

Port Regis School Limited

(A Company Limited By Guarantee)

**Report of the Council, Directors Report
and Consolidated Financial Statements**

For the year ended 31 August 2020

Company number: 440436

Charity number: 306218

**Port Regis School Limited
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For the year ended 31 August 2020

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**Port Regis School Limited
Report of the Council
For the year ended 31 August 2020**

CHAIR	Mr O T W Hawkins MChem (Oxon) +*•x^~
MEMBERS OF THE COUNCIL	Mr M Aichroth + Miss E Boswell MA (Oxon) • Lady M Cayley MA (Cantab) •x Mr W Gething * Mr J Hamer * Mrs J Healy MA (Cantab) *~ Ms S James BEd Hons • Mrs F Loveridge MA (Oxon) *+•x~ Mrs K Massey ~ (appointed 12/3/20) Dr J McManus MChem (Oxon) • Mr N Tomlin +x (appointed 3/03/20) Mr G White +* Mrs J Williamson JP+x Mr A Cumine BSc MBA + x (resigned 31/08/20) Mr C Holloway BSc MBA FRICS* (resigned 31/12/19)
	* Member of the Finance Committee • Member of the Education Committee + Member of the Governance Committee x Member of the Wellbeing Committee ~ Member of the Communications Committee ^ Parent Governor
HEAD	Mr S Ilett MA (Oxon)
BURSAR	Mr K Binns BSc (Hons) MRICS
SECRETARY	Mrs G A White LLB (Hons) LPC
ADDRESS AND REGISTERED OFFICE	Motcombe House Motcombe Park Shaftesbury Dorset, SP7 9QA
REGISTERED NUMBER	440436
CHARITY NUMBER	306218
BANKERS	National Westminster Bank Plc 25 Market Place Blandford Forum Dorset DT11 7AQ
AUDITORS	Fawcetts LLP Windover House St Ann Street Salisbury SP1 2DR

Port Regis School Limited
Report of the Council
For the year ended 31 August 2020

The Council present their report, together with the audited financial statements for the year ended 31 August 2020. The financial statements comply with current statutory requirements and the Statement of Recommended Practice “Accounting and Reporting by Charities” (SORP 2015).

REFERENCE AND ADMINISTRATIVE INFORMATION

Port Regis School Limited is a charitable company limited by guarantee with Charity Commission registration number 306218 and Company registration number 440436. It is governed by a memorandum and articles of association which were filed with the Charities Commission on 23rd March 2020, having been adopted by the members on 6th March 2020. Other Legal and administrative information is set out on page 1 and forms part of this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Council

The Members of the Council who are the governors and directors of the company for the purposes of the Companies Act are set out on page 1.

The number of the members of Council shall not be less than three or more than twenty. The Council may at any time co-opt any person duly qualified to be appointed as a member of the Council to fill a vacancy in their number or as an additional member of the Council, to hold office only until the next General Meeting, when he/she is eligible for re-election. The Chair of the Council is elected by the members.

Governors are elected for a period of three years and may be re-elected twice serving in effect for a period of nine years. In exceptional circumstances, to reflect knowledge or experience this period of tenure may be extended. For the Chair of each sub-committee the maximum tenure is two three year terms subject to re-election after the first term.

Recruitment, induction and training of Members of the Council

The members of the Council are recruited by the Chair with the assistance of other governors and the Headmaster. A balance of governors is maintained between those with academic, financial and pastoral backgrounds, ideally supported by governors with legal, property and business experience. The Council includes current and former parents. New members of the Council are appointed at a meeting of the Council on the basis of recommendations made by the Governance Committee. Appointments may be made outside the Council meeting but only with appropriate written agreement.

All new members of the Council are given a full induction to the School, to their responsibilities as Governors, as company directors, and as trustees of the Charity. Training is made available for all members of the Council and funded by the School. All Governors are subject to rigorous checks including by the Disclosure and Barring Service in order to comply with Safeguarding and other legal and statutory regulations.

Organisation

The Council determines the Aims and Ethos of the school, sets the strategy and general policies for the School and is legally responsible for the overall management and control of the School. The day to day management of the School is delegated to the Head and the Bursar, supported by the Senior Management Team.

There are five main governor committees responsible for scrutiny and oversight of the Schools work. Each report to the full Council:

- Communication Committee has oversight of the School’s communication, marketing and development programmes.
- Education Committee is responsible for all matters of an academic nature. It meets twice annually.
- Finance Committee supports the Bursar and oversees the financial progress and operations of the School. It meets once a term.
- Governance Committee is involved in the selection, induction and training of Council Members, ensures overall statutory compliance and the identification and mitigation of risks to the School and oversees the School’s strategic objectives. It meets once a term.

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- Wellbeing Committee has responsibility for overseeing pastoral care policy with particular emphasis on the care and wellbeing of the pupils, the School's ethos and values, and the opportunities for moral, spiritual, social and cultural development. It meets once a term.

The full Council of Management meets once a term, always following the meetings of the governor committees. At each meeting the full Council reviews the minutes of the preceding governor committees, with the chair of each committee giving a verbal update and responding to questions. At each meeting a senior member of the School staff makes a presentation to the Council to provide members with detailed information on a particular aspect of school life. Every meeting finishes with a review of how the decisions agreed will impact the pupils.

The pay of the charity's key management personnel, being the Head, two Deputy Heads and the Bursar, is reviewed annually and normally increased in accordance with average earnings. The remuneration is benchmarked with schools of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Principal Risks and Uncertainties

The Council is responsible for ensuring that the risks faced by the School are properly managed. Detailed consideration of risk is delegated by the Council to the Governance Committee who regularly review those risks which are most likely to occur and have the greatest effect. In addition, risks are identified, assessed and controlled throughout the year by the senior management team as part of an on-going process, minutes are taken and actions are reviewed. A formal review is conducted annually by the Council by means of a risk management control form which sets out the key risk areas and how they are managed and mitigated.

