning provision during lockdown. The results were very pleasing across both parts of the school: the feedback has proved useful in planning for further school closures or individual absences due to quarantine situations.
- Exclusions: ESUK had no exclusions during this reporting period.
- SEN provision: There is good provision and support and pupils with SEN are monitored via Independent Provision Trackers. They made good rates of progress.

**EUROPA SCHOOL UK**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Strategic report (continued)**

**Achievements and performance (continued)**

- **Safety and well-being:** In September 2017, ESUK took over supervision of the entire site from the European School, but ultimate responsibility for the site remains with the Department for education, until a full lease is in place. ESUK has managed some challenging situations to ensure that a high level of safety and security is offered throughout. Pupils are encouraged to eat healthily and to treat each other with respect. An anti-bullying policy is in place and the isolated incidents reported over the year were dealt with by positive reinforcement of good behaviour. Updated fire action (following training from our H&S consultant) and business contingency plans are in place. A COVID policy and risk assessment is in place and regularly updated. All school policies have been modified to manage the COVID situation.
- **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.

The School 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 2020, the balance of the unrestricted and restricted income reserves was £445,721 (2019: £401,358). 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 pupil is also a key performance indicator. The total number of pupils during the year ended 31 August 2020 was 900, which is an increase of 4.05% 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 GAG plus other operating educational grants from the ESFA and / or Local Authority) for the year was 83% (2019: 86.5%), while the percentage of staff costs to total costs (excluding depreciation and LGPS FRS102 pension cost charges) was 75.8% (2019: 74.1%).

**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. In autumn 2019, the School received official confirmation from the ESFA of a change in the funding basis to actual pupil numbers for the next three academic years from 2019 to 2022. In addition to this, the School will still have to rely 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 School, along with both Brexit-related and COVID-19 challenges.

Following the signing of the Agreement for Lease in early September 2020, the School is in the process of setting up tenancy agreements for members of staff and their families for the three properties on site, as well as planning how best to generate rental income from the site post lockdown and once capital works have progressed sufficiently to ensure that all health and safety considerations can be met. 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.



**EUROPA SCHOOL UK**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Strategic report (continued)**

**Financial review**

**a. Financial review**

The majority of the Trust's income is received from the Education and Skills Funding Agency (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 2020 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 2020, the Trust's total income (excluding capital grants) was £4,740,985 (2019: £4,266,092), while the total expenditure (excluding depreciation and LGPS FRS102 pension cost charges) was £4,696,622 (2019: £4,402,028), resulting in a net surplus for the year of £44,363 (2019: deficit of £135,936). This surplus has been partly funded by parental fundraising and partly by the Trust's reserves, due to the insufficient GAG funding per pupil and the increased staff related costs incurred during the year. The balance of reserves at 31 August 2020, excluding the restricted fixed asset funds and LGPS liability fund was £445,721 (2019: £401,358).

A number of unplanned elements caused by the COVID-19 outbreak have affected the Trust's financial results in 2019-20 and financial position as 31 August 2020. The main ones are some additional Personal Protective Equipment and cleaning materials for a total value of £7,163, a shortfall of approximately £11,000 on the profit that would have been generated by the programme of After School Activities in the summer term, as well as a shortfall of approximately £14,000 on catering profit during the school closure. Unfortunately, due to the rules on COVID-19 exceptional funding, the School was unable to submit a claim to the ESFA for the exceptional costs incurred as a result of the pandemic, thus having to fund these costs by the parental contributions received in the year, which formed part of the School's financial position for the 2019-20 financial year.

The net assets of the School at 31 August 2020 amount to £412,567 representing a decrease of £176,248 compared to 31 August 2019. This resulted from a £44,363 gain from the School's operating activity, actuarial losses and other pension movements of £141,000 on defined benefit pension schemes and a net increase of £79,611 of the fixed assets fund (capital grants received less depreciation for the year).

The net book value of fixed assets at 31 August 2020 was £754,885. The fixed assets held by the Trust are used exclusively for providing education and associated support services to the pupils of the Trust.

90% of the income received in the year relates to grants received from the Education and Skills Funding Agency, 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 £4,300 (2019: £4,064) for the year.

Staff costs of £3,562,234 (excluding LGPS adjustment) represents 92% of the School's General Annual Grant.

£24,895 of Capital Grants were received during the year.

Included within the School's balance sheet at year-end is a defined benefit pension scheme liability of £827,000 (2019: £686,000), 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 2020 are set out in note 21 to the financial statements.

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

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Strategic report (continued)**

**Financial review (continued)**

**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 2020 is £412,567 (2019: £588,815), of which £445,721 (2019: £401,358) is total income funds (both restricted and unrestricted) and £445,721 (2019: £398,654) is free reserves (that is, total funds less the amount held in fixed assets and restricted funds).

Although the current level of free reserves is significantly below the target level identified above, the Governors continue to look at and evaluate strategies for raising additional income. Since the autumn term of 2017, and whilst the School remains unable to generate significant income from its site (following the signing of the Agreement for Lease in September 2020) until the pandemic recedes and the capital works are completed, the path chosen by the Governors has been to appeal to parents for voluntary contributions. A third appeal was launched in November 2020 for the 2020-21 academic year. A School Development Manager was recruited in September 2019 on a part-time basis with a view to securing additional fundraising and grant income from 2019-20. This was severely impacted by the pandemic circumstances and resulting school closure in the second half of 2019-20. In addition, the Governors are continuing to carefully review key areas of operational expenditure, particularly curriculum and overhead costs. Until the Lease Agreement is signed and maintenance works are fully completed by the Department for Education, some site costs are covered by the ESFA. Additional costs associated with the registration for the International Baccalaureate are also covered by additional funding (up to £99K) secured from the ESFA. The Governors expect that a significant operating deficit will be generated in 2020-21. However, the deficit is expected to be covered by a combination of existing total income funds brought forward at 1 September 2020, the fundraising appeal to parents, as well as additional income from rented properties. It is expected that there will be continuing pressure on cash flows throughout 2020-21, which will require close monitoring.

The value of the restricted fixed asset fund at 31 August 2020 is £793,846 (2019: £873,457), which is represented by the fixed assets that are used exclusively for providing education and associated support services to the pupils of the Trust and unspent capital grants of £38,961. These funds can only be realised by disposing of the associated tangible assets.

The pension reserve fund has a deficit balance at 31 August 2020 of £827,000 (2019: £686,000), which represents the deficit in the LGPS at the balance sheet date. The effect of the LGPS deficit is that the Trust is required to make employer pension contributions of 18% in order to fund the deficit. These pension contributions are funded from the Trust's annual recurring income, which impacts its ability to continue to deliver its educational outcomes with the available public funding it receives. 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.

