

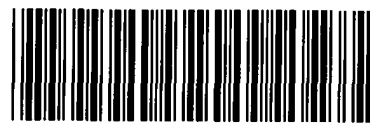
ST. CATHERINE'S BRITISH SCHOOL
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st AUGUST 2021

Charity number: 313909

Company number: 00860288



THURSDAY



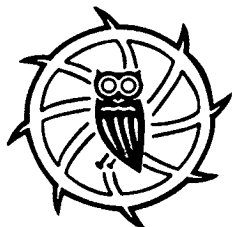
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ST. CATHERINE'S BRITISH SCHOOL

(A company limited by guarantee)

DIRECTORS' REPORT FOR THE YEAR ENDED 31st AUGUST 2021

The Governors are pleased to present their annual Directors' Report together with the financial statements of the charity for the year ended 31st August 2021 which are also prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

The financial statements comply with the Companies Act 2006, the Memorandum and Articles of Association, 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).

Status and Administration

St. Catherine's British School ("the School" or the "Company") was founded in 1956. The School is a non-profit company limited by guarantee, registered number 00860288 and is also a registered charity, number 313909.

Mission Statement

St. Catherine's British School endeavours to foster a love of learning through a well taught, appropriately challenging and clearly defined, broad and balanced curriculum. Our aim is to develop fully pupils' intellectual, social, physical, and creative potential, in anticipation that they will develop into sensitive, informed, decisive and capable global citizens of the future.

Objectives

To provide for and promote the moral, cultural, intellectual social, physical, and aesthetic development and the teaching and instruction of pupils according to the National Curriculum for England and Wales, IGCSE and International Baccalaureate, with the overall objective of preparing pupils for the opportunities, responsibilities, and experiences of adult life in national and international society.

In setting our objectives and planning our activities our Governors 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.

Policy

The School is a day school based in Athens, Greece which follows the National Curriculum for England and Wales, the International General Certificate of Secondary Education (Years 10 and 11) and the International Baccalaureate Diploma Course for Years 12 and 13. Classes are conducted in the English language, although Greek language, history and culture lessons also feature prominently in the school's programme.

Our School welcomes pupils from all backgrounds. To admit a prospective pupil, we need to be satisfied that our School will be able to educate and develop a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the

education we provide. An individual's gender, ethnicity, race, religion or disability do not form part of our assessment processes.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

Activities

The academic year 2020/2021 was a momentous one in the history of St Catherine's British School – the opening of the new state-of-the-art Upper School building replete with a 350-seat theatre, a spacious and airy library, fully equipped science laboratories; innovative technology labs and wide corridors for ease of student movement took the school well and truly into the 21st century. Simultaneously the Lower School benefitted from a major reconfiguration creating more spacious classrooms, specialist facilities for Science, Art and ICT and more outside space for playtime. Unfortunately, the ongoing COVID pandemic initially restricted full enjoyment of these new, exciting facilities. Our Development Office submitted a bid for the new Upper School Building to the Boussias Communications Awards in Leadership in Education. The school subsequently received the highest Gold Award in the category - Educational Buildings as well an overall Platinum award for being Best in the Management of Facilities in Educational Leadership. Additionally, the delivery of school meals was revolutionised with new kitchen facilities and new café/restaurant spaces along with a new service provider, DDP – for the first time the school was able to offer food to its Lower School pupils.

The School continued to offer the National Curriculum for England and Wales for all pupils, both girls and boys, from the age of three up to fourteen, an IGCSE/GCSE programme up to sixteen and thereafter the International Baccalaureate Diploma to eighteen. The School's principal funding source continued to be application, registration, development fund, nursery and main school fees.

On the 12th January 2011 the school received the report of its first inspection by **ISI (Independent Schools Inspectorate)**. As a result, the school was granted full membership of **COBIS (Council of British International Schools)**. It should be noted that the school was subsequently re-inspected in November 2013. Both reports had excellent outcomes and can be found on the school's website. The school was re-inspected in the autumn of 2016 as part of the **BSO (British Schools Overseas)** three-year inspection cycle. The findings of this most recent ISI inspection were rated "Excellent" in all eight categories. It should be noted that, although the school was due for a new inspection in 2019, this has been deferred due to the dislocation caused not only by the opening of the new Upper School building in September 2020 but also the ongoing COVID pandemic. Indeed, the disruption of inspection cycles due to the pandemic is a world-wide phenomenon. It should be noted that the DfE in the UK has nevertheless confirmed St Catherine's British School BSO status until the next ISI inspection scheduled for the 2022 – 2023 academic year. The school is also a member of **HMC (Headmasters' and Headmistresses' Conference)** and **AGBIS (Association of Governing Bodies of Independent Schools)**. In November 2012 the School became a member of **ISBA (Independent Schools' Bursars Association)** whilst in September 2019 the school joined **AoBSO (Association of British Schools Overseas)**. The school now has six leading UK regulatory bodies to advise and assist with its operation. The school has continued its partnership with the British Council who deliver English Language courses to over 200 local Greek children within the school premises – again their programme was restricted by the pandemic as they resorted to online learning. However, as the year came to an end, they were excited by the prospect of re-commencing live learning in the new Upper School building.

The school has continued to invest a great deal of resource into high quality staff CPD (Continuing Professional Development) as well as student enrichment programmes even though there was inevitably some dislocation as a result of the COVID pandemic. Some of the CPD highlights included: "Opening Doors for Richer English for all pupils" – a two day intensive online course for Lower School teachers and Learning Support Assistants delivered by renowned UK trainer, Bob Cox; the NPQSL (National Professional Qualification for School Leaders) and NPQML (National Professional Qualification for Middle Leaders) programmes for two appropriate Lower School staff (nearing completion); the Forest School Training programme (ongoing); a variety of IB subject courses for Upper School staff (ongoing); the "Future Learning Summit" – an online educational conference

for teachers and parents focusing on dealing with the new paradigm created by the pandemic. Furthermore, with the move into the new Upper School building in September 2020, the school moved from Microsoft Flagship School status to “Incubator” status – the final stage towards our goal of Microsoft Showcase School status.

