

Lycee International de Londres

Annual Report and Financial statements

31 August 2017

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 Loïc Henriot Mr B Michaud Mr L Bigorgne Mr E Caradec Mrs J Camblin Mr M Penrose
Clerk to the Governors	Ms J Hasnip
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	Ms J Hasnip
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 2017

The governors present their annual report and audited accounts for the year ended 31 August 2017.

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 2020 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).

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 and up to the date of signing the accounts were as follows:

	Appointed/Resigned
Mrs J Banks Oughourlian*	
Mr L Bigorgne	
Mr L Bouvard*	
Mrs J Camblin	
Mr E Caradec	Appointed 1 September 2016
Mrs E de Fontaubert	
Mr J C Gérard*	Resigned 22 June 2017
Mr L Henriot*	Appointed 14 September 2017
Mr B Michaud	
Mr A Vaissié	
Mr M Penrose	Appointed 14 December 2017

* 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 Operating Officer (COO), 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 areas of responsibility which, where possible, are in accordance with their skills and experience. Stone King provided governor training on 20 April 2015 and 16 June 2015 to ensure the roles and responsibilities of the governors were understood and updated and enhanced this with further training on 14 December 2017. In addition all governors are invited to attend the safeguarding training provided to staff to help increase the understanding and awareness of safeguarding practices in a school setting. They are also provided with information about additional training opportunities as information becomes available.

Key management personnel

The governors consider that they, together with the Senior Leadership Team that consists of the Head of School, COO and Head of Secondary School, comprise the key management of the charity and are in charge of directing and controlling it. The Senior Leadership Team is responsible for running and operating the charity on a day to day basis.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Key management personnel (continued)

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.

Organisational management

The details of the current governors and directors, and those who held office during the year are set out on page three.

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 two months or 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 whose members include 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, buildings 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.

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.

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.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

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 sides 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 programme 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 still somewhat unknown, impact of Brexit in terms of a possible reduction in French, and French-speaking, families relocating to London, and the impact on visa 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. The School is introducing an English International Programme from September 2018 which will prepare students for the *International Baccalaureate Diploma Programme (IBDP)* in the future. Lycée International de Londres Winston Churchill is a candidate school* for the International Baccalaureate (IB) Diploma Programme and pursuing authorisation as an IB World School. IB World Schools share a common philosophy - a commitment to high-quality, challenging, international education- that we believe is important to our students. For further information about the IB and its programmes, visit www.ibo.org.

* Only schools authorized by the IB Organization can offer any of its four academic programmes: the Primary Years Programme (PYP), the Middle Years Programme (MYP), the Diploma Programme (DP), or the Career-related Programme (CP). Candidate status gives no guarantee that authorization will be granted.

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

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 Lycée International 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. During 2016/17 the School was used as a polling station for the French Presidential and Legislative elections on four occasions.

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. Currently the School contributes 2% of its tuition income to the Agence pour l'enseignement français à l'étranger (AEFE). The AEFE provides means-tested bursaries to French students at the School.

As a registered charity, and a company limited by guarantee, with no external shareholders, any surpluses created from the operation of the school are reinvested 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

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

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 School's wider Global Travel Program offers 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.

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 in September 2016 dedicated to the research and development of the best academic practices using the latest tools and products available, enhances 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.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Strategies to achieve the objectives for the year (continued)

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 WiFi 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 managed by an experienced coordinator who has previously organised similar programmes in reputable international schools across the world. Destinations are selected based on the experience and knowledge of the trip leaders, whilst providing exceptional opportunities for the students to learn about new cultures, environments and develop their language skills. Time dedicated to planning and arranging trips is within the job description of the coordinator who is supported by the School's Leadership Team in regular planning sessions.

Principal developments in the year

In its second year the number of students at the School increased from 430 to 728. These students came from 401 families from all over the world. 58 new members of staff joined the School, 79% 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. Development of curriculum design has continued as the School prepares for the first class of Terminale in September 2017. In September 2018 an English International Programme will be introduced in order to prepare students for the *International Baccalaureate Diploma Programme (IBDP)*. Lycée International de Londres Winston Churchill is a candidate school* for the International Baccalaureate (IB) Diploma

Programme and pursuing authorisation as an IB World School. IB World Schools share a common philosophy - a commitment to high-quality, challenging, international education - that we believe is important to our students. For further information about the IB and its programmes, visit www.ibo.org.

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 who 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 itself further and grows.

