

Orwell Park School Educational Trust Limited
(A company limited by guarantee)

Annual report and financial statements

For the year ended

31 August 2020

Registered company number: 912265

Registered charity number: 310481

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
Annual report and financial statements for the year ended 31 August 2020

Contents

Page:

3	Report of the Governors
8	Strategic Report
18	Independent auditor's report
21	Statement of financial activities
22	Balance sheet
23	Cash flow statement
24 - 40	Notes forming part of the financial statements

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED

Report of the Governors for the year ended 31 August 2020

The Board of Governors present their report and the audited financial statements of the School for the year ended 31 August 2020. The Governors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the School.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the School's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102, applicable in the UK and Republic of Ireland.

REFERENCE AND ADMINISTRATIVE INFORMATION

The School is known as Orwell Park School. Orwell Park School Educational Trust Limited ("the School") was incorporated as a company limited by guarantee in 1967, company registration number 912265. It has no share capital. Each Director of the Company is a guarantor and undertakes to contribute to the assets of the Company in the event of it being wound up such amounts as may be required. Each guarantor's liability is limited to £1. The company is constituted as a registered charity with the Charity Commission under registered number 310481. The registered office of the company is Orwell Park School, Nacton, Ipswich, Suffolk, IP10 0ER.

Governors

The following Governors of the Company, who are also Charity Governors and School Governors, served throughout the year except where indicated:

J.A. Davison, BA Hons, Chair
S. Clark, BSc, FRICS, ACI Arb
B. Cooper, MA, PGCE
P.J. Evans, BA Hons, LTCL, PGCE
A. Leyshon, BA Hons, ACA
R.A.S. Mallinson, BSc, LLB (appointed 21 November 2019)
A.A. Melrose, CA (SA) (appointed 20 November 2019)
V.C.L. Molony, BA Hons
A.C. Shirley, BSc
C.W. Symes, BSc, MAEd, MCGI, PGCE (appointed 19 June 2020)
F. Stack, MA Ed(Open), BA Hons, PGCE, Mont Dip
M. Halfhide MBBS, MRCP (resigned 21 June 2020)
J. Tomlinson, MA, FCA (resigned 21 June 2020)

Key Executives and Professional Advisers

Headmaster:	A. D. Brown MA (Cantab)
Bursar:	S. Hawley BSc (Hons), MA
Bankers:	Barclays Bank PLC, 1 Princes Street, Ipswich, Suffolk IP1 1PB
Solicitors:	Barker Gotelee, 41c Barrack Square, Martlesham, Ipswich, Suffolk IP5 7RF
Auditor:	MHA MacIntyre Hudson, Boundary House, 4 County Place, Chelmsford, CM2 0RE
Registered Office:	Orwell Park School, Nacton, Ipswich, Suffolk IP10 0ER

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The School is governed by its Memorandum of Association dated 2 August 1967 and its Articles of Association approved on 7 September 2007.

Governing Body

The Governors are elected at a full Governors' meeting in accordance with the Articles of Association of the Company. Governors are appointed for a term of three years with Governors retiring by rotation, with the option of being able to be reappointed unless at the meeting it is resolved not to fill the vacancy or a resolution for the reappointment of the existing Governor is put to the meeting and lost. Governors are appointed on the recommendation of not less than three Governors. On appointment, new Governors receive an induction pack from the School setting out their responsibilities. Additionally, they attend a formal interview explaining Board policy and procedure.

The School is a member of AGBIS, an organisation that provides training for Governors of schools and advice on corporate governance. New Governors are invited to attend seminars as part of their induction process. DBS and Governor eligibility checks are made. Training is provided on a regular basis in areas such as Governor responsibilities.

New nominations and reappointments are based on personal competence, independence of character, judgement and specialist skills and there are no relationships or circumstances which are likely to affect, or could appear to affect, the Governors' judgement.

In accordance with normal commercial practice the School has purchased insurance to protect Governors and officers from claims arising from negligent acts, error or omissions occurring whilst on School business. The insurance providers cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2020 is included in the total insurance cost.

Organisational Management

The Governors meet as a Board at least once per term to determine the general policy of the School and review its overall management, for which they are legally responsible. At the end of the academic year, the Board comprised eleven members drawn from a wide range of backgrounds in the educational, financial, legal, property and medical sectors. The day to day management of the School is delegated to the Headmaster and the Bursar.

Certain financial responsibilities, including reporting actual results against budget and latest estimate, the presentation of the annual budget and approvals for capital expenditure are delegated by the Board to the Finance, Audit and General Purposes Committee (FAGP). The Committee comprises Board members with specialist knowledge of financial and legal issues and has been chaired by Mrs A Leyshon from 1 September 2019 to 31 August 2020. Meetings, at which the Headmaster and Bursar are present, are normally held once a term, prior to the Board meeting. This year due to the unprecedented situation presented by the Covid-19 pandemic additional FAGP and Board meetings have been conducted to consider arrangements for management of the School in such challenging times.

Other committees through which powers are delegated by the Board are as follows: principal committees are Education, Safeguarding and Welfare Committees and supporting committees are Data and Information Technology, Marketing, Health and Safety, Pastoral, Nomination, and Remuneration.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
Report of the Governors for the year ended 31 August 2020 (continued)

The current systems and structures for governance at Orwell Park School reflect the determination of the Board to give even greater emphasis to safeguarding in order to continue to provide the very highest levels of pastoral care within the School. Governors continue to chair the principal committees and the Nomination and Remuneration Committees; senior school staff chair the other supporting committees all of which will be attended by the Headmaster and/or Bursar.

Group structure

The School has a wholly-owned non-charitable trading subsidiary, Events at Orwell Park Limited. The company was dormant throughout the year to 31 August 2020, and the results of this entity are not included within these financial statements.

Pay Policy for Senior Staff

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the Governors benchmark against pay levels in other independent schools of a similar size, run on a similar basis. The remuneration bench-mark is the mid to high point of the range paid for similar roles. If recruitment has proven difficult in the recent past a market addition is also paid.

Risk Management

The Governors regularly examine the major risks that the School faces. Risks are identified and assessed, and controls are established to mitigate those risks. During the year the governing body have continued to highlight 9 strategic risk factors as well as 32 operational risk factors. Risks are kept under regular review and a periodic risk management report is made to the Board via the respective principal committees.

The School operates a Health and Safety policy and plan which sets out the responsibilities of each individual member of staff to work safely. This requirement is included in the job description and annual objectives of all staff. A specialist consultant in H&S is retained and visits bi-monthly; a range of specialist contractors are retained to advise the School in their respective areas like legionella and water hygiene, asbestos, electrical testing, safeguarding and fire regulations.

During the year additional focus has been given to the risks posed by the Covid-19 Pandemic, this was identified earlier as a generic risk factor of pandemic in the School's standing Risk Register. As arrangements developed in response to the hazards, a comprehensive School Covid-19 risk assessment was developed, this was also informed by contemporary guidance from the government agencies and using input from the School's consultants and insurers. Prior to the school site re-opening in June, the risk assessment was reviewed by Governors. The risk assessment was reviewed regularly by the SMT and was a formal item on the weekly management meeting. School risk management work includes mitigations against the threat of infection and arrangements to address the financial health of the School in the near and medium terms.

Other major risks to the School involve the safety and security of the children and staff in its care. The School has up to date fire risk assessments and fire evacuation procedures. Fire practices take place during each term and are designed to familiarise children and staff on how to evacuate the building in a safe and orderly manner. Investment in major safety systems of the School has continued. The School previously installed a fire suppression system in the kitchen during the year in accordance with current best practice. All doors in the Mansion (containing the boarding house) have been serviced and many have benefitted from installation of new hinges and door closure systems to ensure the very latest fire regulations are adhered to. In the summer of 2018 installation of a new fire alarm system was started

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED

Report of the Governors for the year ended 31 August 2020 (*continued*)

and was completed in September 2018; the project reflected a considerable investment in the infrastructure for safety within the School. In the Spring of 2020 the fire alarm installation was extended beyond the Mansion building to cover all parts of the School. The School now has a level 1 fire alarm system throughout representing the highest capability of alarm system; this is a major achievement and a significant contribution to establishing a safe system for the School.

