

Registered number: 01552721

Charity number: 282358

THE NORWEGIAN SCHOOL IN LONDON LIMITED

(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

THE NORWEGIAN SCHOOL IN LONDON LIMITED
(A company limited by guarantee)

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THE NORWEGIAN SCHOOL IN LONDON LIMITED
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2018

Governors

F Ellingjord-Dale (appointed 1 August 2018)
T Guttulsrod (resigned 31 July 2018)
A Haerland (resigned 31 July 2018)
L Hetlelid
G Johansen (resigned 31 July 2018)
S Johnsen
O Navarsete (appointed 1 August 2018)
M Pendry (appointed 1 September 2018)
B Sagli Ahmed (appointed 1 August 2018)
K Thune (resigned 31 July 2018)

Company registered number

01552721

Charity registered number

282358

Registered office

28 Arterberry Road
Wimbledon
London
SW20 8AH

Company secretary

I Chavannes

Chief executive officer

I Chavannes

Auditors

James Cowper Kreston
Chartered Accountants and Statutory Auditor
Mill House
Overbridge Square
Hambridge Lane
Newbury
RG14 5UX

Bankers

DnB Nor Bank
20 St Dunstan's Hill
London
EC3R 8HY

THE NORWEGIAN SCHOOL IN LONDON LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

The Governors (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Norwegian School in London Limited (the company) for the year ended 31 December 2018.

The Governors confirm that the Annual report and financial statements of the company comply with the Charities Act 2011, the Companies Act 2006, the requirements of the governing documents and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

CONSTITUTION AND OBJECTS

The Norwegian School in London Limited was established on 25 March 1981 as a private company limited by guarantee (Company Number: 01552721) and registered as a charity (Registered Number 282358). It is governed by its Memorandum and Articles of Association.

The principal object of the charity is to promote the advancement of education of children in the United Kingdom who wish to follow the Norwegian curriculum.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Norwegian School in London is both an English Independent School for children aged 6-16 and a Norwegian Private School for children aged 6-16. This means that there are both English and Norwegian laws and regulations that the School needs to comply with.

As from June 2014 the Board has a minimum of five Governors who are also Directors of The Norwegian School in London Limited. New Governors are appointed by the Members of the company or have been elected by the parents. The Board had five meetings this year. The Primary and Secondary School is financed by grants from the Norwegian Government and from fees levied in respect of pupils.

Policy is determined by the Governors and is carried out by the Head Teacher. The School Business Manager, Team Leaders, School Secretary, Child Protection Officer and Caretaker assist the Head Teacher in the day to day management of the School's academic and non academic matters.

BOARD OF GOVERNORS

One of the Governors received reimbursed expenses during the year for the sum of £499.08 (2017: £nil).

The Governors are charity trustees, as well as directors and members of the company. Nominations are made following discussions between existing Governors and the Head Teacher and take into account the individual's connections with the School, competence, specialist skills and local availability. The Governing Board requires breadth and depth of experience to carry out its duties effectively and efficiently. As part of the Governor induction programme the appointed Governor has a number of meetings with the Head Teacher.

English is used as the main language for Board meetings (when English staff attend) and in School administration.

THE NORWEGIAN SCHOOL IN LONDON LIMITED
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

REVIEW OF ACTIVITIES

The Norwegian School in London Limited provides Primary and Secondary School Education for children aged 6 to 16 at its premises in Wimbledon, in accordance with Norwegian educational regulations and following the Norwegian educational curriculum. In March 2018 we received a Good in all areas report from Ofsted. The headteacher, senior staff and governors have ensured that all independent school standards are met.

English is taught extensively at all levels. In the Primary and Secondary School tuition in a range of subjects and activities is partly given in English, e.g. in Arts, PE, and cross curricular projects related to historical topics or science.

The School aims to be "The natural choice for Norwegian families in London". The majority of pupils are recruited from families that have a short term stay in London, from one to three years and there is therefore always a large percentage of "new" pupils and families. Parents and carers are highly complimentary about all aspects of the school's work.

For the School year starting August 2017, the School had 14 full or part time employees (School 11 and Administration 3).