In addition to the above, Lycée 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 contributes 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.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Scholarship and bursary policy (continued)

The French Scholarship Foundation also offers financial support to some students in the School.

Community access

Engaging with the local community is something the School is dedicated to doing. Relationships with local council members are strong and positive work with regards to the improvements in road safety around the School have been undertaken while more are anticipated. Between April and June 2017 the School served as an election centre for the French Presidential and legislative elections. 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 up the use of its facilities to local organisations that would benefit from the spaces it has to offer and its Community Access Plan has been linked to the Brent Council website to facilitate this.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Operational performance of the school

The second year of operation for the School, like the first, was extremely positive. Enrolment remained in line with expectations throughout the year and averaged 728 full time equivalent students. At the end of August 2017, 898 students were registered and committed to attending the School for its third year of operation.

The School's website is an important source of information for prospective families and the design and content were enhanced during the year to reflect this and also to add portals so that distribution of information to families, staff and governors was significantly improved.

The School's staff has expanded in line with the growth in student numbers. All are passionate about education and their skills, dedication and enthusiasm support the students. The extra-curricular programme and the Discovery classes have continued to flourish and enrich the curriculum.

The Careers department has worked diligently, particularly with the first Première (Year 12) students to begin selection of universities and preparation for their applications.

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 2017 amounted to £8,716,000 (2016 - £5,269,000). This includes a cash donation from Wembley Educational Charitable Trust (WECT) of £44,000 (2016 - £140,000) the use of which is restricted to particular purposes. The majority of other income was obtained from the pre-registration, registration and school fees.

During the year ended 31 August 2017 total expenditure of £8,686,000 (2016 - £5,620,000) was incurred.

The surplus of income versus expenditure for the year was £30,000 (2016 - deficit of £351,000). Prior to depreciation being charged to the accounts the surplus income over expenditure was £651,000 (2016 - £202,000).

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 2017, three months of expenditure, excluding depreciation equated to £2,016,000.

At 31 August 2017 the School's free reserves (unrestricted funds not tied up in fixed assets) totalled £686,000 (2016 - £215,000).

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

The School has now been in operation for two academic years and in the third year, 2017/18, the final year group, Terminale, for students aged 17 to 18, will be added.

Student enrolment increased by 24% in September 2017 and will continue to grow substantially over the following five years.

Plans to add additional facilities to the School continue to progress with the priority being indoor sports space to cater for the anticipated increase in enrolments.

Preparations are being made to introduce an English International Programme in September 2018 which will complement the existing French curriculum. This programme will prepare students for the International Baccalaureate Diploma Programme (IBDP). Lycée International de Londres Winston Churchill is a candidate school* for the International Baccalaureate (IB) Diploma Programme and pursuing authorisation as an IB World School. IB World Schools share a common philosophy - a commitment to high-quality, challenging, international education- that we believe is important to our students. For further information about the IB and its programmes, visit www.ibo.org.

Approved by the governors and signed on their behalf by

A Vaissié
Chair of Governors

Approved on: 19 April 2018

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

Opinion

We have audited the financial statements of Lycee International de Londres (the 'charitable company') for the year ended 31 August 2017 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company'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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 2017 and of 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.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

Matters on which we are required to report by exception (continued)

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 trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 trustees 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 trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company 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. This description forms part of our auditor's report.

Avnish Savjani (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

3 May 2018

Statement of financial activities Year ended 31 August 2017

	Notes	Unrestricted funds £'000	Restricted funds £'000	2017 £'000	2016 £'000
Income and expenditure					
Income from:					
Donations	1	—	59	59	118
Charitable activities					
. School fees and related charges	2	8,657	—	8,657	5,151
Total income		<u>8,657</u>	<u>59</u>	<u>8,716</u>	<u>5,269</u>
Expenditure on:					
Charitable activities					
. Provision of education	3	8,123	563	8,686	5,620
Total expenditure		<u>8,123</u>	<u>563</u>	<u>8,686</u>	<u>5,620</u>
Net income (expenditure) and net movement in funds	5	534	(504)	30	(351)
Reconciliation of funds:					
Balances brought forward at 1 September 2016		507	1,820	2,327	2,678
Balances carried forward at 31 August 2017	13	1,041	1,316	2,357	2,327

