

Prior Park Educational Trust

(a company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended 31 August 2021



PRIOR PARK SCHOOLS

An Education for Life

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Prior Park Educational Trust (a company limited by guarantee)

ANNUAL REPORT OF THE TRUSTEES

For the year ended 31 August 2021

Trustees, Officers and Advisers

President, Patrons and Trustees:

The members of the Governing Body who served in office as Trustees throughout the year and subsequently, unless otherwise stated, are detailed below:

PRESIDENT

Sister Jane Livesey CJ, MA (Cantab)

PATRONS

Miss J Bisgood CBE

Mr C J B Davy CB

Mr D R Hayes

The Rt Rev DR Lang BA, Bishop of Clifton

Mr F J F Lyons KSG

Sir Cameron Mackintosh

The Rt Hon the Lord Patten of Barnes CH

Commodore C York, KSG

TRUSTEES

Mr J Shinkwin MA (Oxon), PGCE (Chair of Trustees)

Mr A Alves MA (Cantab)

Mrs S Hall, ACMA

Mr S Head MA (Cantab)

Mr W Hutchison BA

Mr J Jarvis LLB, BVC

Mr L McKell MA, Med, PGCE

Mrs M Moore BA

Rev Prebendary J N Rawlinson, MA, MB, BChir

FRCS, FRCEM, Cert Pall Med Dip Th

Ms A Shepherd MBE, BA Hons

Mrs J Singleton BA Hons, Dip TEFL

Mr J Webster BA, BArch, MCD, RIBA, MRTPI

Mr P S J O'Donoghue MA, FCA

Mrs N Pearson BA Hons PGCE

Mr A Bury MBA, BSc Hons

Mr A M H King (Chair of Trustees)

COMMITTEES

5 (Chair), 6

1 (Chair), 3, 4, 5

1, 2 (*appointed 01/09/2021*)

7 (Chair)

1, 8 (*appointed 19/06/2020*)

4

7, 8 (*appointed 01/06/2021*)

2 (Chair), 6 (*appointed 03/10/2020*)

2

4 (Chair), 6 (Chair)

3 (Chair), 8 (Chair)

1, 3, 5, 9 (Chair)

1, 2 (*resigned 28/06/2021*)

2, 8 (*resigned 28/06/2021*)

1, 4 (*resigned 25/03/2021*)

1 (*resigned 31/08/2021*)

ASSOCIATE GOVERNORS: PRIOR PARK COLLEGE

Mrs N Pearson BA Hons PGCE 2

ASSOCIATE GOVERNORS: THE PARAGON SCHOOL

Professor A Brandon-Jones PhD, PGDip, BSc Hons 3

Mrs A-M Dempsey BCL 3

ASSOCIATE GOVERNORS: PRIOR PARK SCHOOL GIBRALTAR

Ms M Atack 4

Ms E Lang 4

Mr P Lyon 4

Rear Admiral N J Raby OBE, MSc 4

Mr C Risso 4

Note:

(1) Finance, Audit, Investment and Risk (FAIR) Committee

(2) Prior Park College Board

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For the year ended 31 August 2021

- (3) The Paragon School Board
- (4) Prior Park School Gibraltar Board
- (5) Remuneration Committee
- (6) Nominations Committee
- (7) Safeguarding Committee
- (8) Education Committee
- (9) Estates Committee

TRUST SCHOOLS:

Prior Park College
The Paragon School
Prior Park School Gibraltar

PRIOR PARK COLLEGE ADDRESS:

Prior Park College
Ralph Allen Drive
Bath, BA2 5AH

THE PARAGON SCHOOL ADDRESS:

The Paragon School
Lyncombe House
Lyncombe Vale
Bath, BA2 4LT

PRIOR PARK SCHOOL GIBRALTAR ADDRESS:

Prior Park School
Sacred Heart Terrace
Old Town
Gibraltar

KEY MANAGEMENT PERSONNEL & PROFESSIONAL ADVISERS:

The Head (College):	Mr B Horan MA
The Head (The Paragon School):	Mrs R Allen, BA, PGCE
The Head (Gibraltar):	Mr P Watts BSc
Director of Operations and Finance and Clerk to the Trustees:	Ms E Sandberg LLB (Hons)

SOLICITORS:

Stone King
13 Queen Square
Bath
BA1 2HJ

BANKERS:

Barclays Bank Plc
4-5 Southgate Street
Bath
BA1 1AQ

AUDITOR:

RSM UK Audit LLP
Chartered Accountants
Hartwell House
55-61 Victoria Street
Bristol, BS1 6AD

UK REGISTRATION:

Charity No. 281242, Company No. 01521832

GIBRALTAR REGISTRATION:

Charity No. 000272, Company No. 00113158

WEBSITE:

www.priorparkschools.com

Company Registration Number: 01521832
Charity Number: 281242

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ANNUAL REPORT OF THE TRUSTEES

For the year ended 31 August 2021

INTRODUCTION

The Board of Trustees present their annual report for the year ended 31 August 2021 under the Companies Act 2006 and the Charities Act 2011, together with the audited financial statements for the year.

Prior Park Educational Trust (“the Trust”) is a company limited by guarantee and not having a share capital it is governed by its Memorandum and Articles of Association and is known as “Prior Park Schools”.

STRATEGIC REPORT

OBJECTS AND MISSION STATEMENT

The Objects of the Trust as defined in its Memorandum of Association are:-

- a. To provide for the advancement of education, and in connection therewith, to conduct, carry on, acquire and develop any boarding or day school (or schools) for the education of children, of either or both sexes of the Roman Catholic religion, with other Christian children, with or without non-Christian children.
- b. To provide for such other charitable works wheresoever and whatsoever so as to advance the Roman Catholic religion.

The Mission Statement of Prior Park Schools is:

- a. To provide Christian education (in the Catholic tradition), at all Prior Park Schools, of the highest quality for a boarding and day co-educational community.
- b. To develop as fully as possible the academic and other talents of each boy and girl, to ensure an education of the whole person.
- c. To provide pastoral care of an encouraging, supportive and disciplined nature for each student.
- d. To create an outward looking ethos which builds links with the parents and the local community, and also celebrates the richness of cultures from around the world.
- e. To enable school leavers to be confident, capable, compassionate and independently-minded.

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing education and on fee-charging. Further details of the Trust's benefit to the public over the academic year can be seen in the public benefit and cohesion section on page 11. The Trust runs Prior Park College, The Paragon School and Prior Park School, Gibraltar.

The College and the Paragon School are both situated in Bath. The Paragon School has been part of the Trust since Paragon Educational Trust and Prior Park Educational Trust merged on 10 March 2006. Prior Park School Gibraltar was opened in September 2016.

