



English Schools Foundation

ANNUAL REPORT 2019/20

INSPIRING FUTURES

MESSAGE FROM THE CHAIR

Abraham Shek



I am delighted to have this opportunity to introduce the ESF Annual Report for 2019/20.

Firstly, I would like to recognise the incredible resilience and achievements of our ESF students, staff and families, during what has been an incredibly challenging year and which has caused great disruption to 'normal' school life.

When we launched ESF's strategic vision for 2025, we had no understanding of just how important our focus on agility would be when facing the unexpected situations, global and local, which presented themselves. Our students have demonstrated their agility to continue learning and achieve excellent academic results, while our teachers have been able to adapt to online learning, face-to-face classes and at times, a combination of both with flair and imagination.

As for families across the world, the financial impact of COVID-19 affected many of our ESF families. The Board is committed to doing everything it can to support our students and their engagement in high quality learning.

Throughout the 2019/20 academic year, ESF's Financial Assistance Programme provided more than HK\$23m worth of financial support to over 200 families. We expanded this further through the Triple Assistance Programme, which increased the number of eligible families as well as provided credit extensions.

As part of our continued commitment to supporting investment in education, we recently established the ESF Investment Committee. The Board was also pleased that we could offer our families some financial assistance through the first ESF Relief Grant in September 2019, which amounted to HK\$90m. We remain committed to providing financial assistance and support into the future.

Recently, we also launched the "all-through" education model to enable Hong Kong families the chance to access an ESF education for their child all the way from kindergarten to Year 13. This initiative ensures a seamless transition for our students as they move through the different stages of learning and development across the extensive ESF offering.

In this, my final year as Chair of ESF, I continue to be very proud of what we have built on ESF's legacy of achievements. I have the greatest of expectations for the future of our students and the ESF community as we move from strength to yet greater strength. I would thank all of our supporters for their contribution to making ESF the strong, diverse and sustainable organisation that it is today.

MESSAGE FROM THE CEO

Belinda Greer



I have much pleasure to present to you this Annual Report. It has captured many of the amazing things that we have achieved in the past year – things which I am really proud of.

The last 12 months have reminded us, in case any of us had forgotten, that we should always be ready for the unexpected. 2020 was variously tragic, frightening, challenging, unpredictable and unpredicted. It frustrated plans and confounded expectations. In spite of all of this and the extraordinarily difficult circumstances, which affected so many aspects of life and challenged the very fabric of our society, there is a remarkable and warmly welcome familiarity about the outcomes for our students across the ESF family.

As usual, high quality learning took place across our kindergartens and schools. As usual, senior students achieved yet another set of excellent academic results. As a result, as usual, leavers moved on to the world's top universities and across the board, students were supported in achieving our mission of achieving the highest standards and being the best they can.

But our students' and their families' achievements were not without great effort, imagination and collaborative endeavour. While the 2019-20 outcomes continued and, in some areas, exceeded previous years' results, it was how schools, students and families achieved what they did that was so very different. Not only was the need to teach and learn remotely unexpected, but it also presented challenges unlike those experienced at any other time in the over 50 year history of ESF.

As an organisation focused on learning, what has ESF learned from 2019-2020? Acres of print have been written about the switch from school-based direct teaching to online or 'blended' learning, dependent on digital technologies. The ESF experience of the digital switchover was that our teachers worked within and across schools, often with great creativity, to develop their approaches, maintaining a relentless focus on taking steps to ensure that no student was left behind or insufficiently connected. However, while it has been a vital medium, it wasn't the technology itself that was the vital factor.

For me, there were five key essentials to ESF schools' successes. Firstly, there was the clear understanding by teachers that learning was at the heart of their work, supported by a belief that learning is most likely to happen when it is a social, collaborative undertaking with proper account taken of students' welfare and prior experiences. Secondly, partnerships and in particular, the partnership of learner, teacher and parent, were key. Thirdly, parents, as their children's first teachers, supporters and motivators, had an unexpectedly difficult role to play; motivating, explaining and, sometimes, persisting patiently where children were reluctant or reached frustration levels. Fourthly, our students' capacity to take increased responsibility for organising and reflecting on their own learning was vital. Finally, I am aware of an increased sense of common purpose amongst our learners, arising from this year's adverse circumstances.

Hard lessons learned, I would say, which served ESF and its students well this year and will do, I believe, into the future.

THE ESF PROFILE

We are the largest international school organisation in Hong Kong with 22 schools:

Kindergartens

Abacus
Hillside
Tsing Yi
Tung Chung
Wu Kai Sha

Primary Schools

Beacon Hill School
Bradbury School
Clearwater Bay School
Glenealy School
Kennedy School
Kowloon Junior School
Peak School
Quarry Bay School
Sha Tin Junior School

Secondary Schools

Island School
King George V School
Sha Tin College
South Island School
West Island School

All-through Schools

Discovery College
Renaissance College

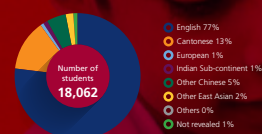
Special School

Jockey Club Sarah Roe School

ESF serves 18,062 students who represent a broad range of ethnicities and over 80 nationalities.

FIRST LANGUAGE OF STUDENTS

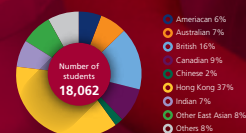
English is the first language of a significant majority of our students (76.6%) in ESF schools while native Cantonese speakers account for 13.1%. Other East Asian speakers account for 2.3% and other Chinese 4.9%.



NATIONALITY OF STUDENTS

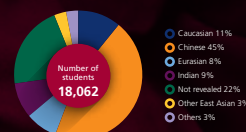
Over 80 nationalities were represented in our schools in 2019/20. Approximately one sixth (15.9%) of students held a British passport, 38.4% held a Hong Kong or Chinese passport and a further 7.5% held a passport from another East Asian country.

Of the 12,986 students in ESF schools, 10,578 (81.5%) were permanent residents of Hong Kong. Of the 3,518 students in Discovery College and Renaissance College, 2,881 (81.9%) were permanent residents of Hong Kong.



ETHNICITY OF STUDENTS

The largest ethnic group in ESF schools was Chinese (44.9%) followed by Caucasian (11.1%), Indian (9.1%) and Eurasian (7.8%). There are 21.1% who did not reveal their ethnicity.



STUDENT ADMISSIONS

The key strategic objectives of admissions are: to sustain high enrolment; to support the development of the Nomination Rights Scheme; and to ensure a consistent approach to the administration of the admissions process.

ESF-wide, enrolment numbers were maintained throughout the year with the actual enrolment to target figure remaining at 99% or above.

APPLICATION NUMBERS

During the Central Application period in September 2019, 2,707 online applications were received for Year 1 and Year 7 at ESF schools, Discovery College and Renaissance College. A further 1,688 applications were submitted during the rest of the academic year. Including those starting in Year 1, a total of 3,251 students were admitted during the year.

During the Central Application period for the kindergartens in September 2019, 2,154 applications were received for K1. A further 438 applications were submitted during the academic year.

NOMINATION RIGHTS

Nomination Rights provide an accelerated entry route for children who meet the admission requirements into ESF schools. An Individual Nomination Rights scheme was launched in October 2012 and supplemented with the introduction of a Corporate Nomination Rights scheme in August 2013. A small number of Corporate Nomination Rights are available each year for purchase by Hong Kong-registered companies.

KINDERGARTEN DEBENTURES

The Kindergarten Debenture scheme was launched in September 2019, which provided a fast track entry by gaining a priority for K1 interview. A total quota of 150 are available across the five ESF kindergartens each year.

EDUCATION



KINDERGARTENS

5

kindergartens

1543

students

96

the percentage of students who move from an ESF kindergarten to an ESF primary school

The year started with the highly successful ESF Early Years Conference held at Kowloon Junior School in September 2019. Kindergarten teachers learned from renowned Early Years experts from across the globe in the areas of early literacy development, pedagogy through play and the importance of well-designed learning spaces. The conference brought together researched practice, insights and innovations and fresh approaches to early years teaching.

Along with other schools in Hong Kong, ESF kindergartens transitioned in and out of distance learning due to the government restrictions in place. Kindergartens found creative alternative ways to offer engaging learning experiences while learning online, including resource packs with physical materials that were sent home to families. Throughout the year, teachers, students and families became more familiar and confident in using technology as a vehicle for learning.

Kindergartens and primary schools worked collaboratively to provide a comprehensive virtual transition process for kindergarten students and families in preparation for the move to primary school. Although schools were not able to have students physically on site, they were able to successfully adapt practices allowing transition to take place in the virtual space. This enabled students and families to feel well-prepared for primary school ahead of the start of the new school year.



PRIMARY SCHOOLS

The annual ESF Agents of Change conference was held at Kowloon Junior school in January 2020 which brought together Year 6 students to work with Hong Kong NGOs to further learn about how to make a positive difference in the community. Later in the year due to government restrictions and distance learning, other school celebrations, such as school concerts and the annual Jockey Club Sarah Roe School's Art exhibition, were held online.

Towards the end of Year 6, the year normally culminates in an exhibition designed to showcase student learning. In 2020, again due to class suspensions and distance learning, primary schools hosted the Year 6 exhibition online. Students used a variety of virtual platforms and digital tools to present their research-based creative projects and learning. The online nature of the exhibition helped to increase audience capacity and allowed for family and friends from around the world to join the virtual celebrations.

As part of our commitment to ongoing professional learning, primary staff engaged with world-leading experts in developing curriculum knowledge and expertise. Staff extended their understanding of language development in bilingual and multilingual learners, engaged with Harvard Project Zero experts, underwent training sessions to roll out a new Relationships and Sexuality Education (RSE) curriculum and worked with the Hong Kong NGO, Redress, to develop a primary school sustainability curriculum. An agile approach allowed supportive professional collaborations to continue throughout the year as schools operated the hybrid model of blended learning.

