

Lycee International de Londres

Annual Report and Financial statements

31 August 2016

Company Limited by Guarantee
Registration Number
09033139 (England and Wales)

Charity Registration Number 1160719

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Reference and administrative details of the school, its governors and advisers

Governors Mr A Vaissié (Chair)
Mrs E de Fontaubert
Mrs J Banks Oughourlian
Mr L Bouvard
Mr J C Gérard
Mr B Michaud
Mr L Bigorgne
Mr E Caradec
Mrs J Camblin

Clerk to the Governors Mr M Filkins

Headteacher Mrs M Rabaté

Address 54 Forty Lane
Wembley
HA9 9LY

Company registration number 09033139 (England and Wales)

Charity Registration number 1160719

Chief Financial Officer Mr M Filkins

Auditor Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Bankers HSBC
21 Kings Mall
Kings Street
London
W8 0QF

Solicitors Stone King LLP
16 St John's Lane
London
EC1M 4BS

Governors' report 31 August 2016

The governors present their annual report and audited accounts for the year ended 31 August 2016.

The report has been prepared in accordance with Part 8 the Charities Act 2011 and constitutes a directors' report for the purpose of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on page 19 to 23 therein and comply with the charitable company's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102), effective for accounting periods commencing 1 January 2015 or later.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

The charitable company which is governed by a memorandum and articles of association was incorporated as a company on 9 May 2014 and registered as a charity on 2 March 2015.

Governors

The governors who served during the year were as follows:

	Appointed/Resigned
Mrs J Banks Oughourlian*	
Mr L Bigorgne	
Mr L Bouvard	
Mr E le Brusq	Resigned 8 February 2016
Mrs J Camblin	Appointed 9 July 2016
Mr E Caradec	Appointed 1 September 2016
Mrs E de Fontaubert	
Mr J C Gérard*	
Mrs C Maxey*	Resigned 18 March 2016
Mr B Michaud	
Mr A Vaissié	

* Member of Finance Committee

No governor or person connected with a governor received any benefit from either means tested bursaries or scholarships awarded to our pupils.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governors' responsibilities statement

With the support of the Chief Financial Officer (CFO), the governors are required to prepare accounts for each financial year which give a true and fair view of the state of affairs of the school and of its incoming resources and application of resources for the year. In preparing accounts giving a true and fair view, the governors should follow best practice and

- ◆ select suitable accounting policies and then apply them consistently
- ◆ observe the methods and principles in: Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the school will continue in operation.

The governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the school. They also have responsibility for safeguarding the assets of the school and for taking reasonable steps to prevent and detect fraud and other irregularities.

Recruitment and training of governors

All Governors have been allocated an area of responsibility which, where possible, is in accordance with their skills and experience. Stone King provided governor training on 20 April 2015 to ensure the roles and responsibilities of the role were understood. In addition, all governors were invited to attend the safeguarding training provided to staff to help increase the understanding and awareness of safeguarding practices in a school setting.

Key management personnel

Under the direction and control of the Board of Governors, the Senior Leadership Team (Head of School, CFO and Head of Secondary School) runs and operates the charity on a day to day basis.

Remuneration for members of the Senior Leadership Team is set based on the competitive market rate for comparative roles requiring a similar skill set and experience in order for the individual to be successful. Salaries are reviewed annually by the governors in line with the policies of the School and the contracts of employment.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Organisational management

The details of the current governors and directors, and those that held office since incorporation are set out on page two.

The directors, who are the Charity Trustees for the purposes of the Charities Act 2011, conduct the operations of the Charity. Full-time paid employees undertake the day to day management of the School. The Board of Governors meets on average once every month or (at least twice per school term) to discuss the affairs of the Charity as a whole.

Each key operational aspect of the school is managed through sub-committees including various Board members and members of the School's operational management team. These sub-committees cover areas such as curriculum, finance, communications, HR, health and safety, safeguarding and governance. Wherever possible, the specialisms of the individual governors representing the Board on these committees are tailored to the function of the committee.

Governors' indemnities

The charity has purchased a professional indemnity policy to protect the governors from loss arising from neglect or defaults of the governors. This was purchased as part of an insurance package.