The Council is satisfied that the major risks are identified and that there are systems in place to adequately mitigate exposure to such risks, as far as is practicable.

Risks fall into five categories; academic, operational, commercial and legal, security and governance and each category is reviewed in detail by governors on a three-term rolling cycle. Key risks are documented and the key controls include:

- regular staff and management meetings
- policy documents for all major activities which are regularly updated and reviewed
- remote teaching and learning programmes to be used in the event of a major crisis
- crisis and emergency response training
- detailed terms of reference for all committees
- formal agendas for all committee and board activities
- comprehensive financial planning and budgeting, in-year management and reporting
- vetting procedures as required by law for the protection of the vulnerable
- declaration by governors about related party transactions
- regular meetings of the School's Health and Safety Committee
- regular meetings of the Governance Committee to ensure compliance with current legislation
- monthly tracking of key risk areas through an Information Dashboard which is monitored by the Governance Committee.

STRATEGIC AIMS AND OBJECTIVES

Dr Praetorius' School, founded in 1881 in Weymouth Street, London, moved to Folkestone a few years later, and in 1921 to Kingsgate, Broadstairs, in the grounds of which stood an ancient arch, erected by Earl Holland to commemorate a chance landing by Charles II in 1683. This provided the idea for the name of the School, Port Regis, "Gate of the King". In 1940 Port Regis evacuated to Bryanston School, Blandford. After a brief stay at the Earl of Verulam's home at Gorhambury the School moved in 1947 to Motcombe Park, one mile from Shaftesbury in Dorset.

Principal activity

Port Regis School's objective as stated in the Articles of Association is to promote and provide for the advancement of education. Its principal activity is that of a co-educational boarding and day preparatory school providing children between the ages of two and thirteen with an all-round education of the highest quality. It prepares children for entrance to a wide range of leading independent senior schools via the testing at 10+, Common Entrance and scholarships as well as ensuring that each child has a rich co-curricular programme.

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All new entrants are invited to attend an assessment day in order to ensure that they will benefit from being at the School and are able to access the curriculum. The School aims to maintain and develop strong links with the local community.

Related Entity

Motcombe Park Limited is a wholly owned subsidiary of Port Regis School Limited. The principal activities of the company are that of the provision of sports hall and swimming pool facilities to people from the local community, together with golf club membership. A donation by Gift Aid is made to Port Regis School Limited of any profit made.

Vision

The Vision is for a vibrant school, providing a broad, world-class education that enables each and every child to flourish - intellectually, emotionally, physically and personally, preparing them for their future.

Ethos

The Ethos values and promotes the qualities of kindness, generosity, tolerance, honesty and friendship and reflects the School's motto *Altiora Peto* ('I Seek Higher Things').

Aims

The School's aims are:

For the pupils

- Kind, confident children striving to be their best, unafraid to fail and try again
- A cherished childhood
- Mature young people, prepared to thrive at the best-matched and the widest range of leading senior schools

For the education

- Inspirational, evidenced and forward thinking academic and extra-curricular provision
- Curiosity, enthusiasm and a strong and independent work ethic
- Creativity through appreciation, enjoyment and participation in music, drama, art, design and technology
- Sportsmanship, individual and collective participation in sport, and a healthy lifestyle

For the School

- A safe, kind and joyful School
- A rich and modern boarding culture with outstanding pastoral care
- Excellence for all in their areas of interest and support for all in their areas of weakness
- Celebration of effort, progress and achievement in all areas of School life
- Commitment to the School's charitable role within the local and the wider community

Strategic objectives

The School's ongoing objectives are to:

- Grow pupil numbers and attract a diverse cross section of pupils
- Ensure an exceptional day and boarding environment for all pupils with their welfare at its heart and one that truly enriches their lives
- Retain the School's reputation for academic excellence for all and to ensure teaching and learning are forward thinking and research driven, supported by an enriching co-curricular programme
- Ensure the School's financial stability, generate a sufficient cash surplus to fund the future development of the School and continue to widen access to the School through bursarial awards
- Promote sustainability across the School
- Ensure excellence in the quality and leadership of Governance
- Ensure that in fulfilling the above objectives the School operates to the benefit of the wider community.

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Objectives for the year

The principal objectives for the year have been the continuing achievement of both academic performance, moral, spiritual and physical education and the involvement of the pupils in co-curricular activities. The specific objectives for 2019-20 were inevitably influenced by the onset of the COVID crisis and have been to:

- Maintain the high quality of education during the COVID crisis and to provide a seamless learning experience by the provision of an excellent remote learning programme
- Ensure the wellbeing of all our pupils particularly during periods of pupil absence when the site was closed
- Nurture and protect our staff throughout the COVID crisis
- Ensure the School's financial stability through the COVID crisis by boosting liquidity and managing the cost base to generate a cash surplus
- Maintain and enhance the School's high quality facilities with a specific focus on investment projects which reduce the School's environmental footprint
- Enthuse and educate the pupils to make sustainability a lifestyle choice
- Promote and enhance the boarding experience at the School for local and non-local parents
- Appoint a new Headmaster following the announcement of the retirement of the current Headmaster, Stephen Ilett, in December 2020

Public benefit

As an important part of its functions, the School audits on an ongoing basis the public benefit it provides.