The School has installed closed circuit television and an internal security system which is designed to ensure that third party users of the building have their access restricted to only those parts of the building where children are not present and, if present, only when they are fully supervised. The entire site is secured at night.

The School takes very seriously its responsibility to protect against Legionella, recognising the impact an outbreak would have. To ensure compliance with current legislation governing Legionella, the School utilises the services of an outside contractor to advise on the risk assessment and management plan for water hygiene and carry out Legionella tests once a month. All results are reported in duplicate in line with current legislation. Any issues that are found are dealt with in a timely manner by the maintenance manager and signed off by the contractor on the next visit; work has continued in year to maintain and improve the School water systems. This has included the removal of several old boilers, shower units and calorifiers and replacement with modern versions which are more effective and efficient to run and maintain. As part of a national campaign the School has also embarked on a series of remedial actions in coordination with Anglian Water advisory team to improve the water systems and the way they work with the local framework.

OBJECTS, AIMS AND PRINCIPAL ACTIVITIES

The objective of the School, in accordance with its Memorandum of Association, is the advancement of education, including the provision of boarding and day schooling for children of both sexes up to the age of thirteen.

Orwell Park is a long established co-educational prep school for day pupils and boarders. The outstanding beauty of the grounds and the historic buildings contribute to an inspiring experience which combines the legacy and traditions of the past with the dynamism and energy of the present and the future. Boys and girls are given every opportunity to be the best they can be, both in and outside the classroom. High expectations and learning strategies tailored to the individual child, lead to high levels of attainment.

Academic achievement and pastoral care are given top priority. The School community has identified five core values under the overarching value of integrity: kindness, collaboration, courage, spirit and respect. Pupils are encouraged to take on challenges, to overcome setbacks and to see failure as part of the journey to success, to develop the resilience, initiative, flexibility, creativity and collaborative skills that will prepare them for the next stage of their education and later life.

At Orwell Park, pupils develop a balanced sense of themselves and a quiet confidence in their interactions with others.

Aims

- To provide for all pupils an academically challenging, inspiring and fulfilling experience
- To offer an all-round education in which happy and purposeful children can grow in confidence and self-esteem
- To encourage children to persevere when confronted with obstacles and to understand that they can develop their abilities through dedication and application
- To create a caring, trusting and supportive environment in which children show respect for each other and their environment
- To excite, engage and challenge each child, motivating them to explore and develop a lifelong love of learning, supported by teachers who are passionate about their subject and are themselves lifelong learners
- To offer all children the benefits of a school with a boarding ethos, encouraging independence, tolerance and responsibility

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
Report of the Governors for the year ended 31 August 2020 (*continued*)

- To develop in each child an increasing sense of self-reliance as they prepare for senior school, being able to question, think and work independently
- To give each child an awareness of and an engagement with the outside world and the needs of others.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED

Strategic Report for the year ended 31 August 2020

The Governors present their Strategic Report for the year ended 31 August 2020, containing a review of achievements and performance, and a financial review.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Overview of Performance

In a year affected drastically by Covid -19 the School continues to provide an enjoyable, supportive yet challenging, educational experience for its pupils, who achieve consistently high results in academic, artistic, sporting and all round endeavours. Two of the school terms were completed as normal before the transition to a remote learning environment was completed. The normal timetable of lessons was delivered online from the moment lockdown was announced; lessons were delivered using Zoom and resources were made available via the School's existing learning portal. This smooth transition was aided by the early adoption by the School of a digital services agenda a number of years ago and in particular the use of iPads as a matter of routine by pupils.

During the lockdown period the School delivered its curriculum to home based pupils remotely and offered an on-site service for key worker children. The School also hosted and supported a local educational setting specialising in support to vulnerable children using facilities which were not being used by its own pupils because of lock down.

Throughout the pupils' experience at School they are supported by a talented and committed staff containing several nationally recognised practitioners. The School is able to offer individual coaching support in its major sports, the arts and academic areas. Feedback from the successor schools remains extremely positive, often commending Old Orwellians for their zest for opportunity in comparison with others; a disproportionately high number of appointments to posts of head boys and girls in celebrated public schools would also support this anecdotal evidence.

A review of the Curriculum was undertaken and completed in 2018-19; additional resources were identified to support increased emphasis on English, Maths, Digital Skills and Critical Thinking whilst preserving the support to a wide range of other curriculum activities. In addition, the School continues to provide opportunities for pupils to experience a wider world. Educational agendas around the Global Citizen have been supported by reciprocal residential visits with Mayo College in India; this year there have also been shared classes using the internet.

Sport continues to play a big part at the school and despite lockdown meaning the usual busy Summer term of sport was curtailed in 2019/20, we entered four hockey teams into IAPS hockey competitions with one group qualifying for the National Finals; we entered four county hockey competitions with one team qualifying for the Regional Finals and there were entries to Inter Schools Equestrian and Eventing competitions, from which the School had one team qualify for the national competition at Hickstead where they finished 3rd out of 26 schools.

The number of pupils that board has been maintained at a reasonably high number compared to other schools due to our excellent boarding facilities, as well as the full programme of highly enjoyable boarding activities. Overall, pupil numbers continued to rise through the year finishing near our recent school average of 290 pupils, reflecting the success of the School's offer. The sense of space within the School's classical yet magical setting ensures that the pupils enjoy a highly personal experience of learning.

Results following external examinations

Year 8 achieved a 100% pass rate at Common Entrance, with 5 pupils receiving special recognition for their performance at Common Entrance from their senior schools.

2019-20 was another excellent year for scholarships to senior schools, with 23 scholarships to senior schools: 5 academic, 4 all-rounder or general, 1 Art, 5 Drama, 4 Music and 4 Sport.

Pupils went on to 25 different schools (similar to most years) and around 80% of our pupils went to national boarding schools.

ISI Intermediate Boarding inspections

Arrangements for boarding were last formally inspected by ISI in March 2012. The Inspectors' judgement was that: 'The School meets all the National Minimum Standards for Boarding Schools 2011.' A full copy of the Report is available on the School's website at www.orwellpark.co.uk.

ISI Inspection October 2014

The most recent ISI integrated inspection took place in October 2014. The inspection found that: "The School is extremely successful in fulfilling its aims of providing an academically challenging and fulfilling all-round education, and strong pastoral care where all pupils are able to benefit from a vibrant boarding experience." The Early Years were judged outstanding in every respect and the School as a whole achieved excellent ratings in the quality of pupils' achievements and learning, the contribution of curricular and extra-curricular provision, the spiritual, moral, social and cultural development of the pupils, the contribution of arrangements for pastoral care, the contribution of arrangements for health and safety, the quality of governance, leadership and management and the quality of boarding. The School was fully compliant with regulatory requirements. A full copy of the Report is available on the School's website at www.orwellpark.co.uk.

ISI Regulatory Compliance Inspection June 2018

An ISI Regulatory Compliance Inspection took place in June 2018, all standards were met in full and a pass was therefore achieved. A full copy of the Report (which is not subject to grading) is available on the School's website at www.orwellpark.co.uk.