Connected charities

Mr A Vaissié is also a trustee of the French Education Charitable Trust Limited (FECT) and of Wembley Education Charitable Trust (WECT), the landlord under a lease for the premises at 54 Forty Lane, Wembley, Middlesex, HA9 9LY between WECT and the Charity.

Mr A Vaissié is a governor of the Collège Français Bilingue de Londres Ltd (CFBL), a registered charity and limited company providing education to students aged 5-15 years. CFBL is a feeder school for Lycee International de Londres.

Mrs J Banks Oughourlian is a trustee of a charitable organisation named Friends of the Lycée. Friends of the Lycée aims to advance the education of children and young people attending the Lycée Français Charles de Gaulle or any organisation affiliated or working with the Lycée Français Charles de Gaulle, particularly those providing French or bilingual education in England.

Mr B Michaud is a trustee of the French Scholarship Foundation, the objects of which are to advance education and promote the continued attendance of a child registered or applying to register with two schools, CFBL and Lycee International de Londres Winston Churchill (the "School").

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management

The governors have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Along with all of its policies and procedures, the Charity reviews its procedures regularly to ensure significant risks are monitored and controlled.

The key controls used by the Charity include detailed budget preparation and monitoring, the implementation of a logical and consistent organisation structure with clear reporting lines, clear authorisation and approval levels and as and when necessary the employment of external professional advisers.

A risk management plan has been created in order to ensure the governors are aware of the significant risks, how they are controlled and the extent to which a residual risk remains.

The key risks for the charity, as identified by the governors, are described below together with the principal ways in which they are mitigated:

Loss of key team members:

The potential loss of key team members on both the academic and administrative side of the School operations is managed by ensuring that School policies on pay, benefits and development opportunities are competitive as well as ensuring working conditions and the environment are attractive in order to retain team members. In addition, continuity planning is in place to ensure that knowledge is shared and team members are developed and promoted from within wherever possible.

Competition in the sector:

Increased competition in the sector, and the comparative school fee rate versus the competition could lead to difficulties in enrolling sufficient students to maintain the operating expenses of the school. By ensuring that the 'product' offered by the School is unique, of a high standard and appealing to a diverse range of people, the high demand for the School should continue to exist. Fee levels are decided based on numerous considerations, including the financial requirements of the School, anticipated admissions and the competitive market place.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

Impact of Brexit:

The potential, and somewhat unknown at this stage, impact of Brexit in terms of a possible reduction in French, and French speaking, families relocating to London, and the impact on VISA's that may be required for team members and students could have an impact on student enrolment levels. The School ensures that the education provided is appealing to a broad range of families and is unique in comparison to other offerings in London. The Board ensures a strategy is in place to market the School effectively and makes a conscious effort to understand the profile and requirements of the potential families that would consider enrolling.

Health and safety:

Failing to ensure the safety of the students, staff and all members of the school community would undermine the quality of the School and jeopardise its reputation in the community. Rigorous policies and procedures are in place to ensure that health and safety and safeguarding arrangements are of the highest standards and the Board audits these standards and their implementation regularly through the use of its dedicated sub committees.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Principal charitable objects

Lycee International de Londres Winston Churchill is an independent, international, and non-denominational school which teaches the curriculum set by the French Ministry of Education ("Ministère de l'Education Nationale, de l'Enseignement supérieur et de la Recherche") and which opened in September 2015 following registration with the Department for Education ("DfE").

The aim of the School is to offer a French bilingual curriculum taught mostly in French adding more classes taught in English as the students' progress from Grande Section de Maternelle to Cours Moyen 2 (years 1 to 6) and to teach a French curriculum with additional English language options for its secondary classes, Sixième to Terminale (years 7 to 13).

The programme culminates in the French exam, the "Baccalauréat", which is externally assessed and grants students the right to pursue higher education in France and apply for colleges and universities in most countries of the world.

Mission and core values of the school

Through a rigorous bilingual programme and innovative methods, we educate pupils to become responsible, creative and principled global citizens. We teach them to think critically and act ethically, to form and express their own opinions and respect those of others, to define their own life goals and to make sense of and embrace change.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Modern learning, timeless values

The primary objective of the entire Lycee International de Londres Winston Churchill teaching community is to contribute to the intellectual development and personal fulfilment of each and every pupil.

We develop the intellect and character of our pupils to enable them to take on the challenges of the world.

