
ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Governors	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 A A Melrose, CA (SA) V C L Molony, BA Hons (resigned 10 July 2021) A C Shirley, BSc (resigned 9 July 2021) C W Symes, BSc, MAEd, MCGI, PGCE F Stack, MA ED(open), BA Hons, PGCE, Mont Dip R Bhoola (appointed 13 March 2021) K Prest (appointed 13 March 2021) T Sexton (appointed 13 March 2021)
Company registered number	912265
Charity registered number	310481
Registered office	Orwell Park School Nacton Ipswich Suffolk IP10 0ER
Independent auditor	MHA MacIntyre Hudson Statutory Auditor Boundary House 4 County Place Chelmsford Essex CM2 0RE
Bankers	Barclays Bank PLC 1 Princes Street Ipswich Suffolk IP5 7RF
Solicitors	Barker Gotelee 41c Barrack Square Martlesham Ipswich Suffolk IP5 7RF

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

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 2021 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 twelve 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 2020 to 31 August 2021. Meetings, at which the Headmaster and Bursar are present, are normally held once a term, prior to the board meeting.

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

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The current systems and structures for governance at Orwell Park School reflect the determination of the Board to give 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 senior school staff chair the supporting committees all of which will be attended by the Headmaster and/or Bursar; supporting sub-committees will report to the principal committees as outlined in the Governance Paper.

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 2021, 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. In view of the nature of the School the Governors will ordinarily benchmark against pay levels in other independent schools of a similar size, run on a similar basis. The remuneration benchmark 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 examine regularly the major risks that the School faces. Risks are identified and assessed so controls can be established to mitigate those risks. During the year the governing body has 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.

During the year the main focus for risk management activity has continued to be the risks posed by the COVID-19 Pandemic. 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. The risk assessment was reviewed regularly by the SMT and was a formal item on the weekly management meeting. The School risk management strategy for COVID-19 includes mitigations against the financial in the near and medium term. Governors decided that the response to the financial challenges should involve a three year plan; components of the plan included obtaining a loan and extending short term financial support to families whose business were adversely affected and making.

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.

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The 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 been completed in recent years. Major improvements include the installation of a fire suppression system in the kitchen and a new fire alarm system, which represent a significant achievement in establishing a safe environment for the School. Additionally, the fire doors in the Mansion (containing the boarding house) were upgraded with new hinges and door closure systems.

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 CCTV system is subject to an annual service and maintenance contract and components are upgraded or replaced on an annual basis. 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.

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. The School children 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.

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

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
- 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.

The Governors present their Strategic Report for 2020-21, 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. One of the school terms involved the delivery of remote learning to pupils although a large group of children of key workers were taught on site during this time; the normal timetable of lessons was delivered online from the moment transition to remote learning took place. In addition, the School live streamed school events to parents throughout the year, including sporting fixtures, concerts, recitals and church services.

The School also hosts and supports a local educational setting specialising in support to vulnerable children; PLOT (Philosophy for Learning; Life Skills for Development; Opportunity to Progress; Tenacity to Embrace) using facilities not used by the School. Older pupils at the School were encouraged to become involved in PLOT as part of the "Orwell Park Challenge" and to improve their understanding of society as well as providing a community service.

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.

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A review of the curriculum has led to additional resources being 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. During the year it was also decided that Drama and performing Arts should be given greater emphasis by appointing a teacher of LAMDA; recruitment processes were completed for these initiatives for a start in delivery in September 2021 as well as recruiting a new Director of Music and a new Head of Drama.

Educational agendas around the Global Citizen have been supported by reciprocal residential visits with Mayo College in India; this year these have also been affected by Covid-19 travel restrictions so activities have been limited to shared classes using the internet.

Despite the pandemic having a major impact on school sport during 2020/21, Orwell continued to strive and maintain the importance of physical activity, even when fixtures and competitions weren't possible. We organised and played a number of internal, inter house competitions with boys and girls playing mixed sport for the first time. This included hockey, football, netball and touch rugby. We continued with online PE and Games sessions during the lockdown in early 2021 before the welcome return to school and resumption of fixtures in the Summer. We played fixtures on a weekly basis for the entire term with pupils relishing the opportunity to represent their school again. We were victorious in the U13 Girls' Suffolk Schools' Cricket competition and had a successful term across the board.

