

Charity Registration No. 1027932

Company Registration No. 2804123 (England and Wales)

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

KLSA
Chartered Accountants

PKF
Member firm of PKF International Ltd

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

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COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr R Bourrette	
	Mr B Belhomme	
	Mr B Vedrenne Cloquet	
	Mr T G Lefevre	
	Mr T G Eissautier	
	Mrs V B J Aubert Bell	
	Mrs G Aziz-Picardet	
	Mrs D Lepine	
	Mr A Deroide	(Appointed 2 July 2018)
	Mr D Petit	(Appointed 1 October 2018)
	Ms V Vara Eiriz	(Appointed 1 October 2018)
Charity number	1027932	
Company number	2804123	
Registered office	87 Holmes Road London NW5 3AX	
Auditor	KLSA LLP Kalamu House 11 Coldbath Square London EC1R 5HL	
Bankers	Barclays Bank Plc	

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2018

The Trustees present their report and accounts for the year ended 31 December 2018. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in 2015.

Objectives and activities

The Charity's objects encompass the advancement of education in a French or broader curriculum, whether for pupils of French nationality or otherwise.

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 Charity aims to provide a bilingual and bicultural education to pupils from the ages of 5 to 16, to encourage academic excellence as prescribed by the French Ministry of Education with the goal of exceeding the stated requirements. The school is committed to safeguarding and promoting the welfare of pupils and expects all staff and volunteers to share this commitment.

The school welcomes pupils from all social and economic backgrounds and abilities and is non-selective, academically. The Charity is an associate member of the Independent Schools Association and we teach our pupils to respect British values and to embrace the richness and cultural diversity which, the school offers.

The school operates in accordance with regulations set by the Agence pour l'Enseignement Français à l'Etranger (AEFE) and the school's status as an "école homologuée" provides public benefit. This accreditation enables parents of pupils to receive means-tested bursaries for all or part of the cost of school fees. During the last two terms of the school year 2017-18 (January to June 2018), 31 pupils (4.6%) had the whole or part of their fees met by bursaries. In the period from September to December 2018, 34 pupils (5%) were recipients of bursaries. Bursaries represent a total of £255,736 of fees received by College Francais Bilingue de Londres Ltd in 2018 (2017: £289,193).

The Charity is an equal opportunity organisation and is committed to ensuring that appropriate policies, procedures and practices are in place that create a working environment free from discrimination and in which individuals from diverse backgrounds can perform to their highest potential.

The Charity actively opposes all form of unlawful and unfair discrimination and will continuously strive to ensure fair treatment for all, regardless of race, disability, gender reassignment, sex, marriage and civil partnership, pregnancy and maternity, religion and belief, sexual orientation and age. This applies to existing and prospective staff, pupils, parents and those accessing the School's resources and facilities.

The strategies employed to achieve the charity's aims and objectives are:

- Academic performance is enhanced through ongoing staff training, organised both through the AEFE training programme and local training courses.
- Bilingual education is organised with a delivery of the curriculum in the Primary section equally in English and in French and in the Secondary section by teaching certain subjects (e.g. Art and Music) only in English and others (e.g. Sport) partly in English.
- Strong emphasis is placed on after-school activities in sports, music, arts and cultural.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Volunteers

The charity is very involved in the community and relies on voluntary help. In addition to staff who work at the school, over 40 volunteers assist occasionally with accompanying pupils and organising events enabling longer opening hours and lower staff costs than would otherwise be the case. Most volunteers are parents.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2018**

Achievements and performance

At 31st December 2018, 668 pupils were registered at the school, it is expected that the total number of pupils registered from September 2019 will be closer to the maximum of 700 authorised at the school by the Department for Education. The school's fee income was £6,636,305 in 2018 (2017: £6,10,173).

The most recent inspection by Ofsted in 2018 rated the school as Outstanding in all areas covered by the inspection.

The school's most recent Primary section inspection, by the AEFÉ, highlighted the school's dynamism, pupils' impressive progress and the strength of the teaching projects.