11

primary schools

7800

students

PRIMARY SCHOOLS RESULTS

There were three core external assessments taken by ESF Primary students in 2019/2020.

- Years 1 and 2: Performance Indicators in Primary Schools (PIPs);
- Years 4 and 6: International Schools' Assessment (ISA);
- Years 3 and 6: The Interactive Computerised Assessment System (InCAS)

The Year 6 InCAS assessment usually undertaken in Term 3 was unable to go ahead due to the government restrictions and school closures.

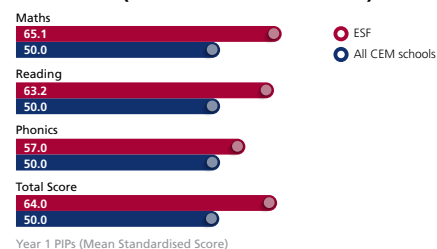
PIPs and InCAS are administered by the Centre for Evaluation and Monitoring (CEM) at Durham University and are taken by over 4,000 schools, most of whom are in the UK and following a British curriculum. ISA is administered by the Australian Council for Educational Research (ACER) and taken by over 400 international schools worldwide.

PIPS (YEARS 1 AND 2):

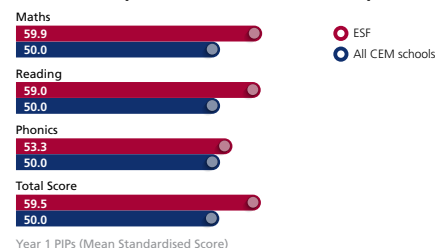
At the start of Years 1 and 2, the mean standardised scores of ESF students were significantly higher than the mean scores of the whole cohort for Maths, Phonics, Reading and overall total score.

The charts below show the mean standardised scores for Years 1 and 2.

Year 1 PIPs (Mean Standardised Score)



Year 2 PIPs (Mean Standardised Score)

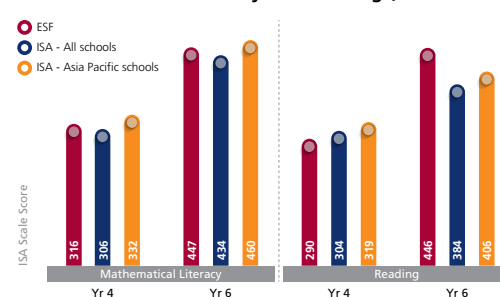


ISA (YEARS 4 AND 6):

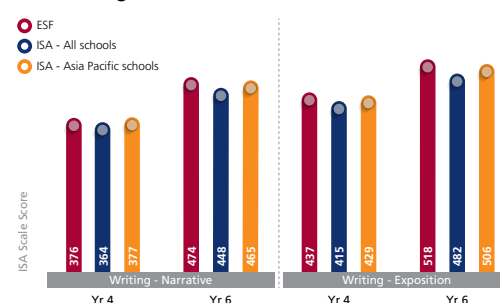
The mean scores for ESF students in both Years 4 and 6 were higher than the mean scores compared to the whole ISA cohort.

The charts below show the mean scores for ESF students compared with the whole ISA cohort and ISA Asia Pacific schools.

ISA: Mathematical Literacy and Reading (Mean Score)



ISA: Writing (Mean Score)



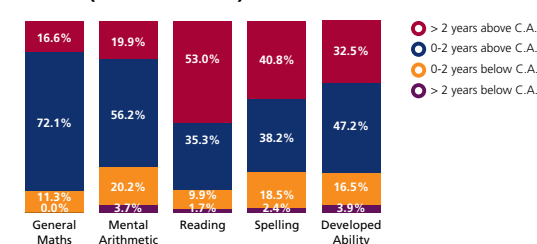
INCAS (YEARS 3):

ESF students in Year 3 undertook this assessment in September 2019.

The charts below show the percentage of ESF students attaining between 0 to 2 years above/below chronological age and more than 2 years above/below chronological age for each InCAS component.

Note: The blue and red bars combined represent the percentage of students achieving above chronological age.

Year 3 (Term 1 2019/20):



Note – figures may appear not to always add up to 100% due to rounding.



SECONDARY

MIDDLE YEARS OVERVIEW

The IB Middle Years Programme (MYP) is becoming well embedded in our schools. We now have six of our seven secondary schools authorised, with West Island School having its verification visit in March 2021.

The sharing of expertise and experience across the schools has allowed ESF to develop a rich and innovative programme for its students. The development of interdisciplinary units has made a real difference to helping students see connections across the curriculum. The focus on inquiry ensures our students do not lose their sense of curiosity about the world around them. Additionally, the conceptual basis of the programme allows students to understand what they are learning at a deeper level.

The MYP is an important part of the IB Continuum and builds on what students have learnt in the IB Primary Years Programme (PYP) while making them ready for either the IB Career-related Programme (CP) or the IB Diploma Programme (DP).





MIDDLE YEARS RESULTS

IB MIDDLE YEARS PROGRAMME (MYP)

2020 marks the 12th year that Year 11 students at Renaissance College completed the International Baccalaureate Middle Years Programme and the ninth year for Discovery College students.

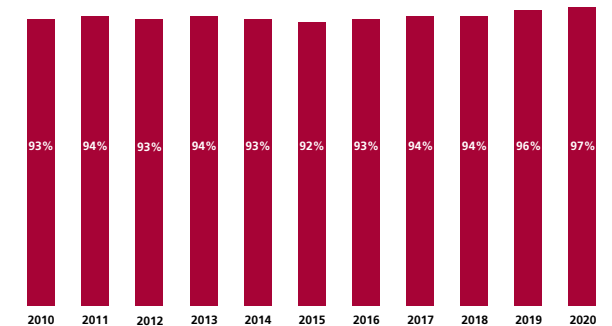
Assessment is criterion-based with schools setting their own subject assessment tasks that are marked internally. Students also complete a personal project that is marked internally and then externally moderated and validated by the International Baccalaureate Organisation (IBO). The 2020 results for both schools are again very strong. Highlights include:

- The mean grade per assessment is 5.7 points. This figure compares favourably to the worldwide mean of 4.6.
- The mean number of total points per student is 52.2 points, out of a maximum possible score of 63 points.

GCSE/IGCSEs

ESF saw impressive grades with increasing percentages for our IGCSE and GCSE students. Ninety seven percent of our students achieved A to C grades which is particularly impressive as the UK average is 67%.

A*-C



(1 to 9 grades for GCSE were converted into letter grades for consistency)

POST 16

IB CAREER-RELATED PROGRAMME (IBCP)

The IBCP goes from strength to strength with an ever expanding portfolio of options for the two-year career-related study. ESF students signed up for courses with university credit at BSD Education in Hong Kong and SUMAS School in Switzerland. BSD offers a Digital Skills course that also allows students to gain industry certification such as Amazon Web Services, Facebook Blueprint, IDEO and JavaScript certification. SUMAS from Switzerland offer Business and Sustainability online and they have some fantastic links with both businesses and NGOs.

Students that graduated with the IBCP at the Savannah College of Art and Design (SCAD) and with Hong Kong Academy for the Performing Arts (HKAPA) also gained world-class university places.



Students taking BTEC courses as part of the IBCP and as stand-alone courses achieved tremendous success allowing them to access an excellent range of university courses that will allow them to develop their specialised academic interests even further.





SUSTAINABILITY

Despite the school closures in 2019/20, our secondary students continued to work remotely on their school strategies based on the ESF Sustainability Strategy. Additionally, ESF agreed to run and redevelop the Nature Works Environmental Leadership Programme for the benefit of both local and international schools in Hong Kong.

HONG KONG SPORTS INSTITUTE (HKSI) AND WORLD ACADEMY OF SPORT (WAOS)

All ESF schools were successfully re-accredited by the World Academy of Sport (WAoS). This accreditation involves ESF schools having systems in place to support professional athletes to manage both their sporting commitments and academic aspirations. The agreement also allows our schools to extend the IB Diploma Programme (IBDP) to three years (in some cases four years), so that our professional athletes can meet their academic commitments without compromise.

All seven ESF Secondary Schools signed a Memorandum of Understanding (MoU) with the Hong Kong Sports Institute (HKSI) to allow them to support HKSI Elite athletes in representing Hong Kong. The agreement additionally allowed HKSI to support the parents of these students by refunding part of the school fees they pay to ESF.



DESIGN DAY

In December 2019 we held the ESF Design Day at ESF Renaissance College with 235 design students, 26 designers and five ESF secondary schools. The event was held in partnership with Business of Design Week (BODW), organised by the Hong Kong Design Centre, as an educational satellite event. Professionals from different creative industries such as design, business and art came together. They shared their passion, knowledge and daily practices via plenary discussions and dynamic workshops. This enabled students from different year groups and schools to learn and design together, to make contact with industry professionals and understand the wide variety of design career paths for the future.