On the student front the extra-curricular programme was inevitably greatly restricted by the ongoing COVID pandemic with the inevitable lockdowns and health protocols when live learning was allowed. Nevertheless, the creative juices of students and staff combined to facilitate online Spring and Christmas music concerts as well as the production of “Rooftops of London” - an amazing dance and singing extravaganza from “Mary Poppins” performed and filmed at night-time on the roof garden of the new building! Our debaters continued to excel in local and national competitions even though participation was confined to the virtual world. Wherever possible, the school ran its very popular extra-curricular sports programme and in July ran two very successful Summer Schools – one a Sports Camp attracting a wide range of ages and the other targeted at creative play and learning for younger children. The school has always provided numerous trip opportunities both at home and abroad and unfortunately this was one area that was totally devastated by the pandemic restrictions. However, the purchase of Virtual Reality headsets at the end of the year as well as the creation of a VR space has created the potential of visiting historic and geographical sites without ever leaving the school! The school also invested a great deal of time in the spring of 2021 celebrating the Bicentenary of the Greek Revolution – a huge national political and cultural celebration strongly supported by the United Kingdom and St Catherine’s British School was proud to celebrate its Greek as well as British context!

Charitable Activities

1) Bursaries to pupils

2) The School supported and contributed to the following overseas and local charities:

- Hope Café Project
- Estia Girls Orphanage
- Municipality of Pefki
- Uganda Rural (Africa)
- Anasa
- Malakasa Refugee Centre
- Local Volunteer Firefighters
- Asthma UK
- Desmos

Directors

The Directors of the School, who are also the charity trustees and members of the Board of Governors, who served since 1st September 2020 through to the date of this report, were:

Name	Chairman, Vice Chair & Honorary Treasurer Appointments	First Appointment	Changes
Taki, Stavros	Chairman 25/08/09	Appointed 05/06/08	Retired 30/09/09 on Board Dissolution, Re-Appointed 01/10/09, 2 nd Term Re-Appointed 01/10/15 Re-Appointed 01/10/21
Dheere, Maurice Jean	Resigned as Hon. Treasurer on 31/5/14 and appointed Vice Chairman on the same date Retired as Vice Chairman 01/10/21	Appointed 21/06/01	Retired 30/09/09 on Board Dissolution, Re-Appointed 01/10/09, 2 nd Term Re-Appointed 01/10/15 Re-Appointed 01/10/21 Retired 01/10/21
Markou, Christos	Appointed Vice Chairman on 01/10/21	Appointed 05/07/18	
Sabatakakis, Kyriacos	Appointed Honorary Treasurer on 31/5/14	Appointed 20/11/12	Re-Appointed 20/11/18
Nicola, Loukia		Appointed 01/10/09	Re-Appointed 01/10/13 Re-appointed 01/10/17 Re-Appointed 01/10/21
Outwin-Flinders, Roger		Appointed 01/09/16	Re-Appointed 01/09/20
Peel, Roger Victor		Appointed 04/10/11	Re-Appointed 04/10/15 Re-Appointed 04/10/19 Re-Appointed 04/10/20 Re-Appointed 01/10/21
Tinios, Platon		Appointed 24/04/12	Re-Appointed 24/04/16 Re-Appointed 24/04/20
Paleokrassas, George Andreas		Appointed 01/04/13	Re-Appointed 01/04/17 Re-Appointed 01/04/21
Coulon-Contomichalos, Nathalie Isabelle		Appointed 06/01/18	Retired 06/01/22
Contomichalos, Sarah Kinney		Appointed 07/04/21	
Braimi, Athanasia		Appointed 25/01/19	
Hohenstein (Hodgson), Adele		Appointed 01/10/21	

Key Personnel & Advisors

Headmaster:	James Stuart Smith, BA (Hons) Oxon (appointed Head 01/09/13)	
Company Secretary:	Company Secretary: Mrs Deborah Eleftheriou (appointed 20/11/12)	
Business Director:	Mr Konstandinos S. Theodosiou (appointed 11/04/11)	
Senior Accountant:	Mr Anastasios Koutsoukos (appointed 27/06/11)	
School's address:	Leoforos Venizelou 77 Lycovrissi GR141 23 Athens Greece	
Website:	www.stcatherines.gr	
Registered Office:	66 Lincoln's Inn Fields LONDON WC2A 3LH ENGLAND	
Bankers:	HSBC Bank Kifissias Avenue, Kifissia GR145 62 Greece	Alpha Bank Ethniki Odos 17 th km Athinon Lamias Kifissia GR145 64 Greece
	National Bank of Greece Potamou 25 & Galinis Avenue, N. Kifissia GR145 64 Greece	Eurobank P: Maximou 2 & Deligianni, Kefalari GR145 62 Greece
Solicitors (U.K.):	Farrer & Co LLP 66 Lincoln's Inn Fields LONDON WC2A 3LH ENGLAND	
Solicitors (Greece):	C. & S. Dimitriou & Associates 28 Didotou Street ATHENS 106 80 GREECE	
Auditors:	Hillier Hopkins LLP Chartered Accountants and Statutory Auditors Radius House 51 Clarendon Road Watford, Herts WD17 1HP	
	And tgs (Hellas) Certified Auditors Accountants SA 60 Kifissias Av. 151 24, Maroussi, Greece	

Governance

The Directors ratify specific school policies; some, such as Health & Safety and Child Protection are reviewed and endorsed on an annual basis, others are reviewed periodically. The day-to-day management of the School is delegated to the Headmaster.

The School operates four standing committees:

- Finance/Resources & HR Committee
- Curriculum/Standards Committee
- Human Resources Committee (merged with Finance/Resources with effect from 17/11/2021)
- Health and Safety Committee
- Marketing & Development Committee (with effect from 29/11/2021)

All the above committees are chaired by a Director and include other Directors and staff as appropriate. The minutes of the meetings are distributed to the Board for ratification. Each committee has Terms of Reference, and their role is to monitor, review and evaluate all appropriate matters and bring recommendations to the Board. The School also has a Bursary Committee that is chaired by the Chairman of the Board which meets to discuss and decide on the granting of means tested bursaries.