The Trustees place great importance on Health, Safety and Security. Following a Health & Safety audit performed at the school by RosPa (Royal Society for the Prevention of Accidents) CFBL was awarded a RosPa's highest rating. The RosPa report concluded that: "the school's performance was very good which has resulted in the high score achieved in this audit". The School regularly reviews its security procedures in conjunction with the security officer at the French Embassy in London. Further additions to the school's security equipment are planned over the coming year.

The Charity has incurred increased salaries in 2018.

Financial review

The resources expended by the school in 2018 totalled £7,365,278 (2017:£6,781,821) of which the principal components were employment costs of £4,163,046 (2017: £3,505,133) (Note 12) and premises costs of £2,140,081 (Note 7). Incoming resources were less than resources expended in 2018, producing a deficit of £225,053 (2017:Surplus of £228,524). The total of Restricted and Unrestricted reserves at the end of 2018 stood at £1,644,116(2017: £1,869,169).

Restricted reserves fell to £129,016 (2017: £184,172) at the end of 2018 following a net decrease of £55,156 (comprising fixed assets depreciation of £55,156).

Unrestricted reserves stood at £1,515,100 at 31 December 2018 (2017: £1,684,997) due to a £169,897 decrease in 2018.

Reserves policy

The trustees have reviewed the charity's needs for reserves in accordance with the guidance issued by the Charity commission. It is the policy of the charity that unrestricted funds, which have not been designated for a specific use, should be at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding or exceptional expenses, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Risk management

The Trustees, assisted by the Charity's management have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to all major risks. The Trustees maintain a risk management plan. When risks are identified, they are, when required, delegated to various Committees with the relevant skills and experience to assess and manage those risks to establish a system of controls necessary for their management.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

The principal risks to which the charity is exposed are considered to be:

- Health and Safety of pupils, staff and volunteers
- The recruitment and retention of staff of the highest calibre.
- The financial stability of the Charity
- The reputation and identity of the Charity, particularly in the context of increased competition from other French schools in London.
- Brexit and the potential effect on the right to work in the UK of French nationals, which could affect both staff and pupil numbers in future.

The Trustees have a risk management strategy, which comprises:

- A risk management plan, detailing the principal risks and uncertainties that the Charity may face, which is reviewed annually.
- The establishment of policies, systems and procedures to mitigate the risks identified in the plan.
- The implementation of procedures designed to minimise or manage any potential impact on the Charity should those risks materialise.

Key controls include:

- Vetting procedures, as required by law, for the protection of pupils.
- Formal written procedures including for non-financial risks such as fire and health and safety and safeguarding of pupils and regular awareness training for all staff.
- Established organisational structure and lines of reporting.
- Regular reviews of policies and procedures to monitor and control risks.
- Formal agendas for meetings of the Board and for Committees.
- Detailed terms of reference for all Committees of the Board.
- Regular strategic planning, budgeting and management accounting and detailed budgetary presentation.
- In the management of financial risk, a regular review of available liquid funds to settle debts as they fall due and active management of trade debtors and creditors balances to ensure sufficient working capital by the charity.
- Clear authorisation and approval levels.
- Engagement of external professional advisors as and when necessary.

Plans for the future

During the school year 2019-2020, CFBL will continue its aim to provide an excellent French bilingual education in the Primary section and to provide further English and multilingual options in the Secondary section.

School management & staff, with the assistance of parent & pupil representatives, are finalising the school's Strategic Plan (Projet d'Etablissement). One of the key areas of development in the new Plan is an increased use of IT Resources for teaching pupils.

The school's Trustees decided to change the Charity's status within the AEFE network to a Partnership school from 1st September 2017. This new status provides various advantages for the School and its related community as the Trustees and senior staff now have greater autonomy over the recruitment and management of the teaching staff, enabling decisions that support the School's development, in the context of an evolving French educational offer in London, while retaining its "homologation" (accreditation with the French Ministry of Education). Since 1st September 2017 the school has had Heads of Department in its Secondary section.