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 at nearly 270 in the Summer term (which is close to the School average of 290 pupils achieved in recent years), 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

All Year 8 achieved entry to their chosen senior school with a 100% pass rate at CE. Year 8 pupils were awarded 26 scholarships, a commendable achievement when some senior schools postponed scholarship assessments until Year 9. Scholarships were as follows: 6 Academic, 3 All-rounder/General, 12 Sport, 3 Drama, 2 DT. This was especially commendable since many senior schools have delayed the award of scholarships until Year 9 because of COVID-19.

Pupils went on to 22 different schools (similar to most years) and around 80% of our pupils went to national boarding schools.

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.

GOVERNORS' REPORT
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Facilities

The programme of maintenance, refurbishment and development of School buildings and premises has continued. Improvements are in accordance with the master plan for the development of the School estate and in accordance with the School Development Plan (SDP). Improvements in the Boarding House have continued, an additional dormitory has been created in the Girl's Boarding House by the conversion of an element of staff accommodation; the new space has been repainted, received new beds and furniture, delivering a contemporary feel. Planning for the development of the Middle School has been suspended temporarily while the challenges of COVID-19 pandemic are managed. In the Music department a recording studio has been created to support improvements in the performing arts.

The School continued to invest in facilities for curricular and co-curricular activities. Outdoor learning spaces in the School's woodlands have been improved by the installation of a new canopy and a redesign of the space. Further outdoor mobile lighting has been purchased to allow playing times to be extended particularly during the Autumn and Spring terms. New covers for the cricket facilities have been added by 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 two staff Houses and 1 staff apartment have been refurbished during the year.

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. The School continued its partnership with HUDDL; a local provider of knowledge, advice and training on pastoral matters. 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.

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FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The net deficit for the year was £236,087 (2020 - £258,473). During the year total income amounted to £4,308,355 (2020 - £4,698,467) and the expenditure totalled £4,544,442 (2020 - £4,956,940).

The decrease in income is due to the further effects of the COVID-19 Pandemic which has reduced fee income due to reduced pupil numbers and lower boarding income; in addition the governors decided against any increases to fees. Additional income from boarding and lettings in the year was also reduced; there was limited use of the school premises during the Summer holidays compared to the period before COVID-19.

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 1670488) with the object of raising funds for the School. As at 31 August 2021, the Foundation held £55,000 in funds within its accounts that are owed to the School (2020 - £21,696).

Reserves Policy

Note 24 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 totalled £4,420,082 (2020 - £4,256,501) together with a revaluation reserve which at both year ends stood at £1,728,332.

The total fund balance held at 31 August 2021 was £4,445,889 (2020 - £4,367,130). Restricted funds were held as at 31 August 2021 of £3,668 (2020 - £3,668). See Note 24 for further detail 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 2021. 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 £36,442,685 with a further £2,415,064 of cover for the building contents including IT equipment.

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FUTURE PLANS

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 Coronavirus Business Interruption Loan Scheme was accessed, this supported the existing facility and Coronavirus Job Retention Scheme job support (furlough) Scheme has been 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 is a major focus for the Board as the School navigates the COVID-19 Pandemic and next 2 years within the MTP.

Curriculum Related Activities

The Headmaster and senior staff continue to review the curriculum and co-curriculum activities to ensure it is 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 its pupils. The School will continue to be innovative with its curriculum using ongoing feedback on its curriculum review and input from sector specialists.

Strategic Development Plan

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.

The Governors and school leaders have continued to develop the SDP and align it with the Governors' aspirations for the School and the Trust's charitable objects and reflect the changes posed by Covid-19 both economic, social and educational. The SDP was subject to a mini-review during the year so as to capture the latest responses and trends emerging from the world affected by Covid-19. The SDP will continue to be 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.