Directors' Induction and Training

Governors/Directors shall be nominated by the Nominators from time to time (the British Ambassador, the Director of the British Council, and the Director of the British School at Athens) or by the Nomination Committee (the Chair, Vice-Chair and Honorary Treasurer) and presented to the Governing Board for consideration. On a resolution by the Board, once appointed, Governors become Members/Directors of the "School" for a four-year term. Following the fourth anniversary (six years for Executive Governors/Chairman's Committee) Governors shall be entitled to be considered for re-appointment for up to one additional four-year term (for Governors) or six-year term (Executive Governors). At any one time there shall be no more than two persons nominated by a single Nominator sitting on the Governing Body. No Nominator shall be a member of the School.

Governors follow an induction programme with the Headmaster, Executive Leadership Team, Company Secretary, and the Chairman's Committee. Upon appointment, a Director receives a detailed file with the School's constitution, its corporate documentation, and its by-laws. The Board of Governors in consultation with its advisors are constantly looking for ways to broaden the skills and experience of the School's Governing Body. Following the Board of Governors full day's INSET session with Stuart Westley from AGBIS and the advent of the Key Stage/Curriculum-linking initiative during the academic year 2015-2016, the ISI inspection team in November 2016 rated the "quality of governance as excellent" – the top possible grade. In their report, the inspectors commented: "Governor training has a high priority. Each February there is a joint governor and Senior Leadership workshop which has increased governors' insight into the working of the School. Furthermore, governors are invited to attend staff training sessions as appropriate".

The Directors receive no remuneration or financial assistance. Directors' expenses as they relate in their capacity to carry out their duties and responsibilities may be recovered from the School. The amount of Directors' expenses in the financial year ended 31st August 2021 amounted to €389, being reimbursement of airfares, taxi fares and hotel costs to enable those Directors, who are based in the UK, to attend meetings. The Directors are indemnified by the School in accordance with its Memorandum and Articles of Association.

Principal Risks and Uncertainties

The principal financial risks of the School relate to a potential reduction in student numbers, to high inflation and a significant worsening of the economic conditions in Greece and therefore risk of currency change. The most significant overhead relates to staff costs. Staff payment awards and School fee increases are set by the

Board each year together with the approval of the budget and therefore the School has some control over the payroll overhead and its revenue. The School does not have significant hard currency exposure.

During 2017 and 2018 the School obtained financing in the form of an EIB mortgage loan with National Bank of Greece (NBG) and Alpha Bank totalling €15m in order to finance the building of the new upper school. The final drawdown of the loans was made in December 2020 bringing loan balances to €7.5m respectively. As of 31st August 2021, the loans balances had reduced by €500k respectively following part repayment of the loans in line with the repayment schedules. The future financial obligations and covenants associated with loan funding obtained from our bankers for the building of Phase 1 of a new school gave rise to additional risk factors and possible constraints for the School Business plan that were approved by the Board on 5th June 2018. A reduction in revenues, increase in overheads or reduction in the values of the School's fixed properties may result in the School's failure to meet its obligations which may result in a default under the terms and conditions of such loan agreements. Increases in interest rates may also adversely affect the School's ability to meet its obligations. These defaults may result in the bankruptcy or insolvency of the School. In addition, the loan covenants may restrict the School's business and financing activities. The school therefore carefully evaluates its funding and endeavours to ensure that its business plans are prudent and ensure adequate liquidity to cover for potential uncertainties.

The principal risks to which the School is exposed, as identified by the Directors, are reviewed systematically from time to time in order to mitigate those risks. An example of risk mitigation was when the Directors took into consideration the then current economic climate in Greece and decided not to raise tuition fees for the academic years from 2010/11 to 2018/19. Similarly, staff pay awards were kept at nominal levels.

For the academic year 2019/20 the tuition fees were raised by 2% approximately and the staff had a small increase in the form of benefits in kind (Supermarket voucher cards). No increases were made in 2020/21.

The COVID-19 Pandemic: As mentioned earlier, the onset of the pandemic in March 2020 impacted negatively on the day-to-day operations of the school, an impact not limited only to schools! Due to the government enforced lockdown requirements, the school launched online teaching programmes from Nursery through to the Sixth Form. Furthermore, Blended Learning programmes were developed as parts of the School were allowed to re-open whilst others remain closed. A development that was also employed to the full when part of some year groups were required to quarantine whilst the remainder were in school. Upon re-opening the school, the Executive Leadership Team ensured that:

- all staff were tested for COVID.
- the school itself was deep cleaned.
- disinfectant gels were placed around the building.
- safe social distancing measures were introduced.
- additional staffing was added to monitor student compliance with the regulations and also increased cleaning schedules.

As a result of the above measures, the school's expenses increased significantly with respect to staffing, disinfectants, masks and cleaning materials notwithstanding some limited furloughs and discounted offers. Furthermore, rentals receivable decreased following government enforced rental reductions even though this was to some extent offset by the reduction of rentals payable. The school also had to withstand some aggressive claims for fee reductions/discounts from parents – a number of which remain outstanding into the current year. Nevertheless, the school did decide to make some concession to the families in Nursery, Reception and Years 1 and 2 for their school fees for 2020-2021. The effects of the Covid pandemic continued to be felt in 2020/21 both in reduced revenues due to the discounts highlighted above as well as increased expenses in cleaning materials and Covid testing of staff.

The current energy crisis sweeping the globe, and now escalating due to the onset of war in Ukraine, has also impacted on the school. This has resulted in significant increases to electricity and gas bills in 2022. These high charges are expected to continue throughout 2022. These increasing energy costs have also impacted on the

cost of goods and services. Inflation in Greece as at end of February 2022 is estimated at 7.2%. The school, as always, is investigating measures to mitigate these increased costs.

Strategic Report

• Review

Over the last decade the School has implemented a plan to maintain occupancy at between 1,050 and 1,200 until its development plan for the Macsolar property was completed. Recent occupancy data is summarised as follows:

<u>Academic Year</u>	<u>approx. no. of pupils</u>
2008/2009	890
2009/2010	938
2010/2011	1,030
2011/2012	1,100
2012/2013	1,067
2013/2014	1,071
2014/2015	1,116
2015/2016	1,155
2016/2017	1,144
2017/2018	1,176
2018/2019	1,205
2019/2020	1,228
2020/2021	1,276
2021/2022 (estimated)	1,310

Another example of risk mitigation, on this occasion including a qualitative aspect, was that for the 2012/13 academic year, the Directors took the decision to reduce the number of classes in the nursery and lower year groups in order to allow for the accommodation of organic growth in the higher year groups. This decision to halt the on-going growth had allowed greater flexibility for the School as it prepared its strategic campus development plan. This resulted in a slight decrease in student numbers to 1,067 in 2012/13. This again was the case in 2016/17 where the number of Year 1 classes was reduced from four forms to three. This resulted in a slight decrease in student numbers to 1,144. In 2017/18, the student numbers increased to 1,176 due to the re-inclusion of a fourth form in year 1. In 2018/19, the student numbers increased to 1,205, in 2019/20 to 1,228 and in 2020/21 to 1,276. The student numbers for 2021/22 are estimated to be around 1,310.