For the School year starting August 2018, the School had 16 full or part time employees (School 13 and Administration 3).

In August 2017 64 pupils attended the Primary and Secondary School.

In August 2018 65 pupils attended the Primary and Secondary School.

At the date of the report there are currently 74 pupils attending the Primary and Secondary School.

The pupils in classes 1-4 attend School a total of 24 hours a week excluding break time and lunch. In addition there is an afterschool club on Mondays-Thursdays from 14:30 until 15:30. Classes 5-7 attend School for 28.5 hours per week, and classes 8-10 for 28.5 hours excluding break time and lunch. Pupils in classes 1-10 have an optional homework club once a week.

The average number of 60 minute lessons provided per class per academic year are as follows (the minimum set in brackets for comparison): Classes 1-7 912 (852) and Classes 8-10 1083 (874). Additional lessons are mainly used for English, Norwegian and Mathematics. Optional subjects, including Technology, were introduced for classes 8-10 from August 2012. An additional language (French or Spanish) is taught in classes 5-10.

At the start of each academic year the Head Teacher sends information about the plans for the School's main activities to the parents. The parents also receive information during the year about changes in the curriculum that are being implemented in the Norwegian School system and other policy related matters.

The teachers follow agreements set out in the Employee Handbook. The teachers have about 10 hours per week at their own disposal for planning their work with the children in the classroom. This is similar to Norwegian agreements for teachers.

Primary and Secondary School staff have regular planning and strategy meetings. Usually there are also five Inset Days per year.

The School has a good standard and functionality in all its facilities. The computers, School equipment, furniture, and facilities are being upgraded and reorganised to function with flexibility to accommodate for variation in numbers of pupils and groups.

THE NORWEGIAN SCHOOL IN LONDON LIMITED
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

RISK ASSESSMENT

The Norwegian School in London Limited regularly assesses and reviews risks to its operations and has introduced a formal programme of risk identification, prioritisation and mitigation. The physical representation to the Trustees is in the form of a risk register which is updated regularly.

The five major risks highlighted on the risk register are as follows:

- The business rate relief for charities being removed – this would cost the school about £50,000 per year
- Potential implications if the School's approval as a Norwegian Private School was removed
- Implications resulting from fluctuations in exchange rates especially with the uncertainty over the UK leaving the EU
- Pupil numbers dropping thus reducing income
- Safeguarding of pupils

The Governors and Leaders of the School have put in place procedures to reduce the risks to the School. Work is on going to improve best practice in line with Ofsted requirements and Norwegian Education Department requirements. The exchange rate is monitored on a monthly basis to keep spending in line with income. New pupils are actively encouraged and marketing is a priority but if numbers drop plans are made well in advance to keep spending in line with predicted income. Reserves are being built up to cover the increase in business rate costs if this should happen.

PLANS FOR THE FUTURE

The Board and the Governors together with the staff and parents have a dialogue concerning the long term goals for the School and relevant strategies to meet these goals. Goals and strategies are documented in a Strategic plan for 2018-2024.

The future priorities are set out as follows:

1) Teaching

- The Norwegian School in London Limited (NSL) aims to ensure a high quality teaching by employing excellent teachers and constantly raising the level of their competency.
- NSL will apply teaching methods that support pupils' development by combining academic and practical skills and incorporating ICT when appropriate.
- NSL shall implement and develop Assessment for Learning and ensure that all pupils are aware of the learning goals.
- NSL shall increase the proportion of bilingual teaching and activities.
- NSL aims to achieve results in all core subjects well above the national average in Norway.

2) Personal Development and Social Skills

- NSL aims to ensure a safe and supportive learning environment caring for pupils of different ages and with individual abilities and needs.
- NSL will ensure that staff have the appropriate qualifications and training to cater for the academic and social welfare and development of all pupils, according to both Norwegian and British values, whether they are resident in London for a shorter or longer period.
- NSL will systematically use feedback and results from observations and Pupils' Surveys to improve the learning environment.
- NSL shall strengthen the focus on developing pupils' social skills.