- The School educates over 300 children and the standards of education are judged by the Independent Schools Inspectorate, the Commission for Social Care Inspection and OFSTED to be of a high standard. The inspection reports of both bodies provide evidence of this and are freely available on request. By educating these children in the private sector we save the public purse a seven-figure sum by way of indirect public benefit.
- The School provides children from a wide range of financial backgrounds with access to its education by way of means-tested bursarial awards.
- The School trains and inducts teachers through the PGCE scheme and the NQT programme. It receives no funding from government for these undertakings and thus provides a significant net benefit to the profession and to society.
- The School is responsible for maintaining at significant cost the historic building at the heart of the School, Motcombe House, as well as all the grounds and other buildings within its curtilage.
- The School actively seeks to promote community links by making its facilities (music, sporting, art, design technology) available to the local community, schools and other organisations and by engaging where practicable and desirable in community affairs.
- The School offers weekly parent and toddler "Busy Bees" sessions at no charge.
- The School supports and fundraises for a wide range of local, national and international charities. These are often chosen by the children and are of special significance or relevance. Throughout the year a myriad of charitable fundraising events and appeals are organised by the School, the children and the Friends of Port Regis.

The Members of the Council confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

Grant making policy

The Council is committed to broadening access to the School by offering eligible parents means tested financial support with the payment of school fees. Assistance is also provided to the children of School staff and military families. Means-tested bursaries are awarded by the Council in exceptional cases of need on the recommendation of the remissions committee to existing pupils of the School. The opportunity to benefit from the School's grants is neither subject to geographical nor other restrictions nor by the ability to pay any fees charged. As such, people in poverty are not excluded from the opportunity to benefit.

In 2019-20 the financial value of all bursarial awards was £1,777,735, representing 27.1% of gross fees. This is an exceptionally high percentage as it includes the substantial discount on fees offered during the Summer term

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when the site was forced to close due to the COVID crisis (2018-19, awards totalled £1,011,129 representing 15.2% of gross fees).

ACHIEVEMENTS AND PERFORMANCE

Operational Performance

The Council oversees the School to ensure its objectives are met and continues to focus on ensuring sufficient funds to run and develop the School. The School had a successful year despite the many challenges presented by the COVID crisis due to the commitment and support of all its Academic and Support staff under the leadership of the Headmaster and his Senior Management Team. The quality and delivery of a seamless remote learning and wellbeing programme and the reduction in fees when the site had to close were well received and in the Council's opinion have further enhanced the reputation of the School. The Council is encouraged to see the stability of pupil numbers through the crisis and by the highest number of new UK joiners for 10 years, a testament to the performance of the School through the crisis. It is also encouraged by record enquiries from overseas parents even if the COVID crisis led to the deferral of the arrival of many of these potential pupils. The Council was pleased to see progress in the School's drive to reduce its carbon footprint with a reduction in underlying electricity consumption and the installation of new solar panels. The Council was delighted to announce the appointment of a new Headmaster, Titus Mills from Walhampton School, who will take over from Stephen Ilett when he retires at the end of December 2020.

Academic Staff

The School continues to invest in high quality staff to help meet the objective of retaining its reputation for academic excellence.

Facilities

Port Regis has long been regarded as having outstanding facilities for a preparatory school. These facilities provide pupils with exceptional opportunities to allow them to reach their potential on the academic front as well as in music, drama, sport, art and design and technology. The School recently upgraded its boarding facilities to create the best home from home environment with the welfare of the children at its heart. We have installed two solar arrays in our collective effort to reduce the School's carbon footprint. The School continues to invest to maintain and upgrade its first-rate facilities across the 150 acre site.

Academic

The School prepared 40 children for 13+ Common (or Winchester) Entrance Exams for entry to their senior Schools while 13 children were accepted to their senior schools on the basis of a sufficiently strong performance at scholarship level. The pass rate at Common Entrance was once again 100%, and 27 scholarships/exhibitions were awarded: seven academic, seven sport, four all-rounder, two music, six art and one Design Technology. 45% of Year 8 leavers heading to UK senior schools won at least one scholarship. Leavers went to 24 different senior schools, continuing Port Regis' long tradition of preparing children for a wide range of the country's leading destinations at 13+.

Sports

The Games programme was again successful in its support of the "Sport for All" philosophy of the School. Every child had the opportunity to represent the School as well as his or her house. Prior to the March COVID lockdown, the children enjoyed competitive fixtures played in a varied and full programme. The school's floodlit astro-turf is now being well used in support of both the School's games and hobbies programme. Seven sports scholarships and numerous team and individual sporting triumphs (and failures) were achieved across the South West and beyond.

Arts

Music at the School continues to flourish. The Music programme catered extensively for children of all abilities with a series of concerts and other performance opportunities for the children and hundreds of individual music lessons were delivered each week.

Drama in the School continues to flourish by the quality of plays put on through the year. D and F Form continued to receive a weekly drama lesson, while the E Form continued with their Lamda programme. A good number of

children from E right up to A form were awarded Lamda certificates at varying levels, with the School achieving a pass rate of 100%.

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The Art and Design and Technology departments, both long term strengths within the School, continued to flourish and a new laser cutter was ordered for the DT department. There were scholarships awarded in both departments.

Community

The School continues to promote community links by making its facilities available to local people, local schools and other organisations and by engaging where practicable in community affairs. This year has been marred by the onset of the COVID pandemic from the end of March 2020. With communities being isolated our plans to engage were curtailed. Port Regis pupils are encouraged to contribute to community life and to community welfare.

The stunning and purpose-built Farrington Music Hall is at the heart of the School's musical life and its facilities are available for use by the community, outside of term time. A varied programme of events throughout the year is also open and advertised to the local community. Ruth Rogers continues to run her annual concert series which is fully subscribed and attracts full houses to every concert.