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For the year ended 31 August 2021

TRUSTEES' OBJECTIVES & KEY PERFORMANCE INDICATORS

The Trustees directed that the objectives for 2020/21 should be in line with the objectives for the previous year, as follows:

OBJECTIVE	ASSESSMENT
To maintain the high level of all-round Christian education (in the Catholic tradition) within the schools of the Trust. An enduring objective.	With the recent appointments of new Heads at Prior Park College and the Paragon School new initiatives will be undertaken to ensure the high level of education across Prior Park Schools. The Prior Executive Board is in place to ensure that the schools have the appropriate level of executive leadership and that a coherent approach is achieved across the Group.
To achieve a financial surplus in order to be able to make continued investment in the facilities needed to support the Trust's activities. An enduring objective.	Due to the challenges caused by the Covid-19 pandemic this objective was put under strain in 2019/20 with the Trust nevertheless managing to make a small surplus for the year, largely helped by £0.5m of funding from the Government's Furlough Scheme. The Trust made a healthy surplus in 2020/21 as we started to come out of the Covid pandemic and pupil numbers stayed strong.
To focus on affordability to ensure that a Prior Park education remains accessible to as wide a section of the population as possible.	Regular affordability discussions are held at both the FAIR and the full Governing Board meetings. This issue receives the full attention of both Trustees and the Prior Executive Board.
To continue to monitor opportunities to strengthen the existing schools in Bath and Gibraltar potentially through partnering or acquiring existing or new schools in support of the Trust's primary objective of the advancement of education within a Christian ethos and environment in the Catholic Tradition.	We continue to review opportunities both in the United Kingdom and abroad to see if there is a fit with the Prior Park Schools' vision and ethos.

The Trustees have agreed a detailed set of Key Performance Indicators and performance measures with the Head of each school. These are in line with the vision of Prior Park Schools and the above objectives of the Trustees.

STRUCTURE AND DELIVERY OF GOVERNANCE

Responsibility for Prior Park Schools lies with the Board of Trustees. The Trustees are the Trustees of Prior Park Educational Trust and are the Directors of the Company. They are also the Members of the Company. In the course of administering the Charity, Trustees have paid due regard to the published Charity Commission guidance on the operation of the public benefit requirement.

Trustees are selected and appointed by a general meeting of the Members following the considerations and review of the Nominations Committee. The Articles of Association require that the majority of Trustees are Roman Catholics. There is a written policy for the recruitment of Trustees, and care is taken to ensure that they are drawn from a spread of educational, church, business and other backgrounds, besides maintaining a mix of genders. Written policies also cover the induction and training of Trustees, the avoidance of conflicts of interest and other responsibilities at this level.

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The Board of Trustees meets once per term to consider matters of policy and strategy. The Board delegates many of its responsibilities to other committees but maintains oversight and responsibility for the decisions of these committees. The most significant of these sub-committees is the Finance, Audit, Investment and Risk (FAIR) Committee, which meets at least 4 times a year to exercise financial oversight and to make decisions on other matters on behalf of the full Board. In addition to the Trustees appointed to FAIR, the Chairs of the Local Boards are also invited to attend. Other Trustees may attend FAIR if they wish. The three Local Boards provide more immediate support and guidance for each school than can normally be provided by either the full Board of Trustees or the FAIR Committee.

Prior Park School Gibraltar is a separate company limited by guarantee and a charity registered in Gibraltar. Prior Park Educational Trust is its sole subscriber and exercises effective control via a majority of common directors. Other sub-committees cover Estates, Remuneration, Nominations, Safeguarding and Education. These committees report to the Board of Trustees (via the FAIR Committee), for their respective areas of responsibility.

The Heads of each Prior Park school and the Director of Operations and Finance, each of whose name is given on page 4, are responsible to the Trustees for the day-to-day management of each school and are the senior executives of Prior Park Schools. They meet frequently to review operational performance and to deliver the Trustees' strategic intent. In addition, each school has an internal governance structure that includes weekly Senior Leadership Team ("SLT") meetings and weekly senior support staff meetings.

The remuneration of key management personnel is considered by the Remuneration Committee and agreed by the Board of Trustees, with the objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the success of the Trust.

PERFORMANCE AND ACHIEVEMENTS 2020 – 2021

The number of pupils in Prior Park Schools between 1 September 2020 and 31 August 2021 averaged 1,074 compared to 1,055 in 2019-20.

Prior Park College

Prior Park College (the College) started the year with students returning to on-site classes following the disruption of lessons due to the pandemic. Students were issued with their own Personal Learning Devices (PLDs), school laptops on which lessons, communications with teachers, homework, etc, can be completed. These proved particularly invaluable as the country went back into lockdown during this academic year.

An outline of the 2020/21 school year is given below:

- a. **Headmaster:** Mr Ben Horan restructured the Senior Leadership Team at the College to accommodate seven newly appointed Assistant Heads.
- b. **College Roll:** The College roll averaged 587 during the year, with numbers slightly down, mainly as a result of the Covid-19 pandemic with several international families deferring their start date.
- c. **GCSE and A Level Results:** Teacher Assessed Grades (TAGs) replaced normal exams. A Level results: 100% pass rate; 68% A*/A; 89% A*-B. GCSE results: 97% pass rate; 98% of students awarded 5 GCSEs or more (at grade 4 or above); 22% grade 9.
- d. **External speakers:** Zoom allowed our programme of external speakers to continue whilst any restrictions were in place. Our Sixth Form Inspire Online Conference had 4 speakers: Tom Brass (Emmy Award winning creative director), Jack Ashby (Assistant Director of the University Museum of Zoology), James Golding (Lead graphics programmer, Epic Games) and Fraser Doherty MBE (Entrepreneur). During the summer term, speakers were allowed back on site, these included Spanish author, Elene Lizarralde, author Emma Craigie, Group Captain Robert Hart, and author and mental health campaigner, Hope Virgo.