THE NORWEGIAN SCHOOL IN LONDON LIMITED
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

3) Organisation

- NSL shall be managed so that staff, facilities and resources are used optimally and in accordance with applicable laws and regulations. Health and Safety standards shall be observed at all times.
- NSL will continue developing and improving routines and systems for financial, administrative, and educational tasks and goals.
- NSL will strengthen its Quality Assurance Systems in all fields of operations.
- NSL will emphasise the development and implementation of Health and Safety policies and procedures.
- NSL will improve branding and marketing to ensure future recruitment of pupils and staff.
- NSL will improve routines for involvement and efficient interaction between pupils, parents, staff and management.

4) Infrastructure

- Regular maintenance and continued investments shall facilitate the changing needs of an ambitious and developing school.
- NSL will make preparations for digital archiving and handling of all administrative routines.
- NSL will base long term maintenance plans on building surveys and professional advice to ensure that resources are spent optimally.
- NSL will ensure regular risk assessments and annual safety checks and surveys indoors and outdoors.
- NSL will prioritise appropriate measures to improve the indoor climate and heating.

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

ACHIEVEMENTS AND PERFORMANCE

Pupils took part in national test, exams etc as set out by Norwegian School authorities and achieved on average good results compared to other Norwegian Schools. These results are partly published on the website of the Norwegian Directorate of Education. All results are available to the School Management, teaching staff, and parents of the individual pupils. The results are systematically and throughout the academic year used in further planning by staff and setting goals for the pupils so as to achieve progress for all pupils.

In addition to compulsory tests and exams most pupils in classes 5-10 sat one or several Cambridge ESOL exams.

The maintenance programme continued to be implemented.

The School appreciates its responsibility to minimise its impact on the environment and implements schemes such as the travel plan, to reduce the School's negative footprint on the environment.

PUBLIC BENEFIT

The Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee charging. The provision of public benefit mainly caters for Norwegian citizens in the local area. However the School also provides benefits for senior citizens in the neighbourhood and Norwegian citizens across the UK.

The Norwegian School in London Limited, whilst following the Norwegian curriculum and having a Norwegian Ethos welcomes pupils from all backgrounds and nationalities.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

The School charges reduced fees for families without financial support for School fees from their employers. Likewise the School charges reduced fees for families with more than one child. Families paying full School fees for one child will be granted reductions of 15% to 30% for the second and third child.

As a main rule all children take part in various School trips, excursions, visits to theatres, galleries and museums etc at no extra charge. This includes overnight stays in some cases.

Additional public benefits include:

- Providing facilities for afterschool activities such as music lessons (piano, guitar, band, song, choir) several days a week. Also chess lessons.
- Providing facilities for families for birthday parties and other occasions and celebrations. This opportunity is widely used by families.
- Providing full access to the School library for families at no extra charge. The library is frequently used by pupils as well as parents.
- Providing guidance and information to Norwegian citizens settling in London or other parts of the UK: immigration, jobs, Schools etc.
- Providing facilities for Norwegian High School, College, and University exams at a minimum charge (£6/hour plus £45 administration fee) for students resident in the UK. This facility is widely used.
- Providing information to UK citizens looking for possibilities of learning or studying Norwegian at different levels and linking them to relevant institutions.
- Providing training and work experience for students from universities and teacher training colleges and pupils from secondary Schools.
- Providing access for children and families to School grounds – playground and tennis court – outside School hours and during School holidays at no charge. Children and families take advantage of this possibility nearly on a daily basis.
- Assisting Norwegian Schools in finding UK partner Schools.
- The School pupils sing and entertain in local residencies and other institutions for senior citizens in December each year.
- Each year the school hosts a celebration of the Norwegian National Day on 17 May. The celebration is open to the public and guests from local Schools are invited.

REMUNERATION OF KEY PERSONNEL

The Governors are responsible for setting the pay and remuneration of key management personnel. Remuneration is set once certain factors are considered. These factors include market rates of pay and benchmarks against schools in Norway.

FINANCIAL REVIEW

Finances improved this year so we have been able to recover some of the funds that were overspent last year. This was due to reduced staffing costs, increased pupil numbers and the exchange rate being in our favour for most of the year.