For many years the School has made its sporting facilities available at a very modest cost to local groups and individuals. Motcombe Park Sports Centre offers swimming (including lessons), tennis, squash, badminton, aerobics, use of the astroturf as well as holiday activity courses. The Port Regis Gym Club is available for adults and children (including toddlers) of all abilities.

FINANCIAL REVIEW

Operating Results

The COVID crisis led to the forced closure of the School site for the majority of the last six months of the financial year. This impacted normal School life in many ways but notably through a reduction in fee income, the inability of pupils to board, the loss of all income from external holiday courses and a substantial drop in income from the Motcombe Park sports centre while it was closed. The overall reduction in income led to the School reporting a consolidated loss for the year of £195,484 (2018-19: loss £60,659) despite a substantial cost reduction programme and the receipt of furlough income. The School brought forward the re-roofing and installation of solar panels on two buildings while the site was closed leading to capital expenditure being higher than originally planned. The new solar panels have a combined installed capacity of 164 KWp and will reduce site electricity consumption by 12% avoiding 83,000 kg of CO₂ emissions per year. The School generated positive cash flow before working capital movements and capital expenditure and ended the year in a strong financial position with net assets of £7.5m and cash and cash equivalents of £2.5m (2018-19: £1.1m) inclusive of a £2.0m CBILS loan.

Reserves

The Governors have a long-standing policy of using cash surpluses to reinvest in the quality of the School's educational provision and its facilities and to fund bursaries to widen access to the School. Reserves are replenished out of surpluses that are not used for reinvestment.

The Council considers the financial position of the School to be strong and the overall level of the reserves to be sufficient to meet the School's obligations.

The reserves policy of the School is reviewed annually by the Council.

Investment policy and objectives

Surplus funds are held in cash deposits and current bank accounts.

FUTURE DEVELOPMENTS

The principal objectives for the year are the continuing achievement of both academic performance, moral and spiritual education and the involvement of the pupils in extra-curricular activities. The specific objectives for 2020-21 are to:

- Welcome the new Headmaster, Titus Mills
- Grow pupil numbers and continue to attract a diverse cross section of new pupils
- Promote boarding and highlight the rich opportunities the School's boarding environment offers
- Generate a sufficient cash surplus to help fund the future development of the School

Port Regis School Limited
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- Promote sustainability and further invest to reduce the School's environmental footprint
- Continue to invest in high quality staff
- Reinvigorate Motcombe Park sports centre after a long period of forced closure due to the pandemic
- Create a foundation to help fund future development plans and bursaries to widen access to the School

GOVERNORS' INDEMNITY INSURANCE

The School has purchased governors' indemnity insurance cover.

STATEMENT OF COUNCIL'S RESPONSIBILITIES

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

Company law requires the Members of the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charity and the group for that period. 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;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Members of the Council are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Council Members are aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the Council Members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The report of the Council, which includes the strategic report, was approved on November 27th 2020 and signed on their behalf by:



MR O. T. W. HAWKINS
Chair of the Council of Management

Motcombe House
Motcombe Park
Shaftesbury
Dorset
SP7 9QA

**Report of the Independent Auditors
To the Members of
Port Regis School Limited**

Opinion

We have audited the consolidated financial statements of Port Regis School Limited (the 'charitable company') for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and School Balance Sheet, the Consolidated Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's and group's affairs as at 31 August 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the Members of the Council's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Members of the Council have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Report of the Council (including Strategic Report), other than the financial statements and our Report of the Auditors thereon. The Members of the Council are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Council, which includes the Report of the Directors and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors included within the Report of the Council have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors (continued)
To the Members of
Port Regis School Limited

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors included within the Report of the Council.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Members of the Council remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Members of the Council

As explained more fully in the Statement of Council's Responsibilities, the Members of the Council (who are also directors of the charitable company for the purposes of company law and trustees of the charity for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.


Simon Ellingham BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Fawcetts LLP
Chartered Accountants & Statutory Auditors
Windover House, St Ann Street
Salisbury
SP1 2DR

Date: 11 December 2019

Port Regis School Limited
Consolidated Statement of Financial Activities

For the year ended 31 August 2020

INCOME AND EXPENDITURE	Note	Unrestricted £	Restricted £	2020 Total £	2019 Total £
INCOME AND ENDOWMENTS FROM:					
Charitable activities:					
School fees receivable	3	4,778,962	-	4,778,962	5,622,913
Other income	4	1,041,820	-	1,041,820	618,671
Donations and legacies	5	61,721	-	61,721	140
Other trading activities	6	129,792	-	129,792	510,927
Investment income	7	2,748	-	2,748	3,710
		<hr/>	<hr/>	<hr/>	<hr/>
Total income		6,015,043	-	6,015,043	6,756,361
EXPENDITURE ON:					
Raising funds	8	75,247	-	75,247	107,470
Charitable activities	8	6,135,280	-	6,135,280	6,709,004
		<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure		6,210,527	-	6,210,527	6,816,474
		(195,484)	-	(195,484)	(60,113)
Net gains/(losses) on investments	14	-	-	-	(546)
		<hr/>	<hr/>	<hr/>	<hr/>
NET INCOME/(EXPENDITURE)		(195,484)	-	(195,484)	(60,659)
RECONCILIATION OF FUNDS:					
Total funds brought forward		7,722,339	-	7,722,339	7,782,998
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		7,526,855	-	7,526,855	7,722,339

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

Comparative figures for the unrestricted and restricted funds are shown in note 2.