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Investment in the SDP has been affected by the economic challenges posed by COVID-19 although where possible areas will be supported; the particular focus on teaching and learning and sports and specialist coaching/teaching delivery will 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 benefit when investment resources are identified. Improvements within the Boarding house have been completed; all dormitories have been refurbished to a high common standard and an additional dormitory has been added to the Girls Boarding House. It is intended to start the refurbishment of bathrooms within the Boarding House in due course. The Governors of the School have set out plans for the further development of the School facilities including the refurbishment of the Middle School and New Block, refurbishment of the swimming pool and construction of a performing arts centre; the latter will be funded by a fundraising campaign and links with the Orwell Park Foundation.

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

The School 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). There was no fee increase for the year in question.

During the year 2019-20 the annual school budget included a spend of approximately £645k on school discounts which is over 14% of fee related income; this supports entry to the School for families who require assistance and is a sector leading performance.

Art

Artists have provided talks, workshops and competitions for the pupils at OPS. Unfortunately we were unable to hold our bi-annual exhibition 'the Open Art Exhibition' because of COVID-19. 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 retained 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. Ordinarily, 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 allows hold a bi-annual exhibition of staff creative work and an Old Orwellian Exhibition every few years.

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Music

At the start of the school year, the music department arranges two church services which involve the pupils of the school; the income generated supports the School's three chosen charities and a local hospice. Two Harvest Festival services, Prep and Pre-Prep, are held in St Martin's Church, Nacton. The children bring in a variety of produce for the service, which is later taken to the East Anglian Childrens' Hospice, and also to the Food Bank - FIND.

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. Last year the school donated musical instruments to Snape Primary and Eyke Primary with which it also shares workshops on music. Although the pandemic restricted much musical performance last year, we are again performing at the Aldeburgh Festival of Food and Drink, and will be singing carols at the Foxhall Lavender Day Care centre again in December.

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 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 pa. The School also hosts the church choir for its 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.

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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 the pupils decided to fundraise for one local charity, FIND, due to the lack of fundraising opportunities throughout the year. In the past fundraising events have included a sponsored swim, a Musicathon, 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. Representatives from the chosen charities make every effort to engage with the school community throughout the year.

In the past our fundraising total has regularly reached £12,000. This year our total was £1,689.30 largely due to learning from home during the spring term and the reduction in whole-school events throughout the year. We did, however, have two large collections of food for FIND, one at Christmas time which included lots of festive treats and a collection in the spring of chocolate Easter Eggs.

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 group'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 use 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 use the school music department for practice and social gatherings.

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Use of the School by Other Educational Organisations

The School refurbished a dilapidated building within the grounds thus making it fit to host an organisation delivering support to vulnerable children often from backgrounds of great disadvantage; as discussed earlier this organisation is called PLOT. The facility also includes the use of a Lodge for vocational skills for older children and extensive gardens. Most of the children concerned do not attend orthodox school settings and have been referred to the setting by Local Authorities. PLOT have completed their first full year of operations at the Buck House. A range of outdoor facilities were used by them including the adjacent woodland and garden areas. The organisation reported that use of the facilities and access to the outdoor amenities had a very positive effect on the children in their care and that this helped with the positive outcomes achieved for the children with over 70% being able to return to state settings as a result of their intervention. A long-term lease has been signed to support the relationship with PLOT and ensure that the organisation can continue to provide support to these children.

Use of the School by Other Charities

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 in recent years and exceeds £500,000 pa. Recent work has included the refurbishment of the glass domes in the Mansion Building.

The Victorian Ice House in the grounds near the Buck House was 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. Prior to being encapsulated the Ice House 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 historical record.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

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 focusses 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 is committed to maintaining 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 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. The Foundation obtained a grant from the Heritage Lottery Fund of £10,000 toward repairs in the Observatory.

Approved by order of the Members of the Board of Governors and signed on its behalf by:



.....
J A Davison
Chair

Date: 18 May 2022

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

The Governors (who are also the Directors of the School for the purposes of company law) are responsible for preparing the Governors' Report including the Strategic 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. Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the School and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in business.