Capable of thinking for themselves and expressing their opinions with confidence, our pupils thrive in a bilingual and international environment, underpinned by excellence and a dynamic flow of pedagogical innovation.

Integrity, courage and respect are the core values we encourage them to develop, with the aim, ultimately, that they become true 'global citizens'.

Excellence

Each student is entitled to the best possible education according to his or her needs, with the goal of achieving excellence in both intellectual and social endeavours. We believe that learning should be a fulfilling experience, and that school should be a place fostering joy, creative thinking and openness. Our school encourages individual and collective initiatives. We want our children to think positively about themselves and to recognise and value their own talents and those of others.

Creativity

It is our firm belief that learning can take multiple forms, and therefore be enhanced by diverse approaches as well as the responsible use of technology. We encourage our teachers to think and teach creatively, to use a variety of methods, from lectures to project-based, hands-on sessions, from books to digital resources and blended learning. We expect them to develop innovative lesson plans in order to help each student discover his or her own learning style, talents and potential. We encourage them to discover and understand the digital world, and make the best use of it.

Integrity

We believe that honesty is of paramount importance in character building. We encourage students to embrace challenges and welcome hurdles in every part of their life. We ask them to own their mistakes and learn from them.

Community

We encourage teamwork and foster a sense of community and solidarity within and outside the School, from positive collaboration and healthy competition in the classroom to volunteering and community involvement both locally and globally. We look forward to support and collaboration from parents, which in turn we offer to families.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Awareness

We welcome students, families and employees from all backgrounds and cultures. We respect and celebrate their identity, lifestyles, preferences and individual differences. We expect every member of our community, children and adults, to do the same.

Public benefit

Lycee International de Londres, as a registered charity, is committed to providing public benefit to both the local community in Wembley and to the students' community that would benefit from receiving the education it has to offer.

The School aims to engage with the local community through the hiring of its facilities to local clubs or individuals, and by also supporting local government bodies such as Brent Council, to make the facilities available for events such as local election polling.

The School would like to ensure that individuals of all economic backgrounds have the opportunity to benefit from the education it provides. We therefore aim to introduce, in the future, a means tested bursary scheme to enable that goal to be fulfilled.

As a registered charity, and a company limited by guarantee, with no external shareholders, any surpluses created from the operation of the school are re-invested in the education of the students. This allows the fees charged by the school to be kept to a minimum and therefore as many families as possible are able to afford to attend the school.

Objectives for the year

The objectives of Lycee International de Londres remain consistent with those at the point of the School being established in September 2015, and the vision to create the School that began some years before. The School endeavours to create a nurturing and vibrant environment where students and adults thrive sharing the joys of teaching and learning.

Rooted in the tradition of French educational excellence, and aiming to offer the most modern pedagogical approaches, our ethos reflects our commitment to foster the development of the whole child along with collective achievement through mutual respect and dedication.

An enriching extra-curricular programme enables students to participate in activities that challenge them both intellectually and physically. Discovery classes allow Secondary students of all year groups to explore new areas not traditionally taught in Secondary Schools. The implementation of a Service Learning Program in October 2016 as part of the Schools wider Global Travel Programme will offer life enriching experiences for students to explore different cultures and environments that exist in less fortunate conditions than those they are familiar with, and enable them to give back and enrich the lives of others through their service.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Strategies to achieve the objectives for the year

In order to fulfil the potential of the School and the aims highlighted above, a highly talented and dedicated team of experienced educational professionals has been assembled. These individuals are empowered to push the boundaries of traditional education and engage students in a modern environment equipped with the latest educational technology and equipment.

The creation of a new role dedicated to the research and development of the best academic practices using the latest tools and products available, will also enhance these practices across the School. The role of this individual is to support and enable the teaching faculty to explore and master the best of what is available and implement it in the classroom in order to aid teaching and learning.

The facilities and learning environment remain exceptional. Classrooms contain digital projection facilities and apple TV's for connecting to the iPads that all teachers and secondary school students are provided with on a 1-1 basis. High quality Wi-Fi is available across the school buildings and digital conferencing facilities are available in a number of areas. The school canteen is fitted out to hospitality standards and is operated by a specialist caterer who won 'food caterer of the year' at the 2016 Cateys.