The notes form part of these financial statements

Port Regis School Limited
(Company number: 440436)
Consolidated Balance Sheet

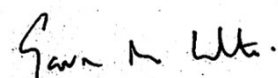
As at 31 August 2020

	Note	Group		School	
		2020 £	2019 £	2020 £	2019 £
Fixed assets					
Tangible fixed assets	13	8,278,721	8,286,327	8,273,163	8,278,734
Investment	14	5,749	5,749	6,249	6,249
		<u>8,284,470</u>	<u>8,292,076</u>	<u>8,279,412</u>	<u>8,284,983</u>
Current assets					
Debtors	15	227,008	408,436	231,138	416,492
Cash at bank and in hand		<u>2,518,425</u>	<u>1,069,278</u>	<u>2,515,936</u>	<u>1,064,329</u>
Total current assets		<u>2,745,433</u>	<u>1,477,714</u>	<u>2,747,074</u>	<u>1,480,821</u>
Liabilities					
Creditors: Amounts due within one year	16	<u>(1,527,641)</u>	<u>(1,919,320)</u>	<u>(1,523,893)</u>	<u>(1,915,412)</u>
Net current assets		<u>1,217,792</u>	<u>(441,606)</u>	<u>1,223,181</u>	<u>(434,591)</u>
Total assets less current liabilities		<u>9,502,262</u>	<u>7,850,470</u>	<u>9,502,593</u>	<u>7,850,392</u>
Creditors: Amounts due after more than one year	17	<u>(1,975,407)</u>	<u>(128,131)</u>	<u>(1,975,407)</u>	<u>(128,131)</u>
NET ASSETS		<u><u>7,526,855</u></u>	<u><u>7,722,339</u></u>	<u><u>7,527,186</u></u>	<u><u>7,722,261</u></u>
Funds					
Unrestricted funds:					
Undesignated	21	7,527,186	7,722,261	7,527,186	7,722,261
Trading company	21	<u>(331)</u>	<u>78</u>	<u>-</u>	<u>-</u>
Total unrestricted general funds		<u>7,526,855</u>	<u>7,722,339</u>	<u>7,527,186</u>	<u>7,722,261</u>
Restricted funds	21	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS		<u><u>7,526,855</u></u>	<u><u>7,722,339</u></u>	<u><u>7,527,186</u></u>	<u><u>7,722,261</u></u>

The financial statements were approved and authorised for issue by the Members of the Council on november 27th 2020 and were signed on its behalf by:



O Hawkins (Chairman of Council)



G White (Chairman of Finance Committee and Member of Council)

The notes form part of these financial statements

Port Regis School Limited

Consolidated Statement of Cash Flow
For the year ended 31 August 2020

	Notes	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by/(used in) operating activities	a	(176,453)	192,098
Cash flows from investing activities:			
Purchase of tangible fixed assets		(379,600)	(183,772)
Proceeds on sale of tangible fixed assets		5,200	-
Net cash provided by/(used in) investing activities		<u>(374,400)</u>	<u>(183,772)</u>
Cash flows from financing activities:			
Repayments of borrowing		-	-
Cash inflows from new borrowing		2,000,000	-
Net cash provided by/(used in) financing activities		<u>2,000,000</u>	<u>-</u>
CHANGE IN CASH AND CASH EQUIVALENTS FOR THE YEAR		1,449,147	8,326
Cash and cash equivalents brought forward	b	1,069,278	1,060,952
CASH AND CASH EQUIVALENTS CARRIED FORWARD AT 31 AUGUST	b	<u>2,518,425</u>	<u>1,069,278</u>

a) Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net income/(expenditure) for the year as per the Statement of Financial Activities	(195,484)	(60,659)
Adjusted for:		
Depreciation	382,743	379,246
(Profit)/loss on disposal of tangible fixed assets	(738)	-
Net gains/(losses) on investments	-	546
(Increase)/decrease in debtors	181,428	169,034
Increase/(decrease) in creditors	(544,402)	(296,069)
Net cash (used in)/provided by operating activities	<u>(176,453)</u>	<u>192,098</u>

b) Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>2,518,425</u>	<u>1,069,278</u>

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

1. Accounting policies

A summary of the principal accounting policies adopted, which have been applied consistently, are set out below:

1.1 Accounting convention

The accounts of the School are 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) and the Companies Act 2006.

Port Regis School Limited meets the definition of a public benefit entity under FRS 102.

Having reviewed the funding facilities available to the School together with the expected on-going demand for places and the School's future projected cash flow, the Members of the Council have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. The Coronavirus outbreak has so far not had a material impact on this assessment and, based on their current knowledge, they do not expect it to do so going forward.

1.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the School and its trading subsidiary, Motcombe Park Limited . A separate statement of financial activities for the School itself is not presented because the School has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

1.3 Income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships, bursaries and other remissions allowed by the School.

Voluntary incoming resources from donations, legacies and grants are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Trading income represents net invoiced sales of goods and services, excluding value added tax.

Investment income is accounted for on an accruals basis.

1.4 Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. The irrecoverable element of VAT is included with the item of expense to which it relates.

Expenditure directly attributable to specific activities have been included in those cost categories. Other costs are apportioned to cost categories on the basis of estimated time amount attributable to each activity.

1.5 Fund accounting

Unrestricted funds are general funds that are available for use at the Governors' discretion in the furtherance of the objectives of the School.

Designated funds are unrestricted funds which have been allocated or designated for specific purposes by the Governors. The use of designated funds remains at the discretion of Governors.

Restricted funds are those donated, or raised, for use in a particular area or for a specific purpose.

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost and depreciated over their useful economic lives, less any estimated residual value, at the following rates:

Freehold property	2% straight line (on cost above £100,000 estimated to be the original cost of land)
Building improvements	20% reducing balance / 10% straight line
Furniture, fittings & equipment	20% reducing balance
Computer equipment	33% straight line
Motor vehicles	25% straight line

An impairment review is carried out on an annual basis.