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For the year ended 31 August 2021

- e. **Remote Learning:** The College, in common with all schools across the country, closed for onsite and in person delivery of education at the beginning of January 2021, with lessons moving to online. The College updated its Remote Co-curriculum Brochure to ensure students had some guidance for activities to keep them occupied during the Lent term and Easter holiday.
- f. **Collaborations:** Our Year 7 Mandarin students collaborated with the Museum of East Asian Art on a two-part art and poetry project. The music department and Bath Spa University arranged for a week of Gamelan (Indonesian instruments) coaching at the College.
- g. **Sport:** In January, School Sports Magazine ranked Prior Park number 100 in the top 200 schools in the country. Mostly based on recent school success in tennis and hockey. The College partnership with Team Bath Tennis Academy (at the University of Bath) has been very successful and the College has increased its tennis scholarships. Two students were selected to play for England Hockey (U16 and U18).
- h. **Performing Arts:** performances were greatly reduced due to the Covid-19 restrictions, however L6 drama students performed *Femme* to their fellow L6 year group and junior students submitted their Latin play to the Bristol Festival of Latin Drama.
- i. **Music:** Peripatetic teaching continued successfully online. Live performances were greatly restricted, but various performances were videoed and shared amongst the community. The Upper Sixth Grand Leavers' Concert was able to go ahead as a live event in June 2021.
- j. **Open Morning:** The October and February Open Mornings were delivered virtually due to the Covid-19 restrictions. The May Open Morning was 'live', with safety guidelines in place.
- k. **Outreach:** All planned outreach events were unable to take place this year due to the Covid-19 restrictions.
- l. **Charity:** students raised £2,000 for Mentoring Plus, amongst other fundraising initiatives.
- m. **EcoPrior:** In the Michaelmas term, the College was awarded the Eco Schools Silver Green Flag Award. EcoPrior also took over the College social media channels for World Earth Day 2021, to highlight environmental issues.

The Paragon School

The Paragon School averaged 260 on roll (including 9 in the Squirrels nursery) during 2020/21. Under the new leadership of Rosie Allen and with a new Registrar in place (Susie Rees-Jones), the school has emerged from the pandemic relatively unscathed. There has been a huge amount of interest in The Paragon from families who are relocating, particularly from London and overseas and numbers have remained stable into 2021/22.

Provision for the lockdown of 2021 was strong, with all pupils receiving online lessons for 4 x days a week and Fridays dedicated to STEM, Art, Music and Sport and Outdoor Learning which took the form of pre-recorded lessons. All pupils in Years 5& 6 were provided with a PLD and all other pupils were provided with iPads to ensure that they were able to access lessons. A keyworker club was provided throughout lockdown which was well attended, and Swainswick Explorers were employed each Friday to run outdoor learning sessions with keyworker club attendees. Squirrels continued to run for the duration of the lockdown.

An outline of the 2020-21 school year is given below:

- a. **Open Events:** A virtual open event was held on 26th February which attracted approximately 10 families, several of which subsequently joined the school. The event was led by Rosie Allen, with specialist staff and Year 6 pupils speaking and answering questions. Feedback was overwhelmingly positive. A further event was held in May 2021 at school with tours led by pupils after parent meetings with Rosie.

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- b. **Filming:** We produced a Head's Welcome film for the school website and an October film which was professionally made to showcase Outdoor Learning at The Paragon and the power of bringing children together following the disruption to their education earlier in the year. Live assemblies were provided throughout the year for parents.
- c. **Outdoor Learning:** has gone from strength to strength and provision of lessons outdoors have been welcomed by parents as a way of continuing with a 'normal' education during the pandemic. Friday Playwalks led by Swainswick Explorers were re-introduced by Marketing to attract new families onsite with toddlers and sold out with every session through the summer months. Thursdays were then introduced to meet demand.
- d. **School Residential:** The following school residential took place during the Summer Term: Y6 week to Skern Lodge in Devon, Year 5 to PGL Liddington and 1 x day at Osmington Bay, Year 4 to Mill on the Brue. Year 4 featured on BBC Points West as they were the first children to take advantage of residential centres opening for business once again.
- e. **Sports:** Competitive sport was reintroduced in the Summer Term and the U11A cricket team fulfilled their County Cricket Cup schedule, beating Monkton and Millfield, The Year 6 children attended an Olympic activities afternoon at the University for their final games lesson, and were coached by several Olympic Champions such as Jason Gardener, Kate Allenby and Jess Clements. Sports Day was held on 5th July with a very strict risk assessment and was lauded by parents as the highlight of their year. Amy Williams MBE attended to present the Sports Day cup to winning House, Crescent.
- f. **Music:** Saw the introduction of Year 3 strings programme and Year 5 Samba lessons. TPS has also started to host ABRSM music exams in the Lodge. The school nativity this year was curated by Sarah Kettlety into a film for parents which was largely filmed outdoors by film maker Nick Spratling.
- g. **Charity:** The Paragon's chosen charity this year was the RUH Forever Friends appeal for a second academic year. School also raised ad-hoc for the Genesis Trust foodbank at Christmas time and also to the Salvation Army's Toy Appeal – each time filling a minibus with donations from children and parents.
- h. **Holiday Clubs:** Holiday clubs have been particularly successful this year. All clubs were only open to Paragon pupils and were heavily attended because families were not able to go on holiday. Summer 2021 has been the first time that we have welcomed children from other schools to our holiday clubs since 2019. Plans for growth of Camp Teepee are in discussion.
- i. **Year 6 play at Julian Slade Theatre and Leavers' Ceremony:** Year 6 finished their final year with all of their normal traditions in place much to the delight of parents, pupils and staff. The Year 6 play was held at the Julian Slade theatre with the help of Dave Langley and kind permission of Prior Park College. The Leavers' Ceremony took place at The Paragon this year with parents in attendance albeit socially distanced and in masks. Parents were overjoyed to be able to witness the ceremony, and pupils were delighted by the treat of an ice cream van, arranged by Trustees for the whole school.

Prior Park School, Gibraltar

Prior Park School Gibraltar (the School) started the year with students returning to on-site classes following the disruption of lessons in 2019/20 due to the pandemic.

An outline of the 2020/21 school year is given below:

- a. **Admissions & Marketing:** In its fifth year of operation, the School had an average number of pupils across the school years of 227, with pupils spanning from year 7 to year 13. There are 56 new pupils forecast to join the School in September 2021, across years 7 & 8, with a small number also joining years 9, 10 and 12. Total student numbers for the 2021/22 academic year have risen to 247 as the School continues to grow.
- b. **Recruitment:** The staff body also grew during 2020/21 with three new teachers and two Learning Support Assistants being appointed. In preparation for September 2021, the School has recruited two new teachers and a further teacher will join the School in January 2022.