The implementation of the Global Travel Programme is being managed by an experienced coordinator who has previously organised similar programs in reputable international schools across the world. Destinations of which the trip leaders have experience and detailed knowledge have been selected, whilst still providing exceptional opportunities for the students to learn about new cultures, environments and opportunities to develop their language skills. The coordinator has time dedicated to planning and arranging the trips within the job description and is supported by the School's Leadership Team in regular planning sessions.

Principal activities of the year

In its first year the Lycee welcomed 430 students from 300 families from all over the world. 54 new members of staff joined the School, 70% of whom are international and were new to London. The staff were inducted into the culture of the school and supported in their resulting change in lifestyle. The Lycee worked on refining its curriculum design, organisational chart, policies and procedures and worked to establish its unique culture and a supportive community for its families and staff. It actively supported the creation of the Parents' Association, APLIL. Additionally, an After School Programme was created to extend the engagement and activities of the students with the help of organisations such as Serge Betsen Rugby and First Hand Experiences.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Scholarship and bursary policy

The introduction of a means tested bursary scheme remains a priority for the School over the coming years. The School is committed to enabling as many individuals as possible, that would benefit from the education it provides, to be able to access it. The introduction of the scheme will be phased and aligned with the resources that the School has available to dedicate to it as the school establishes and grows.

In addition to the above, Lycee International de Londres Winston Churchill is accredited by the French Ministère de l'Education Nationale which enables it to participate in the national French bourse scheme administered by the consulate. The School will contribute 2% of its tuition revenues annually as part of this accreditation, this forms part of the funds distributed to the families requiring financial support to receive a French education across the world.

Community access

Engaging with the local community is something the School is dedicated to doing and has already begun within its opening year. Relationships with local council members are strong and positive work is already underway with regards to the improvements in road safety around the School. The School served as an election centre for the recent London Mayoral elections and will also serve as an election centre for the upcoming French Presidential election in 2017. Several initiatives have been undertaken with the local ARK academy and we plan to develop this relationship further over the coming twelve months. The School also remains committed to opening the use of its facilities to local organisations that would benefit from the spaces it has to offer.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Operational performance of the school

The first year of operation for the School was extremely positive. Enrolment remained in line with expectations throughout the year and averaged 449 full time equivalent (FTE) students. At August 2016, 724 FTE students were registered and committed to attending the School for its second year of operation.

In October 2015, the School hosted its opening ceremony and was officially opened by the French President, Francois Hollande. Around 900 people attended the event to hear the President address the School and its community.

The School signed its formal agreement with L'agence pour l'enseignement Francais a l'etranger (AEFE) and also became accredited by the French Ministère de l'Education Nationale.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR (continued)

Operational performance of the school (continued)

Improvements to the School's website have enhanced the visibility and information available about the School. A third of all new families for the 2016/17 academic year cited the website as their main source of information prior to enrolment.

Staff retention and recruitment of additional team members for the start of the new year went well, and the team has been complimented with an exceptional, dedicated and experienced group of educators that are passionate about what they do.

The extra-curricular program has been established and boasts a diverse and high quality selection of activities in which students can be involved and pursue their interests whether sporting, musical or academic.

Discovery classes allowing team members and students to elect a course each week that would not usually form part of the curriculum have been positive and have allowed students to explore other areas of interest.

FINANCIAL REVIEW

Results for the year

A summary of the results for the year is shown on page 16 of this report and accounts.

The total income for the year ended 31 August 2016 amounted to £5,269,000 (2015 - £3,219,000). This includes a cash donation from Wembley Educational Charitable Trust (WECT) of £140,000 (2015 - £405,000) the use of which is restricted to specific purposes. The majority of other income was obtained from the pre-registration and registration fees.

During the year ended 31 August 2016 total expenditure of £5,620,000 (2015 - £541,000) was incurred.

The deficit of income versus expenditure for the year was £351,000 (2015 - £2,678,000). Prior to depreciation being charged to the accounts the surplus income over expenditure was £202,000. The 2015 comparative includes a restricted fixed asset fund of £2,140,000. Excluding the movement on the fixed asset fund in the current year, the net movement in funds was -£31,000 (2015 - £538,000).

FINANCIAL REVIEW (continued)

Reserves policy and financial position

The aim of the School is to build up a financial reserve equating to three months of expenditure. Beyond this level, the investment of any surplus reserves will be at the discretion of the Board of Governors, but shall not include the drawing or distribution of any funds from the charity. Assets purchased or invested in shall be considered and appraised in terms of conversion back in to cash should there be a requirement at any point.