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

Approved by order of the Members of the Board of Governors and signed on its behalf by:


.....
J A Dayison
Chair

Date: 18 May 2022

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)

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 'School') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the School's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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

In auditing the financial statements, we have concluded that the Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the School's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED (CONTINUED)

Other Information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Governors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 Governors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report and the Strategic 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 School and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report including the Strategic Report.

We have nothing to report in respect of the following matters in relation to which 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.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED (CONTINUED)

Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities, the Governors (who are also the Directors of the School 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 School'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 School or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

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

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED (CONTINUED)

Use of our report

This report is made solely to the charitable company's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's Members those matters we are required to state to them in 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 its Members, as a body, for our audit work, for this report, or for the opinions we have formed.



Cara Miller ACCA (Senior Statutory Auditor)
for and on behalf of
MHA MacIntyre Hudson
Statutory Auditor
Chelmsford, United Kingdom

Date: 25 May 2022

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and grants	4	268,378	-	268,378	253,621
Charitable activities	5,6	3,882,034	-	3,882,034	4,422,105
Other trading activities	9	157,869	-	157,869	22,237
Investments	10	74	-	74	504
		<u>4,308,355</u>	<u>-</u>	<u>4,308,355</u>	<u>4,698,467</u>
Total income					
Expenditure on:					
Raising funds	11	38,009	-	38,009	2,187
Charitable activities	12,13	4,506,433	-	4,506,433	4,954,753
		<u>4,544,442</u>	<u>-</u>	<u>4,544,442</u>	<u>4,956,940</u>
Total expenditure					
Net movement in funds before other recognised gains					
		(236,087)	-	(236,087)	(258,473)
Other recognised gains:					
Gains on revaluation of fixed assets		314,846	-	314,846	-
		<u>78,759</u>	<u>-</u>	<u>78,759</u>	<u>(258,473)</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward	24	4,363,462	3,668	4,367,130	4,625,603
Net movement in funds		78,759	-	78,759	(258,473)
	24	<u>4,442,221</u>	<u>3,668</u>	<u>4,445,889</u>	<u>4,367,130</u>
Total funds carried forward					

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 47 form part of these financial statements.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 912265

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	18		6,148,414		5,669,987
Investments	19		100		100
			<u>6,148,514</u>		<u>5,670,087</u>
Current assets					
Stocks	20	7,349		9,018	
Debtors	21	210,010		226,383	
Cash at bank and in hand	27	386,124		860,378	
		<u>603,483</u>		<u>1,095,779</u>	
Creditors: amounts falling due within one year	22	(1,019,875)		(951,318)	
Net current liabilities / assets			<u>(416,392)</u>		<u>144,461</u>
Total assets less current liabilities			<u>5,732,122</u>		<u>5,814,548</u>
Creditors: amounts falling due after more than one year	23		(1,286,233)		(1,447,418)
Total net assets			<u><u>4,445,889</u></u>		<u><u>4,367,130</u></u>
Charity funds					
Restricted funds	24		3,668		3,668
Unrestricted funds	24		4,442,221		4,363,462
Total funds			<u><u>4,445,889</u></u>		<u><u>4,367,130</u></u>

The Governors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:

.....
J A Davison
 Chair

Date: 18 May 2022

The notes on pages 23 to 47 form part of these financial statements.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	26	(245,079)	(122,250)
Cash flows from investing activities			
Investment income	10	74	504
Proceeds from the sale of tangible fixed assets	18	-	25,964
Purchase of tangible fixed assets	18	(199,727)	(213,380)
Interest paid		(29,522)	(1,835)
Net cash used in investing activities		(229,175)	(188,747)
Cash flows from financing activities			
New secured loans		-	1,250,000
Net cash provided by financing activities		-	1,250,000
Change in cash and cash equivalents in the year		(474,254)	939,003
Cash and cash equivalents at the beginning of the year		860,378	(78,625)
Cash and cash equivalents at the end of the year	27	386,124	860,378

The notes on pages 23 to 47 form part of these financial statements

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. General information

Orwell Park School Educational Trust Limited is a charitable company and is registered with the Charity Commission (Charity Registered Number 310481) and Registrar of Companies (Company Registration Number 912265) in England and Wales.