Structure, governance and management

Governing document

The Charity is controlled by its governing documents, the memorandum and articles of association and is constituted as a company, limited by guarantee, as defined by the Companies Act 2006.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr R Bourrette	
Mr S Young	(Resigned 11 May 2018)
Mr D Hovine	(Resigned 13 June 2018)
Mr B Belhomme	
Mrs K Berron	(Resigned 2 July 2018)
Mr B Vedrenne Cloquet	
Mr T G Lefevre	
Mr T G Eissautier	
Mrs V B J Aubert Bell	
Mrs G Aziz-Picardet	
Mrs D Lepine	
Mr A Deroide	(Appointed 2 July 2018)
Mr D Petit	(Appointed 1 October 2018)
Ms V Vara Eiriz	(Appointed 1 October 2018)

Key management personnel:

Senior management personnel of the Charity:

Mr FX Gabet, Headteacher
Mr D Gasslan, Deputy Head, Primary section
Mr R Barbosa, Deputy Head, Secondary section
Mr T O'Grady, Head of Finance & Administration

Trustee training and recruitment

The Trustees recognise that the Governing body requires breadth and depth of experience to carry out its duties effectively and efficiently. The Charity's Articles of Association stipulate that its Board should be comprised of elected parents ("Parent trustees") and individuals proposed by the Chambre de Commerce Française de Grande-Bretagne ("CCFGB trustees"). When recruiting new trustees an important attribute is a passion for the work of the school and an understanding of the education sector. When a Parent trustee retires the school, in conjunction with its Parents' Association, contacts the parental community to ask for suitable candidates to present themselves for election by the other parents. When a CCFGB trustee retires the CCFGB recommends a suitable replacement from senior business people within its membership. The Clerk to the Governors is responsible for the induction of new Governors, who are briefed individually. The Clerk also provides the Board with guidelines on effective trusteeship and information on training and best practice. Trustees are encouraged to attend school events.

Organisational structure

The names of the current Directors and those who held office during the financial year are set out above.

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 day-to-day management of the school. The Board of Directors meets at least twice per school term to discuss the affairs of the Charity as a whole.

There are a number of Committees, which meet regularly and report to the Board. The principal committees are the Finance Committee, the Health and Safety Committee and the Human Resources Committee, all of which meet at least twice a year.

The day-to-day running of the School is delegated to the Headteacher and the School management team including the two Deputy Heads and the Head of Finance and Administration.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2018**

Pay policy for senior staff

The senior management team comprise the key management personnel of the charity in charge of directing, controlling, running and operating the Charity on a day-to-day basis.

The Headteacher and the Deputy Heads were employed and remunerated by the Agence pour L'Enseignement Français à l'Etranger (AEFE) up to 31 August 2017 when the school's AEFE status changed and they became directly employed by the school.

The salaries of all the members of senior staff are reviewed annually by the Charity's Human Resources Committee and increased in accordance with the Charity's Pay policy.

Related parties and co-operation with other organisations

None of our trustees receives remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the Charity with a head teacher, teachers, etc. must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year, no such transaction was reported.

The Charity has a close relationship with Lycée International de Londres, a charity which shares the Charity's passion for education and where most of the Charity's students continue their education when they finish their schooling at the Charity. This joint collaboration aims to amplify the benefit provided for young people in their respective local communities.

KT Educational Charitable Trust (KTECT), previously known as French Education Property Trust (FEPT), is the school's landlord under a lease for the premises at 87 Holmes Road, London NW5 3AX between FEPT and the Charity.

A summary of transactions with these organisations is set out in note 22 to the financial statements.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

Statement of Trustees responsibilities

The Trustees, who are also the directors of College Francais Bilingue de Londres Ltd for the purpose of company law, are responsible for preparing the Trustees Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Charity Trustees' to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

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

The Trustees' are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution proposing that KLSA LLP will be reappointed as auditors of the company will be put to the members at the next AGM.

