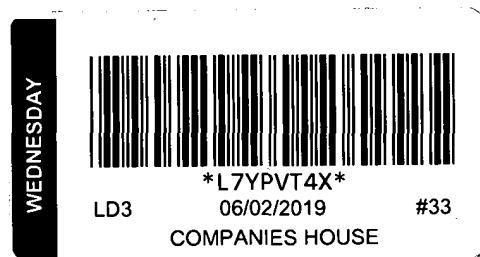


Company Registration Number 02677741

THE ENGLISH COLLEGE FOUNDATION

**A COMPANY LIMITED BY GUARANTEE
(CHARITY NO. 1015053)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**



THE ENGLISH COLLEGE FOUNDATION

**A COMPANY LIMITED BY GUARANTEE
(CHARITY NO. 1015053)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

CONTENTS

	Page
Report of the Board	1-5
Independent Examiner's report	6
Statement of financial activities	7
Balance sheet	8
Statement of cash flows	9
Notes to the financial statements	10-14

REPORT OF THE BOARD

The Board is pleased to submit its report and financial statements for the year ended 31 August 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the Charities Act 2011, the Companies Act 2006, and the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102).

Reference and administrative details**Directors**

Martyn Bond
Dr Paul Dakin
Elizabeth Cooke
Eva Dvorakova
Petr Fiman
Ann Lewis
David Rankin (resigned 16 May 2018)
Jakub Kohout
Janet Gunn (appointed 16 November 2017)
Barbora Simkova (appointed 16 November 2017)

Secretary

Dr Paul Dakin

Co-Treasurers

Petr Fiman, Jakub Kohout

Company Number

02677741

Charity Number

1015053

Registered Office

138 Tolmers Road, Cuffley, Potters Bar, EN6 4JR

Principal Office

138 Tolmers Road, Cuffley, Potters Bar, EN6 4JR

Accountants

UHY Hacker Young, Quadrant House, 4 Thomas More Square,
London E1W 1YW

Bankers

Barclays Bank Plc, London Corporate Banking
United Kingdom House, 180 Oxford Street, London, BX3 2BB

REPORT OF THE BOARD (CONTINUED)

Structure, governance and management

The English College Foundation is registered as a charity with the Charity Commission for England and Wales. It is a charitable company limited by guarantee with no share capital and is governed by its Memorandum and Articles of Association, which were revised on 22 January 2003. The liability of each member in the event of winding up is limited to £1.

In accordance with the governing document, there shall be not less than six or more than eleven directors at any one time. The directors, who are also the charity Trustees, are normally elected by the members of the company in a general meeting. The Board may appoint any member of the company as a director either as an additional director or to fill a casual vacancy. Any member so appointed must retire at the next annual general meeting but is eligible for re-election. At every annual general meeting one-third of the directors of the company retire from office and are eligible for re-election.

The Board meets three times a year. No member receives remuneration from the charity.

Risk management

The directors have considered the major risks that may affect the organisation and have taken steps as far as possible to mitigate those risks.

Objectives and activities

The English College Foundation's objectives in 2018 were:

- to provide support and advice to The English College in Prague as needed;
- to raise funds to assist the College, and specifically to fulfil a six-year agreement to fund bursaries;
- to increase awareness of and support for the College in the UK; and
- to help form a network of ECP alumni studying or working in the UK, to assist them and foster their long-term commitment to the College.

In the year under review the Foundation continued its moral and financial support for the English College. It responded to requests for assistance from the Headmaster, sought or offered advice when needed and worked hard to strengthen the alumni network.

Elizabeth Cooke continued as Chairman of the Foundation, with Ann Lewis and Martyn Bond as Deputies. Petr Fiman and Jakub Kohout jointly took over the Treasury responsibilities from David Cawte. Dinah Bond retired as Co-ordinator. Her tasks were shared out among Directors. The Directors are very grateful to Dinah and David for their many years of unstinting commitment to the Foundation and the College.

The Foundation was delighted that the Czech Ambassador to the UK, Libor Secka, agreed to continue the tradition of a summer garden party in support of The English College in Prague. This year it took place at the Czech Embassy in June. It was a very lively occasion and attracted a sizeable attendance, including a large group of alumni. We are grateful to the Ambassador and to his staff, especially Jan Brunner, a former ECP student and now Deputy Chief of Mission at the Embassy, who made the welcoming speech, for their help with the event.

The garden party raised some £1,800. This went to the College to fund the acquisition of a range of kit for the digital printing and Arduino after-school club.