Facilities

The programme of maintenance, refurbishment and development of School buildings and premises has continued. In addition to the creation of a master plan for the development of the School estate and in accordance with the School Development Plan (SDP), improvements in 2 significant areas of the School have been planned and delivered. The refurbishment of the dormitories within the Boarding House has been completed; the majority of dormitories have new beds and furniture, delivering a contemporary feel to these spaces in their classical setting. In addition, one of the shower rooms has been refurbished to modern standards. A second major area within the SDP is the development of the Middle School. Extensive design and feasibility work has been completed on this area which has included obtaining planning permission for the scheme. The kitchen and dishwasher areas have been improved; in addition to improvement in the space redecoration, new lighting, new vinyl flooring and a new commercial dishwasher was installed.

The School continued to invest in facilities for curricular and co-curricular activities. Outdoor learning spaces in the School's woodlands continue to be improved. An IT room has been refurbished. New lighting has been installed in the Sports Hall; which ensures the light levels are optimum for all sports played at the School and helps with the energy conservation agendas for the School. New covers for the cricket facilities have been added through a donation from the Foundation. In support of the School's aim to attract and retain the very best staff, staff accommodation continues to be improved and a staff house and 1 staff apartment have been refurbished during the year; the flats used for accommodation for Gap Assistants have also been improved with a minor redecoration project.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
Strategic Report for the year ended 31 August 2020 (continued)

Safeguarding of Children

The Governors continue to give the highest priority to the safety and security of the children within the School. The pastoral care of children is also considered paramount. The governor led Safeguarding and Welfare Committee has maintained a focus on this area during the year. The School has also retained the services of a specialist in safeguarding to provide advice on best practice. Pastoral agendas within the School have also been advanced by ever closer relationships with local service providers, support networks, local specialists and training providers. Events are arranged regularly to inform and update parents on matters affecting young people and current trends in society.

The Health and Safety Committee, with regular meetings, continues to focus its efforts on areas that affect the safety, security and well-being of children and staff.

A system of detailed vetting of applicants for all posts at the School is also given the highest priority; this has been augmented by the employment of an in-house HR and Compliance Administrator on a part time basis in recent years; these arrangements contribute significantly to the overall system for ensuring the safeguarding of children in school. The Safeguarding and Welfare Committee meets once per term to consider and improve wherever possible the arrangements for the care and protection of children. To support the aspirations of the Headmaster and Governors that the School should be demonstrating leading standards within the sector, thus setting the highest standards of pastoral care and safeguarding, support and advice has been procured from an acknowledged expert in the field. A system of regular visits and training for the in-house team is in place, as well as provision of independent support to Governors in this technical area.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Net expenditure for the year was £258,473 (2019: net income £201,028). During the year income amounted to £4,698,467 (2019: £5,222,597) and the expenditure totaled £4,956,940 (2019: £5,021,569).

The decrease in income was due to the Covid-19 Pandemic which has reduced fee income due to reduced pupil numbers and lower boarding income; in addition the governors reduced all fees to day fee rate only and reduced these fee levels by a further discount of 20% for the duration of the Summer term. These actions were taken because during the national lockdown and the resultant school site closure a remote style of learning was offered. It was decided that the change in learning and consideration of parent's financial challenges meant that the reduced fee levels were appropriate. The School faces additional challenges because of the loss of income from boarding and Summer lettings, income from other School activities such as sports clubs and activity camps was also lost. In addition, the school retained a higher cost base due to its continued membership of Teachers Pension Scheme for teaching staff.

Investment Powers and Policy

The School is given wide powers of investment under its Memorandum and Articles of Association. However, the policy of the Governors is to ensure that any retained reserves are reinvested in the business.

Connected Charity

The School is connected to The Orwell Park School Foundation through common control and a shared objective to provide advancement of education. The Foundation is an independent charity (registered number 1070488) with the object of raising funds for the School. As at 31 August 2020 the Foundation held £21,696 in funds within its accounts that are owed to the School (2019: £3,010 was owed by the School to the Orwell Park School to the Foundation).

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED

Strategic Report for the year ended 31 August 2020 (continued)

Reserves Policy

Note 15 to the financial statements sets out the reserves of the School. The Governors have designated funds to represent fixed assets held for charitable purposes which at the year-end totaled £4,256,501 (2019: £4,067,967), together with a revaluation reserve which at both year ends stood at £1,413,486.

The General Fund balance held at 31 August 2020 was £1,306,525 in deficit (2019; £859,518 in deficit). Restricted funds were held as at 31 August 2020 were £3,668 (2019; £3,668). See Note 15 for further information on these funds.

The Governors continue to keep the secured overdraft facility under review to ensure that in the absence of free reserves, it remains adequate to cover the School's working capital requirements; the policy of the Governors is to maintain reserves at a level that is sufficient to allow the School to continue to operate as a going concern for the foreseeable future. There is a deficit on the General fund as at 31 August 2020. This is as a result of the investment in working capital required for the construction of the Pre-Prep School. The Governors do not feel that this gives any cause for concern and are confident that this fund will return to a positive balance.

Fixed Assets

In the opinion of the Governors, the value of the School's freehold properties is significantly in excess of previous book values. The main School building and grounds are included in the balance sheet at market value. A valuation of the Trust was completed in 2017 after a number of measured surveys of the buildings.

The buildings are currently insured for £43,716,381 (2019: £39,736,256) with a further £2,303,946 (2019: £1,515,218) of cover for the building contents.

FUTURE PLANS

Plans agreed by the Board for the next twelve months include:

Arrangements and Planning for The School in Covid-19 Pandemic

Like many sectors of the economy the School and its community have been affected significantly by the Covid-19 Pandemic which is reflected in the results for the year. The Board are focused on ensuring that the school continues to support its community in the best possible way by maintaining a safe environment and a high level of curricular and pastoral support to its pupils and families. The other major focus for the Board is ensuring the sustainability of the School into the future. Considerable work has been completed by the Board and the Senior Management Team planning the detail of the School's organisation and arrangements over a 3 year period. This has been captured in a detailed medium term financial plan (MTP) which is reviewed by the FAGP committee on a regular basis. As a result of the planning the Board decided that it was prudent to arrange extra capacity with the existing financial resources and so working under the aegis of government schemes a loan was arranged when it was confirmed that that a government backed Coronavirus Business Interruption Scheme Loan could not be accessed. The existing facility was increased and Coronavirus Job Retention Scheme job support (furlough) Scheme was accessed. The School MTP incorporates all of the elements of support identified and arranged and integrates them with operating figures to produce a consolidated picture of financial performance; this will be a major focus for the Board as the school navigates the Covid-19 Pandemic and next 3 years within the MTP.

Curriculum Related Activities

The Headmaster and senior staff continue to review the curriculum and co-curriculum activities to ensure they are of market leading quality. In accordance with its charitable objectives the School will continue to provide a high quality blend of contemporary and classical education for over 285 pupils aged 21/2 to 13. The School will continue to innovative its curriculum using feedback on its curriculum review and input from sector specialists.

Strategic Development Plan (SDP)

The Governors intend to continue their current strategies of maintaining the School's position in a competitive market by investing to provide high quality education for our pupils.

Despite the Covid-19 Pandemic, where possible the Governors and School leaders will continue to deliver the SDP and align it with the Governors' aspirations for the School and the Trust's charitable objects. The SDP is reviewed annually during the normal cycle of Governor meetings; achievements against the SDP are mapped in an annual record of achievement. Changes in the SDP take place in response to fresh requirements, evolving educational priorities and the impacts of the Covid-19 Pandemic.

The SDP contains an updated ethos, vision and mission for the School supported by a strategic action plan within which there are currently 6 strategic cornerstones. Each cornerstone has been accorded an outline action plan and an objective leader appointed from the senior management team of the School. Prominent within the plan are objectives and activities to support teaching and learning, pastoral care of pupils and leadership and management. Investment in these areas will continue in line with the previous year. The particular focus on teaching and learning and sports and specialist coaching/teaching delivery will also continue. Additional, focused provision of support for key objectives within the SDP will continue to be procured from market leading experts (Sports, Pedagogy, English, Mathematics, Safeguarding).