**EUROPA SCHOOL UK**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Strategic report (continued)**

**Financial review (continued)**

**d. Principal risks and uncertainties**

The Governors have assessed the major risks to which the School 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 School. 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. Where significant financial risk still remains, the Governors have ensured the School has adequate insurance cover in place. The Risk Management Plan is constantly reviewed in light of any new information and formally reviewed annually.

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

Governance

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

Risk Management

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

An on going risk management process has been established, identifying risks and their potential impact in a Risk Register, divided in sub-sections for dedicated ownership and monitoring by the various Committees of the Governing Body. The Risk Register was the subject of the Internal Assurance review undertaken in April 2020.

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

Educational

The continuing 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 Year 7 to Year 11 are also at full or nearly-full capacity. As a legacy issue due to the transfer of students from the European School Culham, Years 12 and 13 had a significant number of unfilled places in 2019-20. This should be remedied from 2020-21 and 2021-22 with the introduction of the International Baccalaureate programme in Years 12 and 13, supported with adequate advertising and marketing activities.

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.

**EUROPA SCHOOL UK**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Strategic report (continued)**

**Financial review (continued)**

**d. Principal risks and uncertainties (continued)**

Financial

The Trust has considerable reliance on continued Government funding through the ESFA. In the period, approximately 93% of the Trust's income was ultimately Government funded. Whilst this level is expected to continue in 2020-21 with the funding basis for our growing School on actual pupil numbers rather than the lagged-funding basis applicable in 2018-19, there is no assurance that Government policy or practice will remain the same, or that public funding will continue at the same levels or on the same terms, particularly in the light of continuing changes in the National Funding Formula for schools. Continuing increases in employment costs, including pension costs associated with both the Teachers and the Local Government Pension Schemes and premises costs will also continue to place significant pressure on the School's financial position and its ability to deliver balanced budgets in the future.

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

Regarding the funding of significant capital developments, the Department for Education, as landlord, has undertaken to carry out substantial repairs and maintenance as part of a schedule of works to keep the School "safe, dry and warm". These extensive capital and maintenance works started in July 2020 and are expected to continue throughout 2020-21. The Agreement for Lease was signed in September 2020 and it is expected that the Lease Agreement will be signed by the Trust upon full completion of the maintenance works programme.

Liquidity

The Governors examine the financial health of the School formally twice per term, reviewing performance against budgets and overall expenditure. At the balance sheet date, the School had no significant liabilities arising from trade creditors or debtors, where there would have a significant effect on the School's liquidity. However, there will be continuing pressure on cash flows throughout 2020-21, which will require close monitoring

Staffing

The success of the School is reliant on the quality of its staff, so Governors monitor and review policies and procedures to ensure continued development and training of staff, as well as ensuring there is clear succession planning.

Pensions Costs

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

Failures in Governance and / or Management

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

**EUROPA SCHOOL UK**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Strategic report (continued)**

**Financial review (continued)**

**d. Principal risks and uncertainties (continued)**

COVID-19

Since March 2020, all operational and financial areas of the School have been significantly impacted by the COVID-19 pandemic, as detailed in the relevant sections of this report. A COVID operational Risk Assessment, including the control measures put in place by the School, is published on the Europa School UK website and constantly updated to reflect the most recent guidelines published by the Department for Education.

Fraud and Mismanagement of Funds

In 2019-20, the Trust engaged Cooper Parry, the external auditor, to perform a program of work aimed at checking and reviewing the financial systems and records as required by the Academies Financial Handbook. All financial staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

**Fundraising**

In 2019-20, the School repeated for the third successive year a general fundraising appeal to the whole community of pupils' families with a view to supplementing income received from the ESFA for operational purposes. The appeal was 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 money raised will benefit all children in the School, without prejudice and independently of parents' capacity to contribute and / or fundraise.

The School has carefully launched a new general fundraising appeal to the parents' community in November 2020. The sudden COVID-19 pandemic has adversely impacted the anticipated improvement in the School's finances. The pandemic has meant that the School needed extra investment in IT and distance learning resources, as well as a very significant increase in cover staff requirements due to government rules on self-isolation.

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 School 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 School would be applicable if so.

**Plans for 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 will continue its expansion to three-form entry throughout the primary school until 2021-22, with the implication that a new classroom must be refurbished every year.

The School has increased class sizes in Reception from 28 to 30 pupils in September 2019 and this increase will filter up the rest of primary year by year until 2025-26. In secondary, contingency plans within the context of Brexit led to obtaining full accreditation for the International Baccalaureate as the end qualification in April 2020, with the first IB cohort starting in Year 12 in September 2020.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Plans for future periods (continued)**

The Trust has decided to implement an IB Middle Years programme in Years 7-11 and, in April 2020, a transitional arrangement was agreed with the European Schools for the use of ES syllabuses, so that cohorts of students are able to finish Key Stages, using consistent syllabuses and curriculum. Following the signing of the Agreement for Lease and subsequent Lease Agreement, the School intends to maximise income generation from the Culham site. The continuing COVID-19 control measures are likely to impact significantly the future developments of the School throughout the next academic year 2020-21, particularly fundraising activities and the hiring of site facilities to external organisations. Staffing levels and costs are also expected to represent a major challenge in 2020-21, as a result of increased absence levels during the pandemic.

**Funds held as custodian on behalf of others**

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

**Disclosure of information to auditor**

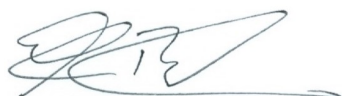
Insofar as the Governors are aware:

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

**Auditor**

The auditor, Cooper Parry Group Ltd, has indicated his willingness to continue in office. The designated Governors will propose a motion reappointing the auditor at a meeting of the Governors.

The Governors' Report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 14 December 2020 and signed on its behalf by:



**A Brent**  
Chair of Governors

**EUROPA SCHOOL UK**  
**(A Company Limited by Guarantee)**

**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 Department for Education'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. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

**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 7 times during the year ended 31 August 2020.

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

Governor	Meetings attended	Out of a possible
L Wood	7	7
A Brent	7	7
A Shorrocks	2	2
J Holderness-Laar	7	7
S Purves	7	7
S Kynoch	7	7
L Kan	7	7
R Barter	6	7
A Bailey	1	2
S Philippot-Gasc	6	7
S Wright	5	5
T Stock	5	5

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

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

At the end of the academic year 2019-20, there were ten appointed Governors including the Principal. The parent and staff bodies each elect two Governors. Three (out of a possible seven) Governors are currently appointed by the founding Members. There are also three posts for co opted Governors appointed by the Governing Body, although only two are filled at present. The Principal is appointed by the Governors.

**EUROPA SCHOOL UK**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

The Board of Governors has remained unchanged in size this academic year with two resignations and two new appointments. All Chairs of the Committees have relevant skills and expertise in their field.