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- c. **Building:** Works concluded to restore the old basketball court at the top of the School site, to provide an extra sports surface and recreational area for students. The works were completed in December 2020 and the court has been in use by the School since February 2021.
- d. **Academics:** The School was awarded COBIS Membership Compliance Status. Our second Sixth Form cohort, albeit small, produced a hugely impressive set of first A level qualifications. The 'outcome' headlines were: A* 38% / A*-A 78% / A*-B 92% / A*-E 100% and all applicants made their firm choice destination for Higher Education. None of our Centre Assessed Grades (TAGs) which we submitted were moderated either down or up. At GCSE, the headline figures this year (and previous three years in brackets) for our first full cohort (38 students) with a broad range in ability were: Grade 9 42% (25% 14% 19%) Grades 7-9 70% (71% 50% 80%) Pass rate 100% Pass rate 4-9 98% (99% 100% 100%).

The waves of the COVID-19 pandemic meant that a large portion of the academic year was disrupted. The School quickly re-implemented a remote-learning programme for students during the government enforced lock-down, which meant that the School could continue to teach the curriculum to all year groups. Feedback on this programme continued to be overwhelmingly positive. Upper VI students who applied to University all received offers from various institutions (Durham, UCL, Sunderland, Oxford Brooke, Edinburgh, Leeds Beckett, Liverpool, De Montfort, Royal Holloway, Bristol).

- e. **Co-Curricular Activity & Sports:** Students took part in an inter-house competition between internal houses in our annual Day of Sport event. A selection of students were successful in taking the three top places, competing in the Britannia Quiz, testing their knowledge against the other Gibraltar schools. Trips were limited throughout the year, however, we managed to conduct beach trips, bowling and dolphin boat trips locally, as the Covid restrictions loosened towards the end of the academic year. Student Leadership Opportunities were all developed over the year in the following areas: Head Girl/Boy, Prefects, Student Council Development, Sports Captain and Prefects.
- f. **Charity & Community Activities:** The Summer Showcase event raised £8,969 for a local charity, Research into Childhood Cancer. The School participated in the Clean up the World Day 2021. A Year 10 student conducted a talk with her peers regarding the Model United Nations conference, focusing on the Sustainable Development Goals globally.
- g. **Creative Arts:** Our summer showcase event celebrated the talent of our students' creative abilities including, dancing, acting, singing, music, photography and art. Our Year 7 and 8 artwork was auctioned off for charity to assist with the collection detailed above. The School designed and created items in our Maker Space to donate to the Animals in Need Foundation, to sell for fundraising. Psychology students produced various art therapy collages. Three students won the competition with their drawings, to congratulate Vice President Kamala Harris for being elected as the first woman Vice President of the United States of America, in honour of Women History Month.
- h. **Friends of Prior Park:** The Friends of Prior Park ran a Year 7 parents sports introduction, postponed by Covid-19 restrictions.

PUBLIC BENEFIT AND COMMUNITY COHESION

Relief to Families

The Trust has confirmed its commitment for the provision of continued means-tested bursary funding for pupils whose parents would otherwise find the cost of an independent school education unaffordable and of continuing means-tested bursary support for pupils already in receipt of fee assistance through bursaries.

Bursaries are means-tested awards designed to assist pupils who otherwise would be unable to afford a Prior Park Schools education, or for current pupils whose parents have difficulty funding the fees following a change in family circumstances, thereby providing education continuity for the child.

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The Trust has begun a campaign to raise funds for transformational bursaries. These bursaries are quite often in excess of 100% fee remission which helps cover the costs of uniform, school trips and visits back home. The Trust has teamed up with the charity, Royal Springboard, who help identify and prepare deserving young people for a fully funded place at a boarding school. The cost of one of these bursaries is more than £110,000 and it is hoped that every year, a young girl or boy will be awarded this life changing opportunity.

Relief to the State

During the period, Prior Park Schools educated a total of 1,074 pupils at no cost to the state of either the UK or Gibraltar.

Local Community Cohesion

Indoor and outdoor facilities are normally made available to approximately 20 clubs and six groups within the local community for the advancement of Christian education and/or the Roman Catholic faith.

- a. **Facilities:** Due to Covid there has been limited opportunities to open up our site to local groups and agencies.
- b. **Local Community:** Members of all three schools play an active role in their local communities by taking part in events at local Catholic and Anglican Churches, participating in the Duke of Edinburgh's Award scheme and numerous charities.
- c. **Fundraising:** Enthusiastic fundraising for a wide variety of charities raised over £10,000 in the year across all schools with £2,000 raised for the Prior Park College charity of the year: Mentoring Plus, a local group who help disadvantaged, disengaged, and marginalised young people
- d. **Sponsorship:** Due to the pandemic the Trust has had limited opportunity to sponsor events.
- e. **Catholic Schools:** Prior Park Schools has continued to work alongside fellow Catholic schools in the area where it is appropriate & feasible.
- f. **Local Support:** We continue with an arrangement for several pupils from St Gregory's school in Bath to attend A-level lessons at Prior Park College.
- g. **Charity:** Staff and pupils regularly help out with the soup kitchen in Bath City Centre.
- h. **Covid-19 Appeal:** The schools, through philanthropic gifts, continues to support Prior Park families who have fallen into financial difficulty due to the pandemic. This helps keep children in school.
- i. **Sports Centre and Swimming Pool:** We regularly allow local clubs to use our sports centre and swimming pool on the College site.
- j. **Sunday Mass:** Our regular Sunday mass is made open to all the local community to attend.
- k. **Sixth Form Prior 4 Life:** Covid and 'bubbles' made sixth form outreach very difficult this year.
- l. **Summer Camps:** The school was ready to offer summer camps to local children from disadvantaged backgrounds like it did last year, but this year, programmes throughout the city had already been put in place.
- m. **Heritage Society:** The school's Heritage Society provided free online seminars and discussions about local history and was accessed by local groups and individuals in Bath and beyond.

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For the year ended 31 August 2021

FINANCIAL PERFORMANCE

A summary of the financial results for the year is set out in the consolidated statement of financial activities on Page 25 of the Financial Statements. The key financial indicators are detailed below:

- a. The Group achieved an unrestricted fund surplus during the year of **£1,721,499** (12% of net fees) (2020: £421,167).

The net movement in restricted funds was a surplus of **£97,633** (2020: £85,992 deficit). Therefore, the total net increase in resources during the year was **£1,819,132** (2020: £335,175).

- b. The movements in fixed assets during the year are set out in note 10 to the financial statements. The Group spent **£757,095** on capital expenditure during the year (2020: £214,698).

These healthy results are a consequence of a number of contributing factors as follows: A strong level of pupil retention and recruitment across all schools with demand for places growing as a result of the pandemic this was aided by the decision by trustees to not raise the cost of school fees for the 2020/21 year; the first year of surplus for Prior Park School Gibraltar; tight control over the cost base including no pay rise for staff (including teaching increments) and furloughing staff during periods of lockdown; growth in the investment fund and sources of other income secured in year.