POST 16 RESULTS

Our Amazing Students



(23)

the number of ESF Diploma Students achieving top marks

(99.7)

the percentage of ESF students who were successfully awarded the IB Diploma

(20)

the number of countries that graduates from the class of 2020 are continuing their studies in

	ESF Results					Worldwide Results
	May 2020	May 2019	May 2018	May 2017	May 2016	May 2019
Students entered for the IB Diploma	949	960	957	969	956	over 169,000
Students awarded the Diploma (24 points or more)	945 (99.7%)	933 (97.2%)	943 (98.5%)	951 (98.2%)	949 (99.3%)	78.20%
Students awarded Bilingual Diploma	128	115	127	149	112	14,990
Mean score of students entered for the full IB Diploma	37	35.6	36	36.0	36.3	29.8
30 points or more	889 (94.0%)	846 (88.1%)	851 (88.9%)	870 (89.8%)	874 (91.5%)	53%
35 points or more	665 (70.0%)	573 (59.7%)	602 (62.9%)	598 (63.2%)	622 (65.8%)	26%
40 points or more	314 (33.0%)	231 (24.1%)	246 (25.7%)	233 (26.0%)	250 (26.7%)	8%
45 points	23	23	16	15	16	259
Mean grade per subject	5.8	5.6	5.6	5.6	5.7	4.8

IB DIPLOMA PROGRAMME

Despite a difficult and challenging year, we are pleased to report that 23 of our students achieved 45 points with an overall average point score of 37. These achievements are exceptional, but even more so given the disruption in Hong Kong for the 2019/20 academic year.

IB CAREER-RELATED PROGRAMME

Thirty one students from South Island School, Renaissance College, Discovery College and West Island School successfully completed the IB Career-related Programme (IBCP). For some students, this involved combining foundation courses at Savannah College of Art and Design, Hong Kong (SCAD) with IB Diploma courses and the IBCP core subjects. Students at Discovery College and South Island School successfully completed a Business and Technology Education Council award (BTEC Level 3 Subsidiary Diploma in Musical Theatre) with the Hong Kong Academy for Performing Arts. For other students, the programme involved combining BTEC awards with IB Diploma courses and the IBCP core subjects.

BTEC (BUSINESS AND TECHNOLOGY EDUCATION COUNCIL)

A number of students followed a personal pathway that involved BTEC in combination with IB subject courses or as a stand-alone programme. BTEC subjects studied include Art and Design; Business; Creative Media Production; Hospitality; Engineering; Performing Arts; Musical Performance; Public Services; Sport and Exercise Science and Sport (Development, Coaching and Fitness). For the BTEC Level 3 Subsidiary Diploma, 58% of entries were awarded a distinction or above and 87% at merit or above. For the BTEC Level 3 Diploma, 70% of entries were awarded a double distinction or above and 89% at double merit or above.

GRADUATE DESTINATIONS

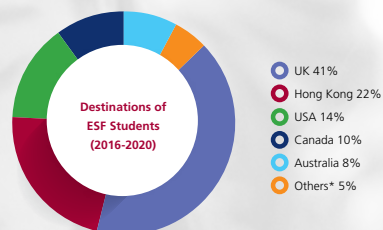
Higher and Further Education Counsellors in our schools have agilely and dedicatedly navigated the changing landscape to ensure that our students remained informed about universities and careers through webinars with universities and businesses. Supporting our students as examination boards changed their methods of grading was another vital role our counsellors played.

The ESF University Fair held at King George V School in January 2020 was an incredible event rivaling any university fair not just in Hong Kong, but anywhere else in the world. One hundred and forty universities from all over the world were in attendance.

HIGHER EDUCATION DESTINATIONS FOR THE ESF CLASS OF 2020

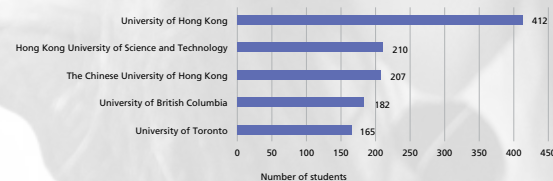
Students from the class of 2020 are attending higher education institutions in 20 different countries around the world; the most popular being the UK, Hong Kong, Canada, USA and Australia.

* Other destinations include: China (PRC), Spain, Germany, Netherlands, Ireland, France, Japan, South Korea, New Zealand, Singapore, India, Sweden, Italy, Malaysia, South Africa, Bahrain, Thailand, Czech Republic, Croatia, Papua New Guinea, Taiwan, Spain, United Arab Emirates and Switzerland.

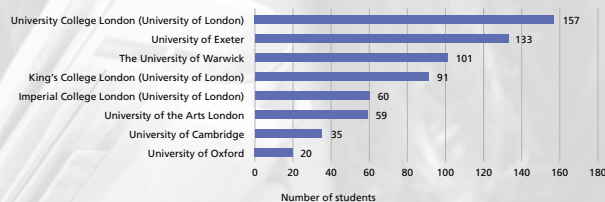


Our class of 2020 will study in over 200 different higher education institutions, the most popular being the University of Hong Kong. Some other popular institutions are shown in the tables below.

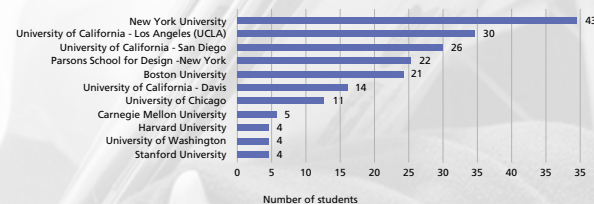
Top 5 University Destinations for ESF Graduates (2016-2020)



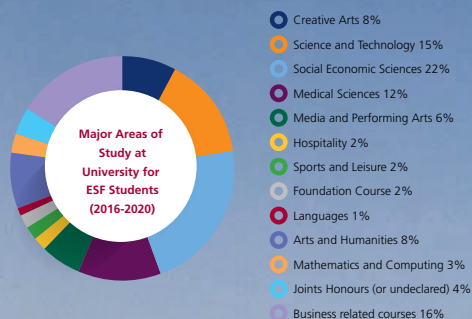
Some Popular UK University Destinations for ESF Graduates (2016-2020)



Some Popular USA University Destinations for ESF Graduates (2016-2020)



Our schools offer students an opportunity to study an array of subjects at university and there is hardly an area of study unrepresented. The most popular courses for our class of 2020 include Business-related courses (111 students), Engineering (60 students), Psychology (58 students), Medicine (49 students), Law (44 students), Biochemistry (38 students) and Computing (29 students).



ESF CHAIRMAN'S AWARDS FOR EXCELLENCE

The ESF Chairman's Awards is an annual event to celebrate the world-class performance of our graduates. In 2020, over 250 students received awards for achieving the world's highest scores in their exams, as well as being recognised for their outstanding performances in leadership, service, values, creativity and sport. Sixteen students also received the Carlson Tong Award for achieving the highest scores in the Bilingual Diploma.

Due to the Government's social distancing measures in combating the rise of COVID-19 cases, with great regret, the ceremony was cancelled for 2020. Instead of presenting the awards on stage, over 259 award packs were delivered to these outstanding students in mid-August to celebrate their achievements.



SPECIAL EDUCATIONAL NEEDS

SEN

The Special Educational Needs (SEN) team, comprised of Educational Psychologists and advisers, supported teachers across all schools throughout the distance learning period with knowledge and skills for identifying and supporting student's emotional health and wellbeing. Workshops around mindfulness, anxiety and stress and 'Emotional Check-ins' gave teachers a toolkit of strategies to identify and work with students displaying difficulties. Workshops also focused on strategies for supporting students with additional needs to navigate online learning.

The SEN team worked collaboratively with a group of teachers across ESF schools to create the 'Balance & Build Framework'. This framework promotes the teaching and reinforcement of a broad range of key skills to help students manage stress, increase self-efficacy and build resilience. Example lesson plans, ideas and resources were created to enable schools to reflect on and supplement their curriculum and teaching.

We also provided teachers with go-to resources to strengthen their teaching of key skills related to resilience and wellbeing. The 'Balance and Build Framework' was built around the evidence-based 'Skills for Psychological Recovery' and teaches key skills such as 'promoting helpful thinking' and 'managing reactions' to better equip students to manage themselves in the current situation.

There were 20 secondary students from Learning Support and the Jockey Club Sarah Roe School (JCSRS) on structured work placements with 15 organisations in Hong Kong, including Swire's East Hong Kong Hotel, The Helena May, Hong Kong Football Club, Hong Kong University of Science and Technology, Ocean Park, Hotel Icon and Kowloon Junior School.

The structured work placements, supported by the Career Development Team enable students to gain confidence and independence skills and attain employability skills for the future. A series of vocational programmes of study were developed to diversify the students' skill sets that include health & safety in the workplace, the job market, interview skills, customer service and problem solving. Quality assurance was bolstered using the workplace observation mechanism and refining the matching of the structured work placement to the profiles of the students.

CHINESE



THE ESF ALUMNI LANGUAGE SURVEY

The ESF Alumni language survey conducted from October to November 2019 aimed to gather information about how languages (other than English) taken for the IB Diploma or IB Career-related Programme (IBCP) are being used by ESF graduates in their tertiary education and employment. We received 324 responses from 16 countries.

The result showed a strong trend that ESF alumni continued to learn their chosen language and use it effectively in the workplace. Out of 59 bilingual Diploma awardees who completed the DP Group 1 English study and also one of the other Group 1 languages - Chinese, Japanese, Korean or German - 54.2% mentioned they used the language in the workplace, and 35.5% them have continued or are continuing to learn the language at university. These alumni are spread across the world, including the USA, UK, Canada and Hong Kong. This clearly indicates the benefit of bilingual capability and the success of ESF's endeavour to promote and enable bilingual learning.

The majority of responses were from alumni who learned the languages as a second language (language B or *ab initio*). For language B students, 36.7% mentioned they use the language in the workplace, and 34.2% mentioned they have used or are using the language in their university studies. This is proof that the second language learned in school still plays an important role in their life. It's exciting to see that 46% language B Higher Level graduates are confident in using the language at work, which is very close to the figure of bilingual graduates. Considering the fact that alumni may not work or study in the country where the language is used officially, the results are very encouraging.