The School's bursary scheme in 2020/21 supported 120 pupils (prior year 125) in various percentages of which 78 (prior year 74) were staff children (also in various percentages).

• Financial Results

The financial performance for the year 2020/21 was above the budget approved by the Board.

Total Incoming Resources for the year 2020/21 were €14,906,588 compared to €14,552,066 for 2019/20 representing an increase of €354,522 or 2.44% compared to the year 2019/20. Pupil numbers increased by 3.90% in 2020/21 compared to 2019/20.

Total Resources Used for the year 2020/21 amounted to €13,314,884 compared to €11,935,577 for 2019-2020 representing an increase of €1,379,307 or 11.56% compared to the year 2019/20.

Net Incoming Resources for the year 2020/21 amounted to €1,591,704 compared to €2,616,489 for 2019/20 representing a decrease of €1,024,785 or -39.17%.

Net Movement in Funds amounted to €1,571,375 for the year 2020/21. This was due to the actuarial loss on staff retirement of €20,329. The balance carried forward increased to €26,591,399.

- **Reserves**

The School's restricted reserves relate to funds held for specific purposes. At 31st August 2021 there are €531,683 held under the Land Revaluation Reserve and €146,742 held under the School Reserve totalling €678,425.

The School's unrestricted funds are re-invested back into the School through additions and improvements to its facilities and expenditure in relation to new technology as well as new furniture and fittings. At 31st August 2021 there were €25,912,974 in unrestricted reserves.

The directors consider that the ideal level of reserves would be between 1 to 2 years' expenditure. The directors believe that the current unrestricted reserves represent a sufficient level to ensure that the going concern assumption is appropriate.

The reserves Policy is reviewed on an annual basis.

- **Resources**

The School's assets are sufficient to meet its obligations.

The results are set out in the attached Statement of Financial Activities, Balance Sheet and Statement of Cash Flows.

The School's Business Director produces management reports together with his team that measure the actual performance of the School compared to the budget as well as interim financial statements. The Financial Statements and management reports are reviewed by the Board and the Headmaster.

After making due enquiries, the Board of Directors confirm its expectation that the School has adequate resources to continue in operational existence for the foreseeable future. Therefore, in preparing the financial statements the Board continues to adopt the going concern basis.

- **Development Plans**

In January 2011, the School received zoning approval under the Single Implementation Act, allowing for the development of the Macsolar site that was acquired in 2009. The acquisition of the Macsolar property was designed to relieve the space constraints created due to the pupil growth, which had resulted from the successful implementation of the School's business plan.

The Board of Governors together with the Headmaster and the Executive Leadership Team of the School had considered different development options for the Macsolar property. On the 16th of November 2016 the Municipal Council of Kifissia formally approved the introduction of the development into the city's town plan. As mentioned earlier, the Board had approved the Business plan on the 7th December 2016 which would see the redevelopment of the Macsolar building as Phase 1 of the new school. In anticipation of the above council approval, the school had over the previous two years selected the architects (Tombazis Associates) and project management company (Focal) following competitive tendering processes. As part of these processes, concept designs for Phase 1 had also been produced. During 2016/17 the school worked with Tombazis and Focal to finalise the architectural plans for the redevelopment. In April 2017, formal agreements were signed with the architects, the Engineers and the Project Management Company involved.

In August 2017 the School acquired the Wella property - adjacent to the Macsolar property. This property will form part of Phase 2 of the redevelopment, and it has been decided that it will be reconfigured to create a multi-sports complex for use by all the students of the school. In July 2019, the School signed an agreement

with Vratsanos & Koula Architects, Structural Engineers and MEP Engineers to produce designs and plans for the re-design of Wella. It is hoped that construction will be able to begin in the 2021/22 school year.

The Building Permit for Phase 1 was obtained on the 21st May 2018. Following a rigorous tender process, Redex SA was selected to redevelop the Macsolar site into a new Upper School and incorporating some whole school facilities such as a theatre and a library. Construction began in June 2018. Although it was hoped that the new Upper School campus would be operational by September 2019, this was delayed by the uncovering of a range of archaeological findings. The initial handover of the new upper school building was made by Redex in August 2020 thus allowing the school to open its doors to the students in September 2020.

The School continues to be concerned about the current economic climate and does not wish to undertake inappropriate risks. The School will make careful allocation of its resources to the development budgets and manage the associated risks and exposures in a prudent manner.

With the move of the Upper School into their new facility in September 2020, a major reconfiguration of the current site for the Lower School was planned and implemented from November 2019 through to August 2020.

During 2020/21 the upper school development was completed. Final works included the finalisation of the science laboratories, the addition of a waterproof roof canopy, signage in the building, wooden fittings as well as the final billings of Redex for the completion of the building.

Building improvements were made to the Lykovrisi site (Lower School) to facilitate the use of the buildings freed up by the move of the Upper School to the new campus.

Three outdoor basketball courts were constructed in the Wella Complex at a cost of €167,790.

Furniture & Equipment, Hardware and Software additions amounted to €395,690.

Key Information Technology upgrades included the following:

- Providing touchscreen devices for all Lower School teaching staff.
- Continued technology upgrades in classrooms and science labs equipment.
- Continued replacement of old desktops and laptops.

Disclosure of Information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

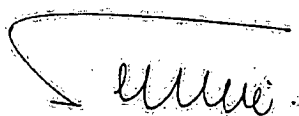
Re-Appointment of auditors

In accordance with s485 of the Companies Act 2006, a resolution is to be proposed at the Board Meeting for reappointment of Hillier Hopkins LLP as statutory auditors.