THE NORWEGIAN SCHOOL IN LONDON LIMITED
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

The governors and senior management watch the income and expenditure very closely to ensure finances are kept within the expected budget. With pupil numbers fluctuating and the exchange rate being unpredictable the school faces challenges that other UK schools do not have but there is a good structure in place to manage this.

Expenditure is balanced between ensuring the pupils have the best education in a safe and stimulating environment overseen by a competent management team. Funds are spent making sure pupils have access to the latest technology and use London as an extended classroom. The pupils have access to up to date Norwegian text and work books, which are imported at a significant cost. Outside sports facilities are hired when needed for swimming, sports day, badminton and such like. Also the local church hall is hired for school performances, dance lessons etc. There are regular trips to museums and theatres around London at no cost to the parents.

RESERVES POLICY

The Governors consider levels of reserves on a regular basis to ensure reserves are maintained at a level for the School to continue to operate for the foreseeable future, allowing for fluctuations in income and expenditure. The Governors consider that the School's reserves at 31 December 2018 of £1,370,341 are adequate, taking into account the property owned by the School.

Surplus funds are invested in cash reserves in short term interest bearing accounts.

GOVERNORS' RESPONSIBILITIES STATEMENT

The Governors (who are also directors of The Norwegian School in London Limited for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

THE NORWEGIAN SCHOOL IN LONDON LIMITED
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

This report was approved by the Governors, on 23/5/19 and signed on their behalf by:



L Hettlelid
Governor

THE NORWEGIAN SCHOOL IN LONDON LIMITED
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NORWEGIAN SCHOOL IN LONDON LIMITED

OPINION

We have audited the financial statements of The Norwegian School in London Limited (the 'charitable company') for the year ended 31 December 2018 set out on pages 12 to 25. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

- the Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 Governors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. 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.

THE NORWEGIAN SCHOOL IN LONDON LIMITED
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NORWEGIAN SCHOOL IN LONDON LIMITED

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Governors' Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Governors' responsibilities statement, the Governors (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, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the 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 Governors 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.

THE NORWEGIAN SCHOOL IN LONDON LIMITED
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NORWEGIAN SCHOOL IN LONDON LIMITED

USE OF OUR REPORT

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Farwell MA FCA DChA (Senior statutory auditor)

for and on behalf of

James Cowper Kreston

Chartered Accountants and Statutory Auditor

Mill House
Overbridge Square
Hambridge Lane
Newbury
RG14 5UX

Date:

28/5/2019

THE NORWEGIAN SCHOOL IN LONDON LIMITED
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:					
Charitable activities	3	82,342	1,193,197	1,275,539	1,377,405
Investments	2	-	2,276	2,276	3,262
TOTAL INCOME		82,342	1,195,473	1,277,815	1,380,667
EXPENDITURE ON:					
Charitable activities:					
Staff costs	7	82,342	809,021	891,363	1,076,461
Educational supplies	5	-	40,759	40,759	40,340
Establishment costs	5	-	108,798	108,798	111,451
Other operating costs	5	-	127,422	127,422	142,975
Finance costs	5	-	1,054	1,054	2,116
Foreign exchange (profit)/loss	5	-	(3,256)	(3,256)	20,282
Depreciation		18,962	27,952	46,914	45,565
TOTAL EXPENDITURE		101,304	1,111,750	1,213,054	1,439,190
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(18,962)	83,723	64,761	(58,523)
NET MOVEMENT IN FUNDS		(18,962)	83,723	64,761	(58,523)
RECONCILIATION OF FUNDS:					
Total funds brought forward		255,536	1,050,044	1,305,580	1,364,103
TOTAL FUNDS CARRIED FORWARD		236,574	1,133,767	1,370,341	1,305,580

The notes on pages 15 to 25 form part of these financial statements.