It is intended that the estates elements of the SDP will continue to benefit from investment; this will be dependent upon the financial impact of Covid-19. Improvements within the Boarding house have been completed; all dormitories have been refurbished to a high common standard. It is intended to start the refurbishment of bathrooms within the Boarding House as soon as finances allow. Staff accommodation will also continue to be improved; it is hoped to modernise the remaining staff houses. The Governors have set out plans for the further development of the School facilities including the refurbishment of the Middle School, refurbishment of the swimming pool and construction of a performing arts centre; the latter will be funded by a fundraising campaign.

Development of the Governing Body and the Appointment of New Governors

New Governors will be sought to replace Governors who retire and ensure that the Governing Body has the range and balance of skills, experience and qualities needed. The Board has delegated the recruitment of new Governors to a Nominations Committee, chaired by the Chairman of the Board and comprising not less than three other Governors. The Nominations Committee responsibilities include succession planning, regular reviews of the expertise needed and the process whereby potential new Governors are recommended to the Governing Body. The appointment of a Governor is a Governing Body decision.

Public Benefit

Fees and Fee Assistance

In light of the Covid-19 Pandemic the Governors have agreed that there will be no increase to school fees in the year ahead. The Pandemic will continue to have a financial impact upon the School but it is committed to maintaining "affordability" as a key factor in determining the school budget; in comparison to similar schools in the sector the average school fee increase over a 5 year period is 25% below the sector average (Baines-Cutler Financial benchmarking 2019). If necessary plans for Public Benefit will be amended according to financial circumstances caused by the Pandemic.

During the year 2019-20 the annual school budget included a spend of approximately £663k on school discounts which is over 13% of fee income; this supports entry to school for families who require assistance.

Art

Artists have provided talks, workshops and competitions for the pupils at OPS. We hold a bi-annual exhibition 'the Open Art Exhibition'. This is a three/four week exhibition of art, craft and design. Exhibitors must have a connection to the school in some way, for example teachers, parents, extended family, other employees, former pupils etc. We have exhibited sculpture, painting, drawing and photography. We also have a regular Photography teacher which allows some pupils to see and experience a professional artist and how they work, fees for this are paid for by additional parents charges. Pupils see and get to meet local artists and appreciate the role of the Arts in people's lives across a range of disciplines from amateur to professional artists via the workshops, exhibitions and talks. When we have a selling exhibition of Art in the Alston room, a percentage of money raised (10 - 20%) is donated to the annual schools' three charities. We also, when talent/availability allow hold a bi-annual exhibition of staff creative work and an Old Orwellian Exhibition every few years.

Music

At the start of the school year, the music department arranges two events which involve the pupils of the School; the income generated supports the School's three chosen charities and a local hospice. Firstly the Harvest Festival service is held in St Martin's Church, Nacton. The children bring in a variety of produce for the service, which is later taken to our local charity and also to the Food Bank. The second event is the Pet Service, which is held in the Pre-Prep grounds. The children bring in their pets to be blessed by the parish vicar. There are dogs, cats, chickens and rabbits to name a few! The collection at the end of the service is donated to the School's three charities.

Both the Chapel Choir and the Pre-Prep Choir have sung at the Foxhall Lavender Day Centre. There are several occasions throughout the year when Orwell Park interacts with the local community in a variety of concerts and services. There is the Autumn Concert (involving the Choral Society), the Choral Society & Dorian Singers (a joint concert with a Felixstowe-based choir), the Choral Society Harvest Festival at Hemley and the Choral Society Nacton Service. Orwell Park hosts many musical events and it is widely known as an excellent centre to host the Associated Board Exams.

Local Primary schools are also invited to attend concerts, workshops and play productions each year. The Suffolk Festival of Choirs hosts 10 primary schools attending for music and speech, plus adult choirs from across the region. Last year the school donated musical instruments to Snape Primary and Eyke Primary with which it also shares workshops on music. Senior pupils also performed at Woodhall Manor and Trinity Park during the year, as well as the Aldeburgh Festival of Food and Drink and the Hadleigh Show.

Activities

The pupils of Orwell Park are involved in various Community Service Activities. These form part of a carousel of activities for the Middle School pupils. These activities include caring for the local environment, shore tidy up, church cleaning and charity fundraising. During the year the pupils started an Eco-Committee and also ran an Eco Fayre which was Open to school community and a variety of outside retailers.

Other Public Activities

The School performs a community service by managing the security arrangements for the local country park. This involves opening and closing/locking the access gates on 7 days of the week for approximately 34 weeks per year. The Country Park gives local community access to the outstandingly beautiful estuary foreshore.

The School allows access to the community to the River Orwell estuary foreshore via a permissive path and allows mass use of the path annually to support the annual Orwell Walk (a 25 mile challenge route from Ipswich to Felixstowe and into the surrounding countryside which also raises funds for local charitable causes).

The School maintains a very close relationship with the Parish Church and contributes on a monthly basis to the church collection by direct debit; total contributions sum to over £2,400 p.a. The School also hosts the church choir for its

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED

Strategic Report for the year ended 31 August 2020 (*continued*)

meetings and practices and allows use of the School site for carparking for large scale church events and Sunday morning services. A member of the School leadership team attends parish Council meetings and contributes to the agenda.

Fundraising

Charities (of local, national and international character) are chosen by the pupils on an annual basis, with a variety of fundraising events taking place throughout the year; last year ICENI, Dementia UK and The Rainforest Trust UK were our chosen charities. In the past fundraising events have included a sponsored swim, a Music-athon, an Eco Fayre and a fashion show. The pupils organise an annual Christmas Fayre. The main purpose of such events is to engage the participants in a challenge to test their abilities whilst having fun and, to draw their attention to these important causes. Many of these events have been open to the community to join in.

In the past our fundraising total has regularly reached £12,000. This year our total was £6,918 largely due to learning from home for the latter half of the year. Our last fundraising activity however, was completed at home by the year 8 pupils who "virtually" walked to the Ardeche and were sponsored for their efforts.

Harvest Festival goods were again given to the Lavender Trust and the local Food bank.

Other Donations

The School also makes donations annually to Guide Dogs for the Blind. The School makes an annual donation to the Royal National Children's Foundation of approximately £4,000. Donations were also made to other organisations including Royal National Institute for the Blind.

Use of the School by Community Groups

The local scout group, Levington Sea Scouts, use the school grounds on occasions during the year free of charge; they enjoy using the Assault Course in the evenings in the summer months as well as their annual Fun Night in the swimming pool. The Scout group consists of young members of the local community. The Astronomical Society uses the school Observatory for their activities throughout the year, on a weekly basis, they have almost exclusive use of this facility free of charge. The Society's aims are the furtherance of Astronomy in the Community; a range of local schools are invited to visit and use the facilities including 2 telescopes in pursuit of the aims and objectives; the school supports the use of open days by the Astronomical society to help publicise its aims and objectives and bring astronomy to a broader audience. The Felixstowe Radio Club uses the school for the pursuance of the study of radio communications. The Club use the school facilities on approximately 20 occasions during the year on a cost only basis (to cover the use of utilities). The School provides the base for the Choral Society which uses the school music department for practice and social gatherings.

Use of the School by Other Educational Organisations

During the lock down period the School hosted an organisation delivering support to vulnerable children. The Pre-Prep building was used as the base for these activities and a range of outdoor facilities were used by them including the outdoor classroom, obstacle course, woodlands and sports surfaces. The organisation reported that use of the facilities and access to the outdoor amenities had a positive effect on the children in their care and that this helped with the positive outcomes achieved for the children. As a result of this very positive relationship and set of outcomes it is planned to continue the relationship with this organisation and allow them continued use of the school site using a former derelict building as their base. Refurbishment of the building has begun and use of these areas will begin early in the next academic year. During the period of refurbishment in the summer holidays, the organisation used an adjacent Lodge for their provision to small group of their older (teenage) children.