In the event of the School being wound up, the liability in respect of the guarantee is limited to £1 per Member of the School. The address of the registered office is given in the School information on page 1 of these financial statements.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Orwell Park School Educational Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in sterling which is the functional currency of the School and rounded to the nearest pound sterling.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Going concern

The Governors have assessed the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the School to continue as a going concern including the impact of COVID-19. The Governors have made this assessment for a period of at least one year from the date of the approval of these financial statements. 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 Governors have concluded that there is a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. The School therefore continues to adopt the going concern basis in preparing these financial statements.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.3 Income

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.

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.

The School has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown in donations under "HMRC Job retention scheme".

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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.

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.

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.

2.4 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 School.

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.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.4 Expenditure (continued)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the School's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 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 School 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 3 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.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

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

Freehold land and buildings are carried at current year fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance Sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers, or by the Governors.

Revaluation gains and losses are recognised separately in the Statement of Financial Activities.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.12 Financial Instruments

The School only holds basic Financial Instruments. The financial assets and financial liabilities of the School are as follows:

Debtors – trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 21. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors, accruals, other creditors and bank loans will be classified as financial instruments, and are measured at amortised cost as detailed in Notes 22 and 23. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

2.13 Pensions

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.

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 Financial Reporting Standard 102, Section 28 "Employee Benefits".

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the School and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the School for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

ORWELL PARK SCHOOL EDUCATIONAL TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.15 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.

3. Critical accounting estimates and areas of judgment

Estimates and judgments 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.

Critical accounting estimates and assumptions:

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 a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- Any change in the valuation of the freehold property
- Depreciation of tangible fixed assets
- Bad and doubtful debt provision
- Impairment of assets

The present value of the defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in Note 29, will impact the carrying amount of the pension liability.

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NOTES TO THE FINANCIAL STATEMENTS
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4. Income from donations and grants

	Unrestricted funds 2021 £	Total funds 2021 £
HMRC Job retention scheme	268,378	268,378

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
HMRC Job retention scheme	253,621	253,621

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
Educational operations	3,882,034	3,882,034

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Educational operations	4,422,105	4,422,105

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NOTES TO THE FINANCIAL STATEMENTS
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6. Analysis of income from charitable activities by type of income

		2021 £	2020 £
School fees	7	3,725,237	4,153,754
Other ancillary trading income	8	425,175	268,351
		<u>4,150,412</u>	<u>4,422,105</u>

7. School fees

	2021 £	2020 £
Gross fees	4,455,158	4,791,170
Less: total bursaries, grants and allowances	(729,921)	(637,416)
	<u>3,725,237</u>	<u>4,153,754</u>

8. Other ancillary trading income

	2021 £	2020 £
Learning support	59,940	85,919
Registration fees	6,175	6,360
Insurance commission	14,536	19,399
Sundry income	311,534	91,444
School activity income	29,910	62,549
Orwell Park activities income	3,080	2,680
	<u>425,175</u>	<u>268,351</u>

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NOTES TO THE FINANCIAL STATEMENTS
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9. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £
Fundraising	52,916	52,916
Letting income	104,953	104,953
Total 2021	<u>157,869</u>	<u>157,869</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Fundraising	10	10
Concerts and events	1,780	1,780
Letting income	20,447	20,447
<i>Total 2020</i>	<u>22,237</u>	<u>22,237</u>

10. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Bank interest receivable	74	74

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Bank interest receivable	504	504

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FOR THE YEAR ENDED 31 AUGUST 2021

11. Expenditure on raising funds

	Unrestricted funds 2021 £	Total funds 2021 £
Bank interest	29,522	29,522
Cost of lettings	2,987	2,987
	<u>32,509</u>	<u>32,509</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Bank interest	1,835	1,835
Cost of lettings	352	352
	<u>2,187</u>	<u>2,187</u>

12. Analysis of expenditure on charitable activities - by fund

	Unrestricted funds 2021 £	Total funds 2021 £
Schools and grant making	<u>4,506,433</u>	<u>4,506,433</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Schools and grant making	<u>4,954,753</u>	<u>4,954,753</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