At 31 August 2016, three months of expenditure, excluding depreciation equated to £1,273,000.

At 31 August 2016, the School's free reserves (unrestricted funds not tied up in fixed assets) totalled £215,000 (2015 - £331,616).

In the absence of the three months' expenditure at this point, the Finance Committee will closely monitor the cash flow forecast of the School to ensure that positive cash flows through early tuition fee collection are sufficient to outweigh any unexpected costs.

The Finance Committee meets regularly in order to review this matter and put in place any measures, such as expenditure caps, should they be deemed necessary.

Longer term strategic plans are in place to ensure that the financial stability of the School is maintained as both pupils, revenue and the cost base grow significantly over the following 8-10 years.

The future reserves policy of the School is that any financial reserves generated are reinvested into the education programme, or the protection of the future financial success of the School through the investment in assets convertible into resources should they be needed at any point. No dividends or distributions are made by the School to any individuals or other organisations.

FUTURE PLANS

In the opening year the School educated students from five years of age, Grande Section de Maternal, through to sixteen years of age, Seconde. Plans to implement a further year group for the 2016/17 academic year have now been completed with the addition of Premiere for students aged seventeen. In 2017/18 the final year group for students aged 18, Terminale, will be added.

Student enrolment is expected to continue to grow substantially over the next five years. The second year of operation that started in September 2016 has already seen a 61% increase in enrolment and a further 30% is expected in September 2017.

Plans to add additional facilities to the School are progressing with the priority being indoor sports space to cater for the anticipated increase in enrolments. Various opportunities are being examined.

FUTURE PLANS (continued)

The option to introduce an additional complimentary curriculum alongside the existing French curriculum has also progressed with further exploratory and planning work completed. A decision on if and how to proceed with this matter is expected early in the 2016/17 academic year once the final work has been completed to design the program and appraise its viability.

Approved by the governors and signed on their behalf by

A handwritten signature in black ink, appearing to read 'A Vaissié', written in a cursive style.

Mr A Vaissié
Chair of Governors

Approved on 20.1.17

Independent auditor's report to the members of Lycee International de Londres

We have audited the accounts of Lycee International de Londres for the year ended 31 August 2016, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

This report is made solely to the charity'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 charity'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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the governors' responsibilities statement set out in the governors' report, the trustees (who are also the directors of the charitable company 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.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the governors' report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- ♦ give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its income and expenditure for the year then ended; and
- ♦ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ♦ have been prepared in accordance with the requirements of the Companies Act 2006.

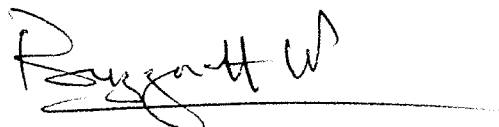
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Governor's report for the financial period for which the financial statements are prepared is consistent with the financial statements. Also in our opinion, in light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have identified no material misstatements in the Trustees report.

Matters on which we are required to report by exception

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

- ♦ the charitable company have not kept adequate and sufficient accounting records; or
- ♦ the charitable company financial statements are not in agreement with the accounting records; or
- ♦ certain disclosures of governors' remuneration specified by law are not made;
- ♦ we have not received all the information and explanations we require for our audit; or
- ♦ the governors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



Avnish Savjani, Senior Statutory Auditor
for and of behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

26 January 2017

Statement of financial activities Year ended 31 August 2016

		Unrestricted funds £'000	Restricted funds £'000	Year ended 31 August 2016 £'000	Period from 9 May 2014 to 31 August 2015 £'000
	N				
Income and expenditure					
Income from:					
Donations	1	—	118	118	2,545
Charitable activities					
. School fees and related charges	2	5,151	—	5,151	674
Total income		<u>5,151</u>	<u>118</u>	<u>5,269</u>	<u>3,219</u>
Expenditure on:					
Charitable activities					
. Provision of education	3	5,182	438	5,620	541
Total expenditure		<u>5,182</u>	<u>438</u>	<u>5,620</u>	<u>541</u>
Net (expenditure) income and net movement in funds	5	(31)	(320)	(351)	2,678
Reconciliation of funds:					
Balances brought forward at 1 September 2015		538	2,140	2,678	—
Balances carried forward at 31 August 2016	13	507	1,820	2,327	2,678

All of the school's activities derived from continuing operations during the above period.