Potential impact of Brexit

The exact nature of the UK's potential exit from the EU is unclear but the Trustees continue to monitor its potential implications on the School's future operations, particularly the impact on pupil places and the recruitment and retention of staff.

The School has taken various measures to attract new pupils, including increased and focused marketing, changing class levels in response to demand and adapting its teaching offer to encourage pupils to transfer from the UK education system.

The School has not experienced difficulties in recruiting or retaining staff and the Trustees believe that a labour pool sufficient for its future needs will remain despite Brexit.

Therefore, despite the inherent uncertainty related to Brexit, the Trustees consider that the potential adverse impact on future operations is manageable and that the School will be able to adapt to changing market conditions once the precise nature of Brexit is known.

The Trustees report was approved by the Board of Trustees.



Mr R Bourrette

Trustee

Dated: 24 May 2019

Mr D Petit

Trustee



Dated: 24 May 2019

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

Opinion

We have audited the financial statements of College Francais Bilingue de Londres Ltd (the 'charity') for the year ended 31 December 2018, which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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).

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, 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 charity 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 charity'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 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.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, the Trustees, who are also the directors of the charity for the purpose 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 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 charity'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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Shilpa Chheda (Senior Statutory Auditor)
for and on behalf of KLSA LLP
Chartered Accountants
Statutory Auditor

24 May 2019

Kalamu House
11 Coldbath Square
London
EC1R 5HL

KLSA LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Total 2017 £
<u>Income and endowments from:</u>					
Donations and legacies	4	29,562	-	29,562	13,928
Incoming resources from charitable activities French School	5	7,079,300	-	7,079,300	6,977,736
Investment and rental income	6	31,063	-	31,063	18,456
Other income	7	300	-	300	225
Total income		7,140,225	-	7,140,225	7,010,345
<u>Expenditure on:</u>					
Charitable activities	8	7,310,122	55,156	7,365,278	6,781,821
Net (expenditure)/income for the year/ Net movement in funds		(169,897)	(55,156)	(225,053)	228,524
Fund balances at 1 January 2018					
As originally reported		1,674,841	184,172	1,864,091	1,635,567
Prior year adjustment		5,078	-	5,078	5,078
As restated		1,679,919	184,172	1,869,169	1,640,645
Fund balances at 31 December 2018		1,515,100	129,016	1,644,116	1,869,169

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	14	383,127	418,572
Current assets			
Debtors	16	642,198	879,682
Cash at bank and in hand		2,894,836	2,850,045
		3,537,036	3,729,727
Creditors: amounts falling due within one year	15	(1,578,035)	(1,478,347)
Net current assets		1,959,001	2,251,380
Total assets less current liabilities		2,342,128	2,669,952
Provisions for liabilities		(698,012)	(800,783)
Net assets		1,644,116	1,869,169
Income funds			
Restricted funds	19	129,016	184,172
Unrestricted funds		1,515,100	1,684,997
		1,644,116	1,869,169

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2018, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 475, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 24 May 2019.


Mr R Bourrette
Trustee


Mr D Petit
Trustee

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from operations	24		101,528		469,970
Investing activities					
Purchase of tangible fixed assets		(87,798)		(181,312)	
Rent and Interest received		31,063		18,456	
Net cash used in investing activities			(56,735)		(162,856)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			44,793		307,114
Cash and cash equivalents at beginning of year			2,850,045		2,542,931
Cash and cash equivalents at end of year			2,894,838		2,850,045

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Charity Information

College Francais Bilingue de Londres Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is 87 Holmes Road, London, NW5 3AX.

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's deeds, the Companies Act 2006 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 UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. The income from school fees is recognised based on when it is earned, that is on an invoice basis.

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business.

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Improvements to property	3.33% on cost
Plant and machinery	20% on cost
Fixtures, fittings & equipment	10% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

On 1st April 2013, the charity joined the Teachers' defined contribution pension scheme for its teaching staff and a scheme offered by The Pension's Trust for its non-teaching staff. The charity makes contributions for those members of staff who elect to join those schemes.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.13 Funds accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

The Charity has used the grants, donations and gifts it received to acquire fixed assets and the related funds were classified as restricted. The annual depreciation expense for such fixed assets reduces the balance of those restricted funds.