TEACHER PROFESSIONAL DEVELOPMENT

To best serve teachers' need for professional development and to avoid disruption of teaching time, a number of online seminars and forums were organised for Chinese teachers offered after school and during weekends. Internal and external speakers were invited and the result was very successful with ESF teachers communicating and collaborating with colleagues from different schools as well as sharing their own teaching experiences.

ONLINE LEARNING

During class suspensions, the ESF Chinese teachers thrived in using the electronic learning platforms such as Mandarin Matrix, Better Chinese and MeeOpp. In addition, a combination of live lesson recordings, electronic materials, painting, singing and dancing activities were offered to students, suitable for different phases of learning during the week and to maintain their learning interest of Chinese.

Consideration was given to balance children's screen time and off-screen activities for healthy learning. Some schools re-grouped students according to their Chinese pathways/levels and designed appropriate activities. Teachers modified instructions so that parents had a better understanding of the learning goals in order to better support their children. Good ideas and best practices have been shared among schools with a number of virtual seminars planned for Year 12 Chinese A and B Higher Learning students.

STUDENT ACTIVITIES

The annual ESF Chinese debate for 2019-2020 continued to be popular, with a total of seven ESF and non-ESF schools enrolling in the event, showing their enthusiasm for inter-school student events and commitment to extracurricular activities. The event was a great opportunity for students to present their Chinese language and critical thinking skills at a high level.

In 2020 Chinese New Year celebrations were once again a big festive event in ESF schools. The activities included Chinese New Year assemblies, lion dance ceremonies, singing and dancing galas, school fairs and Chinese learning days. It was really exciting to see students from a range of ethnic backgrounds expressing themselves fluently and joyfully in the Chinese language. In addition, there was an inter-school Chinese New Year Assembly at Beacon Hill School, participated by students and teachers of 12 ESF kindergarten, primary and secondary schools.

ESF SPORTS AND LANGUAGE

Life at ESF doesn't stop when the final school bell rings. Extra-curricular activities are very much part of our mission to inspire futures, and every school within the foundation plays an important role in offering incredible learning opportunities outside of the classroom. To ensure that we continue to meet the needs of families throughout Hong Kong, ESF Sports and Language (ESL) provides even more opportunities for children to discover hidden talents, challenge themselves and learn new skills.

Founded in 1994, ESL has been an integral part of ESF for decades. While initially founded with the intention of providing additional sporting and language learning opportunities for students, ESL now goes well beyond that. While the 2019-2020 academic year brought its share of challenges, it also created many opportunities for ESL to find new ways to engage with students. From developing entirely new online curriculums for existing courses to adding new activities like coding and STEM education, photography and outdoor education; ESL has grown into the most comprehensive extra-curricular provider in Hong Kong. We have been fortunate to provide all of these incredible learning opportunities with the support of our world class ESF schools and their amazing facilities.

SPORTS

We offer a broad range of sports for students to participate in, including: football, swimming, gymnastics, basketball, tennis, martial arts, fencing, sailing and multi-sport camps. We have daily classes led by highly qualified coaches taking place in many of our schools both after school and on weekends. These range from students learning the basics right through to elite teams regularly competing in competitions in Hong Kong and overseas.

We also run individual and multi-sports camps during the school holidays. These are a brilliant way to keep the kids entertained when they are not at school, while also helping them develop their talents and make new friends. This year's camps were incredibly popular.

LANGUAGE AND LEARNING

Led by an experienced team of qualified teachers, our Language and Learning offerings are robust, entertaining and enriching for all involved. Offering programming for students aged from 1-18, the Language and Learning team provides courses including English, Spanish and French language classes, global cultural immersion, drama, debate and arts. One of the highlights of the 2019-2020 academic year was the popularity of our online Raring to Read programme. Offered in both English and Spanish, it brings stories to life for students and helps accelerate their love for reading.

For our youngest learners, we have playgroup and pre-kindergarten classes at our Language and Learning Centre in Wan Chai, in addition to the ESF kindergartens spread throughout Hong Kong.

SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS (STEM)

An exciting initiative for ESF Sports and Language over the past year has been the development of a wide range of programmes focused on Science, Technology, Engineering and Mathematics (STEM). This year we offered both in-person and online courses in coding, tech entrepreneurship, e-sports, app development and game design. These courses have been well received by students, parents and educators; allowing us to teach 21st century skills in a fun and engaging environment. ESL will continue to innovate and launch more exciting programmes in the coming years.



FACILITIES





UPGRADING OUR FACILITIES

In 2019/20, the redevelopment of Island School, which is a complete rebuild project, continued and achieved the key milestones of demolishing the old school buildings and completing site formation and foundation works to commence the superstructure construction.



OUR SUMMER PROGRAMME



In addition to routine maintenance and repair, we are taking a continual asset enhancement approach in all our schools to enhance and upgrade our facilities to a world-leading standard. Our professional education experts and technical team collaboratively co-created innovative designs to improve teaching and learning spaces and in the summer of 2020, we carried out the following significant enhancements and renovations:

Innovation House	<ul style="list-style-type: none"> A newly created central hub equipped with mega TV wall, interactive screen and a cutting edge audio system to facilitate student collaboration
Sha Tin College	<ul style="list-style-type: none"> Full renovation of the Science Laboratories & Preparation room at 5/F, Block 2, equipped with proprietary and flexible laboratory furniture
South Island School	<ul style="list-style-type: none"> Full renovation of the Science Laboratories & Preparation room at 5/F, S Block, equipped with proprietary and flexible laboratory furniture Full renovation of the Textile rooms at 2/F, C Block & S Block
West Island School	<ul style="list-style-type: none"> Full renovation and upgrade of the indoor swimming pool with an environmentally friendly pool system, façade replacement and a reconfiguration of the changing rooms
King George V School	<ul style="list-style-type: none"> Re-modelling and full renovation of the Food Technology rooms & Preparation room at 1/F, newer block Full renovation of the D&T workshop at 1/F, newer block
Kennedy School	<ul style="list-style-type: none"> Re-modelling of the whole 1/F of East Wing to enhance the Music room & Practice rooms and create a performing art space Full renovation of the toilets at 1/F & 2/F, East Wing
Clearwater Bay School	<ul style="list-style-type: none"> Year 1 & 2 classrooms upgrade New shelter at roof playground
Glenealy School	<ul style="list-style-type: none"> New PTA Office and a multi-function garden at G/F
Kowloon Junior School	<ul style="list-style-type: none"> Roof playground upgrade Enhancement works in the library & conference room
Renaissance College	<ul style="list-style-type: none"> Re-configuration and expansion of the Food Technology rooms & Preparation room at 4/F, Secondary Block
Discovery College	<ul style="list-style-type: none"> Year 1 & 2 classrooms floor replacement Re-configuration and enhancement works in offices Revamp of open deck areas at 2/F, 4/F & 5/F New LED wall at main entrance

HEALTH, SAFETY & SUSTAINABILITY



STRATEGIC PLANS

We have been working to ensure the wellbeing of our students and staff members during the COVID-19 pandemic. A key part of our preparation is the monitoring of clean and sufficient air supply in classrooms and throughout the schools. This is a vital aspect of the overall action plan that includes the use of face masks by everyone in schools, strict social distancing measures and proper personal hygiene.

We are also using advanced bioluminescence technology to detect microbial matters on surfaces as an indication of cleanliness. This supports our rigorous cleaning regime that is carried out in each school multiple times daily.

To help to protect our community and to prepare for class resumption in schools, COVID-19 tests have been arranged for our schools and offices.

SAFETY

We continue to organise safety training for staff in all our schools each term. Work safety of our construction projects is regularly inspected.

SUSTAINABILITY

Expansion on the use of solar energy is progressing across ESF following successes in the past year.

With active participation of students across our schools in project initiation and planning, ESF now owns and operates one of the largest solar systems in the school sector in Hong Kong. The achievements by students and staff members have been recognized by the CLP Renewable Energy Grand Award for educational institutes.

The Hong Kong Observatory is working with our schools to install weather monitoring equipment to supplement the government's monitoring network for collecting accurate local data in various areas.



HUMAN RESOURCES



HUMAN RESOURCES



ESF is an organisation that is all about people. Every single member of staff at ESF understands that education is our core business and, if we are to continue to deliver a world-class service, we need to attract and retain world-class talent.

We employ approximately 2,600 staff in a range of roles, from the teachers and educational assistants who deliver the learning experiences to our students, to non-teaching support staff working in the background – Finance, Human Resources, IT, Communications and many others who tirelessly support the teaching and learning that takes place in the classroom.

ATTRACTING & RETAINING TALENT

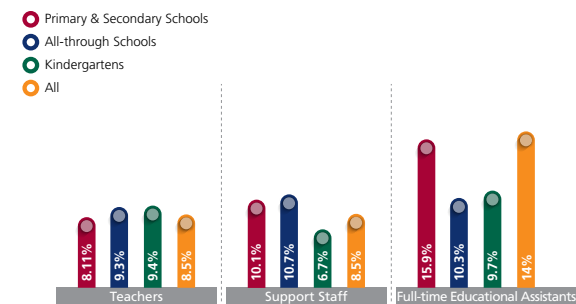
To ensure that we are able to attract the best people from around the world, we actively engage in social media and the latest technologies to reach out to professional talent. We are proud to be an award-winning team, recognised by LinkedIn for demonstrating the best practice in talent acquisition, most recently receiving recognition for insourcing our executive search for senior leaders.