13. Analysis of expenditure on charitable activities - by type

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Schools and grant making	<u>3,794,047</u>	<u>712,386</u>	<u>4,506,433</u>

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Schools and grant making	<u>4,132,205</u>	<u>822,548</u>	<u>4,954,753</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

13. Analysis of expenditure on charitable activities - by type (continued)

Analysis of direct costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	3,084,688	3,384,526
Depreciation	36,146	24,846
Teaching costs	73,649	163,241
Welfare costs	111,114	113,531
Premises costs	488,550	446,061
Total	3,794,047	4,132,205

Analysis of support costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	396,121	379,622
Orwell Park Activities	-	1,729
School activities recharged	13,568	49,359
Miscellaneous	12,037	17,935
Printing, posting and stationary	30,602	35,021
Professional fees	42,941	23,576
Marketing and recruitment	42,137	76,383
Concerts	10,887	10,833
Telephones	21,069	21,984
Computer costs	78,162	102,387
Bank charges	13,352	9,947
Bad debts	20,794	51,606
Commission fees	17,993	25,472
Governance costs	12,723	16,694
Total	712,386	822,548

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

14. Governance costs

	2021 £	2020 £
Inspection costs	3,123	5,177
Audit and accountancy	9,600	11,517
	<u>12,723</u>	<u>16,694</u>

15. Auditor's remuneration

	2021 £	2020 £
Auditor's remuneration - Audit of the financial statements	8,250	8,000
Auditor's remuneration - Other services	1,350	3,517
	<u>9,600</u>	<u>11,517</u>

16. Staff costs

	2021 £	2020 £
Wages and salaries	2,808,115	3,030,724
Social security costs	254,009	279,231
Pension costs	418,685	454,193
	<u>3,480,809</u>	<u>3,764,148</u>

Included within wages and salaries are staff restructuring costs of £43,952 (2020 - £42,572) of which £9,731 (2020 - £15,092) is in respect of non-statutory severance payments made to 3 (2020 - 4) individuals.

The average number of persons employed by the School during the year was as follows:

	2021 No.	2020 No.
Teaching	52	59
Welfare	34	36
Maintenance	8	8
Administration	15	16
	<u>109</u>	<u>119</u>

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16. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
	No.	No.
In the band £70,001 - £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 2021, employer pension contributions amounted to £47,523 (2020 - £42,723) 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 £447,317 (2020 - £442,111).

17. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2020 - *£NIL*).

During the year ended 31 August 2021, expenses totalling £577 were reimbursed or paid directly to the Governors (2020 - £647). These expenses were for travel, food, subscription and course costs.

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Motor vehicles £	Furniture, fixtures and fittings £	Total £
Cost or valuation					
At 1 September 2020	6,548,052	572,797	75,245	87,400	7,283,494
Additions	117,122	78,445	-	4,160	199,727
Revaluations	314,846	-	-	-	314,846
At 31 August 2021	<u>6,980,020</u>	<u>651,242</u>	<u>75,245</u>	<u>91,560</u>	<u>7,798,067</u>
Depreciation					
At 1 September 2020	1,360,017	166,196	75,245	12,049	1,613,507
Charge for the year	-	27,905	-	8,241	36,146
At 31 August 2021	<u>1,360,017</u>	<u>194,101</u>	<u>75,245</u>	<u>20,290</u>	<u>1,649,653</u>
Net book value					
At 31 August 2021	<u>5,620,003</u>	<u>457,141</u>	<u>-</u>	<u>71,270</u>	<u>6,148,414</u>
At 31 August 2020	<u>5,188,035</u>	<u>406,601</u>	<u>-</u>	<u>75,351</u>	<u>5,669,987</u>

All fixed assets are held for charitable purposes.

During the year the Governors revalued Freehold land and buildings to take into account the refurbishment of a house located on site. The remaining Freehold land and Buildings were previously 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.