- The Primary Education Committee is chaired by Founding Member Jackie Holderness, an Educationalist who has experience of more than 35 years, with a particular interest in international and multilingual education. This Committee is assisted by an Associate Member with experience and skills in this field.
- The Premises and Liaison Committee is chaired by Lydia Kan, an architect. Her professional experience provides valuable expertise at a time of negotiations for the site lease and the maintenance and capital works undertaken on behalf of the Department for Education. In addition, this Committee benefits from the support of an Associate Member with legal expertise.
- The Chair of the Finance, Audit and General Purposes Committee has been held since 1 September 2019 by Simon Purves, Deputy Chair of Governors and formerly Chair of Governors. Simon brings greatly valued insight into current models of governance, as well as a wealth of experience in ICT. This Committee was also supported by an Associate Member with extensive strategic expertise, previously Chair of this Committee.
- The Secondary Education Committee was chaired by Founding Member Antonella Shorrock, a qualified coach, interpreter and expert in European education, until her resignation on 6 January 2020. Since then, Jackie Holderness has been chairing this Committee.

During the current school year:

In December 2019, Terry Stock joined the Board of Governors as a co-opted Governor appointed by the Governing Body. He is a member of the Finance, Audit and General Purposes Committee. Terry spent his working career in both the public and private sectors, retiring in 2008 from his last position of Chief Executive of the Vale of White Horse District Council. Terry was also a Board member of Abingdon & Witney College, serving spells as Chair of Finance and of the full Board. He was also Chair of Governors at Kingfisher School in Abingdon, as well as Chair of the Propeller Academy Trust. Terry became a Member of the Abingdon Learning Trust in 2018.

In January 2020, Antonella Shorrock resigned as Deputy Chair of Governors. However, Antonella remains as a Member of Europa School UK.

In the same month, Alice Bailey, a lawyer, resigned at the end of her four-year term as a Parent Governor.

In January 2020, Steve Wright was elected as a Parent Governor and became a member of the Finance, Audit and General Purposes Committee. Steve is a former chartered engineer, with an MBA from London Business School. Post-MBA, Steve moved into programme management in complex change programmes, and then into senior strategy / IT / business change in distressed businesses. He works as a change director, helping senior teams make decisions and develop plans. He brings a breadth of skills and experience to the Governing Body, including strategy, finance, analysis and problem solving. He has three daughters in primary at ESUK.

Further members of the Governing Body in 2019-20 were:

Lynn Wood has been the Principal and Accounting Officer of Europa School UK since 1 September 2018. She was previously Head of Secondary with ESUK and prior to that with the European School Culham.

Dr Andrew Brent has been Chair of Governors since May 2019. Andrew combines a strong interest in science with a passion for education. Currently Consultant Physician and Honorary Senior Clinical Lecturer in Infectious Diseases and Internal Medicine at the University of Oxford, he brings a strong commitment to the core values of the School.



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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

Robin Barter remains a Co-opted Governor, bringing much-valued skills in the field of commercial contracts and contract terms negotiations. In addition, Robin has been the Chair of the Fundraising Committee (which is separate from the Governing Body) since October 2018.

Sarah Kynoch (elected Staff Governor) is the Acting Deputy Head of Primary and SENCO of the primary school. She resigned at the end of her second four-year term as a Staff Governor in October 2020.

Sandrine Philippot-Gasc (elected staff Governors) is an experienced Secondary Teacher.

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

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 ESUK. All new Governors joining have filled in the skills audit form from the National Governors Association, which was a key element in their appointment.

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

**Full Governing Body Skills Audit**

An audit of the skills present within the Governing Body was carried out in October 2020 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 and the audit has only shown one area for development of an essential skill, which is:

Understanding how the financial efficiency of schools is measured and compared to similar schools. A number of Governors scored 1 and 3, which could be addressed through training.

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

Main objectives and challenges to the Governing Body:

1. The core objective is to provide an excellent multicultural, multilingual European education enhanced by national requirements. As Governors, we expect the vision of the School to be clearly reflected in the day to day running of the School. Governors are aware of the very different nature of ESUK compared to other English schools, even other bilingual Free Schools. The Governors and School Management are proud that the widening of the pedagogical offer into a three form entry into Reception with the new Spanish / English stream has been achieved from the school year 2015-16.

2. In 2014-15, the School achieved full accreditation as a European School, and in October 2016 the School was approved by the European Schools Network to offer the European Baccalaureate. ESUK has been using the curriculum of the European School system from its creation. Former students of the European School Culham joined the Secondary school in September 2017, with very high retention levels of students. In addition, the former Head of Secondary at ESC joined ESUK in September 2017, ensuring a smooth transition between the two schools at Secondary level. Furthermore, the Head of Secondary was appointed Principal in September 2018.

**EUROPA SCHOOL UK**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

3. As a direct consequence of Brexit, the School is due to lose its European School accreditation in July 2021, meaning that the School needs to put in place a new curriculum model and deliver an alternative end qualification. Following a long review process, the Governors decided that the School should apply to teach the International Baccalaureate (IB) Diploma programme. ESUK was successful in being granted IB World school status in April 2020 to start delivering the IB DP from September 2020. The Trust has also decided to introduce an IB Middle Years programme in Years 7-11, with a transitional agreement with the European Schools for the use of their syllabuses, until the IB Middle Years curriculum is implemented. The IB programme throughout the secondary years will allow the School to preserve its multi-lingual and multi-cultural ethos. The different curriculum and approach of ESUK is of great interest to Universities, some representatives of whom have expressed their desire to follow ESUK's development. As a Governing Body, we are proud to have experts already among the group.

4. The maintenance backlog of the current site remains a major challenge. It is in the process of being addressed by the Department for Education who controls the site, with a planned schedule of maintenance works in line with landlord obligations which started in July 2019. Alongside the maintenance works, the capital works programme started in July 2020 and will extend throughout the 2020-21 academic year. The School signed an Agreement for Lease with the Secretary of State for Housing Communities in September 2020 and is expected to sign the long-term Lease Agreement upon full completion of the maintenance works programme.

5. Decreasing funding is another major threat, which is being closely monitored by our Finance, Audit and General Purposes Committee. The impact on the overall spending budget for both Curriculum resources and overheads in 2019-20 has remained material across the School. There was increased financial pressure caused by the impact of COVID-19 during the second half of the 2019-20 academic year with additional overheads and a significant reduction in non-grant income. The need to retain and attract teachers with the right subject and language skills to our School, where they teach under unique conditions, requires sound finances with some flexibility. ESUK is at risk of other more financially potent schools offering better paid positions both within the UK (mainly looking for language expertise) and across the globe (international schools, other European schools). In 2019-20, this has continued to be particularly the case for German-speaking teachers and teaching assistants, with severe difficulties encountered in recruiting suitable candidates. Our teachers are required to deliver a complex Curriculum which requires more joint planning time and team working than in other schools. This creates a special bond, but also a substantial workload, and the Governing Body remain hugely grateful for the continued hard work and dedication of the teaching staff. Recruitment issues for language teachers from the European Union are likely to be exacerbated from January 2021 following the end of the Brexit Transition Period.