In the year ended 31 August 2021, means-tested bursarial awards with a value of £616,911 (2020: £727,263) (including awards of £102,175 (2020: £120,336) from restricted funds) were made. A total of 151 (2020: 146) pupils benefited from these awards. These awards helped to widen access to Prior Park Schools and helped support some current parents with payment towards their children's school fees during 2020/21.

The Trustees intend to continue to allocate a significant budget to the provision of means-tested bursary support available to prospective applicants to Prior Park Schools. The financial support available ranges from 5% of fees to, in exceptional circumstances, 100% of fees, depending on need. Prior Park Schools total incoming resources limit the overall level of support available.

RESERVES POLICY

It is the general policy of Prior Park Educational Trust to apply as much of their surplus funds as possible towards its charitable objectives and to avoid accumulating excessive reserves. Where considered appropriate and being conscious not to over commit the Trust, borrowings are also considered to fund elements of significant capital projects.

In setting the reserves policy, account is taken of the Trust's ongoing financial commitment in terms of staffing, technology projects and overheads, including the maintenance of its estates and buildings. The Trust also considers the risk that its income for any particular year may be impacted by a number of factors outside of its control such as political and economic changes, legislation in the industry and changes in the education sector.

The Trustees' policy is to ensure that there is a surplus on the unrestricted funds each year, to be applied for further capital investment in school facilities or in the reduction of borrowings. The Trustees' aim is for an annual unrestricted fund surplus of 10% of total net income to be generated each year to allow for re-investment into the schools. This policy is supported by external financing as and when necessary, allocated to specific capital projects.

Having considered the above factors it is considered prudent to hold unrestricted liquid reserves at Group level of a minimum of one term's essential running costs (£4.3m). Based on the position as at 31st August 2021, the Group's liquid reserves currently exceed this level. This calculation will be reviewed and updated annually, as required.

Free reserves, as defined by the Charity Commission, are the undesignated general funds of the Charity excluding the funds invested in tangible fixed assets. If this adjustment was made to the school's unrestricted reserves, there wouldn't be any free reserves which is typical of many Independent schools (see notes 19 & 20 to the accounts). This is due to the need for continuing capital expenditure out of retained reserves. The borrowings to finance the building programmes both at Prior Park College and Prior Park School, Gibraltar are at a level which the Trustees are confident can be serviced, based on current cash flow projections. The Trustees are committed to improving

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the level of reserves across the Group and will do this through the delivery of annual financial surpluses in each school.

The Trustees have also set up the Prior Park Schools 2030 Bursary Fund with the aim to build a bursary fund of £10m by 2030 to assist some parents with the payment of school fees via bursarial support. This fund will consist of a mix of Designated Funds from the Trust and Restricted Funds from donors.

The borrowings to finance the building programmes both at Prior Park College and Prior Park School, Gibraltar are at a level which the Trustees are confident can be serviced, based on current cash flow projections.

All restricted funds (as highlighted in note 19 to the accounts) have either already been spent on developing the schools or are fully committed to particular projects such as bursarial support, the entrepreneurial programme or sports facilities development projects.

The Group balance sheet shows fixed assets of **£16,410,512** (2020: £16,460,383) but the majority of these could only be realised by disposing of fixed assets held by the Charity, principally the functional land and buildings from which the Charity carries out its activities.

INVESTMENTS POLICY

The Trust adopted an investment policy in May 2018 with the establishment of the Prior Park Schools 2030 Bursary Fund. This is annually reviewed and updated and currently stands as follows:

- a. The Trust established the Prior Park Schools 2030 Bursary Fund (an expendable Endowment Fund) (“the Fund”) with the financial objective of the Fund to eventually cover the award of bursaries, in accordance with our bursary policy, to parents wishing to have their children educated in Prior Park Schools (PPS). The capital remains invested to provide for future beneficiaries and both capital and income gains may be spent but over time, the Fund would need to be invested to recognise inflation. The annual returns not required for expenditure would be reinvested in the Fund.
- b. The Trustees may from time to time make additional lump sum additions to the Fund.
- c. The Trustees of PPET have delegated decision making on investment matters to the FAIR Committee.
- d. **Investment Objectives:** The Trust seeks to produce the best financial return within an acceptable and optimised level of risk. The investment objective is to generate a return of inflation (measured using CPI) plus 4% per annum over the long term, after expenses. The Trust wants to achieve a Fund value of £10m over the long term.
- e. **Attitude to Risk:** The Trust relies on the investment return to increase the total value of its Fund and its total returns to enable appropriate expenditure to be made. The Trust’s assets can be invested widely and should be diversified. Asset classes could include amongst others cash, bonds, equities and property. The Investment Board is charged with agreeing a suitable asset allocation strategy with the investment managers, which is set as to achieve the overall Trust investment objective.
- f. **Currency:** the base currency of the investment portfolio is Sterling.
- g. **Credit:** The Trust’s cash balances should be deposited with institutions with a minimum rating of Investment Grade.
- h. **Liquidity Requirements:** The Trust does not currently intend to draw down capital (as distinct from capital profits) from the Fund but if that position should change to meet the needs of the Trust, the Trustees would give adequate warning. The Trust will meet its liquidity obligations from cash assets held in notice accounts.
- i. **Time Horizon:** The Trust is expected to exist in perpetuity and investments should be managed to meet the investment objective and ensure this sustainability. The Trust can adopt a long-term investment time horizon.
- j. **Ethical Investment Policy:** The Trustees wish that the Trust’s assets are invested according to ethical and environmental, social and governance (ESG) policies. The Trustees may from time to time give additional guidance regarding other investment sectors.

Prior Park Educational Trust (a company limited by guarantee)

ANNUAL REPORT OF THE TRUSTEES

For the year ended 31 August 2021

FUNDRAISING PERFORMANCE

Restricted donations totalling **£287,137** (2020: 137,537) and unrestricted donations totalling **£48,984** (2020: £0) were either received or pledged during the year. The major donations were towards: the Bursary Funds (both restricted and designated) (£225,662); the Heritage Fund (£63,400); the Sports Fund (£12,000) and the Chapel Fund (£7,809). Prior Park School, Gibraltar also received a donation of £25,000 towards the refurbishment of the outside Ball Court.

As referred to above, the Trustees established the Prior Park Schools 2030 Bursary Fund (designated) in October 2018 with an initial injection of funds totalling £2 million. The investment growth in these funds over this academic year was £347,819 (16%).