Use of the School by Other Charities

The Eastern Region branch of the NSPCC use the school for its regional AGM annually.

The School continues to work with the Desert Rats Association to commemorate the 7th Armoured Division (22nd Armoured Brigade) in the Second World War. The brigade were stationed at the school site in 1944 and participated in the D-Day landings. The School hosts an annual commemoration event for veterans and the Association membership which forms part of its national programme to provide support to veterans and their families, provide

educational experiences to improve awareness and also ensure appropriate reflection is undertaken upon the sacrifice of previous generations and those in service to our country.

Conservation and Heritage

The School is located on a site of historical significance and contains parkland which is of regional importance; the overall area is approximately 110 acres. The school site is within an Area of Outstanding Natural Beauty and the School works with local planning and conservation authorities to maintain the site to preserve these important features. Work has included cooperation with Natural England to allow continued access to the foreshore via a permissive path as part of its national strategies for the England coastal path and open access.

The School's buildings are also architecturally significant and have grade 2 listing. Expenditure on the maintenance of the buildings and parkland has increased over the last 2 years and exceeds £500,000 pa.

This year the School located and excavated a Victorian Ice House in the grounds near the Buck House. The site was visited by local conservation Officers and a national expert in Ice Houses who were able to record the details of the structure and produce reports for the record. The Ice House was then preserved in accordance with guidance from the Conservation Officer; this involved the removal of rubbish and infill of the structure using a sympathetic (to the structure of the Ice House) combination of sand and fine top soil.

In order to better plan for the preservation of the site and consider its improvement for school purposes a research study project by a professional conservationist was commissioned; Orwell Park Nacton: Historic Area Appraisal. The study identifies the history of the site and the original parkland, the significant building developments and design, architectural features and the design principles that were followed and thus are important when planning the future of the site. The study focuses on the original area of the Orwell Park which precedes the School's occupation and is over twice the size of the existing footprint and includes much of the surrounding farmland and areas of the village of Nacton.

The School Foundation have funded the publication of a book "Orwell Park School; A celebration of 150 years". The publication contains material on the history of the buildings and parkland and also serves as a record of the site.

Future Plans and Strategic Planning

Our future plans are financed primarily from fee income and existing resources. The Governors view our bursary and scholarship awards as important in widening access to the education the school provides and are committed to growing these budgets in the future.

Links with the Orwell Park School Foundation

The School works closely with the Orwell Park Foundation; the Foundation has appointed a Development and Alumni Relations Officer. The Foundation is a separate though linked charitable organisation. The Foundation raises funds for a number of activities including heritage, conservation and will develop these activities as well as increasing access to the school by subsidising bursaries. The Foundation and has embarked on a development plan; a key component of this is to attract donations and legacies to support increased support for bursaries and scholarships thus preserving accessibility to high quality education as well major heritage projects like maintenance of the Observatory. The

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
Strategic Report for the year ended 31 August 2020 (*continued*)

Foundation has enjoyed success in the last year in obtaining several high value donations and pledges to support its fundraising aims. The Foundation will lead on the fundraising campaign for the performing arts centre and other projects.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED

Governors' responsibilities in relation to the Financial Statements for the year ended 31 August 2020

GOVERNORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Governors (who are also Directors of Orwell Park School Educational Trust for the purposes of company law) are responsible for preparing the Governors' Annual 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 Governors 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable Company for that period. In preparing these financial statements, the Governors 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable Company's auditor is unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

The above Report of the Governors and Strategic Report were approved on behalf of the Board of Governors

on.....

19th Nov 20


J. Davison
Chairman

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED

Independent auditor's report to the members of Orwell Park School Educational Trust Limited

OPINION

We have audited the financial statements of Orwell Park School Educational Trust Limited (the 'Charitable Company') for the year ended 31 August 2020, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement, and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and the Charities SORP 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including income and expenditure 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, and the Charities SORP 2015.

BASIS OF 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

- the Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors 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 Governors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED

Independent auditor's report to the members of Orwell Park School Educational Trust Limited

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Strategic Report and the Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Governors' Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Governors' Report.

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

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

RESPONSIBILITIES OF GOVERNORS

As explained more fully in the Governors' Responsibilities Statement on page 16, the Governors (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors 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 Governors 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 Governors either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
Independent auditor's report to the members of Orwell Park School Educational Trust Limited

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

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

USE OF THIS 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 an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



CARA MILLER (Senior Statutory Auditor)
For and on behalf of MHA MacIntyre Hudson, Statutory Auditor
Chartered Accountants
Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

Date: 19 May 2021

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED

Statement of financial activities incorporating the income and expenditure account for the year ended 31 August 2020

	Note	Unrestricted Funds £	Restricted Funds £	2020 £	2019 £
Income from:					
<i>Donations and legacies</i>					
Government grants	2a	253,621	-	253,621	-
<i>Charitable activities</i>					
Fees receivable	3a	4,153,754	-	4,153,754	4,708,847
Other ancillary trading income	3b	268,351	-	268,351	401,599
<i>Other trading activities</i>					
Fundraising	4a	10	-	10	3,225
Non-ancillary trading income	4b	22,227	-	22,227	107,977
Investments	4c	504	-	504	949
Total income		4,698,467	-	4,698,467	5,222,597
Expenditure on:					
<i>Costs of generating funds</i>					
Fundraising	5a	-	-	-	775
Interest payable	5a	1,835	-	1,835	-
Cost of lettings	5a	352	-	352	27,522
<i>Charitable activities</i>					
Schools and grant making	5a	4,954,753	-	4,954,753	4,993,272
Total expenditure	5a	4,956,940	-	4,956,940	5,021,569
Net income/(expenditure)		(258,473)	-	(258,473)	201,028
Other recognised gains/ (losses):					
Gains/(Losses) on revaluation of fixed assets	8	-	-	-	-
Net movement in funds for the year		(258,473)	-	(258,473)	201,028
Reconciliation of funds:					
Fund balances at 1 September 2019		4,621,935	3,668	4,625,603	4,424,575
Fund balances at 31 August 2020	15	4,363,462	3,668	4,367,130	4,625,603

All income and expenditure derive from continuing activities.

The notes on pages 24 to 40 form part of these financial statements.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
Balance sheet at 31 August 2020

Registered company number: 912265

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	8	5,669,987	5,481,453
Investments	9	100	100
		<u>5,670,087</u>	<u>5,481,553</u>
Current assets			
Stocks	10	9,018	8,513
Debtors	11	226,383	219,123
Cash at bank and in hand	22	860,378	14,491
		<u>1,095,779</u>	<u>242,127</u>
Creditors: amounts falling due within one year	12	(951,318)	(893,397)
		<u>144,461</u>	<u>(651,270)</u>
Net current assets/(liabilities)		144,461	(651,270)
Total assets less current liabilities		5,814,548	4,830,283
Creditors: amounts falling due after more than one year	13	(1,447,418)	(204,680)
		<u>4,367,130</u>	<u>4,625,603</u>
Total net assets	14	4,367,130	4,625,603
The funds of the charity			
Restricted funds	15	3,668	3,668
Unrestricted funds	15	4,363,462	4,621,935
		<u>4,367,130</u>	<u>4,625,603</u>
Total charity funds	15	4,367,130	4,625,603

The financial statements on pages 21 to 40 were approved and authorised for issue by the Board of Governors

on 19th Nov 20 and signed on their behalf by


J. Davison
 Chairman

The notes on pages 24 to 40 form part of these financial statements.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
Cash flow statement for the year ended 31 August 2020

	Note	2020	2019
		£	£
Net cash inflow from operating activities	21	(122,250)	150,352
Cash flows from investing activities:			
Interest received		504	949
Interest paid		(1,835)	-
Purchase of tangible fixed assets	8	(213,380)	(101,891)
Proceeds from sale of tangible fixed assets		25,964	
Net cash used in investing activities		(188,747)	(100,942)
Cash flows from financing activities:			
New secured loans		1,250,000	-
Net cash used in financing activities		1,250,000	-
Change in cash and cash equivalents in the year		939,003	49,410
Cash and cash equivalents brought forward	22	(82,928)	(132,338)
Cash and cash equivalents carried forward	22	856,075	(82,928)

The notes on pages 24 to 40 form part of these financial statements.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
Notes forming part of the financial statements for the year ended 31 August 2020

1. Accounting policies

Statement of accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, are set out below.