Approval of the Directors' Report and Financial Statements

A resolution approving this Directors' Report and the School's Financial Statements for the year ended 31st August 2021 will be put forward at the Board meeting to be held on **6th April 2022**. In signing this report the Directors confirm that they have approved the Strategic Report in their capacity as Company Directors of St. Catherine's British School.

Approved by the Board of Directors at its meeting on **6th April 2022** and signed on its behalf by:



Stavros Taki
Chairman



Kyriacos Sabatakakis
Hon. Treasurer

ST. CATHERINE'S BRITISH SCHOOL

Statement of Directors' Responsibilities

The Governors (who are also the Directors of the Company for the purposes of company law) are responsible for preparing the Directors' Report (including the Strategic Report) and the accounts in accordance with applicable law and regulations.

Company law requires the Directors to prepare accounts for each financial year. Under that law the Directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the School and of the profit or loss of the School for that period. In preparing those accounts the Directors are required to:

- Select suitable accounting policies and then apply them consistently
- observe the methods and principles of the Charities SORP (FRS 102)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts and
- Prepare the accounts on the going concern basis unless it is inappropriate to assume that the School will continue in business.

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. CATHERINE'S BRITISH SCHOOL

Opinion

We have audited the financial statements of St. Catherine's British School (the 'Company') for the year ended 31 August 2021, which comprise the Statement of Comprehensive Income, the Statement of Financial Activities, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law 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 Company's affairs as at 31 August 2021 and of its profit 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 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 directors 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 the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 12, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the control environment and performance of the Company, including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management. We consider the results about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, the Charities SORP 2019 and relevant tax legislation.

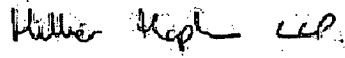
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Use of our report

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



.....
Neil Cundale BSc FCA (Senior statutory auditor)

for and on behalf of
HILLIER HOPKINS LLP

Chartered Accountants & Statutory Auditor

Radius House
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

Date: 22 April 2022

ST. CATHERINE'S BRITISH SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31st AUGUST 2021

(All amounts in tables and notes are presented in € unless otherwise stated)

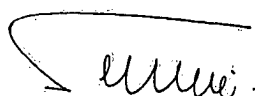
		31-Aug-21	31-Aug-20
	Notes		
Incoming Resources			
Income from charitable activities:			
Fees Receivable		14,117,849	13,672,420
Other Income	2	788,174	879,322
Bank Interest		565	324
Total Incoming Resources		14,906,588	14,552,066
Resources Used			
Direct Charitable Expenditure:			
Staff Costs	3	9,327,508	9,287,531
Educational Consumables		295,317	195,291
Maintenance & Utilities		805,831	661,531
Real Estate, VAT and other Sundry Duties	4	244,361	197,548
Governance Costs		15,089	19,920
General Administration Expenses		961,880	772,185
		11,649,986	11,134,006
Other Expenditure:			
Interest		519,665	71,197
Foreign Exchange gains		5,639	2,463
Depreciation	6	1,360,603	438,250
Bad Debts		(255,562)	284,121
Normal Taxation		34,553	5,540
		1,664,898	801,571
Total Resources Used		13,314,884	11,935,577
Net Incoming Resources			
Before Other Recognised Gains & Losses - unrestricted Funds	5	1,591,704	2,616,489
Actuarial gain/(loss) on Staff Retirement Indemnities - unrestricted funds	10	(20,329)	93,123
Net Movement In Funds		1,571,375	2,709,612
Balance Brought Forward at 1 st September		25,020,024	22,310,412
Balance Carried Forward at 31st August		26,591,399	25,020,024

ST. CATHERINE'S BRITISH SCHOOL**BALANCE SHEET AS AT 31st AUGUST 2021**

(All amounts in tables and notes are presented in € unless otherwise stated)

		31-Aug-21	31-Aug-20
	Notes		
Fixed Assets			
Tangible Fixed Assets			
School's Land, Buildings and Equipment	6	39,028,027	38,378,331
Current Assets			
Debtors	7	590,543	811,156
Cash and Banks		12,365,752	4,890,521
		<u>12,956,295</u>	<u>5,701,677</u>
Current Liabilities			
Creditors Due Within 1 Year	8	(9,644,656)	(9,002,704)
Short Term portion of Long term loan	9	(1,500,000)	(1,000,000)
		<u>(11,144,656)</u>	<u>(10,002,704)</u>
Net Current Assets		1,811,639	(4,301,027)
Total Assets Less Current Liabilities		<u>40,839,666</u>	<u>34,077,304</u>
Long Term Liabilities			
Bank Loans	9	(12,500,000)	(7,300,250)
Retirement Benefits	10	(1,741,017)	(1,757,030)
Other Long Term Liabilities		(7,250)	0
		<u>(14,248,267)</u>	<u>(9,057,280)</u>
Total Net Assets		<u>26,591,399</u>	<u>25,020,024</u>
Restricted Funds	11	678,425	678,425
Unrestricted Funds	11	25,912,974	24,341,599
Total Funds		<u>26,591,399</u>	<u>25,020,024</u>

Approved by the Board of Directors at its meeting on 6th April 2022 and signed on its behalf by:



Stavros Taki
Chairman



Kyriacos Sabatakakis
Hon. Treasurer

ST. CATHERINE'S BRITISH SCHOOL**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31st AUGUST 2021**

(All amounts in tables and notes are presented in € unless otherwise stated)

	31-Aug-21	31-Aug-20
Net Cash Inflow From Operating Activities	4,339,433	5,231,871
Taxation	(34,553)	(5,540)
Cashflow from Investing Activities	(2,009,734)	(11,931,428)
Capital Expenditure And Financial Investment	(2,010,299)	(11,931,752)
Interest Received	565	324
Cashflow from Financing Activities	5,180,085	7,444,079
Net Loan Received (Received less Paid)	5,699,750	7,515,276
Interest Paid	(519,665)	(71,197)
Increase / (Decrease) In Cash	7,475,231	738,982
Cash and cash equivalents at the beginning of the year	4,890,521	4,151,539
Cash and cash equivalents at the end of the period	12,365,752	4,890,521
Reconciliation of net incoming resources to net cash inflow from operating activities		
Net incoming resources	1,591,704	2,616,489
Interest	519,100	70,873
Taxation paid	34,553	5,540
Depreciation	1,360,603	438,250
Bad debt provision	(255,562)	284,121
Increase/(Decrease) in provision for retirement indemnities	(36,342)	103,462
(Increase)/Decrease in debtors	476,175	(771,782)
Increase in creditors - excluding loan	641,952	2,484,918
Increase in other long term liabilities	7,250	0
Net Cash Inflow From Operating Activities	4,339,433	5,231,871