2 Change in accounting policy

The charity has decided to change its revenue recognition policy regarding school fees to recognise it evenly over 12 months for a fairer view of its performance and better matching with cost incurred. In prior years, the school fee was recognised at certain percentage in different school terms. Therefore the financial statements have been restated retrospectively to incorporate the impact of such changes. This change has resulted in the opening fund balances decreasing by £779,117 as at 1 January 2017 and net movement in funds for the year ended 31 December 2017 increasing by £5,078. The prior period adjustments have been detailed in note 25 of this financial statements.

3 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

Provision for dilapidations

Management has recognised provisions for dilapidations, onerous leases and income tax in its financial statements which requires management to make judgements. The judgements, estimates and associated assumptions necessary to calculate these provisions are based on historical experience and other reasonable factors.

Useful lives of Improvement in property and plant and machinery

Management reviews the useful lives and residual lives of the items of Improvement in property and plant and machinery on a regular basis. During the financial year, management determined a significant change in the useful lives and residual values of those two classes of fixed assets.

Impairment of receivables

Management reviews their portfolio of receivables on a monthly basis. In determining whether receivables are impaired and provision for bad debts is recognised, management makes judgements as to whether there is any evidence indicating that there is a measurable decrease in the estimated future cash flows expected.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

4 Donations and legacies

	Unrestricted funds	Total
	2018 £	2017 £
Donations and gifts	29,562	13,928

The 2018 donation relates to receipts from AEFE to aid with improvements to security in the school (e.g. CCTV cameras & access control equipment).

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

5 Incoming resources from charitable activities French School

	School fees		Registration fees		Other Income		Total 2018		Total 2017
	2018	£	2018	£	2018	£	£		£
Income within charitable activities	6,577,069	=====	219,000	=====	283,231	=====	7,079,300	=====	6,977,736

There were no grants received during the year.

Other income relating to income within charitable activities amounting to £283,231 comprises mainly of payments from pupils' families to cover after-school club activities, classroom supplies and non-refundable admission fees.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

6 Investment and rental income

	Unrestricted funds	Total
	2018	2017
	£	£
Rental income	28,008	16,404
Interest receivable	3,055	2,052
	<u>31,063</u>	<u>18,456</u>

Rental income is received from hire of part of the school's premises to two foreign language schools and a few other organisations who provide educational classes for the local community on certain evenings and weekends during the academic year.

7 Other income

	Unrestricted funds	Total
	2018	2017
	£	£
Other income	<u>300</u>	<u>225</u>

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

8

Charitable activities

	French School 2018 £	Governance costs 2018 £	Total 2018 £	Total 2017 £
Staff costs	3,557,664	-	3,557,664	2,992,939
Catering costs	372,935	-	372,935	362,675
Premises costs	2,140,081	-	2,140,081	2,037,158
	<u>6,070,680</u>	<u>-</u>	<u>6,070,680</u>	<u>5,392,772</u>
Share of support costs (see note 10)	1,170,975	-	1,170,975	1,295,506
Share of governance costs (see note 10)	-	123,623	123,623	93,543
	<u>7,241,655</u>	<u>123,623</u>	<u>7,365,278</u>	<u>6,781,821</u>
Analysis by fund				
Unrestricted funds	7,186,499	123,623	7,310,122	6,712,834
Restricted funds	55,156	-	55,156	68,987
	<u>7,241,655</u>	<u>123,623</u>	<u>7,365,278</u>	<u>6,781,821</u>
For the year ended 31 December 2017				
Unrestricted funds	6,619,291	93,543		6,712,834
Restricted funds	68,987	-		68,987
	<u>6,688,278</u>	<u>93,543</u>		<u>6,781,821</u>

9 Description of charitable activities

French School

Staff costs include salaries and social security costs for Teachers and Technical staff, which includes the ICT and Premises Managers.