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 31 August 2016

	Notes	2016 £'000	2016 £'000	2015 £'000	2015 £'000
Fixed assets					
Tangible assets	9		2,112		2,346
Current assets					
Debtors	10	328		603	
Cash at bank and in hand		3,810		2,179	
		4,138		2,782	
Liabilities					
Creditors: amounts falling due within one year	11	3,923		2,450	
Net current assets			215		332
Total net assets			2,327		2,678
The funds of the charity:					
Funds and reserves					
Restricted funds	12		1,820		2,140
Unrestricted funds			507		538
	13		2,327		2,678

Approved by the governors on 20.1.17
and signed on their behalf by



Mr A Vaissié
Governor

Company registration number:
09033139 (England and Wales)

Statement of cash flows 31 August 2016

	Notes	2016 £'000	2015 £'000
Cash flows from operating activities:			
Net cash provided by operating activities	A	<u>1,950</u>	<u>2,385</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(319)</u>	<u>(206)</u>
Net cash used in investing activities		<u>(319)</u>	<u>(206)</u>
Change in cash and cash equivalents in the year		1,631	2,179
Cash and cash equivalents at 1 September 2015	B	2,179	—
Cash and cash equivalents at 31 August 2016	B	<u>3,810</u>	<u>2,179</u>

Notes to the statement of cash flows for the year to 31 August 2016.

A Reconciliation of net movement in funds to net cash provided by operating activities

	2016 £'000	2015 £'000
Net movement in funds (as per the statement of financial activities)	(351)	2,678
Adjustments for:		
Depreciation charge	553	—
Donation of tangible fixed assets	—	(2,140)
Decrease (increase) in debtors	275	(603)
Increase in creditors	1,473	2,450
Net cash provided by operating activities	<u>1,950</u>	<u>2,385</u>

B Analysis of cash and cash equivalents

	2016 £'000	2015 £'000
Cash at bank and in hand	<u>3,810</u>	<u>2,179</u>
Total cash and cash equivalents	<u>3,810</u>	<u>2,179</u>

Principal accounting policies 31 August 2016

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 August 2016.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The date of transition to Charities SORP FRS 102 was 9 May 2014. The end of the accounting reference date in respect to the charity's last annual financial statements determined in accordance with the previous financial reporting framework was 31 August 2015. This is the first set of the Charity's financial statements prepared in accordance with the Charities SORP FRS 102.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest thousand pounds.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. Other than presentational adjustments to reanalyse expenditure for the period ended 31 August 2015 to accord with the format prescribed by the Charities SORP FRS 102, no further restatements were required. Specifically, governance costs which were previously reported as a separate line of expenditure within the statement of financial activities are now allocated to expenditure on charitable activities.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the rate of depreciation;
- ◆ estimating accrued expenditure; and
- ◆ estimating the provision for doubtful debts.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, school fees and related charges.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Donated equipment and facilities provided to the charity are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the equipment is provided/the facilities are used by the charity. An equivalent amount is included in fixed assets or as expenditure.

Income recognition (continued)

Donated equipment and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

School fees and other charges are credited to the statement of financial activities on an accruals basis. Fees are stated net of bursaries, scholarships and discounts.

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

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment 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.

All expenditure is accounted for on an accruals basis and is stated inclusive of irrecoverable VAT.

Charitable expenditure comprises expenditure incurred in carrying out the school's main activity of the provision of education and comprises:

- ◆ Teaching costs - the cost of teaching and support staff salaries, including pension and national insurance costs, books and other tuition expenses, and the cost of games and activities.
- ◆ Welfare costs - all domestic costs associated with the school, including employment costs, consumables and catering costs.
- ◆ Premises costs - all domestic costs associated with the premises, grounds and estates.
- ◆ School management and administration – the costs of general administration and management of the school.
- ◆ Governance costs include costs which are directly attributable to legal procedures necessary for compliance with statutory requirements.

Tangible fixed assets

- ◆ Furniture and equipment
Expenditure on the purchase and replacement of furniture and equipment costing in excess of £500 is capitalised and depreciated over five years.
- ◆ Motor vehicles
Expenditure on the purchase and replacement of motor vehicles is capitalised and depreciated over ten years.