6. ESUK submits annual attainment data to the Local Authority for inclusion in national databases as required by the Secretary of State. ESUK's pupils have a good record against these measures. As is the case for other UK schools, the reported data cover only a part of the achievements of pupils, but in the case of ESUK, they additionally omit attainment in Literacy in German, French and Spanish. For some pupils, this attainment is on a par with, or even exceeds, that achieved in English and for all pupils, progress in these languages is at a level for which the National Curriculum offers no adequate measure. Good use is made of the European Schools' system for recording attainment right across the Curriculum and the European Common Framework for progress in language acquisition. The European Schools' assessment strategy is currently in a cycle of review and English national measures have also undergone revision. There is ongoing need to update and maintain equivalence between the measures and to engage external moderation in both systems.

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

- the initial review and authorisation of the annual budget and three-year plan;
- the regular monitoring of actual expenditure and income against budget, as well as cash flows;
- ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019, the Academies Financial Handbook and other guidance issued by the Department for Education and / or the Education and Skills Funding Agency;

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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

- authorising the award of contracts of, or over, £10,000;
- approving salary changes;
- reviewing the reports of the internal auditors on the effectiveness of the financial procedures and controls. These reports are also reported to the Full Governing Body.

The key issue dealt with by the Finance, Audit and General Purposes Committee during the year remained the review of the Trust's three-year and six-year financial plans under different scenarios (end qualification, Middle Years Programme) and the actions required to address projected deficits and their impact on the level of reserves expected over these timescales.

This Committee also acts as the Trust's Audit Committee, where its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value for money framework. The key issue dealt with by the Audit Committee during the year was the review of the report on the Risk Register received from Cooper Parry Limited in relation to the Trust's systems of internal control and the actions undertaken to address the recommendations included in the report. Attendance during the year at meetings was as follows which was also attended by The Director of Finance and Operations:

Governor	Meetings attended	Out of a possible
S Purves (Chair)	6	6
L Wood, Principal and Accounting Officer	6	6
A Brent	5	6
R Barter	6	6
T Stock	3	4
S Wright	4	4

**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

In September 2019, a new Reception group of 90 pupils joined the existing groups of 84 promoted to Years 1, 2, 3 and 4 and 56 promoted to Years 5 and 6, bringing pupil provision in primary to 538. The secondary school is still in the two-form entry phase with a maximum of 60 in each year group, but numbers in the upper secondary are still below this given the very specific nature of the European Baccalaureate, particularly the language requirements. The total number of students in secondary was 360, bringing the total pupil provision to 900 pupils, an increase from 855 in the previous academic year. The School continued to be oversubscribed, with more than two applications for every place in Reception and an extensive continued interest list throughout the School, particularly in primary. The effect of the enlarged intake from 2015 onwards will, over the long term, take the size of the school to close to 1,200, making much better use of the large site.

Our primary classrooms are used to their full capacity with classes of 28-30 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, we are then responding to both the general demand for school places in Oxfordshire and the specific demand for a multi-lingual, multi-cultural school. During the academic year, we have benefited from a replacement programme of our life-expired eight Terrapin classrooms in a two-stage programme, as well as internal re-structuring of a set of medium classroom spaces to create two large classrooms, which was funded by parental fundraising.

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**GOVERNANCE STATEMENT (CONTINUED)**

**Review of value for money (continued)**

In the secondary school, the gradual phasing out of the SWALs (Students Without A Language section), which was a legacy from the now closed European School Culham, and the restriction of a single English sections has provided good opportunity to make economies in the educational model, which will continue for the next year.

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

Despite passing from primary only to all-through funding, ESUK school block allocation remains low compared with other Free Schools in the country. The funding is used efficiently to provide an additional 120 hours per year in KS1, 80 hours in KS2, a standard number of hours in KS3 and KS4 and almost twice the number of 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 French, German and Spanish and in secondary, the successful completion of the broad curriculum of the European Baccalaureate. Cost effectiveness is supported by a flat management structure and excellent commitment of staff.

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

Educational Results

As detailed above in this report, our educational results demonstrate steady progress throughout the School from somewhat below national levels at entry to well above those levels in Baccalaureate success. This success is due to adoption of the outstanding curriculum model of the European Schools, 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 challenge for the School will to be maintain the high academic outcomes for the IB programme, with the first set of results in July 2022.

Governance Arrangements during the COVID-19 Outbreak

During the COVID-19 lockdown from 23 March 2020, the Governing Body met according to the agreed year timetable and added an exceptional Full Governing Body meeting on 26 May 2020 for the re-opening of the School on 1 June 2020. Meetings were held virtually after March and a policy for virtual Governor meetings was agreed.

All Governor decisions following the lockdown were made virtually via email trail or video conference, but there were no delays in the process. All payments were as normal due to the on-site presence of the Senior Leadership and Financial Teams on a rota basis from 23 March 2020.

Financial Oversight

A small administrative Team oversees highly effective financial controls. Monthly reconciliations, prepared by the Finance Manager, are reviewed and signed off by the Director of Finance and Operations. We have engaged independent accountants, who provide both support and an additional level of scrutiny. The Governing Body's Finance, Audit 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.

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**GOVERNANCE STATEMENT (CONTINUED)**

**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 Europa School UK for the year from 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of Governors has reviewed 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 is of the view that there is a formal ongoing process for identifying, evaluating and managing the School's significant risks, that has been in place for the year from 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors. A risk register for the COVID-19 situation was also written and reviewed.

**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, Audit 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;
- identification and management of risks.

The Board of Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Cooper Parry Limited, the external auditors, to perform additional checks. Their role includes giving advice on financial matters and performing a range of checks on the School's financial systems. In particular the checks carried out in the current period covered a detailed review of the full Risk Register.

On an annual basis, the external auditors report to the Board of Governors on the operation of the control systems. No major issues were identified. However, the Auditors suggested recommendations in four areas mainly aimed at the Risk Register format and review, the completeness of the Register, the risk appetite and scoring and the possible use of heatmaps. These recommendations have been addressed during the last quarter of 2019-20 and the first quarter of the 2020-21 financial year.

As a condition of the change of the funding basis to in-year student numbers, the Education Skills Funding Agency requested the School to undertake a review by a team of two School Resource Management Advisers appointed by the ESFA, starting with a site visit in January 2020 and the publication of a Recommendations Report at the end of March 2020. The Accounting Officer and Governing Body have welcomed this SRMA review and will seek to implement the Report's recommendations once the COVID-19 situation allows, as suggested by the ESFA.