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 2017

	Notes	2017 £'000	2017 £'000	2016 £'000	2016 £'000
Fixed assets					
Tangible assets	9		1,671		2,112
Current assets					
Debtors	10	1,140		328	
Cash at bank and in hand		4,651		3,810	
		<u>5,791</u>		<u>4,138</u>	
Liabilities					
Creditors: amounts falling due within one year	11	5,105		3,923	
Net current assets			<u>686</u>		<u>215</u>
Total net assets			<u>2,357</u>		<u>2,327</u>
The funds of the charity:					
Funds and reserves					
Restricted funds	12		1,316		1,820
Unrestricted funds			1,041		
	13		<u>2,357</u>		<u>2,327</u>

Approved by the governors on 19 April 2018
and signed on their behalf by

Mr A Vaissié
Chair of Governors

Company registration number:
09033139 (England and Wales)

Statement of cash flows 31 August 2017

	Notes	2017 £'000	2016 £'000
Cash flows from operating activities:			
Net cash provided by operating activities	A	<u>1,021</u>	<u>1,950</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(180)</u>	<u>(319)</u>
Net cash used in investing activities		<u>841</u>	<u>(319)</u>
Change in cash and cash equivalents in the year		—	1,631
Cash and cash equivalents at 1 September 2016	B	3,810	2,179
Cash and cash equivalents at 31 August 2017	B	<u>4,651</u>	<u>3,810</u>

Notes to the statement of cash flows for the year to 31 August 2017.

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

	2017 £'000	2016 £'000
Net movement in funds (as per the statement of financial activities)	30	(351)
Adjustments for:		
Depreciation charge	621	553
(Increase) decrease in debtors	(812)	275
Increase in creditors	1,182	1,473
Net cash provided by operating activities	<u>1,021</u>	<u>1,950</u>

B Analysis of cash and cash equivalents

	2017 £'000	2016 £'000
Cash at bank and in hand	4,651	3,810
Total cash and cash equivalents	<u>4,651</u>	<u>3,810</u>

Principal accounting policies 31 August 2017

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 2017.

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 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.

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.

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.

Expenditure recognition (continued)

- ◆ 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.
- ◆ Catering equipment
Expenditure on the purchase and replacement of catering equipment is capitalised and depreciated over ten years.
- ◆ 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.

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.

1 Income from donations

	Unrestricted funds £'000	Restricted funds £'000	2017 £'000	2016 £'000
Donations received from WECT				
Cash	—	44	44	140
IT Equipment	—	—	—	(22)
Donations received from Hermès Foundation				
Cash – Memory Garden Beautification	—	15	15	—
2017 Total funds	—	59	59	118
2016 Total funds	—	118	118	

Donations 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	2017 £'000	2016 £'000
Pre-registration fees	56	—	56	64
Registration fees	428	—	428	456
Cancellation income	103	—	103	56
School fees	7,508	—	7,508	4,430
After School activities	208	—	208	129
Garderie	6	—	6	2
Trip income	242	—	242	12
Hire of facilities	1	—	1	2
Duke of Edinburgh awards scheme	29	—	29	—
Exams	5	—	5	—
Other	71	—	71	—
2017 Total funds	8,657	—	8,657	5,151
2016 Total funds	5,151	—	5,151	

3 Expenditure on provision of education

	Unrestricted funds £'000	Restricted funds £'000	2017 £'000	2016 £'000
Recruitment costs	61	—	61	35
Salaries and wages (note 6)	4,295	44	4,339	2,876
Other staff costs	180	—	180	103
Premises	1,664	519	2,183	1,469
School management and administration	1,907	—	1,907	1,104
Governance costs (note 4)	16	—	16	33
2017 Total funds	8,123	563	8,686	5,620
2016 Total funds	5,182	438	5,620	

4 Governance costs

	Unrestricted funds £'000	Restricted funds £'000	2017 £'000	2016 £'000
Legal and professional fees	7	—	7	24
Auditor's remuneration (including VAT)				
. Audit services	9	—	9	9
2017 Total funds	16	—	16	33
2016 Total funds	33	—	33	

5 Net income (expenditure) and net movement in funds

This is stated after charging:

	2017 £'000	2016 £'000
Staff costs (note 6)	4,339	2,876
Depreciation	621	553
Auditor's remuneration		
. Audit services – current year	9	9
Operating lease commitments	407	106

6 Staff costs and remuneration of key management personnel

a Staff costs

	2017 £'000	2016 £'000
Wages and salaries	3,759	2,509
Social security costs	405	276
Pension costs	175	91
	4,339	2,876
Staff costs per function were as follows:		
Teaching	2,897	1,718
Premises	99	75
School management and administration	1,343	1,083
	4,339	2,876