THE NORWEGIAN SCHOOL IN LONDON LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 01552721

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	10		995,618		980,497
CURRENT ASSETS					
Debtors	11	22,696		22,104	
Cash at bank and in hand		490,154		453,187	
		<u>512,850</u>		<u>475,291</u>	
CREDITORS: amounts falling due within one year	12	<u>(138,127)</u>		<u>(150,208)</u>	
NET CURRENT ASSETS			<u>374,723</u>		<u>325,083</u>
NET ASSETS			<u><u>1,370,341</u></u>		<u><u>1,305,580</u></u>
CHARITY FUNDS					
Restricted funds	13	236,574		255,536	
Unrestricted funds	13	1,133,767		1,050,044	
TOTAL FUNDS			<u><u>1,370,341</u></u>		<u><u>1,305,580</u></u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Governors on 23/5/19 and signed on their behalf, by:


L Hetlelid

The notes on pages 15 to 25 form part of these financial statements.

THE NORWEGIAN SCHOOL IN LONDON LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	17	<u>96,726</u>	<u>(65,146)</u>
Cash flows from investing activities:			
Interest from investments		2,276	3,262
Proceeds from the sale of tangible fixed assets		-	2,740
Purchase of tangible fixed assets		<u>(62,035)</u>	<u>(34,521)</u>
Net cash used in investing activities		<u>(59,759)</u>	<u>(28,519)</u>
Change in cash and cash equivalents in the year		36,967	(93,665)
Cash and cash equivalents brought forward		<u>453,187</u>	<u>546,852</u>
Cash and cash equivalents carried forward	18	<u><u>490,154</u></u>	<u><u>453,187</u></u>

The notes on pages 15 to 25 form part of these financial statements.

THE NORWEGIAN SCHOOL IN LONDON LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES

1.1 Basis of preparation of 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Norwegian School in London Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.3 Income

All incoming resources are included in the Statement of Financial Activities incorporating income and expenditure account when the company has entitlement to the funds, probability of receipt and the amount can be measured with sufficient reliability.

Fees relating to the next financial year are carried forward as deferred income.

1.4 Allocation of Expenditure

Costs and expenses have been allocated between direct charitable and management and administration costs according to the nature of the work performed.

Direct charitable expenditure comprises all costs directly attributable to the provision of services in pursuance of the charitable objectives and policies, less any amounts allocated or apportioned to management and administration costs.

Management and administration costs comprise costs directly attributable to the management and administration of the School and an apportionment of such other costs to the extent that they relate to such management and administration.

All expenditure is accounted for under the accruals concept and is inclusive of irrecoverable VAT.

1.5 Pensions

The School operates two defined contribution pension schemes for some employees. The pension charge represents the amounts payable by the School to the fund in respect of the year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,500 capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Fixtures & fittings	-	Between 2% and 33% reducing balance
Computer equipment	-	33% reducing balance
Restricted fund assets	-	5% reducing balance

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Statement of Financial Activities.

1.8 Interest receivable

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

1.9 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating income and expenditure account on a straight line basis over the lease term.

1.10 Debtors

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

1.11 Cash at Bank and in hand

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

1.12 Liabilities

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

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**NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

1.13 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

Critical areas of judgement:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

2. INVESTMENT INCOME

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest received	-	2,276	2,276	3,262
Total 2017	-	3,262	3,262	

3. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Fees	-	280,467	280,467	372,695
General school grants receivable	-	869,859	869,859	903,864
Other income and other grants receivable	82,342	22,786	105,128	80,761
Contributions from the Kindergarten	-	20,085	20,085	20,085
	82,342	1,193,197	1,275,539	1,377,405
Total 2017	60,336	1,317,069	1,377,405	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. GOVERNANCE COSTS

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Audit fees	-	8,820	8,820	8,610
Other professional fees	-	4,986	4,986	1,661
Staff costs - see note 7	-	15,839	15,839	17,027
	<u>-</u>	<u>29,645</u>	<u>29,645</u>	<u>27,298</u>

In 2017, of the total governance costs, all was to unrestricted funds.

5. OTHER COSTS

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total 2017 £
Educational supplies	-	40,759	40,759	40,340
Establishment costs	-	108,798	108,798	111,451
Other operating costs	-	127,422	127,422	142,975
Depreciation	18,962	27,952	46,914	45,565
Foreign exchange (profit)/loss	-	(3,256)	(3,256)	20,282
Finance costs	-	1,054	1,054	2,116
Total	<u>18,962</u>	<u>302,729</u>	<u>321,691</u>	<u>362,729</u>

In 2017, of the total other costs, £343,750 was to unrestricted funds and £18,829 was to restricted funds.

6. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	46,914	45,565
Auditor's remuneration - audit	8,820	8,610
Auditor's remuneration - non audit fee	12,311	10,047
	<u>68,045</u>	<u>64,222</u>

THE NORWEGIAN SCHOOL IN LONDON LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

7. STAFF COSTS

	2018 £	2017 £
Wages and salaries	749,343	892,326
Social security costs	75,450	101,138
Other pension costs	56,058	66,797
Other staff costs	10,512	16,200
	<u>891,363</u>	<u>1,076,461</u>

In 2018, of the total staff costs, £809,021 (2017: £1,016,125) was to unrestricted funds and £82,342 (2017: £60,336) was to restricted funds.

Other staff costs include recruitment fees, the cost of supply teachers and teachers' training, allowances and welfare costs.

5 members of staff earned in excess of £60,000 during the period (2017: 5), detailed below:

£60,001 - £70,000 - 4 employees (2017: 4)

£80,001 - £90,000 - 1 employee (2017: 1)

The key management personnel of The Norwegian School in London Limited comprise governors and the head teacher. The total employee benefits of the key management personnel were £158,387 (2017: £107,734).

Staff costs are allocated between activities as follows:

	2018 £	2017 £
Direct charitable expenditure	875,524	1,059,434
Governance - see note 4	15,839	17,027
	<u>891,363</u>	<u>1,076,461</u>

The average number of staff employed by the school during the year was:

	2018 No	2017 No
Teaching	12	14
Management and administration	3	3
	<u>15</u>	<u>17</u>

The company operates two defined contribution pension schemes (2017: two) for their employees. The assets of the schemes are held separately from those of the company in independently administered funds. Contributions payable by the company to the funds amounted to £56,058 (2017: £66,797). There were no contributions outstanding at 31 December 2018 or at 31 December 2017.

THE NORWEGIAN SCHOOL IN LONDON LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. GOVERNORS' REMUNERATION

The members of the Board of Governors are regarded as directors for the purposes of the Companies Act 2006. None of the members of the Board of Governors received any remuneration in respect of their services to the School (2017: £nil). One Governor (2017: none) received £499 (2017: £nil) for reimbursed expenses.

9. TAXATION

The School is a registered charity and therefore is entitled to exemption from United Kingdom taxation in accordance with section 505 ICTA 1988.

The company is unable to register for VAT purposes, and operating costs therefore include the VAT element where this has been incurred.

10. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures & fittings £	Computer equipment £	Restricted fund assets £	Total £
Cost					
At 1 January 2018	941,459	370,376	53,814	165,031	1,530,680
Additions	-	33,973	28,062	-	62,035
At 31 December 2018	941,459	404,349	81,876	165,031	1,592,715
Depreciation					
At 1 January 2018	374,336	80,877	36,428	58,542	550,183
Charge for the year	18,828	13,169	9,592	5,325	46,914
At 31 December 2018	393,164	94,046	46,020	63,867	597,097
Net book value					
At 31 December 2018	548,295	310,303	35,856	101,164	995,618
At 31 December 2017	567,123	289,499	17,386	106,489	980,497

All assets are used for the charitable purposes of the company.

The Board of Governors considers that the historic cost of the Freehold Land and Buildings is comprised as follows:

	£
Freehold land	655,704
Freehold buildings	274,622
Tennis court	11,133
	<u>941,459</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

11. DEBTORS

	2018 £	2017 £
Other debtors	430	430
Prepayments and accrued income	22,266	21,674
	<u>22,696</u>	<u>22,104</u>

12. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	10,014	13,434
Other taxation and social security	24,054	16,154
Other creditors	1,579	2,069
Accruals and deferred income	102,480	118,551
	<u>138,127</u>	<u>150,208</u>

Deferred income

	£
Deferred income at 1 January 2018	67,029
Resources deferred during the year	49,381
Amounts released from previous years	(67,029)
Deferred income at 31 December 2018	<u>49,381</u>