**EUROPA SCHOOL UK**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**The risk and control framework (continued)**

As detailed above, the Governors have previously appointed the external auditors to undertake the internal scrutiny services for the Trust. As a result of the changes introduced by the Financial Reporting Council's revised Ethical Standard for Auditors, the Governors, via the Finance, Audit and General Purposes Committee, will be appointing another organisation to undertake the internal scrutiny work for the Trust for the 2020-21 academic year onwards.

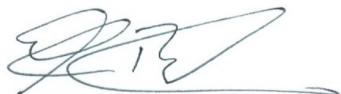
**Review of effectiveness**

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year ended 31 August 2020, the review has been informed by:

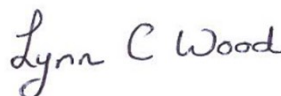
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the School who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and General Purposes 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 2020 and signed on their behalf by:



**A Brent**  
Chair of Governors



**L Wood**  
Accounting Officer

**EUROPA SCHOOL UK**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Europa School UK I have considered my responsibility to notify the School Board of Governors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the School, under the funding agreement in place between the School and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the School Board of Governors are able to identify any material irregular or improper use of all funds by the School, or material non-compliance with the terms and conditions of funding under the School's funding agreement and the Academies Financial Handbook.

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

*Lynn C Wood*

**L Wood**  
Accounting Officer

Date: 14 December 2020

**EUROPA SCHOOL UK**  
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**STATEMENT OF GOVERNORS' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

The Governors (who are also the 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 Academies Accounts Direction published by the Education and 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 . 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:

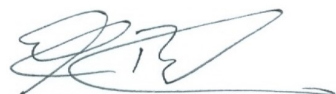
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 2020 and signed on its behalf by:



**A Brent**  
Chair of Governors



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

**Opinion**

We have audited the financial statements of Europa School UK (the 'school') for the year ended 31 August 2020 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 2019 to 2020 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 2020 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 2019 to 2020 issued by the Education and Skills Funding Agency.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the School in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

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

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

**Other information**

The Governors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Other information includes the Reference and Administrative Details, the Governors' Report including the Strategic Report, and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**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.

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

**Responsibilities of trustees**

As explained more fully in the Governors' Responsibilities Statement, 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.

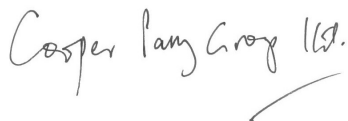
**Auditor's responsibilities for the audit of the financial statements**

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

**Use of our report**

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



**Simon Atkins FCA (Senior Statutory Auditor)**

for and on behalf of

**Cooper Parry Group Ltd**

Chartered Accountants

Statutory Auditor

Park View

One Central Boulevard

Blythe Valley Park

Solihull

West Midlands

B90 8BG

18 December 2020

**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 2019 to 2020, 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 2019 to 31 August 2020 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 Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 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 Academies Accounts Direction 2019 to 2020 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:

- A review of internal control policies and procedures implemented by the School and an evaluation of their design and effectiveness to understand how the School has complied with the framework of authorities;
- A review of the minutes of meetings of the Governors, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including a review of the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and

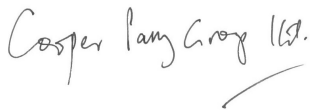
**EUROPA SCHOOL UK**  
**(A Company Limited by Guarantee)**

**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 School 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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant  
**Cooper Parry Group Ltd**  
Chartered Accountants  
Statutory Auditor  
Park View  
One Central Boulevard  
Blythe Valley Park  
Solihull  
West Midlands  
B90 8BG

Date: 18 December 2020

**EUROPA SCHOOL UK**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>						
Donations and capital grants	3	149,761	16,779	24,895	191,435	228,362
Charitable activities	5	246,165	4,327,998	-	4,574,163	4,085,209
Investments	4	282	-	-	282	2,815
<b>Total income</b>		<b>396,208</b>	<b>4,344,777</b>	<b>24,895</b>	<b>4,765,880</b>	<b>4,316,386</b>
<b>Expenditure on:</b>						
Charitable activities	6	157,142	4,763,480	104,506	5,025,128	4,673,085
<b>Total expenditure</b>		<b>157,142</b>	<b>4,763,480</b>	<b>104,506</b>	<b>5,025,128</b>	<b>4,673,085</b>
<b>Net income/(expenditure)</b>		<b>239,066</b>	<b>(418,703)</b>	<b>(79,611)</b>	<b>(259,248)</b>	<b>(356,699)</b>
Transfers between funds	15	(191,999)	191,999	-	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>47,067</b>	<b>(226,704)</b>	<b>(79,611)</b>	<b>(259,248)</b>	<b>(356,699)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains/(losses) on defined benefit pension schemes	21	-	83,000	-	83,000	(221,000)
<b>Net movement in funds</b>		<b>47,067</b>	<b>(143,704)</b>	<b>(79,611)</b>	<b>(176,248)</b>	<b>(577,699)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		398,654	(683,296)	873,457	588,815	1,166,514
Net movement in funds		47,067	(143,704)	(79,611)	(176,248)	(577,699)
<b>Total funds carried forward</b>	15	<b>445,721</b>	<b>(827,000)</b>	<b>793,846</b>	<b>412,567</b>	<b>588,815</b>

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

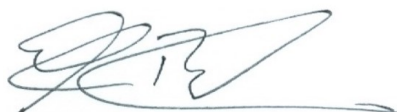
The notes on pages 39 to 59 form part of these financial statements.

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

**BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

	Note		2020 £	2019 £
<b>Fixed assets</b>				
Tangible assets	12		<b>754,885</b>	805,679
<b>Current assets</b>				
Debtors	13	<b>98,559</b>	112,300	
Cash at bank and in hand		<b>813,867</b>	692,334	
		<u><b>912,426</b></u>	<u>804,634</u>	
Creditors: amounts falling due within one year	14	<b>(427,744)</b>	(335,498)	
<b>Net current assets</b>			<b>484,682</b>	469,136
<b>Net assets excluding pension liability</b>			<u><b>1,239,567</b></u>	<u>1,274,815</u>
Defined benefit pension scheme liability	21	<b>(827,000)</b>	(686,000)	
<b>Total net assets</b>			<u><u><b>412,567</b></u></u>	<u><u>588,815</u></u>
 <b>Funds of the School</b>				
<b>Restricted funds:</b>				
Fixed asset funds	15	<b>793,846</b>	873,457	
Restricted income funds	15	-	2,704	
Pension reserve	15	<b>(827,000)</b>	(686,000)	
<b>Total restricted funds</b>	15		<u><b>(33,154)</b></u>	190,161
<b>Unrestricted income funds</b>	15		<u><b>445,721</b></u>	398,654
<b>Total funds</b>			<u><u><b>412,567</b></u></u>	<u><u>588,815</u></u>

The financial statements on pages 36 to 59 were approved by the Governors, and authorised for issue on 14 December 2020 and are signed on their behalf, by:



**A Brent**  
Chair of Governors

The notes on pages 39 to 59 form part of these financial statements.