1. ACCOUNTING POLICIES

a) Statement of compliance and Basis of Preparation

The financial statements have been prepared on a going concern basis, and 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 are presented in Euros which is the functional currency of the School.

b) Tangible Fixed Assets

Land is stated at deemed historical cost (previously revalued cost) following change to FRS 102, while the remainder of the tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets in use, other than freehold land that is not depreciated, at rates and bases calculated to write-off the cost of the assets over their expected useful lives by the straight-line method. The depreciation rates are 4% to 5% for buildings and general improvements, 10% for furniture and equipment items, and 20% for computers and software. Leasehold improvements are depreciated over the lease term.

c) Fees

Income is recognised when the School has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

The School's revenue comprises non-refundable application fees and main school and nursery fees, net of bursaries and other discounts. Fee income is recognised over the period to which it relates. Registration fees and development funds are treated as income in the year they are received.

d) Expenditure

Expenditure is generally inclusive of irrecoverable V.A.T. and is reflected in the accompanying accounts by nature. However, with effect from 1st January 2014, all VAT is separately disclosed in Real Estate, VAT and Other Sundry Duties. Purchases made in Europe, which give rise to a Greek VAT obligation, are also reflected separately in Real Estate, VAT and Other Sundry Duties under direct charitable expenditure.

e) Pension scheme

The School operates a defined benefit scheme in Greece which provides a savings/pension scheme for employees that choose to participate. The School matches up to 5% of the contributions to the scheme. The School continued to operate a defined contribution scheme in the UK, which provides life and retirement benefits to certain of its employees. The scheme is managed by a life assurance company and its assets are held separately for each individual member. All staff are also members of the Greek state social security and Pension arrangements.

f) Reserve for Staff Retirement Indemnities

The School's staff retirement obligations under the Greek State Social Security and pension arrangements are calculated in accordance with the provisions of FRS 102, at the discounted value of the future retirement benefits accrued. Retirement obligations are calculated on the basis of financial and actuarial assumptions and are determined using the projected unit credit actuarial valuation method (Project Unit Credit Method). The pension expense for the period is included in staff costs and consists of the present value of benefits earned in the year, interest cost on the benefit obligation and any past service cost. Actuarial gains and losses are recognised in full in other recognised income and expense in the period in which they occur.

g) Foreign currencies

The accounts are expressed in Euros. The exchange rate at 31st August 2021 was £1 / €1.166 (31st August 2020: £1 / €1.117). Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Differences on translations are reflected in the statement of financial activities.

h) Taxation

The School is a not-for-profit organisation and is therefore exempt from income tax (except for activities not related to education). Irrespective of the School's exempt income tax status, it is subject to Real Estate Property Tax.

i) Leases

Rentals payable under operating leases are charged in the statement of financial activities on a straight-line basis over the lease term.

j) Funds

The School's restricted funds are held for specific purposes. They consist of €531,683 held under the Land Revaluation Reserve and €146,742 held under the School Reserves. The School's unrestricted funds are re-invested back into the School through additions and improvements to its facilities and expenditure in relation to new technology as well as new furniture and fittings.

k) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand including any 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.

l) Resources expended

Direct Charitable Expenditure represents the full cost of teaching, welfare, premises, and support costs associated with running the School. Governance costs represent the necessity of compliance with statutory and constitutional requirements.

ST. CATHERINE'S BRITISH SCHOOL**Notes to the Accounts as at 31st August 2021**

(All amounts in tables and notes are presented in € unless otherwise stated)

2. OTHER INCOME

Other income amounts to €788,174 for 2020/21 (€879,322 in 2019/20). The decrease is mainly due to less Development department donations revenue amounting to €81,000 for 2020/21 (€334,053 for 2019/20) as well as less PE clubs revenue amounting to €75,042 in 2020/21 (€167,507 for 2019/20) as a result of the Covid pandemic. The decreases above are offset by an increase in Other Educational Fees revenue amounting to €147,633 due to reallocation.

3. STAFF COSTS

	31 Aug 2021	31 Aug 2020
Wages & salaries	7,007,771	6,921,492
Social security costs	1,620,400	1,690,539
Pension contributions	233,701	239,011
Other costs	465,636	436,489
	<u>9,327,508</u>	<u>9,287,531</u>

The Board Directors received no remuneration or reimbursement of expenses during the year except for amounts directly related to attending the governors' meetings such as taxis, airfares, meals and hotel costs included in Governance costs in the accompanying statement of financial activities amounting to 2020/21: €389 (2019/20: €4,650).

The average monthly number of employees (both full-time and part-time) during the year is shown below.

	2020-2021	2019-2020
Full-time teaching staff	87	81
Part-time teaching staff	15	17
Teaching Assistants	39	37
Administration staff	35	33
Site Maintenance & Cleaning	29	25
Management	11	11
PE Coaches	21	20
Supply Teachers & Assistants	16	6
Archaeology	0	1
	<u>253</u>	<u>231</u>

Employee numbers have increased by twenty-two year-on-year mainly due to the increase in teaching and teaching assistant staff to accommodate additional forms in Year 6 and Year 7 (from four to 5 forms). There were also increases in site maintenance and cleaning staff to accommodate the needs to the new Upper School (MacSolar) building. There were also significant increases in support teachers and assistants.

The key management personnel of the School comprise the Board of Directors, the Headmaster, the Deputy Head/Head of Upper School, the Head of Lower School and the Business Director.

ST. CATHERINE'S BRITISH SCHOOL**Notes to the Accounts as at 31st August 2021**

(All amounts in tables and notes are presented in € unless otherwise stated)

The total employee benefits of key management personnel of the School were €462,301 for 2020/21 (€488,474 for 2019/20).