With stable attrition, each year ESF welcomes approximately 100 new teachers, recruited from schools in Hong Kong and around the world, while many teachers already working in ESF are promoted. Most of our new teachers are expatriates, with nationalities including British, Australian, New Zealand, Canadian, Chinese, Irish and American. In order to assist overseas teachers with preparing for their relocation prior to their arrival in Hong Kong, we continued to pioneer new tools to assist them in proactively learning about Hong Kong and even to meet future colleagues through online social networking. Our induction programme caters not only for the staff who are joining us, but also their families.

While the summer of 2019 brought caution as new teachers had to be wary of social unrest, during the summer of 2020, new teachers arriving into Hong Kong were required to undergo 14 days of quarantine. ESF holistically supported teachers in this endeavour, including sending care packages to the new staff in their hotel rooms. Induction activities were also split-up into “Zoomshops” since social distancing prevented us from holding induction sessions in person. New staff rose admirably to the challenge, demonstrating spirit, humour and resilience very early in their time with ESF.

We are extremely grateful that once we find great staff, they want to stay with us. This year, our voluntary attrition rate for teachers was only 8.5%— a figure that compares favourably with previous years and any system in the world.

Voluntary Turnover Rate 2019/20



Our benefits package is also very important. 2019/20 saw the continuation of ESF's Flexible Benefits programme with Cigna as ESF's medical insurance provider. With Hong Kong contending with social unrest and the COVID-19 pandemic, ESF emphasised the provision of the Employee Assistance Programme (EAP) to give staff struggling with the current environment access to professional support. Mid-year in 2020 ESF doubled the provision from six to 12 sessions for employees in need. Since October 2019, ESF has regularly conducted employee pulse wellbeing surveys to gauge how staff were coping with the pandemic circumstances. Employee wellbeing was a primary goal throughout the year.

INVESTING IN OUR STAFF THROUGH SYSTEMS

ESF is successful because of our people's talent. We want them to excel in what they are doing and have access to modern technology tools to help them be the best they can be. This year saw the beginning of a major digital transformation towards manager and employee self-service through the Oracle suite of Human Capital Management (HCM). Ironically, the Oracle project kicked off at the beginning of the COVID-19 pandemic. ESF HR and Oracle configured Oracle's PRD (Professional Reflection and Development) module and ORC (Oracle Recruiting Cloud) entirely through hundreds of Zoom calls. Oracle PRD was launched (also via Zoom) in Summer 2020 and ORC shortly thereafter for approximately 200 leaders. Oracle HCM is planned to 'go live' within the 2021/2022 school year.

ESF continues to do more and more in the area of child safeguarding and protection and dignity at work. Continued innovations in ESF's online declaration system enable staff to make their annual child protection and conflict of interest declaration. This year the enhanced declaration asked staff to have a renewed commitment to (1) Well Being of Self and Others; (2) Diversity, Inclusion and Equality and (3) Professional Conduct. Staff can update these declarations whenever necessary. We have been trusted by thousands of families to teach their children, and staff to provide a modern, respectful workplace and this is a responsibility that we take seriously.

HUMAN RESOURCES

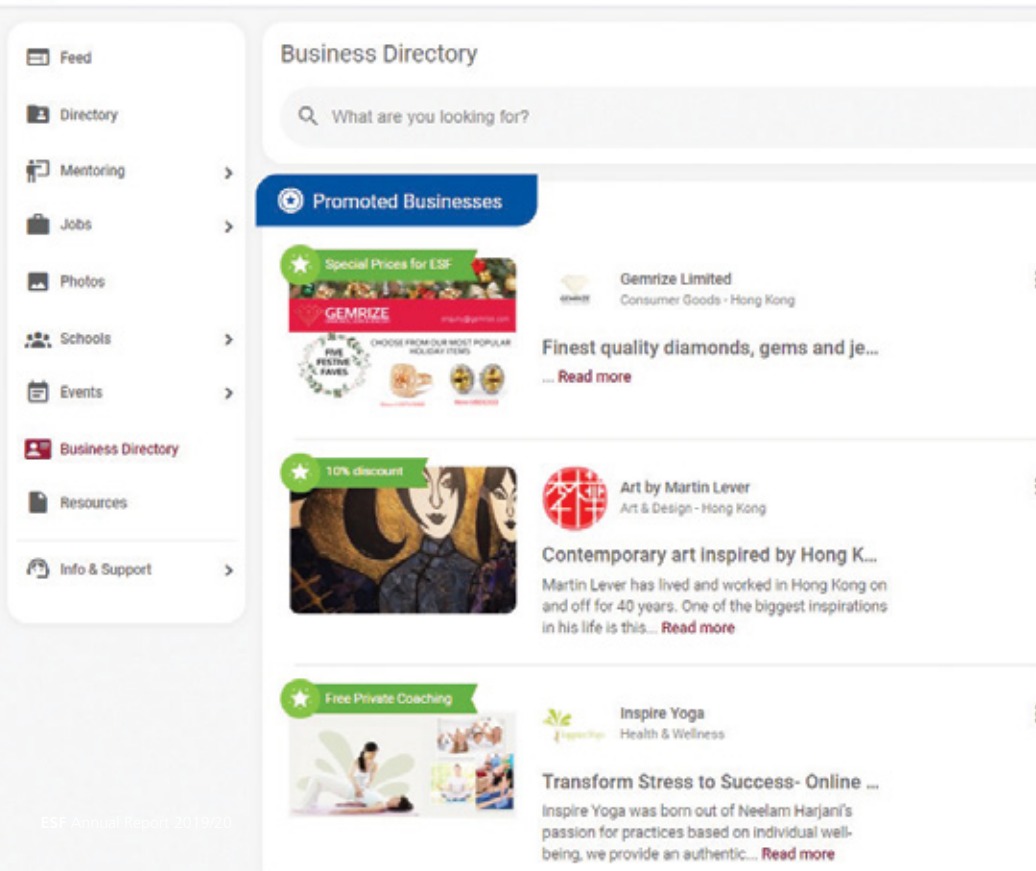


COMMUNICATIONS & ADVANCEMENT



COMMUNICATIONS & ADVANCEMENT

ESF 英基 | CONNECT



PARENT COMMUNICATIONS

The ESF App was developed with an aim to improve communications between schools and families. By the end of the 2019/2020 academic year, the App was built, trialled and rolled out for all ESF parents and schools. At the time of publication, it is anticipated that it has been downloaded to over 34,000 ESF family devices. Further enhancements to the app include temperature recording, health declarations, grant applications and parent event bookings, alongside the continued rollout of access to student assessment data.

ALUMNI DEVELOPMENT

Our new alumni engagement platform, ESF Connect, was officially launched in June 2019 and there are over 4,000 alumni registered. There are many features within the platform, such as classmate searching, job postings, internships and mentoring opportunities. Every feature is designed to keep alumni connected and tuned into the latest news about the ESF alumni community.

In June 2020, we introduced new features including a business directory, which allows alumni to promote their businesses and offer other alumni exclusive discounts on products and services. The 'live event' function also enables alumni to hold reunions, live chats and workshops on ESF Connect through Zoom to keep them connected when they cannot physically be together.

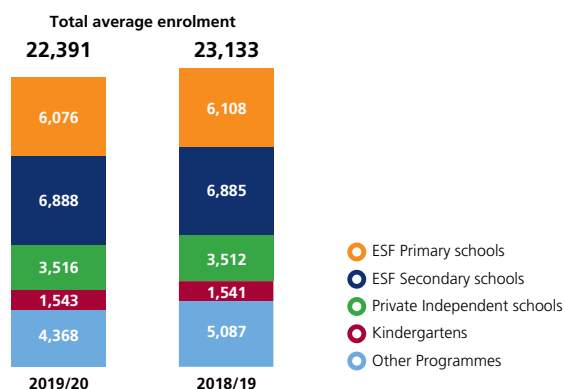


FINANCE



FINANCE

Average Student Enrolment



RESULTS OF THE ENGLISH SCHOOLS FOUNDATION (ESF) AND ITS SUBSIDIARY, ESF EDUCATIONAL SERVICES LIMITED (ESL) FOR THE YEAR ENDED 31 AUGUST 2020.

	2019/20		2018/19	
	\$M	% of total income	\$M	% of total income
Operating Income				
School fees	2,166.7	81.0	2,148.1	79.9
Subvention	207.0	7.7	221.3	8.2
Other	200.3	7.5	241.8	9.0
	2,574.0	96.2	2,611.2	97.1
Non-operating Income	102.6	3.8	78.8	2.9
Total Income	2,676.6	100.0	2,690.0	100.0
Expenditure				
Staff cost	1,912.6	71.5	1,886.4	70.1
Depreciation	234.5	8.8	208.2	7.7
Repairs and maintenance	122.0	4.6	106.3	4.0
Other operating expenses	167.1	6.2	195.9	7.3
Scholarship fund and hardship allowance	86.4	3.2	52.0	1.9
	2,522.6	94.3	2,448.8	91.0
Surplus for the Year	154.0	5.7	241.2	9.0
Add/(less): re-measurement of net defined benefit scheme assets	7.7	0.3	(3.8)	(0.2)
Total Comprehensive Income	161.7	6.0	237.4	8.8
Analysis of Surplus:				
General	20.9		110.5	
Capital fund	102.6		78.8	
Individual schools	38.2		48.1	
	161.7		237.4	

INCOME

The Group's operating income decreased by 1.4% to HK\$2,574.0m (2018-19: HK\$2,611.2m) as a result of higher revenue from tuition fees, which represented 84.2% of the total operating income, offsetting with the reductions in subvention and programme fee of ESF Sports and Language section. In 2019-20, average tuition fees increases were 4.5% for ESF schools, 5.4% for Private Independent schools, and 6.2% for the Kindergartens, in order to cover pay rises and a number of educational enhancements. The student enrolment numbers fell slightly compared with 2018-19 especially in Terms 2 & 3 as the impact from COVID-19 intensified. Competition continued to be keen under the current COVID-19 situation, existing school operators expanding their schools and new operators entering the Hong Kong market.