The Trustees have complied with the fundraising regulations in this regard by taking the following steps:

- a. The fundraising was led entirely by the in-house Development Department with no fundraising activities carried out by anyone acting on its behalf (including professional fundraisers or commercial participants).
- b. The Development Director is a member of the Institute of Development Professionals in Education (IDPE).
- c. During the year no complaints were received in relation to the conduct of the Development Department and/or of any fundraising activities undertaken.
- d. The Trust has taken the following precautions to ensure that vulnerable people are protected from the following:
 - i. Unreasonable intrusion on a person's privacy – no cold calling by staff members to enquire about donations.
 - ii. Unreasonable persistency – opt in and opt out options are provided to donors and potential donors to ensure they are protected.
 - iii. Unreasonable pressure on a person to give money or other property - there is a formulated ask and individual cultivation strategy agreed with the Director of Operations and Finance and Trustees.

S172 STATEMENT

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

- a. **The likely consequences of any decision in the long term:** All decisions taken by the Board of Trustees are based on the long term objectives and overall sustainability of Prior Park Schools as defined in the vision statement on pages 5 and 6 above.
- b. **The interests of the company's employees:** Our academic and support staff are integral to the ongoing success of Prior Park Schools and therefore they are considered at the forefront in any decision making by the board of Trustees. Regular wellbeing surveys are conducted amongst staff to gauge the feelings of staff together with annual updates from Trustees and Senior Management about the position of Prior Park Schools. Staff representative bodies were set up during 2020 to aid in the consultation process around the Teachers Pension Scheme and Academic pay scale.
- c. **The need to foster the company's business relationships with suppliers, customers and others:** We understand that Prior Park Schools are an integral part of the local community of Bath and Gibraltar and therefore we work to build relationships with local suppliers in all areas of business including transport, catering and printing. We have a strong mutual relationship with all parents and pupils and this is then continued once a pupil leaves Prior Park Schools via the Prior Park Alumni Association and Development department.
- d. **The impact of the company's operations on the community and the environment:** We are aware of our footprint on the local area and strive to be more environmentally friendly. We have recently set up Eco-Prior with a number of pupils to help raise awareness and develop themes such as: reduced printing; recycling of waste and reducing electricity usage. As you will see below we have recently signed up to the SECR reporting which will provide an annual sense check of progress in this area.

Prior Park Educational Trust (a company limited by guarantee)

ANNUAL REPORT OF THE TRUSTEES

For the year ended 31 August 2021

- e. **The desirability of the company maintaining a reputation for high standards of business conduct:** As a school we expect a high standard of behaviour from both staff and pupils. This is reflected in our range of policies, which are then enforced by senior management across each school. We work in tandem with a number of suppliers and ensure that they are treated with respect as an equal partner to ensure that our reputation is maintained in all areas.
- f. **The need to act fairly as between members of the company:** We aim to be a fully inclusive organisation which is relevant and accessible for all. We aim to offer a Prior Park education to a number of children who wouldn't otherwise be able to access it via the award of bursary funding.

We operate with local governance committees to ensure that each school is properly and fairly represented in all decisions. We will not unfairly discriminate against anyone and this is reflected in our range of policies.

PRINCIPAL RISKS AND UNCERTAINTIES

The process of identifying and assessing risks, then mitigating them by the establishment of appropriate controls, is continuous. Much of this task lies in the hands of the staff and executives of each school, but key arrangements established by the Trustees include:

- a. Trustee review of monitoring and overseeing risk management falls under the remit of the FAIR Committee.
- b. Detailed terms of reference for the Board and its Risk Committee and sub-committees, together with formal agendas and minutes for all Board and committee activity.
- c. The maintenance of a table of strategic risks, regularly reviewed and scored by the schools executive and approved by the Board.
- d. Comprehensive strategic planning, budgeting and management accounting.
- e. A rolling programme of financial management system checks by external auditors, in addition to the auditing of accounts.
- f. Established organisational structures and lines of reporting.
- g. A comprehensive range of written policies, tailored to ensure compliance with Company, Charity and Educational law and regulations.
- h. Vetting and interview procedures as required by law for the protection of pupils.

The Trustees are satisfied that there is a suitable risk management process in place to plan and mitigate all major risks. This includes an annual review of the risk management policy and plan and scrutiny at both the school executive level and at by the FAIR Committee. However, systems and policies can only provide reasonable, not absolute, assurance that adverse events will not occur.

The key risks have been identified as follows:

- a. The Trustees and Prior Executive Board have reviewed and considered the risks (and opportunities) from the continuing Covid-19 pandemic. It is considered that Prior Park Schools are in a good position to benefit from any medium to long term opportunities that arise as a result of the pandemic and that we have adequate liquid cash reserves and contingency in this year's budget to survive any short-term downturn.
- b. The Trustees and Prior Executive Board have reviewed and considered the risks (and opportunities) from the exit of the UK from the EU (Brexit) and consider these to be covered by current plans for the group.
- c. The Trustees and Prior Executive Board identified the rise in employers' contributions into the Teachers' Pension Scheme as a major issue to the financial health of the Trust going forward. They have therefore resolved this risk by introducing the APTIS scheme which teachers (and support staff) may now join. If teaching staff want to remain in the Teachers' Pension Scheme, they are required to fund the additional employer's contribution via a gross salary deduction.

Prior Park Educational Trust (a company limited by guarantee)

ANNUAL REPORT OF THE TRUSTEES

For the year ended 31 August 2021

- d. The Trustees are aware of the financial risks resulting from the Gibraltar bank loan. The current facility stands at **£1.5m**, which is fully drawn down as at 31 August 2021. The loan has been secured on an interest only basis at a loan rate of 3% above the Bank of England base rate, with repayment due under the terms of the Collaboration Agreement. Prior Park School Gibraltar has now started to deliver an annual surplus and this will allow for a phased repayment of these funds to Gibraltar International Bank from July 2022 onwards.
- e. The Trustees are aware of the inherent risks in holding loans due to the possibility of interest rate rises in the future. Although base rates are at historically low levels they may increase in the future and measures would then be reviewed to determine whether it is beneficial to fix the rates before cash flow pressure became an issue.
- f. The retention and recruitment of pupils each year. The predicted roll for the following year is regularly monitored by management to ensure that target pupil numbers and mix are achieved across all schools.
- g. The Trustees are also aware of the need to control wage inflation within the annual budget each year so that it correlates with the predicted pupil roll and level of school fee rise to ensure that an acceptable trading surplus is provided each year. External pressures from competitor schools and the state sector together with the economic environment also need to be taken into account when arriving at the level of pay rise each year.
- h. Cash flow management and the timely collection of school fees. Management are required to regularly report to the FAIR committee the level of school fee debts and to report on movements since the last report regarding the major debtors. The Trust uses legal enforcement action and a debt collection agency to assist with the recovery process. This process has been particularly tightly run over the last six months with debt levels increasing due to pandemic and remedial action required to bring levels back under control.
- i. Ensuring that the school adheres to all of the requirements of Health & Safety legislation, employment law and its regulators, including the Independent School Inspectorate and the Charity Commission.