4. REAL ESTATE PROPERTY TAX, VAT & OTHER SUNDRY DUTIES

In the current fiscal year, the School paid various sundry duties and taxes amounting to €244,361 (€197,548 for 2019/20). This comprised mainly VAT payable on local goods and services to the Greek tax authorities and amounted to €214,002 (€158,272 in 2019-20). VAT payable on purchases made within the European Union amounted to €21,076 (€30,461 in 2019-20).

5. NET INCOMING RESOURCES - Before Other Recognised Gains & Losses

Included in Net Incoming Resources are the following disclosable items:

- (a) Audit remuneration for 2020/21 amounted to €14,700 (2019/20 - €15,270)
- (b) Operating leases - Land & Buildings for 2020/21 amounted to €133,372 (2019/20 - €133,572)
- (c) Operating Leases - Cars for 2020/21 amounted to €2,674 (2019/20 - €3,827)

6. TANGIBLE FIXED ASSETS

	Freehold & Leased Land & Buildings	Furniture & Equipment	Improvements	Total
<u>Cost or Deemed Cost:</u>				
At 1st September 2020	42,660,991	3,915,073	982,540	47,558,604
Additions	1,614,609	395,690	0	2,010,299
Devaluations/Disposals	0	0	0	0
At 31 August 2021	44,275,600	4,310,763	982,540	49,568,903
<u>Depreciation:</u>				
At 1st September 2020	5,341,144	2,959,203	879,926	9,180,273
Charge for the year	1,062,781	243,734	54,088	1,360,603
Disposals	0	0	0	0
At 31 August 2021	6,403,925	3,202,937	934,014	10,540,876
<u>Net book value:</u>				
At 31 August 2021	37,871,675	1,107,826	48,526	39,028,027
At 31st August 2020	37,319,847	955,870	102,614	38,378,331

On 31st August 2015 a valuation of freehold land was conducted by Proprius S.P. LLC (a member of the Cushman & Wakefield Alliance). The basis of valuation was the market value of each property in its current condition, assuming vacant possession and not considering any business aspect. The School's land was valued at €12,054,000. This resulted in a devaluation of €871,000 which reduced the revaluation reserve created in previous years of €1,402,683 at 31st August 2014 to €531,683 at 31st August 2015.

ST. CATHERINE'S BRITISH SCHOOL**Notes to the Accounts as at 31st August 2021**

(All amounts in tables and notes are presented in € unless otherwise stated)

Had the School's land been carried at historical cost, its carrying value would have amounted to €11,522,317.

In applying the accounting policies required by FRS 102 and the Charities SORP FRS 102, the school has elected that the revalued value of the land be deemed cost as from the Balance Sheet date. Accordingly, the Revaluation reserve of has been frozen at €531,683.

In August 2017 the School acquired the Wella property adjacent to the Macsolar site as part of its strategic campus development. The intention is to utilise the existing building footprint to build a new Sports Complex with a swimming pool, Basketball, Dance, Gym and PE classroom teaching facilities.

Notwithstanding the delays caused by the Ministry of Culture as a result of Archaeology findings, significant progress had been made with respect to the Macsolar Building Development in 2019 and 2020. On 10th of August 2020 the school accepted the preliminary handover of the new building from the construction company Redex. Admin staff were relocated during August 2020 to the new premises and the school opened its doors to the upper school students in September 2020.

During 2020/21 the upper school development was completed. Final works included the finalisation of the science laboratories, the addition of a waterproof roof canopy, signage in the building, wooden fittings as well as the final billings of Redex for the completion of the building. Macsolar building additions for the period amounted to €1,409,761. Building improvements on the Lykovrisi site amounted €30,238. Three outdoor basketball courts were constructed in the Wella Complex at a cost of €167,790. Furniture & Equipment, Hardware and Software additions amounted to €395,690.

7. DEBTORS

	2020-2021	2019-2020
	€	€
Fees (Net of Bad Debt)	337,945	344,609
Guarantees	34,218	30,011
Other debtors (a)	140,546	378,597
Prepaid expenses (a)	77,834	57,939
	<u>590,543</u>	<u>811,156</u>

- (a) The amount of other debtors and prepaid expenses includes advances to suppliers relating to construction activity of various projects, as well as purchases of books and educational material, which will be used in the following school year.

ST. CATHERINE'S BRITISH SCHOOL**Notes to the Accounts as at 31st August 2021**

(All amounts in tables and notes are presented in € unless otherwise stated)

8. CREDITORS: Due within one year

	2020-2021	2019-2020
	€	€
Trade creditors	927,319	1,860,398
Reservation deposits (a)	6,891,493	5,145,117
Sundry creditors	1,162,834	1,128,630
Taxes & social security	290,330	274,801
Accruals	372,680	593,758
	<u>9,644,456</u>	<u>9,002,704</u>

(a) During 2020/21 the School received €6,891,493 representing part of the annual fees in advance for the 2021/22 school year.

9. BANK LOANS

Following approval by the Board of Governors by ordinary written resolution dated 18th December 2017, the Chairman of the Board signed an EIB loan agreement with Alpha Bank SA amounting to €7.5m dated 22 December 2017 representing 50% of the funding required for the redevelopment of the new upper school on the Macsolar site.

On 21st June 2018, the Headmaster signed an EIB loan agreement with National Bank of Greece (NBG) for a loan of €7.5m. This NBG loan together with the loan above amounts to the required loan funding of €15m that the school needs to complete phase 1 (Macsolar) and phase 2 (Wella) of the building project.

In September 2018, the School was notified by NBG that the loan of €7.5m could not exceed €5m due to the rules of the EIB. NBG did however inform the School that it would fund the required €2.5m through a normal construction loan. The required replacement loan agreements were approved by the Board and finally signed by the Headmaster on the 19th December 2019.

	2020-2021	2019-2020
	€	€
Due within one year (short term portion)	1,500,000	1,000,000
Due after one year (long term portion)	12,500,000	7,300,250
	<u>14,000,000</u>	<u>8,300,250</u>

The loans are secured by a first preferred mortgage on the School's immovable property. In addition, the insurance policies on the School's immovable property have been assigned as collateral for this loan facility.