REPORT OF THE BOARD (CONTINUED)

Objectives and activities (continued)

The Ambassador's wife, Sabrina Seckova, hosted a lunch at the residence in November for the Lord Holme Memorial Society, an association for people who are leaving a legacy to the College in their will. Four of the College's Headmasters attended, as well as a group of Society members.

The Foundation was invited to send 5 representatives to the HRH Prince of Wales' 70th birthday party at Buckingham Palace in June. This was a gathering for all the organisations of which he is Patron.

Alumni of the College were invited to a drinks party after the Foundation's AGM in February, at which three alumni, Gabriela Silova, Damian Kysely and Sandra Sykorova made short presentations. This insight into what happens to ECP graduates in later life was much appreciated by those present.

A sixth annual drinks party for alumni, intended to enable new students in the UK to meet older alumni, was held in October 2018 at an old pub off the Strand. The alumni are a great credit to and the best ambassadors for the College. Those who have started work, are living in the UK and show a continuing interest in the College, are invited to become Members of the Foundation.

The Foundation has for the 13th year arranged a programme of work experience in the UK for students in their last year at the College, this year placing 8 students. Host organisations included the Evening Standard, the European Human Rights Advisory Committee, London Capital Credit Union, a finance start-up and Imperial College. The two placements at Imperial College were particularly welcome as they were the first we have secured in a science lab. This was arranged thanks to an ECP graduate currently doing a PhD at Imperial. Four of this year's placements were fixed through alumni, a very welcome development. We are grateful to all those individuals and organisations taking part in the programme and to the students' host families. We urgently need more host families if the programme is to grow.

The Headmaster, Dr Nigel Brown, has had a very successful second year in the post. He has given the school a greater focus on teaching and learning, emphasised staff team-building and expanded the programme of in-house training. He had a personal appraisal by an external assessor in October, which concluded he was an outstanding headmaster. It quoted one parent as saying "From the parent's perspective, he is the kind of headmaster we all wish for". He has indicated he would be happy to stay at the College indefinitely, and the Governors share this wish.

The school had a UK Inspection in October. The overall judgment was that "The English College is one of the leading schools in the country with many outstanding features". Among these it singled out academic attainment, student behaviour, the headmaster's leadership, the care and support of pupils and the extra-curricular programme.

Following an exceptionally successful marketing effort, applications for the College were 45% higher than the average for the last 5 year. This means that the school was able to be more selective, so that all new students should be able to deal with the challenging IB course without undue strain.

This year's average IB point score was 33.3, the third highest ever (the highest ever was 33.7 in 2016) despite the largely non-selective cohort. 82% got into their first choice university. 45% opted for British (mainly Russell Group) universities, 18% for Czech universities. The rest will be studying in other European countries or in North America, with one going to South Korea.

The English College in Prague has a plethora of societies and clubs, which come and go depending on the level of staff and student interest. Drama and debating remain popular, with Model United Nations a highlight. The Duke of Edinburgh Award remains popular. Charitable work remains important. There are exchanges with schools in France and the UK.

REPORT OF THE BOARD (CONTINUED)

Objectives and activities (continued)

The Foundation's role in providing a gateway to an international future for young Czechs depends on the expansion of its network of support. Conditions for fundraising are difficult, particularly in a period of economic stringency, when the College is well established and the novelty of the Foundation's aims has lost some of its original appeal to potential benefactors. We are all the more grateful to those companies, foundations, trusts and individuals who contribute to our work, and welcome others who wish to join us in supporting the on-going success of The English College in Prague.

How the Charity delivered public benefit

The Foundation raises funds to support The English College in Prague as needed, including to raise funds to assist the College fund bursaries and to increase awareness of and support for the College in the UK and to help form a network of ECP alumni studying or working in the UK to assist them and foster their long-term commitment to the College.

Fundraising

The Foundation's principal sources of income are donations from individuals, trusts and corporates, and the profits from holding various events. Events are considered particularly attractive activities because in addition to generating surpluses in their own right, they raise awareness of the Foundation's activities.

Financial review

The Board has planned activity levels and is pleased to report that these financial statements reflect the success of those plans. Incoming resources increased from those raised in the prior period at £19,460 for the 12 months to 31 August 2018 (2017: £9,797).

The Board believes that the financial position at 31 August 2018 and the performance to date is satisfactory. Net current assets at 31 August 2018 were £32,368 (2017: £38,909), which means the Charity has sufficient liquidity to continue to manage its operations efficiently.

As with all charities, fundraising in the current economic climate remains a challenge. During this period of transition the Board has been prudent in the expenditure and grants incurred.

Reserves policy

The Board reviews annually the reserves' policy and the level of free reserves, which are shown in the financial statements as "unrestricted funds". The unrestricted funds are freely available for the Foundation's general purposes and were £22,368 at 31 August 2018 (2017: £18,909). The Foundation does not hold any restricted reserves (2017: £Nil).