Premises costs comprise primarily rent (see note 21).

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

10 Support costs

	Support costs	Governance costs	2018	2017
	£	£	£	£
Depreciation	123,243	-	123,243	143,858
Management & administration	442,350	-	442,350	639,454
Administration staff costs	605,382	-	605,382	512,194
Audit fees	-	11,520	11,520	11,520
Legal and professional	-	112,103	112,103	82,023
	<u>1,170,975</u>	<u>123,623</u>	<u>1,294,598</u>	<u>1,389,049</u>
Analysed between Charitable activities	<u>1,170,975</u>	<u>123,623</u>	<u>1,294,598</u>	<u>1,389,049</u>

Governance costs of £123,623 (2017: £93,543) consists of payments to the auditors for audit fees and to service providers for legal and professional advice.

11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration from the charity during the year. Only one of the Trustees, who is based in Paris, was reimbursed for expenses from the charity during the year for hotel and travel costs when attending meetings at the School in the amount of £1,928.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2018 Number	2017 Number
Teaching	50	40
Non-teaching	38	33
	<u>88</u>	<u>73</u>

Employment costs

	2018 £	2017 £
Wages and salaries	3,657,574	3,114,265
Social security costs	314,305	216,336
Other pension costs	191,167	174,532
	<u>4,163,046</u>	<u>3,505,133</u>

Staff costs include an amount of £Nil (2017: £305,667) charged by the Agence pour L'Enseignement Français à L'Etranger (AEFE) for Nil teachers (2017: 12) on secondment at the school until 31 August 2017. The participation payable to the AEFE towards teachers' salaries consists of the payment by CFBL of the totality of AEFE teachers' London cost of living allowance, indemnity and its participation to salaries at an agreed level of 53%. The head teacher's salary until 31 August 2017 was paid by the AEFE and not recharged to the Charity.

The key management personnel of the charity comprise the trustees, headteacher, two deputy heads and head of administration & finance. The total remuneration of key management personnel during the year was £445,061 (2017: £207,450).

The number of employees whose annual remuneration was £60,000 or more were:

	2018 Number	2017 Number
£60,000 - £69,999	3	-
£70,000 - £79,999	3	-
£80,000 - £89,999	1	1
£160,000-£169,999	1	-

13 Taxation

The charity is exempt from corporation tax on its charitable activities.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

14 Tangible fixed assets

	Improvements to property	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 January 2018	348,526	630,226	590,255	1,569,007
Additions	-	65,946	21,852	87,798
At 31 December 2018	348,526	696,172	612,107	1,656,805
Depreciation and impairment				
At 1 January 2018	285,996	501,009	363,430	1,150,435
Depreciation charged in the year	13,189	47,339	62,715	123,243
At 31 December 2018	299,185	548,348	426,145	1,273,678
Carrying amount				
At 31 December 2018	49,341	147,824	185,962	383,127
At 31 December 2017	62,530	129,217	226,825	418,572

In the opinion of the trustees, there is no impairment in the value of tangible fixed assets.

15 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Other taxation and social security		100,330	94,779
Advance fee receipts	17	1,258,894	1,129,429
Trade creditors		184,393	122,834
Other creditors		26,399	31,260
Accruals		8,019	100,045
		1,578,035	1,478,347

16 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	114,802	166,971
Other debtors	-	19,350
Prepayments and accrued income	527,396	693,361
	642,198	879,682

Prepayments comprise mainly of use of an external gym, the school's premises and insurance expenses.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

17 Deferred income

Deferred income is included in the financial statements as follows:

	2018 £	2017 £
Advance receipts of school fees and registration fees	1,258,894	1,129,429

18 Provisions for liabilities

	2018 £	2017 £
Provision for dilapidation costs and major repairs	698,012	800,783

Movements on provisions:

	Provision for dilapidation costs and major repairs £
At 1 January 2018 and 31 December 2018	698,012

The provision is intended to meet the Charity's obligations regarding repairs, redecoration and dilapidation costs having regard to the current condition of the premises and due consideration for compliance with the dilapidations liabilities within the relevant lease covenants. A report of the estimated cost was obtained on 24 May 2017 from Gerald Eve LLP Chartered Surveyors. FRS102 requires that basic debt instruments, including provisions for liabilities be measured at amortised cost using the effective interest rate.