Tangible fixed assets (continued)

♦ IT equipment and software

Expenditure on the purchase and replacement of IT equipment and software costing in excess of £500 is capitalised and depreciated over three years.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors 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. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Funds

The funds of the school comprise restricted funds which must be applied for specific purposes in accordance with donor's wishes and unrestricted funds which are available for use in furtherance of the school's objectives at the discretion of the governors and trustees.

Pension costs

The Charity participates in the Teachers' Pension Scheme (TPS), a defined benefit scheme. The assets of the scheme are held in a separate fund. The TPS is a multi employer scheme and the charity is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reliable basis. Therefore, as required by FRS 102, the charity accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

The charity also operates a defined contribution scheme, the Peoples Pension, for non-teaching staff. Contributions in respect of the defined contribution scheme are charged to the statement of financial activities when they are payable to the scheme. The charity has no liability beyond making its contributions and paying across the deductions for the employee contributions.

Principal accounting policies 31 August 2016

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the term of the lease.

Notes to the accounts 31 August 2016

1 Income from donations

	Unrestricted funds £'000	Restricted funds £'000	Year ended 31 August 2016 £'000	Period from 9 May 2014 to 31 August 2015 £'000
Donations received from WECT				
Cash	—	140	140	405
IT Equipment	—	(22)	(22)	588
AV Equipment	—	—	—	160
Furniture	—	—	—	1,014
Kitchen Equipment	—	—	—	378
2016 Total funds	—	118	118	2,545
2015 Total funds	405	2,140	2,545	

Donations, including tangible fixed assets, were received from Wembley Education Charitable Trust (WECT). Further details are provided in note 15.

2 Income from school fees and related charges

	Unrestricted funds £'000	Restricted funds £'000	Year ended 31 August 2016 £'000	Period from 9 May 2014 to 31 August 2015 £'000
Pre-registration fees	64	—	64	72
Registration fees	456	—	456	602
Cancellation income	56	—	56	—
School fees	4,430	—	4,430	—
After School activities	129	—	129	—
Garderie	2	—	2	—
Trip income	12	—	12	—
Hire of facilities	2	—	2	—
2016 Total funds	5,151	—	5,151	674
2015 Total funds	674	—	674	

3 Expenditure on provision of education

	Unrestricted funds £'000	Restricted funds £'000	Year ended 31 August 2016 £'000	Period from 9 May 2014 to 31 August 2015 £'000
Recruitment costs	35	—	35	100
Salaries and wages (note 6)	2,876	—	2,876	129
Other staff costs	103	—	103	30
Premises	1,031	438	1,469	48
School management and administration	1,104	—	1,104	191
Governance costs (note 4)	33	—	33	43
2016 Total funds	5,182	438	5,620	541
2015 Total funds	541	—	541	

4 Governance costs

	Unrestricted funds £'000	Restricted funds £'000	Year ended 31 August 2016 £'000	Period from 9 May 2014 to 31 August 2015 £'000
Legal and professional fees	24	—	24	37
Auditor's remuneration (including VAT)	—	—	—	—
. Audit services	9	—	9	5
2016 Total funds	33	—	33	42
2015 Total funds	42	—	42	

5 Net (expenditure) income and net movement in funds

This is stated after charging:

	Year ended 31 August 2016 £	Period from 9 May 2014 to 31 August 2015 £
Staff costs (note 6)	2,876	129
Depreciation	553	—
Auditor's remuneration	—	—
. Audit services – current year	9	5
Operating lease commitments	106	26

6 Staff costs and remuneration of key management personnel

a Staff costs

	Year ended 31 August 2016 £'000	Period from 9 May 2014 to 31 August 2015 £'000
Wages and salaries	2,509	117
Social security costs	276	12
Pension costs	91	—
	2,876	129
Staff costs per function were as follows:		
Teaching	1,718	—
Premises	75	17
School management and administration	1,083	112
	2,876	129

b Staff numbers

The average number of employees during the year, analysed by function, was:

	Average headcount 2016	Full time equivalent 2016	Average headcount 2015	Full time equivalent 2015
Teaching Staff	33	32.6	—	—
Premises	2	2.0	0.4	0.4
School management and administration	26	22.4	4.4	4.2
	61	57.0	4.8	4.6

c Higher paid staff

The number of employees whose who earned an annualised salary of £60,000 or more (excluding employer pension contributions but including taxable benefits) during the year was as follows:

	2016 No	2015 No
£60,001 - £70,000	1	—
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
£90,001 - £100,000	1	—
£130,001 - £140,000	1	—

Pension contributions of £25,698 (2015: £nil) were made for the above employees during the period.