1.7 Investments

Investments are included in the financial statements at market value. All gains and losses are taken to the Statement of Financial Activities in line with the Charity SORP.

1.8 Debtor

Debtors are measured at their recoverable amount.

1.9 Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.10 Financial instruments

The School only has 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.

1.11 Advance fees scheme

The School has accepted composition sums in respect of certain pupils and in return has undertaken to discharge defined amounts of the fees chargeable in respect of those pupils. In the event of a pupil's withdrawal from the School before all the agreed amounts have been credited, the School has agreed to return a proportionate part of the composition sum, or to transfer the defined fixed amounts to any other school.

The School's liability in respect of advance fees which it has accepted has been brought into these accounts as a liability which would arise if all pupils covered by such arrangements were withdrawn from the scheme at the balance sheet date.

1.12 Operating leases

Rentals paid under operating leases are charged on a time basis over the lease term.

1.13 Pension costs

The School contributes to the Teachers' Superannuation Scheme at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The School also operates a group personal pension scheme for non-teaching staff.

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

2. Statement of financial activities - comparative balances

	Unrestricted £	Restricted £	2019 Total £
INCOME AND ENDOWMENTS FROM:			
Charitable activities:			
School fees receivable	5,622,913	-	5,622,913
Other income	618,671	-	618,671
Donations and legacies	140	-	140
Other trading activities	510,927	-	510,927
Investment income	3,710	-	3,710
	<u>6,756,361</u>	<u>-</u>	<u>6,756,361</u>
EXPENDITURE ON:			
Raising funds	107,470	-	107,470
Charitable activities	6,709,004	-	6,709,004
	<u>6,816,474</u>	<u>-</u>	<u>6,816,474</u>
	(60,113)	-	(60,113)
Net gains/(losses) on investments	(546)	-	(546)
NET INCOME/(EXPENDITURE)	<u>(60,659)</u>	<u>-</u>	<u>(60,659)</u>
RECONCILIATION OF FUNDS:			
Total funds brought	7,782,998	-	7,782,998
TOTAL FUNDS CARRIED FORWARD	<u><u>7,722,339</u></u>	<u><u>-</u></u>	<u><u>7,722,339</u></u>

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

3. Charitable activities: School fees receivable	2020	2019
	£	£
Gross fees excluding registrations	6,556,697	6,634,041
Less: Bursaries, scholarships and allowances	<u>(1,777,735)</u>	<u>(1,011,128)</u>
	4,778,962	5,622,913
Restricted fund bursaries	-	-
	<u>4,778,962</u>	<u>5,622,913</u>
	<u>4,778,962</u>	<u>5,622,913</u>
4. Charitable activities: Other income	2020	2019
	£	£
Extras, special tuition and outlays recoverable	439,676	609,073
Registration fees	10,659	9,598
Government grants	591,485	-
	<u>1,041,820</u>	<u>618,671</u>
	<u>1,041,820</u>	<u>618,671</u>
5. Donations and legacies	2020	2019
	£	£
Donations	<u>61,721</u>	<u>140</u>
	<u>61,721</u>	<u>140</u>
6. Other trading activities	2020	2019
	£	£
Subsidiary trading income	21,715	49,291
Sports centre income	90,964	190,745
Income from courses	-	249,772
Lettings and rents	2,406	7,148
Other income	14,707	13,971
	<u>129,792</u>	<u>510,927</u>
	<u>129,792</u>	<u>510,927</u>
7. Investment income	2020	2019
	£	£
Bank and other interest	2,609	3,463
Investment income	139	247
	<u>2,748</u>	<u>3,710</u>
	<u>2,748</u>	<u>3,710</u>

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

8. Expenditure	Staff costs	Other costs	Depreciation	Total 2020	Total 2019
	£	£	£	£	£
Raising funds					
Trading costs	10,000	10,089	2,035	22,124	32,314
Commissions and other costs	-	49,105	-	49,105	69,842
Bank loan interest and charges	-	4,018	-	4,018	5,314
	<u>10,000</u>	<u>63,212</u>	<u>2,035</u>	<u>75,247</u>	<u>107,470</u>
Charitable activities					
Education:					
Teaching	2,802,614	122,466	5,810	2,930,890	3,108,560
Welfare	539,098	178,578	-	717,676	778,564
Premises	565,329	680,465	374,898	1,620,692	1,805,315
ICT & AV development	-	121,411	-	121,411	134,551
Support costs of schooling	534,535	164,976	-	699,511	700,324
Bad debts	-	13,907	-	13,907	76,173
Lettings, courses and other activities	30,000	1,193	-	31,193	105,517
	<u>4,471,576</u>	<u>1,282,996</u>	<u>380,708</u>	<u>6,135,280</u>	<u>6,709,004</u>
	<u>4,481,576</u>	<u>1,346,208</u>	<u>382,743</u>	<u>6,210,527</u>	<u>6,816,474</u>
	(note 11)				
TOTAL 2019	4,634,840	1,802,388	379,246	6,816,474	
9. Net income/(expenditure)				2020	2019
				£	£
This is stated after charging:					
Depreciation				382,743	379,246
Profit on disposal of fixed assets				738	-
Auditors' remuneration:					
- audit				13,746	13,500
Operating lease rentals:					
- equipment rental				<u>32,098</u>	<u>32,322</u>

10. Taxation

No taxation is payable by the School because it is a registered charity and its activities are classified as exempt.