**EUROPA SCHOOL UK**  
**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>Note</b>	<b>2020</b> £	2019 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	17	<b>150,631</b>	(71,633)
<b>Cash flows from investing activities</b>			
	18	<b>(29,098)</b>	15,995
<b>Cash flows from financing activities</b>		-	-
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		<b>121,533</b>	(55,638)
Cash and cash equivalents at the beginning of the year		<b>692,334</b>	747,972
<b>Cash and cash equivalents at the end of the year</b>	19, 20	<b>813,867</b>	692,334
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 39 to 59 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 2020**

**1. Accounting policies**

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments 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 2019 to 2020 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.

In autumn 2019, the School received official confirmation from the ESFA of a change in the funding basis to actual pupil numbers for the next three academic years from 2019 to 2022. In addition to this, the School will still have to rely 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 both Brexit-related and COVID-19 challenges. Following the signing of the Agreement for Lease in early September 2020, the School is in the process of setting up tenancy agreements for members of staff and their families for the three properties on site, as well as planning how best to generate rental income from the site post lockdown and once capital works have progressed sufficiently to ensure that all health and safety considerations can be met.

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

**1.3 Fund accounting**

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

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

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.

**EUROPA SCHOOL UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**1. Accounting policies (continued)**

**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.

**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.

**EUROPA SCHOOL UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**1. Accounting policies (continued)**

**1.5 Expenditure (continued)**

• **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, as follows:

Depreciation is provided on the following bases:

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

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

**EUROPA SCHOOL UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**1. Accounting policies (continued)**

**1.7 Tangible fixed assets (continued)**

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.

**1.8 Debtors**

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

**1.9 Cash at bank and in hand**

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

**1.10 Liabilities and provisions**

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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

**1.11 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

**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.

**EUROPA SCHOOL UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**1. Accounting policies (continued)**

**1.13 Pensions**

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

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

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

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

**1.14 Agency arrangements**

The School acts as agent in distributing bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the School does not have control over the charitable application of the funds. The funds received and any balances held are recognised in note 24.

**EUROPA SCHOOL UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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 judgment:

The classification of expenditure between restricted and unrestricted funds is considered a critical area of judgement as certain expenditure can be applied to both funds. Where this is the case and the amounts in question are considered material, the expenditure is apportioned to both funding streams on an appropriate basis.

**3. Income from donations and capital grants**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Restricted fixed asset funds 2020 £</b>	<b>Total funds 2020 £</b>	Total funds 2019 £
Donations	149,761	16,779	-	<b>166,540</b>	178,068
Capital Grants	-	-	24,895	<b>24,895</b>	50,294
<b>Total 2020</b>	<u>149,761</u>	<u>16,779</u>	<u>24,895</u>	<u><b>191,435</b></u>	<u>228,362</u>
Total 2019	<u>172,536</u>	<u>5,532</u>	<u>50,294</u>	<u>228,362</u>	

**EUROPA SCHOOL UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**4. Investment income**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	Total funds 2019 £
Short term deposits	282	<b>282</b>	2,815
<b>Total 2020</b>	<u>282</u>	<u><b>282</b></u>	<u>2,815</u>
Total 2019	<u>2,815</u>	<u>2,815</u>	

**5. Funding for the Academy Trust's educational operations**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>	Total funds 2019 £
<b>DfE/ESFA grants</b>				
General Annual Grant	-	3,869,780	<b>3,869,780</b>	3,515,132
Other DfE/ESFA grants	-	399,818	<b>399,818</b>	222,031
	<u>-</u>	<u>4,269,598</u>	<u><b>4,269,598</b></u>	<u>3,737,163</u>
<b>Other government grants</b>				
Local Authority grants	-	18,813	<b>18,813</b>	16,446
	<u>-</u>	<u>18,813</u>	<u><b>18,813</b></u>	<u>16,446</u>
<b>Other income from the Academy Trust's educational operations</b>				
Other income	246,165	-	<b>246,165</b>	311,518
Other grants	-	39,587	<b>39,587</b>	20,082
<b>Total 2020</b>	<u>246,165</u>	<u>4,327,998</u>	<u><b>4,574,163</b></u>	<u>4,085,209</u>
Total 2019	<u>311,518</u>	<u>3,773,691</u>	<u>4,085,209</u>	

**EUROPA SCHOOL UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**6. Expenditure**

	<b>Staff Costs 2020 £</b>	<b>Premises 2020 £</b>	<b>Other 2020 £</b>	<b>Total 2020 £</b>	Total 2019 £
Educational operations:					
Direct costs	2,534,742	-	228,525	<b>2,763,267</b>	2,655,840
Support costs	1,251,492	550,169	460,200	<b>2,261,861</b>	2,017,245
<b>Total 2020</b>	<u>3,786,234</u>	<u>550,169</u>	<u>688,725</u>	<u><b>5,025,128</b></u>	<u>4,673,085</u>
Total 2019	<u>3,422,057</u>	<u>547,800</u>	<u>703,228</u>	<u>4,673,085</u>	

Of the total expenditure of £5,205,128 (2019: £4,673,085), £157,142 (2019: £218,071) was allocated to unrestricted funds, £4,763,480 (2019: £4,339,957) was allocated to restricted funds and £104,506 (2019: £115,057) was allocated to restricted fixed asset funds.

**7. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2020 £</b>	<b>Support costs 2020 £</b>	<b>Total funds 2020 £</b>	Total funds 2019 £
Educational operations	<u>2,763,267</u>	<u>2,261,861</u>	<u><b>5,025,128</b></u>	<u>4,673,085</u>
Total 2019	<u>2,655,840</u>	<u>2,017,245</u>	<u>4,673,085</u>	



**EUROPA SCHOOL UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**7. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
LGPS FRS102 net pension interest cost	<b>15,000</b>	11,000
Staff costs	<b>1,251,492</b>	1,070,854
Depreciation	<b>104,506</b>	115,057
Technology costs	<b>27,309</b>	24,542
Insurance	<b>18,396</b>	18,683
Catering	<b>70,466</b>	102,746
Bank interest and charges	<b>20</b>	13
Other support costs	<b>739,732</b>	632,527
Professional and governance fees	<b>27,949</b>	36,008
Legal fees	<b>6,991</b>	5,815
	<b><u>2,261,861</u></b>	<b><u>2,017,245</u></b>

**8. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2020 £</b>	<b>2019 £</b>
Depreciation of tangible fixed assets	<b>104,505</b>	115,059
Fees paid to auditor for:		
- audit	<b>6,800</b>	6,500
- other services	<b>7,900</b>	5,450
	<b><u>14,200</u></b>	<b><u>11,950</u></b>