The subvention to ESF schools started to phase out from 2016-17 over 13 years. Total receipts during the year were HK\$301.8m (2018-19: HK\$245.3m). This included basic grants, subsidies under the Employment Support Scheme, hardship allowance and a refund of rent and rates from the Government. The reduction in basic grants and hardship allowance was HK\$16.6m and \$0.3m, respectively.

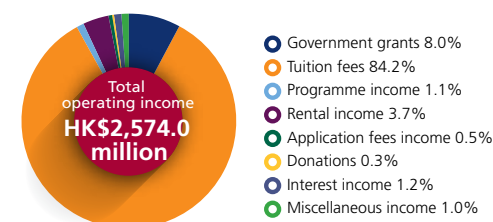
Income generated from the language and sports programmes (excluding rental income) went down by 56.3% to HK\$29.0m (2018-19: HK\$66.4m) as a result of COVID-19 related school closure in Terms 2, 3, and summer 2020.

Income from leasing of school premises decreased significantly to HK\$11.4m (2018-19: HK\$25.2m) because of school closures under COVID-19. Rental income derived from residential properties decreased slightly to HK\$84.4m (2018-19: HK\$85.4m) due to lower occupancy rates and lower rent at renewal.

Interest income increased by 22.3% to HK\$31.8m (2018-19: HK\$26.0m) as better interest rates were offered and a reserve fund for redevelopment was put into fixed deposits temporarily. Application fees remained stable at HK\$12.5m (2018-19: HK\$12.5m). Miscellaneous income was mainly derived from forfeited deposits and other income from schools.

The Group introduced various schemes to finance capital expenditure, including the Nomination Rights Schemes and non-refundable building/capital levies. This revenue was designated to finance capital expenditure/redevelopment projects and hence was included in the capital fund. This year, these schemes generated an income of HK\$102.6m (2018-19: HK\$78.8m). The significant increase was due to higher student turnover in 2019-20.

Total operating income by source for the year ended 31 August 2020



EXPENDITURE

Staff expenses and facilities expenses, including depreciation on schools and offices, repairs and maintenance, continued to be the major expenditure items, representing approximately 90% of total expenses. Management has adopted the Best Value model over the years, while being mindful of the importance to maintain the high standard of education delivered to our students, staff morale, recruitment and retention needs.

Other operating expenses consisted mainly of IT expenditure, recruitment expenses, office and general expenses, training and curriculum development expenses, utilities, teaching materials and rental expenses.

Staff expenses increased by 1.4% to HK\$1,912.6m (2018-19: HK\$1,886.4m). This is mainly due to salary adjustments for existing employees, which was in line with inflation and the labour market trends in Hong Kong, after netting-off the subsidies under the Employment Support Scheme. The increase also reflected higher teaching staff salaries because of staff progression up the salary scales, and new educational enhancements introduced during the year.

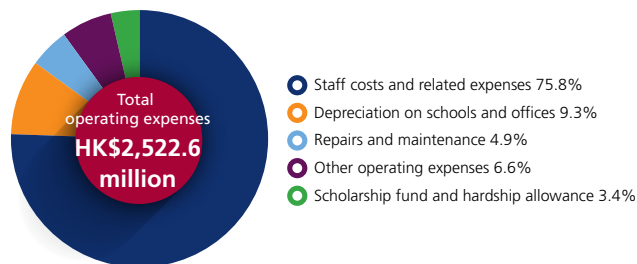
Depreciation expenses increased by 12.6% to HK\$234.5m (2018-19: HK\$208.2m) mainly as a result of the new HKFRS 16 Leases. Under HKFRS 16, all major leases are capitalized and increased depreciation by HK\$20.1m when compared with 2018-19. In addition, capital expenditure at ESF and Private Independent schools continued.

The cost of repairs and maintenance remained stable at HK\$122.0m (2018-19: HK\$106.3m). These expenses included summer works, annual maintenance contracts, facility consultancy fees, periodic inspection services and reinstatement costs of leased premises.

Other operating expenses decreased by 14.7% to HK\$167.1m (2018-19: HK\$195.9m) mainly due to shifting of rental expenses to depreciation expenses under the new HKFRS 16 and lower spending in schools because of class suspension under COVID-19.

Individual schools surplus of HK\$38.2m represented surplus generated by the 15 ESF schools.

Operating expenses by category for the year ended 31 August 2020

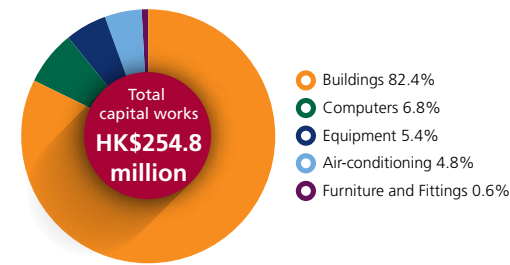


BALANCE SHEET AND CAPITAL EXPENDITURE

Fixed assets

The Group's balance sheet remained strong and well capitalised in 2019-20. As at 31 August 2020, total assets increased by 9.0% to HK\$3,729.8m (2018-19: HK\$3,422.9m). Fixed assets represented 52.9% of total assets, at HK\$1,974.6m (2018-19: HK\$1,910.7m). Capital expenditure increased by 57.4% to HK\$254.8m (2018-19: HK\$161.9m) as a result of payments for Island School redevelopment and capitalization of major leases under HKFRS 16. Capital expenditures in different areas are shown in the chart: Capital works by category.

Capital works by category for the year ended 31 August 2020



Group's Balance Sheet

	2019/20	2018/19
	\$M	\$M
Assets employed		
Fixed assets	1,974.6	1,910.7
Bank deposits with original maturities over three months	869.3	942.3
Cash and cash equivalents	736.1	416.9
Other assets	149.8	153.0
	3,729.8	3,422.9
Less:		
Other liabilities	715.7	616.0
Refundable capital levy	108.1	136.1
Debenture	63.9	12.6
Deferred income	280.4	258.0
- Non-refundable capital/building levy		
- Individual nomination rights	241.0	239.5
- Corporate nomination rights	38.1	39.8
Net Assets	2,282.6	2,120.9
Financed by		
Reserves (retained surpluses)	2,282.6	2,120.9

Cash and deposits

Total cash and deposits increased by 18.1% to HK\$1,605.4m at 31 August 2020 (31 August 2019: HK\$1,359.2m). Of this amount, cash held on deposit with original maturities over three months decreased by 7.7% to HK\$869.3m (2018-19: HK\$942.3m). This was mainly attributable to the net effect of payments for capital expenditure, the collection of non-refundable building/capital levy and debenture (HK\$81.2m and HK\$51.3m, respectively), nomination rights and receipts in advance (HK\$43.6m), and free cash generated from surplus for the year. With capital commitments of HK\$1,229.3m, representing mainly school extension projects, and the redevelopment of Island School, capital planning and cash management continue to be the priorities going forward.

Non-refundable building/capital levy

As part of the capital funding strategy, ESF schools collect non-refundable capital levy which replaced refundable capital levy since 2015. Parents of existing students who join Year 7 from another ESF school will be liable for the refundable capital levy if they have not paid the refundable capital levy or the non-refundable capital levy.

The private independent schools charge a non-refundable building levy. Renaissance College charges the levy as a one-time payment upon a student's acceptance of a school place. Discovery College collects the levy on an annual basis for all students.

Reserves

Reserves represent the excess of assets over liabilities. They included school reserves of ESF schools of HK\$231.9m (2018-19: HK\$214.1m). These are accumulated surpluses of ESF schools derived from individual school's devolved budgets. Out of the total amount, HK\$61.6m (2018-19: HK\$50.3m) has been designated to finance approved capital activities at schools. A sum of HK\$56.4m for future infrastructure upgrades was also reserved. School management together with their respective School Councils actively engaged in surplus planning every year.

In addition to the capital fund that was built up by the capital fund surplus, building reserve was delineated to set aside the sum spent or reserved for the expansion, maintaining and replacing buildings. The Group transferred HK\$84.0m (2019: HK\$150.9m) from general reserve to building reserve, reflecting the sum spent or reserved, in order to facilitate financial management and understanding of the financial position. The available fund for future expansion, maintaining or replacing buildings was \$754.2 million.

Group's cash flow

	2019/20	2018/19
	\$M	\$M
Cash Generated from Operations	292.1	374.7
Investing Activities		
Capital expenditure	(202.3)	(167.4)
Bank deposits with original maturities over three months	73.0	(223.5)
Other	31.6	26.0
	(97.7)	(364.9)
Financing Activities		
Refundable capital levy	(28.0)	(29.2)
Proceeds from issue of nomination rights	43.6	42.5
Proceeds from non-refundable capital/building levy	81.2	80.5
Proceeds from debenture	51.3	0.6
Other	(23.3)	(1.0)
	124.8	93.4
Increase in Cash and Cash Equivalents	319.2	103.2

In 2019-20, the Group's cash and cash equivalents increased by HK\$319.2m. Including fixed deposits and restricted cash, total cash and bank increased by HK\$246.2m. Cash generated from operations decreased by 22.0% to HK\$292.1m during the year (2018-19: HK\$374.7m). The decrease was primarily due to reduction in surplus for the year. Major capital project financing is a subject the Group continues to find alternate solutions for.

The above financial analysis concentrates on one year's financial performance, with a comparison against the previous year. A five year summary on the Group's financial performance is available on p.35.