GOING CONCERN

After making due enquiries, including review of latest financial data and future projections (three year budgets for each school and cash flow projections for the next two years) the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future.

The Trust has a healthy reserve position and with pupil numbers continuing to grow and the cost base under control the Group is in a strong financial position.

For these reasons they continue to adopt the going concern basis in preparing the financial statements.

DIRECTORS' INDEMNITY INSURANCE

We can confirm that Directors' Indemnity Insurance was in place for the 2020/21 academic year and going forwards. This is arranged through our broker Hettle Andrews with the cover provided by AXA Insurance UK Plc.

Prior Park Educational Trust (a company limited by guarantee)

ANNUAL REPORT OF THE TRUSTEES

For the year ended 31 August 2021

STREAMLINED ENERGY & CARBON REPORTING FOR PRIOR PARK SCHOOLS (UK)

GHG emissions and energy use data for period 1 September 2020 to 31 August 2021

	Baseline Reporting Year 2019-2020	Current Reporting Year 2020-2021
	UK GHG Emission and Energy Data (2020)	UK GHG Emission and Energy Data (2021)
Energy consumption used to calculate emissions (kWh); all mandatory energy sources are included.	3,435,065.1	3,337,525.9
Scope 1: Emissions from the combustion of Natural Gas tCO ₂ e	422.9	392.0
Scope 1: Emissions from combustion of Fuel for transport and / or heating tCO ₂ e (see evidence pack for breakdown)	39.4	41.8
Scope 1: Emissions of Biomass Pellets tCO ₂ e	0.0	0.0
Scope 3: Emissions from business travel in employee-owned vehicles, where the company repaid mileage claims tCO ₂ e (average vehicle / fuel source unknown)	0.7	0.7
Scope 2: Emissions from purchased Electricity tCO ₂ e	232.5	224.1
Total gross CO ₂ e based on above (tCO ₂ e)	695.5	658.6
Intensity Ratio 1: kg CO ₂ e gross based on mandatory fields above per metre square of Gross Internal Area: (kg CO ₂ e m ⁻²), being 20,039.2 m ²	34.7 kg CO ₂ e m ⁻²	32.9 kg CO ₂ e m ⁻²
Intensity Ratio 2: kg CO ₂ e gross based on mandatory fields above per pupil: 858 UK based pupils (2019)	810.6 kg CO ₂ e per Pupil (858 Pupils)	773.9 kg CO ₂ e per Pupil (851 Pupils)

METHODOLOGY

An evidence-based methodology was adopted in accordance with BS EN ISO 14064-3:2019, Section 4.3; verifiable data has been collected from the following sources:

Energy Data: Energy Metering, Invoices, Supply Summaries / Statements, Repayment Claims for business mileage, Fuel Cards, and correspondence with suppliers.

Previous Audit Data: ESOS Phase 1 & Phase II, SECR Report 2019-20.

Emission Conversions: All emission factors for CO₂e, have been calculated using Defra Conversions 2021, as the period covers four-months of 2020 and eight-months of 2021, in accordance with Defra guidelines.

THIRD PARTY VERIFICATION

The energy data has been compiled and audited by Sean Midgley (ESOS Lead Assessor) of Powerful Allies Limited, CIBSE Registration No: ESOS185262.

Company Registration Number: 01521832

Charity Number: 281242

Prior Park Educational Trust (a company limited by guarantee)

ANNUAL REPORT OF THE TRUSTEES

For the year ended 31 August 2021

ENERGY EFFICIENCY ACTION

Prior Park Schools (PPS) have started a process of decarbonisation of the school estate as follows:

- a. During the financial year **781,731 kWh / 74%** of electricity supplied to the school was from **100% REGO Backed Renewable Zero Carbon Generation**, however, as this was grid supplied electricity, the **166 tCO₂e** cannot be deducted from the total GHG emissions reported on. From 1st April 2022 100% of the Electricity will be generated from Renewable, Zero Carbon generation, preventing **224 tCO₂e**, being emitted to atmosphere.
- b. PPS is considering the benefits and impacts of procuring up to 100% (RGGO) Renewable Gas, as part of the school's move towards becoming a Net Zero school. Due to limited supplies and a long-term contract placed, to protect the school against the current energy crisis, this has been delayed.
- c. PPS are exploring the potential for increased onsite generation from Solar PV, which would complement the Solar PV array mounted on the Sports Hall, with an annual generation of circa **2,000 kWh pa**, directly saving 0.5 tCO₂e pa equivalent of **10 tCO₂e over the 20-year life expectancy** of the system. There are several challenges to increasing Solar Photovoltaic generation on site, due to buildings being listed as of Historical Interest, Conservation, and shading from the mature trees, despite the positive impacts on Climate Change associated with increased Zero Carbon Generation.
- d. The heating system within St Paul's Boarding House is currently being reviewed with a view to potentially replace the legacy single pipe system and aged boilers, with zone controls and cascading energy efficient boilers, subject to cost constraints. Progress has been made on improving the heating system and boiler upgrades within the Mansion House, zoning, and improvements in controls, have led to a reduction in Natural Gas consumption during the current reporting period. During this reporting period, the school has operated during a period of increased ventilation, as a Covid safeguarding measure, resulting in increased heat losses, yet despite this, a colder spring and the previous year closure during the National Lockdown, gas consumption has **reduced by 7% / 31 tCO₂e**.
- e. PPS are investing in sub-metering for Gas, Electricity and Heat meters, which will provide much greater granularity, identify opportunities, possible waste / savings and provide more insightful data in support of Spend to Save and Net Carbon Road Mapping.
- f. PPS have completed two out of a planned 25 Concept Classroom upgrades, these include replacement intelligent lighting systems, which enhance the learning experience, reduce energy and associated GHG emissions. Due to the impact of Covid, the project to increase the Concept Classrooms has stalled, as safeguarding measures to protect pupils were implemented, it is envisaged this will resume one transmission and case numbers return to an acceptably low risk level.
- g. There is a rolling program of lighting upgrades, which when complete should provide an energy reduction of approximately **28.5 MWh pa** (ESOS II Report) / **6.0 tCO₂e pa** (Defra 2021 conversions).
- h. PPS have recently revised their combined Environmental and Energy Policy, which it is hoped will lead to an action plan based on SMART objectives and endorsed by the trustees, executive and top-level management. These include, but are not limited to:
 - Actions and Objectives arising from Eco-Prior
 - Improved recycling, review of waste streams, resulting in fewer collections required, and
 - Removal of single use plastics from the dining hall
- i. During the reporting period, PPS has reduced emissions of carbon dioxide by **1.8 Kg CO₂e m⁻² or 46.7 Kg CO₂e per pupil**, when compared with the baseline year 2019-20.