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Charities Act 2011 and the Companies Act 2006.

Orwell Park School Educational Trust Limited (the School), is a Charitable Company, limited by guarantee without share capital. The School is incorporated in England and Wales under charity registration number 310481 and company registration number 912265. The registered address is Orwell Park School, Nacton, Ipswich, Suffolk, IP10 0ER. The Charitable Company meets the definition of a public benefit entity under FRS102. The financial statements are prepared in pound sterling which is the functional currency of the School and have been rounded to the nearest pound.

Going Concern

The financial statements have been prepared on a going concern basis. As in previous years, banking facilities for the purpose of financing periodic fluctuations in working capital are in place. The Governors continue to keep the secured overdraft facility under review to ensure that in the absence of free reserves, it remains adequate to cover the School's working capital requirements. Likely future market conditions have been considered and based on these considerations budgets and forecasts have been prepared. The Governors believe that the measures already in place and anticipated in the budgets and forecasts will enable the School to continue to operate successfully through the next few years.

The School has net current assets of £144,461 (2019: liabilities of £651,270) and a deficit on the general fund of £1,306,525 (2019: £859,518). The low net current assets position has been caused predominantly by the presence of fees in advance of £205,988 (2019: £476,198) lump sum fees of £119,266 (2019: £85,482), and deposits of £23,000 (2019: £26,000). The Governors do not feel that this position gives rise to any concerns over the ability of the charity to meet its expenses as and when they fall due.

Tangible fixed assets

Fixed assets are initially recorded at historic cost. Only assets with historic cost of over £5,000 and with an expected life of over three years are considered for capitalisation. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of all fixed assets, except freehold land, evenly over their expected useful lives, from the year following purchase, as follows:

Freehold land and buildings	-	Not depreciated, subject to annual impairment review
Plant and equipment	-	5-25% per annum on a straight-line basis
Computer system	-	25% per annum on a straight-line basis
Furniture, fixtures and fittings	-	10% per annum on a straight-line basis
Motor vehicles	-	20% per annum on a straight-line basis

1. Accounting policies (continued)

Income recognition

All income is recognised once the School has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Government grants

Income from government and other grants is recognised when the School has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Fees

Fees consist of charges for the School year ending 31 August, less bursaries and allowances and are accounted for in the period in which the service is provided.

Lump sum fees

In the past the School operated a fees in advance scheme, parents were able to pay for tuition fees in advance in accordance with a written contract. The amount received is invested. This is treated as deferred income. The fees for each school term are drawn down against the remaining balance and taken to income. This scheme is now closed to new entrants.

Other income

Income from commercial activities is included in the period in which the School is entitled to receipt.

Donations received for the general purposes of the School are credited to unrestricted funds, donations are recognised when there is entitlement, certainty of receipt, and the amount can be measured with sufficient reliability.

Expenditure

Resources expended are included in the statement of financial activities on an accruals basis, inclusive of any VAT, which cannot be recovered by the charitable company.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Governance costs comprise the costs of governing the School, including strategic planning for its future development, as well as external audit, any legal advice for the Governors and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and committee meetings and of preparing statutory accounts and satisfying public accountability.

Designated Funds

Designated funds are available for use at the discretion of the Governors in furtherance of the School's objects.

1. Accounting policies (continued)

Restricted Funds

Restricted funds are created when grants or donations are made available for a particular purpose and their use is restricted to that purpose.

Revaluation

The buildings have been revalued from historic cost to market value.

Pensions

The School makes contributions to the Teachers' Pension Scheme (TPS), which is a defined benefit scheme. As many employers participate in the scheme, the School is unable to identify its share of the underlying assets and liabilities on a consistent and reliable basis. Consequently contributions are accounted for as they fall due, as if they were to a defined contribution scheme, as permitted in such circumstances under FRS17: "Retirement Benefits".

The School also operates a defined contribution scheme. The amount charged to the income and expenditure account in respect of pension costs and other post-retirement benefits is the sum of contributions payable in the year.

Stocks

All stocks are included at the lower of cost and net realisable value.

Debtors receivable and creditors payable within one year

Debtors are recognised when the School is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Creditors are recognised when the School has a present legal or constructive obligation resulting from a past event and the settlement is expected to result in an outflow of economic benefits.

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 with the exception of bank loans which are subsequently measured at amortised costs using the effective interest method.

Taxation

The School is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 2 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1. Accounting policies (continued)

Leased Assets

Where assets are financed by leasing agreements that give rights approximating to ownership ('hire purchase and finance lease contracts'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum hire purchase and lease payments payable during the hire purchase and lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the statement of financial activities.

Hire purchase and lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the statement of financial activities over the period of the hire purchase and lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amount payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the statement of financial activities on a straight-line basis over the term of the lease.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year are set out below:

- Any change in the valuation of the freehold property

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
Notes forming part of the financial statements for the year ended 31 August 2020 (Continued)

2. Income from donations and legacies

	2020	2019
	£	£
a) Government grant income		
HMRC Job retention scheme	253,621	-

3. Income from charitable activities

	2020	2019
	£	£
a) The School's fee income comprised:		
Gross fees	4,791,170	5,382,766
Less: total bursaries, grants and allowances	(637,416)	(673,919)
	<u>4,153,754</u>	<u>4,708,847</u>

	2020	2019
	£	£
b) General fund – other ancillary trading income		
Learning support	85,919	95,424
Registration fees	6,360	7,426
Insurance commission	19,399	23,798
Sundry income	91,444	49,831
School activity income	62,549	225,120
Orwell Park activities income	2,680	-
	<u>268,351</u>	<u>401,599</u>

4. Income from other trading activities

	2020	2019
	£	£
a) Fundraising income		
Fundraising	10	3,225

	2020	2019
	£	£
b) Non-ancillary trading income		
Concerts and events	1,780	6,923
Letting income	20,447	101,054
	<u>22,227</u>	<u>107,977</u>

	2020	2019
	£	£
c) Investment income		
Bank Interest receivable	504	949

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED

 Notes forming part of the financial statements for the year ended 31 August 2020 (*Continued*)