GOVERNANCE

During the year, medium term cash flow projection for the Group was reviewed regularly to ensure there was adequate capital funding for the anticipated major school redevelopment and extension projects. Investment strategy, including the strategy on the residential property portfolio, was under discussion. Modifications and streamlining of the annual budgeting process, with a focus on the appropriate level of contingencies for the organisation, together with the rationale to be adopted when setting fees for all ESF schools continued.

OUTLOOK

Student enrolment continues to be an area of focus for ESF schools, especially in the secondary sector. With more international school places expected to become available in Hong Kong in the coming years, coupled with the political and economical environment, competition for student enrolment will intensify even further. Management will continue to explore options to maintain the enrolment at full capacity going forward. Furthermore, the Group continues to modernize the marketing effort to address the situation.

Following the successful introduction of the kindergarten Class-A debenture in 2019-20 for gaining interview priority, new classes for age 2 are being explored as part of the overall K-13 strategy.

With the introduction of the non-refundable capital levy, together with the Individual and Corporate Nomination Rights Schemes, ESF has successfully set its medium term capital funding strategy. The largest capital project is the current redevelopment of Island School. The Legislative Council Finance Committee has approved a capital grant to subsidise the redevelopment project. The rest of the funding for the project will be sourced internally. However, short term bridge loans might be required from time to time in the future. In view of the stable income stream of ESF and the independent valuation of its residential property portfolio at approximately HK\$3.2 billion as at 31 August 2020, ESF is in a position to borrow at a favourable interest rate to meet temporary funding needs of major capital projects.

The long-term maintenance of Discovery College's roof will continue to be one of the major expenditures for the school, to be funded by income from non-refundable building levy and nomination rights.

The Group participates in the Government's FIT scheme and solar PV panels and inverters are gradually installed in some schools. When completed, this will generate extra income of approximately HK\$1.5 million p.a. to provide additional educational opportunities on promoting sustainability at our schools.

In order not to put additional pressure on our parents, ESF has been finding ways to generate additional income for the purpose of enhancing our education provision. During the year, the Board approved the appointment of an investment advisor to manage an investment portfolio to be created using surplus cash and proceeds from disposal of low income generating residential properties. A new company "ESF Investments Limited" ("ESFI") was incorporated in October 2020 to house the investment portfolio in order to ensure transparency, with regular reporting to the Board. In addition, the Board approved the initial phasing of the strategic asset allocation. The goal of the investment strategy is to generate a higher yield from the assets, in order to provide an additional income to enhance the learning experience of our students.

We continue to look for the right opportunities for ESF to expand within and beyond Hong Kong that will bring value to our existing students and staff. The outlook for ESF Sports and Language is incredibly positive as the team continues to grow and innovate at every level. ESF Sports is working to improve student and parent engagement through the use of technology. ESF Language and Learning continues its incredible trajectory with a number of new programmes having launched recently, with others poised for expansion.

Five-year Financial Summary

(the data shown below are before any restatements because of change in accounting policy or adoption of new accounting standard, if any)

	2019/20	2018/19	2017/18	2016/17	2015/16
	\$M	\$M	\$M	\$M	\$M
Consolidated Profit & Loss Account					
Operating Income					
School fees	2,166.7	2,148.1	2,015.0	1,870.7	1,727.6
Subvention	207.0	221.3	237.9	254.5	271.1
Other	200.3	241.8	217.8	228.8	209.2
	2,574.0	2,611.2	2,470.7	2,354.0	2,207.9
Non-operating Income	102.6	78.8	94.9	95.7	81.7
Total Income	2,676.6	2,690.0	2,565.6	2,449.7	2,289.6
Expenditure					
Staff cost	1,912.6	1,886.4	1,833.0	1,767.6	1,702.6
Depreciation	234.5	208.2	179.0	155.9	145.0
Repair and maintenance	122.0	106.3	106.2	94.7	75.7
Other operating expenses	167.1	195.9	184.7	173.7	168.7
Scholarship fund and hardship allowance	86.4	52.0	48.6	44.4	39.9
	2,522.6	2,448.8	2,351.5	2,236.3	2,131.9
Surplus for the Year	154.0	241.2	214.1	213.4	157.7
Add/(less): re-measurement of net defined benefit scheme assets	7.7	(3.8)	8.3	11.9	(0.9)
Total Comprehensive Income	161.7	237.4	222.4	225.3	156.8
General	20.9	110.5	78.2	90.8	26.8
Capital fund	102.6	78.8	94.9	95.7	81.7
Individual schools	38.2	48.1	49.3	38.8	48.3
	161.7	237.4	222.4	225.3	156.8

Five-year Financial Summary (continued)

(the data shown below are before any restatements because of change in accounting policy or adoption of new accounting standard, if any)

	2019/20	2018/19	2017/18	2016/17	2015/16
	\$M	\$M	\$M	\$M	\$M
Consolidated Balance Sheet					
Non-current assets	2,017.9	1,948.6	2,037.7	1,879.8	1,798.2
Current assets	1,711.9	1,474.3	1,074.6	932.0	739.6
Current liabilities	(776.2)	(693.0)	(712.0)	(656.8)	(611.4)
Net current assets/ (liabilities)	935.7	781.3	362.6	275.2	128.2
Total assets less current liabilities	2,953.6	2,729.9	2,400.3	2,155.0	1,926.4
Non-current liabilities	(671.0)	(609.0)	(395.4)	(372.5)	(369.2)
Net Assets	2,282.6	2,120.9	2,004.9	1,782.5	1,557.2
General reserve	407.0	370.6	286.0	236.9	1,213.2
Capital fund	91.8	68.3	254.3	231.0	183.4
Building reserve	1,551.9	1,467.9	1,273.8	1,146.0	-
School reserves	231.9	214.1	190.8	168.6	160.6
Total Reserves	2,282.6	2,120.9	2,004.9	1,782.5	1,557.2

GOVERNANCE

ESF BOARD OF GOVERNORS

ESF has a strong and balanced management structure that effectively enables a variety of stakeholders to participate in the decision-making process.

The Board of Governors has overall responsibility for managing ESF's affairs and maintaining its educational standards. The Board is broadly constituted and includes 10 independent members, seven directly elected parent members, one member from the committee of parents, three school council chairs, four members of staff (including a principal) and the Chief Executive Officer (ex officio).

BOARD COMPOSITION

In 2019/20, the membership of the Board was as follows:

Independent Members	Chair	Mr Abraham Shek, GBS JP
	Vice Chair Chair of the Remuneration Committee	Mr Paul Varty
	Treasurer and Chair of the Finance Committee	Mr Samuel Houston
	Chair of the Audit Committee	Mr Alec Tong
		Dr York Chow
		Mr Benny Ng
		Ms Denise Kee
		Mr Kumar Ramanathan, SC
		Prof Nirmala Rao (up to Jan 2020)
Mr Neville Shroff		
School Council Chairs		Mr Mike Hudson
		Mr Gregory Lo
		Ms Virginia Morris (up to Dec 2019)
		Mr Andrew Nowak-Solinski (from Nov 2019)
Elected Parent Members		Mr Peter Bennett (from Dec 2019)
		Mr Marcos Bertamini
		Mr Francis Carroll (up to Nov 2019)
		Ms Jodie Coutts (from Dec 2019)
		Ms Shareen Hellen
		Dr Tom Patton
		Mr Craig Sanderson
Elected SEN Parent Member		Ms Dayna Lim Cheung
Committee of Parents Member		Ms Christine Meaney
Committee of Principals Member		Dr Harry Brown
Committee of Teaching Staff Members		Mr Sean Wray
		Mr Paul Anderson
Committee of Support Staff Member		Mr George Tibbets
Chief Executive Officer (ex officio)		Ms Belinda Greer

MEETING ATTENDANCE

In 2019/20, the Board met four times, with an average attendance rate of 85%. Attendance records of individual members are as follows:

Paul Anderson	3/4	Christine Meaney	4/4
Peter Bennett	3/3	Virginia Morris	1/2
Marcos Bertamini	2/4	Benny Ng	4/4
Harry Brown	4/4	Andrew Nowak-Solinski	2/2
Francis Carroll	1/1	Tom Patton	2/4
York Chow	3/4	Kumar Ramanathan	3/4
Jodie Coutts	2/3	Nirmala Rao	1/2
Belinda Greer	4/4	Craig Sanderson	4/4
Shareen Hellen	3/4	Abraham Shek	4/4
Sam Houston	3/4	Neville Shroff	3/4
Mike Hudson	4/4	George Tibbets	3/4
Denise Kee	3/4	Alec Tong	4/4
Dayna Lim Cheung	3/4	Paul Varty	4/4
Gregory Lo	4/4	Sean Wray	4/4

STANDING COMMITTEES

The Board of Governors is supported by sub-committees: Audit, Finance and Remuneration. Each committee advises on matters relating to ESF's business, the management of finances, staff remuneration and terms and conditions of service.

Audit Committee

The Audit Committee met four times during the 2019/20 academic year. During the year, the committee fulfilled its responsibilities as stipulated by the English Schools Foundation (General) Regulation. The committee reviewed audit projects for schools and organisational processes, including IT audits. The committee also met with our statutory auditors, KPMG, at a joint meeting with the Finance Committee to review and endorse the Foundation's financial statements.

The committee continued to have an overview of management actions' implementation status by reviewing issue tracking and progress reports. Results of special reviews during the year were also brought to the committee's attention.

The members of the Audit Committee in 2019/20 were:

- Alec Tong, Chair and Independent Board Member
- Denise Kee, Independent Board Member
- Benny Ng, Independent Board Member
- Dilys Cheng, Co-opted Member
- Horace Chu, Co-opted Member

Belinda Greer, Chief Executive Officer; Vivian Cheung, Chief Financial Officer; Alan Milliken, Director, Strategic Performance and Quality Assurance and Eva Pang, Internal Auditor, attended all meetings.