ST. CATHERINE'S BRITISH SCHOOL**Notes to the Accounts as at 31st August 2021**

(All amounts in tables and notes are presented in € unless otherwise stated)

10. PROVISION FOR RETIREMENT INDEMNITIES

Under Greek labour law, employees are entitled to termination payments in the event of dismissal or retirement, with the amount of payment varying in relation to the employee's compensation, length of service and manner (dismissed or retired) of termination, which if due to retirement is 40% of the amount payable upon dismissal. Employees who resign or are dismissed with cause are not entitled to termination payments. The number of employees who will eventually be dismissed or retire in subsequent years is not known.

An actuarial valuation of the retirement indemnities liability was performed during the year by independent actuaries. The movement and components of the retirement indemnities liability for the year ended 31st August 2021 is as follows:

Net liability recognised in the Balance Sheet	2020-2021	2019-2020
	€	€
Present value of defined benefit obligation	1,741,017	1,757,030
Net liability	1,741,017	1,757,030
Actuarial assumptions	2020-2021	2019-2020
	%	%
Rate of salary increases	2.95%	2.95%
Discount rate	0.70%	0.70%
Average price inflation	1.70%	1.00%
Net expense recognised in the Statement of Financial Activities	2020-2021	2019-2020
	€	€
Service cost component	115,528	122,068
Past Service Cost due to amendments	1,278	14,508
Interest cost component	12,299	5,240
Termination benefits	(12,790)	(34,959)
Less: Benefits paid	(152,656)	(3,394)
	(36,342)	103,462

ST. CATHERINE'S BRITISH SCHOOL**Notes to the Accounts as at 31st August 2021**

(All amounts in tables and notes are presented in € unless otherwise stated)

10. PROVISION FOR RETIREMENT INDEMNITIES (continued)

Other recognised gains and losses recognised in the Statement of Financial Activities	2020-2021 €	2019-2020 €
Actuarial (gains)/losses	20,329	(93,123)
	<u>20,329</u>	<u>(93,123)</u>
Change in the present value of the defined benefit obligation	2020-2021 €	2019-2020 €
Present value of defined benefit obligation as at 1 st September	1,757,030	1,746,691
Service cost component	115,527	122,067
Past Service Cost due to amendments	1,278	14,508
Interest cost component	12,299	5,240
Termination benefits	(12,790)	(34,959)
Less: Benefits paid	(152,656)	(3,394)
Actuarial (gains)/losses	20,328	(93,123)
Present value of defined benefit obligation as at 31st August	<u>1,741,017</u>	<u>1,757,030</u>

The cumulative actuarial losses taken to the statement of other recognised gains and losses at 31st August 2021 were losses of €443,793 (2020: €423,465 losses).

ST. CATHERINE'S BRITISH SCHOOL**Notes to the Accounts as at 31st August 2021**

(All amounts in tables and notes are presented in € unless otherwise stated)

11. RESTRICTED AND UNRESTRICTED FUNDS**Restricted Funds**

	2020-2021	2019-2020
	€	€
Land Revaluation Reserve	531,683	531,683
School Reserves	146,742	146,742
	<u>678,425</u>	<u>678,425</u>

The Land Valuation Reserve reflects the revaluation of the School's freehold land. The revaluation reserve has been frozen due to the decision of the School to record the land at deemed cost following the adoption of FRS 102.

Unrestricted Funds

The School's funds are held to finance the freehold property and to cover normal fluctuations in working capital. As at 31st August 2021 unrestricted reserves amounted to €25,912,974 (2020: €24,341,599).

12. RELATED PARTY TRANSACTIONS

There were no related party transactions in the year.

13. CONTRACTS AND COMMITMENTS

At 31st August 2021 the School had commitments under non-cancellable operating leases as set out below:

	2020-2021	2019-2020
	€	€
Operating leases:		
Less than one year	174,167	153,993
In 2 to 5 years	17,544	167,350
Greater than 5 years	0	0
	<u>191,711</u>	<u>321,343</u>

Additionally, at 31st August 2021 the School had commitments related to the redevelopment of the Macsolar site as set out below:

	2020-2021	2019-2020
	€	€
Less than one year	110,940	897,205
In 2 to 5 years	0	0
Greater than 5 years	0	0
	<u>897,205</u>	<u>897,205</u>

ST. CATHERINE'S BRITISH SCHOOL**Notes to the Accounts as at 31st August 2021**

(All amounts in tables and notes are presented in € unless otherwise stated)

14. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sep 2020	Cash flows	Other noncash changes	At 31 Aug 2021
Cash and cash equivalents				
Cash	4.890.521	7.475.231	0	12.365.752
	4.890.521	7.475.231	0	12.365.752
Borrowings				
Debt due within one year	(1.000.000)	(500.000)	0	(1.500.000)
Debt due after one year	(7.300.250)	(5.199.750)	0	(12.500.000)
	(8.300.250)	(5.699.750)	0	(14.000.000)
	(3.409.729)	1.775.481	0	(1.634.248)

15. CONTINGENT LIABILITIES

During May 2000, the School's tax status was clarified with the tax authorities and the School was granted a Greek tax registration number. According to Greek tax legislation, tax returns are filed annually but the profits or losses declared for tax purposes remain provisional until such time as the tax authorities examine the returns and the records of the tax payer and a final assessment is issued. As the School has never been audited by the tax authorities since inception, its liability for taxes, fines, duties and any other dues or actions that may be levied or taken against it by the said authorities is not considered finalised.

Given the clarification of the School's income tax status described above, the School's principal activities are not subject to income taxes; as a result, the Directors believe that the possibility of realisation of such contingent tax liabilities is remote.

Greek tax law 3842/2010 imposed, among others a special tax of 15% to various categories (entities or individuals) of real estate owners in Greece, simultaneously providing for certain exceptions. The School, as a not for profit organization, is exempted from the above mentioned tax. The law specified that a formal procedure of submitting an exception application and a zero tax return to the tax authorities had to be followed. The School did not file an exception application with the tax authorities, for the calendar year 2010 but it directly submitted a zero tax return. Management believes that, because the School is exempted of the above mentioned tax non strict implementation of the above formalities will not result in any additional tax burden.

16. POST BALANCE SHEET EVENTS

No significant subsequent events have taken place after the reporting date and until the date the financial statements were available to be issued.