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**9. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>2020</b>	2019
	£	£
Wages and salaries	<b>2,738,065</b>	2,610,468
Social security costs	<b>230,079</b>	223,743
Pension costs	<b>792,774</b>	560,773
	<u><b>3,760,918</b></u>	<u>3,394,984</u>
Agency staff costs	<b>25,316</b>	27,073
	<u><b>3,786,234</b></u>	<u>3,422,057</u>

**b. Staff numbers**

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

	<b>2020</b>	2019
	No.	No.
Management	<b>5</b>	5
Teachers	<b>74</b>	83
Support	<b>52</b>	54
	<u><b>131</b></u>	<u>142</u>

**c. Higher paid staff**

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

	<b>2020</b>	2019
	No.	No.
In the band £60,001 - £70,000	<b>2</b>	2
In the band £80,001 - £90,000	<b>1</b>	1
	<u><b>3</b></u>	<u>3</u>

2 (2019 - 2) of the above employees participated in the Teachers' Pension Scheme and 1 (2019 - 1) participated in the Local Government Pension Scheme. During the year ended 31 August 2020, the employer pension contributions for these staff members to the Teachers' Pension Scheme amounted to £36,773 (2019 - £24,974) and to the Local Government Pension Scheme amounted to £16,179 (2019 - £12,817).

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Staff (continued)**

**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 £412,088 (2019 £346,740).

**10. Governors' remuneration and expenses**

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

		<b>2020</b>	2019
		£	£
S Kynoch	Remuneration	<b>45,000 -</b>	45,000 -
		<b>50,000</b>	50,000
	Pension contributions paid	<b>5,000 -</b>	5,000 -
		<b>10,000</b>	10,000
S Philppot-Gasc	Remuneration	<b>40,000 -</b>	35,000 -
		<b>45,000</b>	40,000
	Pension contributions paid	<b>5,000 -</b>	5,000 -
		<b>10,000</b>	10,000
L Wood	Remuneration	<b>85,000 -</b>	80,000 -
		<b>90,000</b>	85,000
	Pension contributions paid	<b>20,000 -</b>	10,000 -
		<b>25,000</b>	15,000

During the year ended 31 August 2020, no Governor expenses have been incurred (2019 - £NIL).

**11. Governors' and Officers' insurance**

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

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**12. Tangible fixed assets**

	Leasehold property £	Furniture and fittings £	Motor vehicles £	Computer equipment £	Other fixed assets £	Total £
<b>Cost or valuation</b>						
At 1 September 2019	707,565	172,660	1,367	453,398	55,113	1,390,103
Additions	26,809	18,162	-	8,740	-	53,711
At 31 August 2020	<u>734,374</u>	<u>190,822</u>	<u>1,367</u>	<u>462,138</u>	<u>55,113</u>	<u>1,443,814</u>
<b>Depreciation</b>						
At 1 September 2019	106,674	99,673	1,253	354,329	22,495	584,424
Charge for the year	18,606	21,409	114	56,581	7,795	104,505
At 31 August 2020	<u>125,280</u>	<u>121,082</u>	<u>1,367</u>	<u>410,910</u>	<u>30,290</u>	<u>688,929</u>
<b>Net book value</b>						
At 31 August 2020	<u><u>609,094</u></u>	<u><u>69,740</u></u>	<u><u>-</u></u>	<u><u>51,228</u></u>	<u><u>24,823</u></u>	<u><u>754,885</u></u>
At 31 August 2019	<u><u>600,891</u></u>	<u><u>72,987</u></u>	<u><u>114</u></u>	<u><u>99,069</u></u>	<u><u>32,618</u></u>	<u><u>805,679</u></u>

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

**13. Debtors**

	2020 £	2019 £
<b>Due within one year</b>		
Trade debtors	-	4,754
Other debtors	50,003	41,084
Prepayments and accrued income	48,556	66,462
	<u><u>98,559</u></u>	<u><u>112,300</u></u>

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**14. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	76,055	73,442
Other taxation and social security	55,201	51,328
Other creditors	64,318	76,265
Accruals and deferred income	232,170	134,463
	427,744	335,498
	427,744	335,498
	2020 £	2019 £
Deferred income at 1 September 2019	65,160	64,477
Resources deferred during the year	63,486	65,160
Amounts released from previous periods	(65,160)	(64,477)
	63,486	65,160
	63,486	65,160

Included within deferred income is £63,486 (2019 - £65,160) that relates to the Universal Infant Free School Meals grants received from the ESFA which will be utilised in the year ending 31 August 2020,

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**15. Statement of funds**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>						
General funds	398,654	396,208	(157,142)	(191,999)	-	445,721
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	3,869,780	(4,061,779)	191,999	-	-
Other DfE/ESFA grants	-	399,818	(399,818)	-	-	-
Local Authority grants	-	18,813	(18,813)	-	-	-
Other restricted income	2,704	56,366	(59,070)	-	-	-
Pension reserve	(686,000)	-	(224,000)	-	83,000	(827,000)
	<u>(683,296)</u>	<u>4,344,777</u>	<u>(4,763,480)</u>	<u>191,999</u>	<u>83,000</u>	<u>(827,000)</u>
<b>Restricted fixed asset funds</b>						
Fixed asset funds	873,457	24,895	(104,506)	-	-	793,846
<b>Total Restricted funds</b>	<u>190,161</u>	<u>4,369,672</u>	<u>(4,867,986)</u>	<u>191,999</u>	<u>83,000</u>	<u>(33,154)</u>
<b>Total funds</b>	<u><u>588,815</u></u>	<u><u>4,765,880</u></u>	<u><u>(5,025,128)</u></u>	<u><u>-</u></u>	<u><u>83,000</u></u>	<u><u>412,567</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 2020.

Other grants and income, which include other ESFA / DfE grants (including Pupil Premium funding, Universal Infant Free School Meal grants, Teacher Pay grants and Teachers' Pension grants), Local Authority funding, and 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.