FRS 102 has specific requirements for transactions that, in effect constitute a financing transaction. Such transactions must be measured at the present value of future cash flows at a market rate of interest that would apply to a similar debt instrument.

Accordingly, the provision for dilapidations estimated by the Surveyor have been discounted using the market interest rate. The difference between the provision amount estimated by the Trustees and the present value of the estimate from the Surveyors report is not material.

The Charity's premises lease with its landlord KTECT was renewed on 1st September 2018 for a period of 30 years. The decrease in the provision for the dilapidations at 31 December 2018 reflects the net present value based on discounting over a much longer period than in 2017.

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

19 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2018 £	Movement in funds		Balance at 31 December 2018 £
		Incoming resources £	Resources expended £	
Equipment fund	174,172	-	(55,156)	119,016
Welfare fund	10,000	-	-	10,000
	<u>184,172</u>	<u>-</u>	<u>(55,156)</u>	<u>129,016</u>

A Welfare Fund (the French Scholarship Foundation, which is independent of the school) offers financial assistance to pay school fees to pupils' families who encounter exceptional financial difficulties during their time of study.

20 Analysis of net assets between funds

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Total 2017 £
Fund balances at 31 December 2018 are represented by:				
Tangible assets	254,111	129,016	383,127	418,572
Current assets/(liabilities)	1,959,001	-	1,959,001	2,251,380
Provisions	(698,012)	-	(698,012)	(800,783)
	<u>1,515,100</u>	<u>129,016</u>	<u>1,644,116</u>	<u>1,869,169</u>

21 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>3,009,640</u>	<u>3,033,576</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>184,393</u>	<u>122,834</u>

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

22 Operating lease commitments

At the reporting end date, the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	1,722,500	1,528,838
Between two and five years	6,950,000	8,236,976
In over five years	43,200,000	28,665,420
	<u>51,872,500</u>	<u>38,431,234</u>

The Charity's premises lease with its landlord KTECT was renewed on 1 September 2018 for a period of 30 years, which explains the significant increase in outstanding commitments at 31 December 2018.

23 Related party transactions

There are no related party transactions in the reporting period that require disclosure.

24 Cash generated from operations

	2018 £	2017 £
(Deficit)/surplus for the year	(225,053)	228,524
Adjustments for:		
Investment income recognised in statement of financial activities	(31,063)	(18,456)
Depreciation and impairment of tangible fixed assets	123,243	143,858
Movements in working capital:		
Decrease in debtors	237,484	105,160
(Decrease) in creditors	(29,777)	(212,382)
Decrease in dilapidation provision	(102,771)	-
Increase in deferred income	129,465	223,266
Cash generated from operations	<u>101,528</u>	<u>469,970</u>

COLLEGE FRANCAIS BILINGUE DE LONDRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

25 Prior period adjustment

Changes to the balance sheet

	At 1 Jan 2017	At 31 Dec 2017
	£	£
Fund balances as previously reported	2,414,683	2,643,208
Deferred income	(779,117)	(774,039)
Fund balances as restated	<u>1,635,566</u>	<u>1,869,169</u>

Changes to the profit and loss account

	Period ended 31 December 2017		
	As previously reported	Adjustment	As restated
	£	£	£
Incoming resources from charitable activities French School	6,977,736	5,078	6,982,814
Net movement in funds	<u>228,524</u>	<u>5,078</u>	<u>233,602</u>

In prior years, the school fee was recognised at certain percentage in different school terms. Therefore the financial statements have been restated respectively to incorporate the impact of such changes. The change has resulted in the opening fund balances decreasing by £777,117 as at 1 January 2017 and net movement in funds for the year 31 December 2017 increasing by £5,078.