6 Staff costs and remuneration of key management personnel (continued)

d Key management personnel

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees and senior leadership team. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £347,698 (2015 - £90,000).

7 Trustees' and governors' remuneration

No trustee or governor received any remuneration in respect of their services during the year (2015 - none). No trustee or governor received any reimbursement of expenses during the year (2015 - none). Two governors currently have children attending the school, but received no financial concession in relation to their role (2015 - none).

8 Taxation

Lycee International de Londres is a registered charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

9 Tangible fixed assets

	Furniture and equipment £'000	IT equipment and software £'000	Catering equipment £'000	Total £'000
Cost				
At 1 September 2015	1,051	917	378	2,346
Additions	143	173	3	319
At 31 August 2016	1,194	1,090	381	2,665
Depreciation				
At 1 September 2015	—	—	—	—
Charge for the year	225	290	38	553
At 31 August 2015	225	290	38	553
Net book values				
At 31 August 2016	969	800	343	2,112
At 1 September 2015	1,051	917	378	2,346

Tangible fixed assets were donated by WECT in the prior period. Further details are provided in note 15.

10 Debtors

	2016 £'000	2015 £'000
Due within one year		
Fees and charges	181	574
Less provision for bad debts	(7)	—
Prepayments and accrued income	77	28
Sundry debtors	77	1
	328	603

11 Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Expense creditors	191	313
Payroll creditors	85	12
Accruals	253	41
Deferred income including fees in advance	3,351	2,079
Other creditors	43	5
	3,923	2,450

Included within the above is deferred income, relating to fees received in advance, as set out below:

	2016 £'000
Deferred income brought forward at 1 September 2015	2,079
Additional income deferred during the year	3,351
Brought forward funds released in the year	(2,079)
Deferred income carried forward at 31 August 2016	3,351

12 Restricted funds

The income funds of the school include restricted funds comprising the following unexpended balances to be applied for specific purposes:

	1 September 2015 £'000	Income £'000	Expenditure £'000	31 August 2016 £'000
Donated assets from WECT	2,140	118	(438)	1,820

This fund relates to the fixed assets donated by the Wembley Educational Charitable Trust (WECT).

13 Analysis of net assets between funds

Fund balances at 31 August 2016 are represented by:

	Unrestricted funds £'000	Restricted funds £'000	31 August 2016 £'000
Tangible fixed assets	292	1,820	2,112
Current assets	4,138	—	4,138
Current liabilities	(3,923)	—	(3,923)
Total net assets	507	1,820	2,327

14 Leasing commitments

At 31 August 2016, the school had the following future minimum commitments under non-cancellable operating leases as follows:

	31 August 2016 £'000	31 August 2015 £'000
Equipment		
Payments which fall due:		
. Within one year	6	6
. One to two years	6	6
. Two to five years	—	6

	31 August 2016 £'000	31 August 2015 £'000
Land and buildings		
Payments which fall due:		
. Within one year	400	107
. One to two years	767	400
. Two to five years	1,967	2,733

15 Related parties

Rent of £100,000 (2015 - £26,000) was charged by Wembley Education Charitable Trust (WECT) under an operating lease, a charity which has a common trustee, Mr A Vaissie, with Lycee International de Londres. At the year end a total of £16,667 (2015 - £26,000) was included within accruals.

WECT also made a cash donation of £140,000 (2015 - £405,000) and a donation of tangible fixed assets valued at £nil (2015 - £2,140,434) in the period. The net book value of the tangible fixed assets is included within restricted funds which will be reduced over the lives of the assets.

16 Pension commitments

Teachers' pension scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years 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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- ♦ employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- ♦ total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- ♦ an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- ♦ the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

16 Pension commitments (continued)

Teachers' Pension Scheme (continued)

Valuation of the Teachers' Pension Scheme (continued)

The pension costs paid to TPS in the period amounted to £71,776 (2015 - £nil).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a 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.