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

b Staff numbers

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

	Average headcount 2017	Full time equivalent 2017	Average headcount 2016	Full time equivalent 2016
Teaching Staff	59	54.76	33	32.6
Premises	4	4.00	2	2.0
School management and administration	45	33.02	26	22.4
	108	91.78	61	57.0

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:

	2017 No	2016 No
£60,001 - £70,000	6	1
£70,001 - £80,000	2	1
£80,001 - £90,000	1	1
£90,001 - £100,000	—	1
£130,001 - £140,000	—	1
£140,001 and above	1	—

Pension contributions of £28,407 (2016: £25,698) were made for the above employees during the period.

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, employer's pension contributions and employer's national insurance) of the key management personnel for the year was £675,719 (2016 - £388,776).

7 Trustees' and governors' remuneration

No trustee or governor received any remuneration in respect of their services during the year (2016 - none). No trustee or governor received any reimbursement of expenses during the year (2016 - none). Two governors currently have children attending the school, but received no financial concession in relation to their role (2016 - 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 2016	1,194	1,090	381	2,665
Additions	68	112	—	180
At 31 August 2017	1,262	1,202	381	2,845
Depreciation				
At 1 September 2016	225	290	38	553
Charge for the year	246	337	38	621
At 31 August 2017	471	627	76	1,174
Net book values				
At 31 August 2017	791	575	305	1,671
At 1 September 2016	969	800	343	2,112

Tangible fixed assets were donated by WECT in 2015. Further details are provided in note 12.

10 Debtors

	2017 £'000	2016 £'000
Due within one year		
Fees and charges	897	181
Less provision for bad debts	(47)	(7)
Prepayments and accrued income	213	77
Sundry debtors	77	77
	1,140	328

11 Creditors: amounts falling due within one year

	2017 £'000	2016 £'000
Expense creditors	303	191
Payroll creditors	131	85
Accruals	138	253
Deferred income including fees in advance	4,512	3,351
Other creditors	21	43
	5,105	3,923

Notes to the accounts 31 August 2017

11 Creditors: amounts falling due within one year (continued)

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

	2017 £'000
Deferred income brought forward at 1 September 2016	3,351
Additional income deferred during the year	4,512
Brought forward funds released in the year	(3,351)
Deferred income carried forward at 31 August 2017	4,512

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 2016 £'000	Income £'000	Expenditure £'000	31 August 2017 £'000
Donated assets from WECT	1,820	—	(504)	1,316

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 2017 are represented by:

	Unrestricted funds £'000	Restricted funds £'000	31 August 2017 £'000
Tangible fixed assets	355	1,316	1,671
Current assets	5,791	—	5,791
Current liabilities	(5,105)	—	(5,105)
Total net assets	1,041	1,316	2,357

14 Leasing commitments

At 31 August 2017, the school had the following future minimum commitments under non-cancellable operating leases as follows:

	31 August 2017 £'000	31 August 2016 £'000
Equipment		
Payments which fall due:		
. Within one year	8	6
. One to two years	2	6
. Two to five years	2	—
<hr/>		
	31 August 2017 £'000	31 August 2016 £'000
Land and buildings		
Payments which fall due:		
. Within one year	1,350	400
. One to two years	2,183	767
. Two to five years	9,606	1,967
. Due after five years	68,759	71,229

15 Related parties

Rent of £400,000 (2016 - £83,333) was charged by Wembley Education Charitable Trust (WECT) under an operating lease, a charity which has a common trustee, Mr A Vaissié, with Lycee International de Londres. At the year end a total of £nil (2016 - £16,667) was included within accruals.

WECT also made a cash donation of £43,800 (2016 - £140,000) in the period.

Hermès Foundation, a charity which has a common trustee, Mr B Michaud, also made a cash donation of £14,967 (€20,000) towards the decoration of the memorial garden.

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.

16 Pension commitments (continued)

Teachers' pension scheme (continued)

Introduction (continued)

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.

The pension costs paid to TPS in the period amounted to £142,857 (2016 - £71,776).

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

16 Pension commitments (continued)

Teachers' Pension Scheme (continued)

Valuation of the Teachers' Pension Scheme (continued)

Under the definitions set out in Financial Reporting Standard (FRS 102) 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.