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**15. Statement of funds (continued)**

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

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
General funds	209,822	486,869	(218,071)	(79,966)	-	398,654
<b>Restricted general funds</b>						
General Annual Grant (GAG)	300,605	3,515,132	(3,895,703)	79,966	-	-
Other DfE/ESFA grants	-	222,031	(222,031)	-	-	-
Local Authority grants	-	16,446	(16,446)	-	-	-
Other restricted income	26,867	25,614	(49,777)	-	-	2,704
Pension reserve	(309,000)	-	(156,000)	-	(221,000)	(686,000)
	<u>18,472</u>	<u>3,779,223</u>	<u>(4,339,957)</u>	<u>79,966</u>	<u>(221,000)</u>	<u>(683,296)</u>
<b>Restricted fixed asset funds</b>						
Fixed asset funds	938,220	50,294	(115,057)	-	-	873,457
<b>Total Restricted funds</b>	<u>956,692</u>	<u>3,829,517</u>	<u>(4,455,014)</u>	<u>79,966</u>	<u>(221,000)</u>	<u>190,161</u>
<b>Total funds</b>	<u><u>1,166,514</u></u>	<u><u>4,316,386</u></u>	<u><u>(4,673,085)</u></u>	<u><u>-</u></u>	<u><u>(221,000)</u></u>	<u><u>588,815</u></u>

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**16. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	754,885	<b>754,885</b>
Current assets	445,721	427,744	38,961	<b>912,426</b>
Creditors due within one year	-	(427,744)	-	<b>(427,744)</b>
Provisions for liabilities and charges	-	(827,000)	-	<b>(827,000)</b>
<b>Total</b>	<u>445,721</u>	<u>(827,000)</u>	<u>793,846</u>	<u><b>412,567</b></u>

**Analysis of net assets between funds - prior period**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	805,679	805,679
Current assets	398,654	338,203	67,778	804,635
Creditors due within one year	-	(335,499)	-	(335,499)
Provisions for liabilities and charges	-	(686,000)	-	(686,000)
<b>Total</b>	<u>398,654</u>	<u>(683,296)</u>	<u>873,457</u>	<u>588,815</u>



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

	<b>2020</b>	2019
	£	£
Net expenditure for the period (as per Statement of Financial Activities)	<b>(259,248)</b>	(356,699)
<b>Adjustments for:</b>		
Depreciation	<b>104,505</b>	115,059
Capital grants from DfE and other capital income	<b>(24,895)</b>	(50,294)
Dividends, interest and rents from investments	<b>282</b>	2,815
Defined benefit pension scheme cost less contributions payable	<b>209,000</b>	145,000
Defined benefit pension scheme finance cost	<b>15,000</b>	11,000
Decrease in debtors	<b>13,741</b>	51,076
Increase in creditors	<b>92,246</b>	10,410
<b>Net cash provided by/(used in) operating activities</b>	<b>150,631</b>	(71,633)

**18. Cash flows from investing activities**

	<b>2020</b>	2019
	£	£
Dividends, interest and rents from investments	<b>(282)</b>	(2,815)
Purchase of tangible fixed assets	<b>(53,711)</b>	(31,484)
Capital grants from DfE Group	<b>24,895</b>	50,294
<b>Net cash (used in)/provided by investing activities</b>	<b>(29,098)</b>	15,995

**19. Analysis of cash and cash equivalents**

	<b>2020</b>	2019
	£	£
Cash in hand	<b>813,867</b>	692,334
<b>Total cash and cash equivalents</b>	<b>813,867</b>	692,334

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

	<b>At 1 September 2019 £</b>	<b>Cash flows £</b>	<b>At 31 August 2020 £</b>
Cash at bank and in hand	692,334	121,533	813,867
	692,334	121,533	813,867

**21. Pension commitments**

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

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

Contributions amounting to £nil were payable to the schemes at 31 August 2020 (2019 - £26,763) and are included within creditors.

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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**21. Pension commitments (continued)**

**Valuation of the Teachers' Pension Scheme (continued)**

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

The employer's pension costs paid to TPS in the year amounted to £435,413 (2019 - £286,308).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £172,000 (2019 - £153,000), of which employer's contributions totalled £129,000 (2019 - £116,000) and employees' contributions totalled £ 43,000 (2019 - £37,000). The agreed contribution rates for future years are 19.3 per cent for employers and 5.5 to 12.5 per cent for employees.

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

**Principal actuarial assumptions**

	<b>2020</b>	2019
	%	%
Rate of increase in salaries	<b>2.20</b>	3.80
Rate of increase for pensions in payment/inflation	<b>2.20</b>	2.30
Discount rate for scheme liabilities	<b>1.70</b>	1.90

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

	<b>2020</b>	2019
	Years	Years
<i>Retiring today</i>		
Males	<b>22.2</b>	22.7
Females	<b>24.3</b>	24.3
<i>Retiring in 20 years</i>		
Males	<b>22.9</b>	24.0
Females	<b>25.6</b>	25.7

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**21. Pension commitments (continued)**

**Sensitivity analysis**

Increase in the reported value of defined benefit obligations:

	<b>2020</b>	2019
	<b>£000</b>	£000
Discount rate -0.5%	<b>224</b>	210
CPI rate +0.5%	<b>215</b>	195
	<b>=====</b>	<b>=====</b>

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

	<b>2020</b>	2019
	<b>£</b>	£
Equities	<b>506,100</b>	404,340
Gilts	<b>144,600</b>	123,060
Property	<b>43,380</b>	35,160
Cash and other liquid assets	<b>28,920</b>	23,440
	<b>=====</b>	<b>=====</b>
<b>Total market value of assets</b>	<b>723,000</b>	586,000
	<b>=====</b>	<b>=====</b>

The actual return on scheme assets was £(31,000) (2019 - £28,000).

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

	<b>2020</b>	2019
	<b>£</b>	£
Current service cost	<b>(338,000)</b>	(234,000)
Interest income	<b>13,000</b>	13,000
Interest cost	<b>(28,000)</b>	(24,000)
	<b>=====</b>	<b>=====</b>
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(353,000)</b>	(245,000)
	<b>=====</b>	<b>=====</b>

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

	<b>2020</b>	2019
	<b>£</b>	£
<b>At 1 September</b>	<b>1,272,000</b>	714,000
Current service cost	<b>338,000</b>	234,000
Interest cost	<b>28,000</b>	24,000
Employee contributions	<b>43,000</b>	37,000
Actuarial (gains)/losses	<b>(127,000)</b>	236,000
Benefits paid	<b>(4,000)</b>	-
Past service costs	<b>-</b>	27,000
	<b>=====</b>	<b>=====</b>
<b>At 31 August</b>	<b>1,550,000</b>	1,272,000
	<b>=====</b>	<b>=====</b>

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**21. Pension commitments (continued)**

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

	<b>2020</b>	2019
	£	£
<b>At 1 September</b>	<b>586,000</b>	405,000
Interest income	<b>13,000</b>	13,000
Actuarial (losses)/gains	<b>(44,000)</b>	15,000
Employer contributions	<b>129,000</b>	116,000
Employee contributions	<b>43,000</b>	37,000
Benefits paid	<b>(4,000)</b>	-
<b>At 31 August</b>	<b>723,000</b>	586,000

**22. Members' liability**

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

**23. 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 Academies Financial 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 year:

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

**24. Agency arrangements**

The School distributes 16-19 bursary funds to students as an agent for the ESFA. In the year ended 31 August 2020, the School received £8,475 (2019 - £8,852) and distributed £8,475 (2019 - £8,582). No amounts are held at year end as undistributed funds that are repayable to the ESFA (2019 - £Nil).