Deferred income is school fees relating to the year ending 31 December 2019.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	236,574	759,044	995,618
Current assets	-	512,850	512,850
Creditors due within one year	-	(138,127)	(138,127)
	<u>236,574</u>	<u>1,133,767</u>	<u>1,370,341</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	255,536	724,961	980,497
Current assets	-	475,291	475,291
Creditors due within one year	-	(150,208)	(150,208)
	<u>255,536</u>	<u>1,050,044</u>	<u>1,305,580</u>

14. RESTRICTED FUNDS

Land and Buildings fund

	2018 £	2017 £
At 1 January 2018	255,403	274,232
Depreciation expenditure during the year	(18,829)	(18,829)
	<u>236,574</u>	<u>255,403</u>
At 31 December 2018		

The Land and Buildings fund represents amounts donated specifically towards the cost of land and buildings used by the school, together with amounts designated towards those costs by the Governors and transferred from the Unrestricted fund.

Refurbishment fund

	2018 £	2017 £
At 1 January 2018	133	283
Depreciation expenditure during the year	(133)	(150)
	<u>-</u>	<u>133</u>
At 31 December 2018		

The Refurbishment fund represents amounts donated specifically towards the cost of a refurbishment programme at the school, together with amounts designated towards those costs by the Governors and transferred from the Unrestricted fund.

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**NOTES TO THE FINANCIAL STATEMENTS
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Special staff training fund

	2018 £	2017 £
At 1 January 2018	-	-
Grant received	16,769	12,870
Expenditure during the year	(16,769)	(12,870)
	<hr/>	<hr/>
At 31 December 2018	-	-
	<hr/>	<hr/>

The Special staff training fund represents amounts donated specifically for the training of staff in subjects such as literacy and numeracy. The value of the fund at the year end is £nil (2017: £nil) as expenditure for this purpose was incurred in the year to the full value of the donation received.

Special needs fund

	2018 £	2017 £
At 1 January 2018	-	-
Grants received	65,573	47,466
Expenditure during the year	(65,573)	(47,466)
	<hr/>	<hr/>
At 31 December 2018	-	-
	<hr/>	<hr/>

The Special needs fund represents amounts donated specifically for direct expenditure on children with special needs. The value of the fund at the year end is £nil (2017: £nil) as expenditure for this purpose was incurred in the year to the full value of the donation received.

15. UNRESTRICTED FUNDS

	2018 £	2017 £
At 1 January 2018	1,050,044	1,089,588
Net income during the year	83,723	(39,544)
	<hr/>	<hr/>
At 31 December 2018	1,133,767	1,050,044
	<hr/>	<hr/>

16. DESIGNATED FUNDS

	2018 £	2017 £
At 1 January 2018	-	15,000
Expenditure during the year	-	(15,000)
	<hr/>	<hr/>
At 31 December 2018	-	-
	<hr/>	<hr/>

The designated funds were fully spent on Psychology costs in 2017.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	64,761	(58,523)
Adjustment for:		
Depreciation charges	46,914	45,565
Interest from investments	(2,276)	(3,262)
Profit on the sale of fixed assets	-	(1,883)
Increase in debtors	(592)	(241)
Decrease in creditors	(12,081)	(46,802)
Net cash provided by/(used in) operating activities	96,726	(65,146)

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	490,154	453,187
Total	490,154	453,187

19. OPERATING LEASE COMMITMENTS

At 31 December 2018 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
Not later than 1 year	8,125	8,125
Later than 1 year and not later than 5 years	707	8,832
Total	8,832	16,957

In the year operating lease costs of £8,125 (2017: £8,125) were charged to the Statement of Financial Activities.

20. LIABILITIES OF MEMBERS

The company is a registered charity and is limited by guarantee. Each member of the Board of Governors is a member and is liable for the payment of the liabilities of the company, subject to a maximum liability of £1 per member.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

21. RELATED PARTY TRANSACTIONS

A number of Governors have children who attend the Norwegian School in London Limited and school fees are charged in accordance with the school's standard charging policy.

There were no other related party transactions in the year.

22. CONTINGENT LIABILITIES

There were no contingent liabilities at the balance sheet date.

23. CONTROLLING PARTY

In the opinion of the trustees, there is no controlling party.