REPORT OF THE BOARD (CONTINUED)

Trustees' responsibilities for the financial statements

The Directors (who are also Trustees for the purposes of charity law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice FRS 102).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements 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 of the charity for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and Statements of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements; prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper records which disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2015 and the provisions of the trust deed. They are also responsible for safeguarding the charity's assets and hence taking reasonable steps for the prevention and detection of fraud and breaches of law and regulations.

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

By order of the Board



Elizabeth Cooke
Director

Registered office:

138 Tolmers Road, Cuffley, Potters Bar, EN6 4JR

1st February 2019

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE ENGLISH COLLEGE FOUNDATION ('the Company')
FOR THE YEAR ENDED 31 AUGUST 2018**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2018, which are set out on pages 7 to 14.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

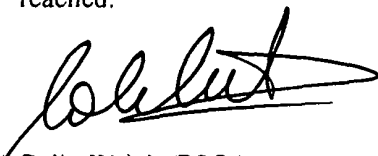
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Colin Wright FCCA
UHY Hacker Young
London

1 February 2019

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2018**

	Notes	Unrestricted Funds £	Total 2018 £	Total 2017 £
Incoming and endowments from:				
Donations and grants	3	19,460	19,460	9,797
Finance income	4	161	161	166
Total income and endowments		19,621	19,621	9,963
Expenditure on:				
Charitable activities	5	16,162	16,162	6,054
Total expenditure		16,162	16,162	6,054
Net income/(expenditure)		3,459	3,459	3,909
Fund balances brought forward at 1 September 2017		18,909	18,909	15,000
Fund balances carried forward at 31 August 2018		22,368	22,368	18,909

The statement of financial activities incorporates the income and expenditure account.

The results for the year are derived from continuing operations. There were no restricted funds in the current and prior years.

BALANCE SHEET
AS AT 31 AUGUST 2018


	Notes	2018	2017
		£	£
Current assets			
Debtors	8	14,111	11,971
Cash at bank and in hand		29,390	38,071
		<u>43,501</u>	<u>50,042</u>
Creditors: Amounts falling due within one year	9	(11,133)	(11,133)
Net current assets		<u>32,368</u>	<u>38,909</u>
Creditors: Amounts falling due after one year	10	(10,000)	(20,000)
Net assets		<u>22,368</u>	<u>18,909</u>
Reserves			
Unrestricted funds		<u>22,368</u>	<u>18,909</u>

For the financial year ended 31 August 2018 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company 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 profit or loss 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 accounts, 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 within Part 15 of the Companies Act 2006.

The financial statements on pages 7 to 14 were approved by the Board of Directors and authorised for issue on 1st February 2019.


Elizabeth Cooke
Director


Petr Fiman
Director

Company Registration Number 02677741

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018**

	2018 £	2017 £
Cash flows from operating activities		
Net income for the year	3,459	3,909
<i>Adjustments for:</i>		
Interest received	(161)	(166)
(Increase) in debtors	(2,140)	(519)
	<hr/>	<hr/>
Net cash from operating activities	1,158	3,224
	<hr/>	<hr/>
Cash flows from investing activities		
Interest received	161	166
	<hr/>	<hr/>
Net cash from investing activities	161	166
	<hr/>	<hr/>
Cash flows from financing activities		
(Repayments)/proceeds of borrowings	(10,000)	(10,000)
	<hr/>	<hr/>
Net cash used in financing activities	(10,000)	(10,000)
	<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period	(8,681)	(6,610)
	<hr/>	<hr/>
Cash and cash equivalents at the beginning of the reporting period	38,071	44,681
	<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period	29,390	38,071
	<hr/>	<hr/>

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

1. Statutory information

The English College Foundation is a charitable company, limited by guarantee, incorporated in England and Wales with a registration number 02677741 and registered under the Charities Act 1993, No. 1015053.

2. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The Board consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Cost of generating voluntary income

These costs are included in the financial statements on an accruals basis.

Grants to the English College Foundation

The company was responsible for the pre-opening costs of the College, which had been set up in Prague in the financial year ended 31 January 1994. During 1995 the College was registered as a charity in its own right (in the Czech Republic) with its own Board of Administrators responsible for its operation. Financial assistance afforded to the College is recognised in the company's income and expenditure account as grants on the date the grant is awarded and communicated, and support costs on an accruals basis.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives of the charity.

Restricted income funds are funds subject to specific restrictions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements.

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

Governance costs

Governance costs comprise the costs of the daily running of the company and are included in the accounts on an accruals basis.