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

11. Staff costs and numbers

	Teaching		Non-teaching		Total	
	2020	2019	2020	2019	2020	2019
	£	£	£	£	£	£
Wages and salaries	2,261,541	2,424,294	1,520,102	1,527,640	3,781,643	3,951,934
Social security	220,563	229,830	107,676	109,492	328,239	339,322
Pension costs	320,510	295,230	51,184	48,354	371,694	343,584
	<u>2,802,614</u>	<u>2,949,354</u>	<u>1,678,962</u>	<u>1,685,486</u>	<u>4,481,576</u>	<u>4,634,840</u>

The average number of employees during the year were as follows:

	2020	2019
	No.	No.
Teaching staff	56	57
Other employees	113	122
	<u>169</u>	<u>179</u>

The number of employees whose emoluments for the year fell within the following bands were:

	2020	2019
	No.	No.
£60,001 to £70,000	3	1
£70,001 to £80,000	1	-
£80,001 to £90,000	-	-
£90,001 to £100,000	-	-
£100,001 to £110,000	1	1
	<u>1</u>	<u>1</u>

During the year there were redundancy and termination payments made which amounted to £16,358 (2019: £13,913). There was £nil outstanding at the year end (2019: £nil).

The total amount of employee benefits (including employer pension contributions) received by the 4 key management personnel, as listed in the Report of the Council, for their services was £300,206 (2019: £322,355 to 4 personnel).

12. Council Members' expenses and remuneration

Members of the Council are not remunerated. No expenses were reimbursed to the Council Members in the year (2019: £233 to 1 Council Member for travel expenses).

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

13. Tangible Fixed Assets

	Freehold property £	Building improvements £	Furniture, fittings & equipment £	Motor vehicles £	School Total £	Subsidiary £	Group Total £
Cost							
At 1 September	11,684,892	2,568,835	2,847,798	49,560	17,151,085	143,370	17,294,455
Additions	-	312,837	66,763	-	379,600	-	379,600
Disposals	-	-	(64,973)	-	(64,973)	-	(64,973)
At 31 August	<u>11,684,892</u>	<u>2,881,672</u>	<u>2,849,588</u>	<u>49,560</u>	<u>17,465,712</u>	<u>143,370</u>	<u>17,609,082</u>
Depreciation							
At 1 September	4,217,103	2,438,146	2,192,046	25,056	8,872,351	135,777	9,008,128
Charge for the year	231,698	21,171	120,762	7,077	380,708	2,035	382,743
Disposals	-	-	(60,510)	-	(60,510)	-	(60,510)
At 31 August	<u>4,448,801</u>	<u>2,459,317</u>	<u>2,252,298</u>	<u>32,133</u>	<u>9,192,549</u>	<u>137,812</u>	<u>9,330,361</u>
Net book value							
At 31 August 2020	<u>7,236,091</u>	<u>422,355</u>	<u>597,290</u>	<u>17,427</u>	<u>8,273,163</u>	<u>5,558</u>	<u>8,278,721</u>
At 31 August 2019	<u>7,467,789</u>	<u>130,689</u>	<u>655,752</u>	<u>24,504</u>	<u>8,278,734</u>	<u>7,593</u>	<u>8,286,327</u>

Included above are fixed assets under hire purchase agreement with a NBV of £11,167 (2019: £18,611).

14. Fixed Asset Investments

	Investment Trusts £	Unquoted UK equities £	Group Total £	Motcombe Park Ltd £	School Total £
Market value at 1 September	4,429	1,320	5,749	500	6,249
Unrealised gains/(losses)	-	-	-	-	-
Market value at 31 August	<u>4,429</u>	<u>1,320</u>	<u>5,749</u>	<u>500</u>	<u>6,249</u>
Historical cost	<u>1,600</u>	<u>90</u>	<u>1,690</u>	<u>500</u>	<u>2,190</u>

15. Debtors

	Group		School	
	2020 £	2019 £	2020 £	2019 £
Fees and extras	128,978	279,095	128,978	279,095
Stocks, prepayments and accrued income	98,030	129,341	97,777	128,419
Amount owed by subsidiary	-	-	4,383	8,978
	<u>227,008</u>	<u>408,436</u>	<u>231,138</u>	<u>416,492</u>

Fees and extras stated above are shown after provisions for doubtful debts of £10,623 (2019: £34,742).

Included in amount owed by subsidiary is a loan with a year end balance of £nil (2019: £6,741). Interest is payable on the loan at 1% above BoE base rates.

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

16. Creditors: amounts due within one year	Group		School	
	2020 £	2019 £	2020 £	2019 £
Cash received in advance for next term's fees	575,332	905,185	575,332	905,185
Advance fees scheme (note 18)	138,784	133,270	138,784	133,270
Deposits	400,800	510,746	400,800	510,746
Trade creditors	109,816	115,387	109,816	114,808
Bank loans (note 17)	100,000	-	100,000	-
Hire purchase agreements	7,445	7,445	7,445	7,445
Other taxation and social security	77,703	87,512	76,055	86,303
Other creditors	33,254	53,700	31,154	53,700
Accruals and deferred income	84,507	106,075	84,507	103,955
	1,527,641	1,919,320	1,523,893	1,915,412
17. Creditors: amounts due after more than one year			2020	2019
			£	£
Advance fee scheme (note 18)			71,064	116,343
Bank loans			1,900,000	-
Hire purchase agreements			4,343	11,788
			1,975,407	128,131
Hire purchase agreements repayable by instalments:			2020	2019
			£	£
Less than 1 year			7,445	7,445
Between 2 and 5 years			4,343	11,788
			11,788	19,233
Bank loans repayable by instalments:			2020	2019
			£	£
Less than 1 year			100,000	-
Between 2 and 5 years			1,600,000	-
In 5 years or more			300,000	-
			2,000,000	-

Loan terms and security: The CBILS bank loan interest rate is 3.18% fixed for the first 5-years and then 2.62% above base rate in the 6th year , maturing in May 2026. It is secured against the property of the charity.