	2021 £	2020 £
Historic cost less depreciation	<u>3,432,752</u>	<u>3,501,210</u>
	<u>3,432,752</u>	<u>3,501,210</u>

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19. Fixed asset investments

	Investments in subsidiary company £
Cost or valuation	
At 1 September 2020	100
At 31 August 2021	<u>100</u>

On 31 August 2011 the assets and trade of Events at Orwell Park Limited were transferred to Orwell Park School Educational Trust Limited (Company Registered Number: 06170306), a 100% owned subsidiary. Events at Orwell Park Limited is a company incorporated in England and Wales and it remained dormant throughout the year. The registered office address is Orwell Park School, Nacton, Ipswich, Suffolk, IP10 0ER.

20. Stocks

	2021 £	2020 £
Stationary supplies	150	600
Food stocks	800	2,019
Oil stocks	6,399	6,399
	<u>7,349</u>	<u>9,018</u>

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

21. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	1,099	1,160
Other debtors	56,568	23,653
Prepayments and accrued income	82,663	146,810
School fees	69,680	54,760
	<u>210,010</u>	<u>226,383</u>

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22. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	-	4,303
Bank loans	91,933	4,635
Fees in advance	366,841	205,988
Trade creditors	4,714	5,237
Lump sum fees (see below)	53,021	119,266
Amounts owed to subsidiary undertakings	100	100
Other taxation and social security	323,712	392,284
Final term deposits	31,000	23,000
Other creditors	62,585	80,611
Accruals and deferred income	85,969	115,894
	<u>1,019,875</u>	<u>951,318</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:

	2021 £	2020 £
Balance at 1 September 2020	235,319	193,170
Amount of lump sum fees received in the year	-	133,709
Amount utilised in payment of school fees to the school	(133,382)	(91,560)
Balance at 31 August 2021	<u>101,937</u>	<u>235,319</u>
	2021 £	2020 £
Of which:		
Payable within 1 year	53,021	119,266
Payable after 1 year	48,916	116,053
Balance at 31 August 2021	<u>101,937</u>	<u>235,319</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

23. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	1,164,317	1,245,365
Lump sum fees	48,916	116,053
Final term deposits	73,000	86,000
	<u>1,286,233</u>	<u>1,447,418</u>

	Bank loan		Lump sum fees		Final term deposits	
	2021 £	2020 £	2021 £	2020 £	2021 £	2020 £
In more than one year but not more than two years	94,022	56,306	18,234	78,661	18,000	22,000
In more than two years but not more than five years	1,070,295	1,189,059	30,682	37,392	31,500	41,000
More than five years	-	-	-	-	23,500	23,000
	<u>1,164,317</u>	<u>1,245,365</u>	<u>48,916</u>	<u>116,053</u>	<u>73,000</u>	<u>86,000</u>

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FOR THE YEAR ENDED 31 AUGUST 2021

24. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers In/(out) £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds						
Designated fixed assets fund	4,256,501	-	(36,146)	199,727	-	4,420,082
Fixed asset revaluation reserve	1,413,486	-	-	-	314,846	1,728,332
	<u>5,669,987</u>	<u>-</u>	<u>(36,146)</u>	<u>199,727</u>	<u>314,846</u>	<u>6,148,414</u>
General funds						
General fund	(1,306,525)	4,308,355	(4,508,296)	(199,727)	-	(1,706,193)
Total Unrestricted funds	<u>4,363,462</u>	<u>4,308,355</u>	<u>(4,544,442)</u>	<u>-</u>	<u>314,846</u>	<u>4,442,221</u>
Restricted funds						
Other	3,668	-	-	-	-	3,668
Total of funds	<u><u>4,367,130</u></u>	<u><u>4,308,355</u></u>	<u><u>(4,544,442)</u></u>	<u><u>-</u></u>	<u><u>314,846</u></u>	<u><u>4,445,889</u></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.