Incoming resources

All incoming resources are recognised when the charity has entitlement to the resources, the amount can be quantified with reasonable accuracy and it is probable that the income will be received. The following specific policies are applied to particular categories of income.

Voluntary income is received by way of grants, donations (received and pledged) and gifts and is included in full in the Statement of Financial Activity (SOFA) when the charity has entitlement to the income, the amounts can be quantified with reasonable accuracy and it is probable that the income will be received. Grants, where entitlement is not conditional on the delivery of specific performance by the charity, are recognised when the charity becomes entitled to the grant and it is probable that the grant will be received.

Donated services and facilities are included at the value to the charity where this can be quantified. Gifts-in-kind have been included at market value. The value of service of volunteers has not been included in these accounts.

Finance income consists of bank interest, which is included when receivable.

Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Expenditure on raising funds includes the costs associated with attracting voluntary income. This includes fundraising events and the associated costs.

Charitable activities expenditure comprises those costs incurred by the charity in the delivery of its activities and service for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Charitable activities include grants payable which are payments made to third parties in the furtherance of the charitable objectives of the charity. The grants are accounted for in the period when formally awarded by the Board and communicated to the recipient irrespective of the period covered by the grant as they are regarded by the Board as financial obligations and the recipients have an expectation that they will receive the grants when due.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly or apportioned between grants awarded as scholarships and grants awarded as partnerships on a percentage of total grants made in the period. Support costs are allocated against the different activities based on staff time.

VAT

Where appropriate, expenditure includes irrecoverable value added tax.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**
Foreign currencies

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year-end.

Cash and cash equivalents

Cash at bank and cash in hand includes short term highly liquid investments with a short maturity.

Financial instruments

The charity only had financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Grants payable in more than one year are measured at present value and are discounted using a rate that reflected the cost of money to the charity.

Fund accounting

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by the donor. There were no restricted funds.

The Unrestricted Funds comprise those funds which the Board are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Board, at their discretion, have created a fund for a specific purpose.

3. Donations and grants	Unrestricted funds £	Total 2018 £	Total 2017 £
General donations	19,460	19,460	9,797
4. Finance income	Unrestricted funds £	Total 2018 £	Total 2017 £
Bank interest received	161	161	166
5. Expenditure on charitable activities		2018 £	2017 £
Grants payable:			
Donations to the English College in Prague		13,397	3,153
Governance costs (see note 6)		2,765	2,901
		16,162	6,054

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**
6. Governance costs

	2018	2017
	£	£
Insurance	833	716
Examiner's fee	655	600
Office costs	1,276	1,585
	<u>2,764</u>	<u>2,901</u>

7. Directors' remuneration

None of the directors were reimbursed for expenditure incurred in the year and none received any remuneration for their services to the Foundation.

8. Debtors

	2018	2017
	£	£
Amounts advanced to the English College in Prague	10,000	10,000
Prepayments and accrued income	4,111	1,971
	<u>14,111</u>	<u>11,971</u>

9. Creditors: amounts falling due within one year

	2018	2017
	£	£
Scholarship grants payable	10,000	10,000
Other creditors	533	533
Accruals and deferred income	600	600
	<u>11,133</u>	<u>11,133</u>

10. Creditors: amounts falling due after one year

	2018	2017
	£	£
Scholarship grants payable	<u>10,000</u>	<u>20,000</u>

Scholarship grants payable within one year of £10,000 and after one year of £10,000 relate to funds committed to a related party, The English College Prague. Under this agreement, the donor (the English College Foundation) shall provide six donations to the donee (The English College Prague) in the respective school year.

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

11. Company limited by guarantee

The limit of the total guarantees of the members of the company amounted to £97.

12. Employees

On a day to day basis, the administration of the charity is undertaken on a voluntary basis by the Directors and other volunteers.

13. Taxation

The company is a registered charity within the definition of section 505 of the Income and Corporation Taxes Act 1988. The company's income is therefore exempt from taxation on its charitable activities. Accordingly, there is no corporation tax charge in these financial statements.

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018**

	£	2018	£	£	2017	£
Income						
Donations and functions		19,460			9,797	
Interest received		161			166	
		<u>19,621</u>			<u>9,963</u>	
Expenditure						
Donations to the English College in Prague	13,397			3,153		
	<u>13,397</u>			<u>3,153</u>		
Administration:						
Insurance	833			716		
Examiner's fee	655			600		
Office costs	1,277			1,585		
	<u>2,765</u>			<u>2,901</u>		
		(16,162)			(6,054)	
Surplus for the year		<u><u>3,459</u></u>			<u><u>3,909</u></u>	