Finance Committee

The Finance Committee met six times in 2019/20, including a joint meeting with the Remuneration Committee to discuss fees and pay increases for the following year, and a joint meeting with the Audit Committee to review and endorse the audited accounts. In addition to fulfilling its primary responsibilities as stipulated by the English Schools Foundation (General) Regulation, the committee also reviewed a number of proposals, including the setting up of an Endowment and disposal of properties, and made recommendations to the Board where appropriate. Investment strategy, including the Properties Strategy, were formulated during the year.

The committee continues to review the performance of the property portfolio bi-annually, being the largest asset base of the Foundation. It also monitors the performance of the various elements of the long-term capital funding strategy to ensure it is meeting the targets set.

The members of the Finance Committee in 2019/20 were:

- Samuel George Houston, Chair and Treasurer
- Paul Varty, Independent Board Member
- Alex Tong, Independent Board Member
- Malcolm Keys, School Council Chair

Belinda Greer, Chief Executive Officer and Vivian Cheung, Chief Financial Officer, attended all meetings.

Remuneration Committee

The Remuneration Committee met five times during the 2019/20 year, and also held a joint meeting with the Finance Committee as part of ESF's financial planning process. The main responsibilities of the Remuneration Committee are to review the salaries and benefits of ESF employees, while at the same time, being mindful of the financial implications of any proposed revisions. The Committee also advises on amendments to the ESF remuneration policy and employee benefits and ensures the appropriate arrangements are made for consulting employees at each stage of the process.

In addition to the annual pay adjustment discussion for staff, the 2019/20 year discussions included the market and desk research on ESF teachers' pay position against external job applicants to ensure the competitiveness of teacher's pay. The Committee also invited Willis Towers Watson to present the customized compensation and benefits survey of all ESF teaching staff and some non-academic positions against other comparative schools in Hong Kong. The Committee reviewed and discussed the market benchmark levels of ESF positions.

The Committee also discussed the medical, dental and life insurance renewal for 2020-23 to continuously implement the Flexible Benefits for the third year onwards, the best use of ESF resources for employment related issues and long run human capital trends (both internal and external) that could impact ESF. The Committee increasingly focused not only on tangible pay and condition issues but also intangible factors that impact ESF's employer of choice position and wellbeing of staff members.

The members of the Remuneration Committee in 2019/20 were:

- Paul Varty, Chair;
- Kumar Ramanathan, Independent Board Member
- Albert Cheuk, School Council Chair
- Frankie Lam, Committee Appointed Member

Belinda Greer, Chief Executive Officer and Charles Caldwell, Director of Human Resources attended all meetings.

ADVISORY COMMITTEES

The Chief Executive Officer is supported by five advisory committees, representing Principals, School Council Chairs, parents, teaching staff and support staff.

Committee of School Council Chairs

The Committee of School Council Chairs comprises the Chairs of all the school councils. The Chair in 2019/2020 was Mike Hudson, who represented Kowloon Junior School.

Other members of the committee:

Primary Schools	
Beacon Hill School	Malcolm Keys
Bradbury School	Gregory Lo
Clearwater Bay School	Jack Ng
Glenealy School	Andy Lowe
Kennedy School	Duncan Chau
Kowloon Junior School	Mike Hudson
Peak School	Duncan Pescod
Quarry Bay School	Jan Blaauw
Sha Tin Junior School	Annie Ho
Secondary Schools	
Island School	Michael Lok
King George V School	Jeremy Ip
Sha Tin College	Edward Tsui
South Island School	Nick Phillips
West Island School	Tim Storey
Special School	
Jockey Club Sarah Roe School	Virginia Morris
All-through Schools	
Discovery College	Simon Wong
Renaissance College	Albert Cheuk
ESF	
Chief Executive Officer	Belinda Greer

Committee of Principals

The Committee of Principals comprises the Principals of all ESF kindergartens, primary, secondary and all-through schools and the Chief Executive Officer. The Chair in 2019/2020 was Harry Brown, Principal of Renaissance College. Other members of the committee during 2019/2020:

Primary Schools	
Beacon Hill School	Brenda Cook
Bradbury School	Sandra Webster
Clearwater Bay School	Chris Hamilton
Glenealy School	Chris Briggs
Kennedy School	John Brewster
Kowloon Junior School	Neill O'Reilly
Peak School	Bill Garnett
Quarry Bay School	Mina Dunstan
Sha Tin Junior School	Rehana Shanks
Secondary Schools	
Island School	Stephen Loggie
King George V School	Mark Blackshaw
Sha Tin College	Carol Larkin
South Island School	Tom Vignoles
West Island School	Chris Sammons
Special School	
Jockey Club Sarah Roe School	Karin Welselaar
All-through Schools	
Discovery College	James Smith
Renaissance College	Harry Brown
ESF International Kindergartens	
Abacus	Frances Hurley
Hillside	Audrey Tang
Tsing Yi	Suzannah Large
Tung Chung	Allison Banbury
Wu Kai Sha	Chris Coyle
ESF	
Chief Executive Officer	Belinda Greer

Committee of Parents

The Committee of Parents comprises the Chair of each of the parent-teacher associations (PTAs), one elected parent member of each school council, and the parent members of the Board of Governors.

The Chair in 2019/20 was Christine Meaney, representative of the Island School Council. Other members include:

Primary Schools	
Beacon Hill School	Rosa Tse, Susan Ho
Bradbury School	Khyati Mehta, Monica Brennand
Clearwater Bay School	Kate Baldwin
Glenealy School	Nigel Reeves, Fatema Jangbarwala
Kennedy School	Hannah Shepherd
Kowloon Junior School	Siew Fong Leung, Saloni Melwani
Peak School	Robert Ramsay, Patrick Kaminski
Quarry Bay School	Nicola Perkins
Sha Tin Junior School	Haris James, Lily Wong
Secondary Schools	
Island School	Christine Meaney, Tarja Joro
King George V School	Kim Gan, Madeleine Lok, Stephen Hon
Sha Tin College	Connie Wong, Matthew Ko, Thomas Lam, Joey Ko
South Island School	Karla Fung
West Island School	Karen Johnston, Mike Botelho
All-through Schools	
Discovery College	Nick Wade, Sapna Harris
Renaissance College	Mehul Tanna, Yvonne Tse
Special School	
Jockey Club Sarah Roe School	Sandra Lee, Sandra Feran
Parent Members of the Board	
	Peter Bennett, Marcos Bertamini, Francis Carroll, Jodie Coutts, Shareen Hellen, Dayna Lim Cheung, Tom Patton, Craig Sanderson
ESF	
Chief Executive Officer	Belinda Greer

Committee of Teaching Staff

The Committee of Teaching Staff comprises elected representatives from each school and the school development advisers for secondary and primary. The Chair in 2019/20 was Sean Wray, teacher at King George V School. Other members of the committee:

Primary Schools	
Beacon Hill School	Stu Lowe
Bradbury School	Rebecca Ryder
Clearwater Bay School	Heidi Jones (Cooke)
Glenealy School	Chris Angelosante
Kennedy School	Matthew King
Kowloon Junior School	Paul Anderson
Peak School	Nicole MacLennan
Quarry Bay School	Miranda Rauis
Sha Tin Junior School	Paul Campbell
Secondary Schools	
Island School	Pete Sims
King George V School	Sean Wray
Sha Tin College	Laura Ryan, Paul Clarke
South Island School	Nat Webster, Sally Stanton
West Island School	Erin Miller
All-through Schools	
Discovery College	Annette Garnett, Kevin McDavid
Renaissance College	Eleanor Walsh, Kathy La Brooy
Special School	
Jockey Club Sarah Roe School	Karin Wetselaar, Sandra Gee
ESF International Kindergartens	
Abacus	Olivia Kane
Hillside	Rebecca Smith
Wu Kai Sha	Christine Ainsworth
ESF	
Chief Executive Officer	Belinda Greer
School Development Advisers (Primary)	Skye Jeynes, Trish Oliver
School Development Adviser (Secondary)	David Findlay
School Development Adviser (Post-16)	Stewart Redden
Director of Communications	Rob Shorthouse

Committee of Support Staff

The Committee of Support Staff comprises elected representatives from each school and the Human Resources Director, Charles Caldwell. In 2019/20, George Tibbetts from Discovery College was the Chair. Members of the committee of Support Staff are as follows:

Primary Schools	
Beacon Hill School	Gabriel Wu
Bradbury School	Bertina Yuen
Clearwater Bay School	Menzi Dacuycuy
Glenealy School	Rekha Mahbubani
Kennedy School	Jyotika Channa
Kowloon Junior School	May Chiu
Quarry Bay School	Matilda Ng
Sha Tin Junior School	Minnie Ling, Kari Yeung
Secondary Schools	
Island School	Daniel Bluhm, Kiera Sims
King George V School	Tracy Li
Sha Tin College	Sandra Grey
South Island School	Hazel Tong
West Island School	Jo-Anne Timothy, Saffron Brown
Special School	
Jockey Club Sarah Roe School	Mari Nakamura
All-through Schools	
Discovery College	George Tibbetts, Dorothy Ng
Renaissance College	Deng Yanyi
ESF International Kindergartens	
Wu Kai Sha	Gloria So
ESF	
Chief Executive Officer	Belinda Greer
Human Resources Director	Charles Caldwell

English Schools Foundation

25/F • 1063 King's Road • Quarry Bay • Hong Kong

Tel +852 2574 2351 • Fax +852 2818 5690

Email info@esfcentre.edu.hk

www.esf.edu.hk