5. a) Analysis of expenditure

<i>Current period</i>	Unrestricted fund			Restricted fund	Total 2020 £
	Staff costs (note 7) £	Other costs £	Depreciation £	Other costs £	
<i>Costs of generating funds</i>					
Fundraising	-	-	-	-	-
Finance lease interest	-	-	-	-	-
Bank interest	-	1,835	-	-	1,835
Cost of lettings	-	352	-	-	352
	-	2,187	-	-	2,187
<i>Charitable activities</i>					
Teaching costs	2,698,639	163,241	-	-	2,861,880
Welfare costs	483,095	113,531	-	-	596,626
Premises costs	202,792	446,061	24,846	-	673,699
Support costs	379,622	426,232	-	-	805,854
Governance costs	-	16,694	-	-	16,694
	3,764,148	1,165,759	24,846	-	4,954,753
Total expenditure 2020	3,764,148	1,167,946	24,846	-	4,956,940
<i>Prior period</i>					
	Staff costs (note 7) £	Unrestricted fund Other costs £	Depreciation £	Restricted fund Other costs £	Total 2019 £
<i>Costs of generating funds</i>					
Fundraising	-	775	-	-	775
Finance lease interest	-	-	-	-	-
Bank interest	-	-	-	-	-
Cost of lettings	-	27,522	-	-	27,522
	-	28,297	-	-	28,297
<i>Charitable activities</i>					
Teaching costs	2,499,267	216,491	6,800	-	2,722,558
Welfare costs	439,146	169,166	-	-	608,312
Premises costs	184,751	496,210	17,678	-	698,639
Support costs	370,636	573,564	-	676	944,876
Governance costs	-	18,887	-	-	18,887
	3,493,800	1,474,318	24,478	676	4,993,272
Total expenditure 2019	3,493,800	1,502,615	24,478	676	5,021,569

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED

Notes forming part of the financial statements for the year ended 31 August 2020 (Continued)

5. b) Further analysis of other support costs

	2020	2019
	£	£
Orwell Park Activities costs	1,729	-
School activities recharged	49,359	197,849
Miscellaneous	17,935	23,606
Printing, postage and stationery	35,021	43,206
Professional fees	23,576	35,827
Marketing and recruitment	76,383	75,437
Concerts	10,833	21,291
Telephones	21,984	21,888
Computer costs	102,387	101,462
Bank charges	9,947	8,983
Provision for bad debts	51,606	992
Commission fees	25,472	43,699
	<u>426,232</u>	<u>574,240</u>

c) Governance costs

	2020	2019
	£	£
Inspection costs	5,177	5,111
Audit and accountancy	11,517	13,776
	<u>16,694</u>	<u>18,887</u>

6. Net incoming resources for the year

This is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation	24,846	24,478
Operating leases paid	39,774	24,620
Letting income received	(20,447)	(101,054)
Profit on sale of fixed assets	(25,964)	-
Auditor's remuneration:		
Statutory audit	8,000	7,700
Accounts preparation	1,185	1,150
Other fees	2,332	4,926
	<u> </u>	<u> </u>

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
Notes forming part of the financial statements for the year ended 31 August 2020 (Continued)

7. Staff costs

	2020	2019
	£	£
Wages and salaries	2,988,152	2,906,739
Social security costs	279,231	266,366
Pension contributions	454,193	320,695
Staff restructuring costs	42,572	-
	<u>3,764,148</u>	<u>3,493,800</u>

Included within restructuring costs is £15,092 in respect of non statutory severance payments made to 4 individuals.

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

	2020	2019
	Headcount	Headcount
Teaching	59	59
Welfare	36	35
Maintenance	8	7
Administration	16	12
	<u>119</u>	<u>113</u>

Travel costs of £647 (2019: £1,142) were reimbursed to Governors during the year. No other costs were reimbursed during the current or previous year.

The Governors did not receive any remuneration during the current or previous year.

The number of employees whose employee benefits (excluding pension contributions) exceeded £60,000 per annum were:

	2020	2019
	Number	Number
In the band £70,00 - £80,000	1	1
In the band £140,000 - £150,000	1	1

The above employees participated in both the Teachers Pension Scheme and the defined contribution pension scheme held by the School. During the year ended 31 August 2020, employer pension contributions amounted to £42,723 (2019: £29,464) for these employees.

The Key Management Personnel of the School comprise the Governors and the Senior Leadership Team. The total amount of employee benefits (including employer pension contributions, national insurance contributions and benefits in kind) received by Key Management Personnel for their services to the School in the year was £442,111 (2019: £422,689).

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED

Notes forming part of the financial statements for the year ended 31 August 2020 *(Continued)*

8. Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Furniture, fixtures and fittings £	Motor vehicles £	Total £
<i>Cost</i>					
1 Sept 2019	6,496,229	458,316	49,841	138,472	7,142,858
Additions	51,823	123,998	37,559	-	213,380
Disposals	-	(9,517)	-	(63,227)	(72,744)
Revaluations	-	-	-	-	-
31 Aug 2020	6,548,052	572,797	87,400	75,245	7,283,494
<i>Depreciation</i>					
1 Sept 2019	1,360,017	155,352	7,564	138,472	1,661,405
Charge for year	-	20,361	4,485	-	24,846
On disposals	-	(9,517)	-	(63,227)	(72,744)
31 Aug 2020	1,360,017	166,196	12,049	75,245	1,613,507
<i>Net book values</i>					
31 Aug 2020	5,188,035	406,601	75,351	-	5,669,987
31 Aug 2019	5,136,212	302,964	42,277	-	5,481,453

All fixed assets are held for charitable purposes.

Included within motor vehicles is £Nil (2019: £Nil) net book value relating to assets held under a finance lease. The depreciation charged on these assets in the year is £Nil (2019: £6,801).

Freehold land and buildings were subject to an independent, professional valuation on 9 June 2017. The valuation was undertaken by Paul Harrison BSc (Hons) MRICS, RICS registered valuer (5607795) of Lambert Smith Hampton on a market value basis. The Governors consider that the valuation of the property remains appropriate for the purposes of these financial statements.

If the freehold land and buildings had been accounted for under the historic cost accounting rules, the assets would have been measured as follows:

	2020 £	2019 £
Historic cost less depreciation	3,501,210	3,621,234

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
Notes forming part of the financial statements for the year ended 31 August 2020 (Continued)

9. Investments

	2020	2019
	£	£
Investment in subsidiary company: Events at Orwell Park Limited	100	100

On 31 August 2011 the assets and trade of Events at Orwell Park Limited were transferred to Orwell Park School Educational Trust Limited, a 100% owned subsidiary. Events at Orwell Park Limited is a company incorporated in England and Wales and it remained dormant throughout the year.

10. Stocks

	2020	2019
	£	£
Stationery supplies	600	700
Food stocks	2,019	1,326
Oil stocks	6,399	6,487
	9,018	8,513

There is no material difference between the replacement cost of stocks and the amounts stated above.

11. Debtors

	2020	2019
	£	£
School fees	54,760	98,195
Trade debtors	1,160	44,434
Other debtors	23,653	-
Prepayments and accrued income	146,810	76,494
	226,383	219,123

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
Notes forming part of the financial statements for the year ended 31 August 2020 (Continued)

12. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loan	4,635	-
Bank overdraft	4,303	97,419
Fees in advance	205,988	476,198
Trade creditors	5,237	25,968
Lump sum fees (see below)	119,266	85,482
Other taxes & social security	392,284	69,921
Other creditors	80,611	95,414
Final term deposits	23,000	26,000
Accruals and deferred income	115,894	16,895
Amounts owed to subsidiary undertakings	100	100
	<u>951,318</u>	<u>893,397</u>

Both the bank overdraft and bank loan are secured by way of a legal charge over the property at Orwell Park Nacton Ipswich Suffolk in favour of Barclays Bank PLC.