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24. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds					
Designated funds					
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>5,481,453</u>	<u>-</u>	<u>(24,846)</u>	<u>213,380</u>	<u>5,669,987</u>
General funds					
General fund	(859,518)	4,698,467	(4,932,094)	(213,380)	(1,306,525)
Total Unrestricted funds	<u>4,621,935</u>	<u>-</u>	<u>(4,956,940)</u>	<u>-</u>	<u>4,363,462</u>
Restricted funds					
Other	3,668	-	-	-	3,668
Total of funds	<u>4,625,603</u>	<u>-</u>	<u>(4,956,940)</u>	<u>-</u>	<u>4,367,130</u>

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25. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	6,148,414	-	6,148,414
Fixed asset investments	100	-	100
Current assets	599,815	3,668	603,483
Creditors due within one year	(1,019,875)	-	(1,019,875)
Creditors due in more than one year	(1,286,233)	-	(1,286,233)
Total	4,442,221	3,668	4,445,889

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	5,669,987	-	5,669,987
Fixed asset investments	100	-	100
Current assets	1,092,111	3,668	1,095,779
Creditors due within one year	(951,318)	-	(951,318)
Creditors due in more than one year	(1,447,418)	-	(1,447,418)
Total	4,363,462	3,668	4,367,130

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NOTES TO THE FINANCIAL STATEMENTS
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26. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(236,087)	(258,473)
Adjustments for:		
Depreciation charges	18 36,146	24,846
Investment income	10 (74)	(504)
Profit on the sale of fixed assets	18 -	(25,964)
Decrease/(increase) in stocks	19 1,669	(505)
Decrease/(increase) in debtors	21 16,373	(7,260)
Increase/(decrease) in creditors	23,22 (92,628)	143,775
Interest paid	11 29,522	1,835
Net cash used in operating activities	(245,079)	(122,250)

27. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	386,124	860,378
Total cash and cash equivalents	386,124	860,378

28. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	860,378	(474,254)	386,124
Bank overdrafts repayable on demand	(4,303)	4,303	-
Debt due within 1 year	(123,901)	(21,053)	(144,954)
Debt due after 1 year	(1,361,418)	148,185	(1,213,233)
	(629,244)	(342,819)	(972,063)

**NOTES TO THE FINANCIAL STATEMENTS
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29. Pension commitments

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. Employer contributions for the year ended 31 August 2021 totalled £357,091 (2020 - £400,480). At 31 August 2021, contributions amounting to £41,566 were payable to the scheme (2020 - £45,930) 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 Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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29. Pension commitments (continued)

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.

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 2021 totalling £61,594 (2020 - £53,713). At 31 August 2021 there were amounts outstanding of £8,674 (2020 - £9,013).

30. Operating lease commitments

At 31 August 2021 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	27,785	40,800
Later than 1 year and not later than 5 years	42,934	69,920
Later than 5 years	201	-
	<u>70,920</u>	<u>110,720</u>

31. 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 and in the event of it being wound up, such amounts as may be required. Each guarantor's liability is limited to £1.

Principal subsidiaries

The following was a subsidiary undertaking of the School:

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19. Fixed asset investments (continued)

The financial results of the subsidiary for the year were:

32. Connected Charity

The Orwell Park School Foundation is a registered Charitable Company, Charity registered 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 2021 £56,658 was due from (2020 - £23,653) The Orwell Park School Foundation which is included within other debtors at the Balance Sheet date. During the year £19,525 (2020 - £18,686) of donations were collected, book sales invoiced of £223 (2020 - £2,232) and events income collected of £NIL (2020 - £965) in Orwell Park School Educational Trust Limited on behalf of The Orwell Park School Foundation.

Purchases and staff costs of £32,252 (2020 - £67,219) were incurred by Orwell Park School Educational Trust Limited on behalf of The Orwell Park School Foundation and recharged to them.

33. Related party transactions

During the year the School received fees of £22,152 (2020 - £17,881) from Mrs Molony, £29,657 (2020 - £NIL) from Mrs Bhoola, £17,234 (2020 - £NIL) from Mr Sexton and £12,073 (2020 - £17,881) from Mr Springall. Mrs Molony was a Director in both the current year and the previous year, and Mrs Bhoola and Mr Sexton were appointed directors in the current 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 £NIL (2020 - £3,301) were made and income of £51,620 (2020 - £NIL) was received from P.L.O.T. Community Interest Company, of which James Davison is a Director. There was £NIL (2020 - £NIL) outstanding at the year end.