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

18. Advance fee scheme

Parents may enter into a contract to pay the School in advance for fixed contributions towards tuition fees for up to five years. The money may be returned subject to specific conditions on the receipt of notice. Assuming pupils will remain in the School, fees in advance will be applied as follows:

	2020	2019
	£	£
Less than 1 year	138,784	133,270
Between 2 and 5 years	71,064	116,343
	<u>209,848</u>	<u>249,613</u>
Summary of movements in liability:	2020	2019
	£	£
Balance at 1 September	249,613	590,876
Additional amounts received	138,049	-
Allocation to fees	(177,814)	(341,263)
	<u>209,848</u>	<u>249,613</u>
Balance at 31 August	<u>209,848</u>	<u>249,613</u>

19. Operating lease commitments

As at 31 August the School had total future minimum lease payments under non-cancellable operating leases for equipment as follows:

	2020	2019
	£	£
Less than 1 year	29,376	30,914
Between 2 and 5 years	45,519	54,223
Over 5 years	-	-
	<u>74,895</u>	<u>85,137</u>

20. Analysis of net assets between funds

	Fixed assets & investments	Net current liabilities	Creditors > 1 year	Total
	£	£	£	£
Unrestricted funds:				
General undesignated funds	8,278,912	1,223,681	(1,975,407)	7,527,186
Trading subsidiary	5,558	(5,889)	-	(331)
Restricted funds	-	-	-	-
	<u>8,284,470</u>	<u>1,217,792</u>	<u>(1,975,407)</u>	<u>7,526,855</u>
Net assets at the end of the year	<u>8,284,470</u>	<u>1,217,792</u>	<u>(1,975,407)</u>	<u>7,526,855</u>

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

20. Analysis of net assets between funds (continued)

Comparative analysis of net assets between funds for the year ended 31 August 2019:

	Fixed assets & investments £	Net current liabilities £	Creditors > 1 year £	Total £
Unrestricted funds:				
General undesignated funds	8,284,483	(434,091)	(128,131)	7,722,261
Trading subsidiary	7,593	(7,515)	-	78
Restricted funds	-	-	-	-
	<u>8,292,076</u>	<u>(441,606)</u>	<u>(128,131)</u>	<u>7,722,339</u>

21. Statement of funds

	Balance at 1.09.19 £	Incoming resources £	Outgoing resources £	Gains/losses & transfers £	Balance at 31.08.20 £
Unrestricted funds:					
General undesignated funds	7,722,261	5,993,328	(6,188,403)	-	7,527,186
Trading subsidiary	78	21,715	(22,124)	-	(331)
	<u>7,722,339</u>	<u>6,015,043</u>	<u>(6,210,527)</u>	<u>-</u>	<u>7,526,855</u>
Restricted funds	-	-	-	-	-
	<u>7,722,339</u>	<u>6,015,043</u>	<u>- 6,210,527</u>	<u>-</u>	<u>7,526,855</u>

Comparative statement of funds for the year ended 31 August 2019:

	Balance at 1.09.18 £	Incoming resources £	Outgoing resources £	Gains/losses & transfers £	Balance at 31.08.19 £
Unrestricted funds:					
General undesignated funds	7,782,920	6,707,070	(6,784,160)	16,431	7,722,261
Trading subsidiary	78	49,291	(32,314)	(16,977)	78
	<u>7,782,998</u>	<u>6,756,361</u>	<u>(6,816,474)</u>	<u>(546)</u>	<u>7,722,339</u>
Restricted funds	-	-	-	-	-
	<u>7,782,998</u>	<u>6,756,361</u>	<u>(6,816,474)</u>	<u>(546)</u>	<u>7,722,339</u>

Unrestricted funds represent accumulated income from the School's activities and other sources that are available for the general purpose of the School.

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

22. Subsidiary undertaking

Motcombe Park Limited, a company incorporated and registered in England and Wales, is a wholly owned subsidiary of Port Regis School. All of its profits are paid to the School by gift aid. Details of the trading results of the subsidiary and its reserves for the year ended 31 August are as follows:

Profit and loss accounts	2020	2019
	£	£
Turnover	21,715	49,291
Operating costs	<u>(22,124)</u>	<u>(32,314)</u>
Operating profit	(409)	16,977
Interest receivable	<u>-</u>	<u>-</u>
	(409)	16,977
Gift aid donation to Port Regis School	-	(16,977)
	<u>-</u>	<u>-</u>
	<u><u>(409)</u></u>	<u><u>-</u></u>
 Balance sheet	 2020	 2019
	£	£
Fixed assets	5,558	7,593
Current assets	4,521	5,871
Current liabilities	(9,910)	(12,886)
	<u>169</u>	<u>578</u>
Called up share capital	500	500
Retained earnings	(331)	78
	<u>169</u>	<u>578</u>

23. Related party transactions

There are no other related party transactions (2019: none).

24. Status

The charity is limited by guarantee and has no share capital.

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For the year ended 31 August 2020

25. Pension

The total pension cost for the group was £363,395 (2019: £327,610) of which £151,238 (2019: £45,689) relates to Money Purchase Schemes.

There were outstanding contributions at the balance sheet date of £17,625 (2019: £1,442) in respect of contributions due for the month of August paid over to the pension scheme administrators in September.

Members of the teaching staff have the option to be members of a defined benefit pension scheme operated by the Teachers' Pension Agency. For other employees, the company operates a group personal pension plan.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million;
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The pension charge for the year includes contributions payable to the TPS of £212,157 (2019: £281,921) and at the year end £13,328 (2019: £38,347) was accrued in respect of contributions to this scheme.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website. Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme. The School has set out above the information available on the scheme.