Lump sum fees

Parents may enter into a contract to pay the School tuition fees in advance. The money may be returned subject to specific conditions. The balance represents the accrued liability under the contracts. The movements during the year were:

	2020 £	2019 £
Balance at 1 September 2019	193,170	304,727
Amount of lump sum fees received in the year	133,709	-
Amount utilised in payment of school fees to the School	(91,560)	(111,577)
Balance at 31 August 2020	<u>235,319</u>	<u>193,150</u>

	2020 £	2019 £
Of Which:		
Payable within 1 year	119,266	85,482
Payable after 1 year	116,053	107,668
Balance at 31 August 2020	<u>235,319</u>	<u>193,150</u>

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED

Notes forming part of the financial statements for the year ended 31 August 2020 *(Continued)*

13. Creditors: amounts falling due after one year

	2020	2019
	£	£
Bank loan	1,245,365	-
Final term deposits	86,000	96,992
Lump sum fees	116,053	107,688
	<u>1,447,418</u>	<u>204,680</u>

	Bank loan		Lump sum fees		Final term deposits	
	2020	2019	2020	2019	2020	2019
	£	£	£	£	£	£
In more than one year but not more than two years	56,306	-	78,661	53,844	22,000	22,492
In more than two years but not more than five years	1,189,059	-	37,392	53,844	41,000	45,000
More than five years	-	-	-	-	23,000	29,500
	<u>1,245,365</u>	<u>-</u>	<u>116,053</u>	<u>107,688</u>	<u>86,000</u>	<u>96,992</u>

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED

Notes forming part of the financial statements for the year ended 31 August 2020 *(Continued)*

14. Analysis of net assets between funds

	Fixed assets	Investments	Net current (liabilities)/assets	Long term liabilities	Fund balances 2020
Utilisation of funds – current period	£	£	£	£	£
General fund	-	100	140,793	(1,447,418)	(1,306,525)
Charitable fixed assets fund	5,669,987	-	-	-	5,669,987
Restricted fund	-	-	3,668	-	3,668
	<u>5,669,987</u>	<u>100</u>	<u>144,461</u>	<u>(1,447,418)</u>	<u>4,367,130</u>

	<i>Fixed assets</i>	<i>Investments</i>	<i>Net current (liabilities)/assets</i>	<i>Long term liabilities</i>	<i>Fund balances 2019</i>
<i>Utilisation of funds – prior period</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
General fund	-	100	(654,938)	(204,680)	(859,518)
Charitable fixed assets fund	5,841,453	-	-	-	5,481,453
Restricted fund	-	-	3,668	-	3,668
	<u>5,841,453</u>	<u>100</u>	<u>(651,270)</u>	<u>(204,680)</u>	<u>4,625,603</u>

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
Notes forming part of the financial statements for the year ended 31 August 2020 (Continued)
15. Statement of funds

Current period	Balance at 1 September 2019 £	Incoming resources £	Outgoing resources £	Revaluation £	Transfers £	Balance at 31 August 2020 £
<i>Unrestricted funds</i>						
General fund	(859,518)	4,698,467	(4,932,094)	-	(213,380)	(1,306,525)
Designated fixed assets fund	4,067,967	-	(24,846)	-	213,380	4,256,501
Fixed asset revaluation reserve	1,413,486	-	-	-	-	1,413,486
	<u>4,621,935</u>	<u>4,698,467</u>	<u>(4,956,940)</u>	<u>-</u>	<u>-</u>	<u>4,363,462</u>
<i>Restricted funds</i>						
Other	3,668	-	-	-	-	3,668
	<u>4,625,603</u>	<u>4,698,467</u>	<u>(4,956,940)</u>	<u>-</u>	<u>-</u>	<u>4,367,130</u>
Prior period	Balance at 1 September 2018 £	Incoming resources £	Outgoing resources £	Revaluation £	Transfers £	Balance at 31 August 2019 £
<i>Unrestricted funds</i>						
General fund	(983,809)	5,222,597	(4,996,415)	-	(101,891)	(859,518)
Designated fixed assets fund	3,990,554	-	(24,478)	-	101,891	4,067,967
Fixed asset revaluation reserve	1,413,486	-	-	-	-	1,413,486
	<u>4,420,231</u>	<u>5,222,597</u>	<u>(5,020,893)</u>	<u>-</u>	<u>-</u>	<u>4,621,935</u>
<i>Restricted funds</i>						
Other	4,344	-	(676)	-	-	3,668
	<u>4,424,575</u>	<u>5,222,597</u>	<u>(5,021,569)</u>	<u>-</u>	<u>-</u>	<u>4,625,603</u>

The designated fixed assets fund and the fixed asset revaluation reserve represent the fixed assets of the School held for charitable use not funded by restricted purpose funds. The movement in the charitable fixed assets fund represents the net movement in the balance sheet of the value of freehold land and buildings, the transfer represents additions less disposals to fixed assets.

The restricted funds are held for the purposes of art and music bursary funds.

16. Pensions

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. Employer contributions for the year ended 31 August 2020 totalled £400,480 (2019: £274,527). At 31 August 2020, contributions amounting to £45,930 were payable to the scheme (2019 - £36,308) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2020 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

A copy of the latest valuation report can be found by following this link to [the Teachers' Pension Scheme website](#)

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
Notes forming part of the financial statements for the year ended 31 August 2020 (Continued)

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The School also operates a defined contribution scheme for which there were employer contributions for the year ended 31 August 2020 totalling £53,713 (2019: £45,610). At 31 August 2020 there were amounts outstanding of £9,013 (2019: £8,260).

17. Commitments under operating leases

As at 31 August 2020, the School had annual commitments under non-cancellable operating leases as set out below:

	2020	2019
	£	£
Operating leases which expire:		
Within 1 year	40,800	43,744
Within 2 – 5 years	69,920	34,696
	<u><u> </u></u>	<u><u> </u></u>

18. Members' guarantee

The School has no share capital but is limited by guarantee. Every member of the charitable company is a guarantor and undertakes to contribute to the assets of the School; in the event of it being wound up, such amounts as may be required. Each guarantor's liability is limited to £1.

19. Connected charity

The Orwell Park School Foundation is a registered charity, number 1070488, which exists primarily to support the School. The Governors' report provides further information surrounding the connected charity. Given the independence of a majority of the Foundation's Governors, its results are not incorporated within these accounts as the Foundation is not considered under the control or significant influence of the School.

At 31 August 2020 £23,653 was due from (2019: £3,010) The Orwell Park School Foundation which is included within other debtors at the balance sheet date. During the year £18,686 (2019: £35,151) of donations were collected, book sales invoiced of £2,232 (2019: £2,723) and events income collected of £965 (2019: £Nil) in Orwell Park School Educational Trust Limited on behalf of The Orwell Park School Foundation.

Purchases and staff costs of £67,219 (2019: £58,007) were incurred by Orwell Park School Educational Trust Limited on behalf of The Orwell Park School Foundation and recharged to them.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED

Notes forming part of the financial statements for the year ended 31 August 2020 (Continued)

20. Related party transactions

During the year the School received fees of £17,881 (2019: £49,589) from Mrs Molony and £17,881 (2019: £19,227) from Mr Springall. Mrs Molony was a Director in both the current year and the previous year. Mr Springall is the spouse of a Director in both the current year and the previous year. No balances were outstanding at the year end. Fees are paid on the same basis as for other students.

During the year, purchases of £3,301 (2019: £nil) were made from P.L.O.T. Community Interest Company, of which James Davison is a director. There was £nil (2019: £nil) outstanding at the year end.

21. Reconciliation of net incoming resources to net cash inflow from operating activities

	2020	2019
	£	£
Net (outgoing)/incoming resources	(258,473)	201,028
Depreciation of tangible fixed assets	24,846	24,478
Profit on sale of assets	(25,964)	-
Increase in stocks	(505)	(1,474)
Increase in debtors	(7,260)	(25,959)
Increase/(Decrease) in creditors	143,775	(46,772)
Interest received	(504)	(949)
Interest paid	1,835	-
	<hr/>	<hr/>
Net cash (outflow)/inflow from operating activities	(122,250)	150,352
	<hr/> <hr/>	<hr/> <hr/>

22. Analysis of cash and cash equivalents

	2020	2019
	£	£
Cash at bank and in hand	860,378	14,491
Overdraft facility repayable on demand	(4,303)	(97,419)
	<hr/>	<hr/>
Total	856,075	(82,928)
	<hr/> <hr/>	<hr/> <hr/>