Prior Park Educational Trust (a company limited by guarantee)

ANNUAL REPORT OF THE TRUSTEES

For the year ended 31 August 2021

EMPLOYMENT POLICIES

EQUAL OPPORTUNITIES

The Trust have given due consideration to applicants and employees with disability as documented in our accessibility plan contained within our set of policies and procedures. The objectives of this policy are as follows:

The Prior Park Schools plan, over time, is to increase the accessibility of provision for all pupils, staff and visitors to the schools. The Accessibility Plan will contain relevant actions to:

- a. Improve access to the physical environment of the schools, adding specialist facilities as necessary and appropriate. This covers improvements to the physical environment of the schools and physical aids to access education.
- b. Increase access to the curriculum for pupils with a disability, expanding the curriculum as necessary to ensure that pupils with a disability are as equally prepared for life as are the able-bodied pupils. This covers teaching and learning and the wider curriculum of the school such as participation in after-school clubs, leisure and cultural activities or school visits. It also covers the provision of specialist aids and equipment, which may assist these pupils in accessing the curriculum.
- c. Improve the delivery of written information to pupils, staff, parents and visitors with disabilities. Examples might include handouts, timetables, textbooks and information about the School and the School's events. The information should be made available in various preferred formats within a reasonable time frame.

This policy is reviewed and updated every three years. The Trust also applies its equal opportunities policy when reviewing candidates for roles at any of the Prior Park Schools. These policies can be accessed via the school's website.

EMPLOYEE ENGAGEMENT

The Trust seeks to provide employees with information and increase employee engagement in many ways some of which are as follows:

- Regular staff, parent and pupil surveys covering all aspects of school life.
- Regular Trustee visits to review teaching provision and to inspect different aspects of school life and staff wellbeing.
- Annual strategy meetings held to consider the direction of the schools and what can be done to improve the welfare of staff and pupils whilst achieving the Trust's overall objectives.
- Common room briefings for all staff which include details of budget reviews and pay rise information when applicable.
- Weekly staff and parent communications covering all aspects of life at Prior Park Schools.
- State of the Nation presentations to staff regarding the current position of all Prior Park Schools and how this links to the objectives of the schools.
- Pension provision recently set up for Prior Park School, Gibraltar.
- Consultation process implemented to review the teacher's pension offering, academic pay scales and allowances.

BUSINESS RELATIONSHIPS

During the year the Trust collaborated with local businesses in the following areas:

- The Trust collaborated with the National Trust to allow access across the Trust's land to allow the refurbished dam project at the bottom of Prior Park to be undertaken. This is an on-going commitment for the Trust to grant this continued access.
- The Trust worked with St Gregory's school for children to be educated in certain A-level subjects and transported between sites.

Prior Park Educational Trust (a company limited by guarantee)

ANNUAL REPORT OF THE TRUSTEES

For the year ended 31 August 2021

- The Trust supports many local businesses and will always consider local companies in the tendering of business opportunities.

CONNECTED AND RELATED ENTITIES

The following have not been incorporated in these financial statements as their activities are not under the control of the Trustees of Prior Park Educational Trust: Parents of Prior (POP), Paragon Parents Committee.

RESPONSIBILITIES OF TRUSTEES

The Trustees, (who are also directors of Prior Park Educational Trust for the purposes of company law) are responsible for preparing the Annual Report of the Trustees (and the incorporated 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 Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing those financial statements, the Trustees are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. observe the methods and principles in the Charities SORP;
- c. make judgements and estimates that are reasonable and prudent;
- d. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and group will continue in business.

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

The Trustees confirm that they have complied with their duties in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. The Trustees have referred to the guidance in the Charity Commission's general guidance on Public Benefit when reviewing the School's aims and objectives and in planning the School's future activities. In particular, the Trustees have considered how planned activities will contribute to the aims and objectives they have set.

The Trustees have taken all of the 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.

AUDITOR

A resolution to reappoint RSM UK Audit LLP as auditor for the ensuing year will be proposed at the annual general meeting.

The Annual Report of the Trustees, incorporating the Strategic Report, was approved by the Board of Trustees on Thursday 9th December 2021 and signed on its behalf by:

BY ORDER OF THE BOARD



Mr A Alves

Date: 9th December 2021

Company Registration Number: 01521832

Charity Number: 281242

Prior Park Educational Trust (a company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIOR PARK EDUCATIONAL TRUST

For the year ended 31 August 2021

Opinion

We have audited the financial statements of Prior Park Educational Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities (incorporating an income and expenditure account), the Group and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the parent charitable company's affairs as at 31 August 2021 and of the group's 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 group's or parent charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report of the Trustees other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report of the Trustees. 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.

Prior Park Educational Trust (a company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIOR PARK EDUCATIONAL TRUST

For the year ended 31 August 2021

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Annual Report of the Trustees.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 20, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the

Prior Park Educational Trust (a company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIOR PARK EDUCATIONAL TRUST

For the year ended 31 August 2021

financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team and component auditors:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates, and performing substantive test of details over a sampling of income transactions.

All relevant laws and regulations identified at a Group level and areas susceptible to fraud that could have a material effect on the consolidated financial statements were communicated to component auditors. Any instances of non-compliance with laws and regulations identified and communicated by a component auditor were considered in our group audit approach.

Prior Park Educational Trust (a company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIOR PARK EDUCATIONAL TRUST

For the year ended 31 August 2021

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

ANNA SPENCER-GRAY (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Hartwell House
55-61 Victoria Street
Bristol
BS1 6AD

Date:

Prior Park Educational Trust (a company limited by guarantee)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income and expenditure account)
for the year ended 31 August 2021

	Notes	Unrest- ricted Funds £	Rest- ricted Funds £	2021 Total £	2020 Total £
INCOME:					
Income from charitable activities:					
School fees receivable	2	14,364,418	-	14,364,418	13,575,683
Other educational income	3	1,515,947	-	1,515,947	1,266,463
Donations	4	48,984	287,137	336,121	137,537
Investment income		4,095	-	4,095	38,774
Other trading activities:					
Rents and lettings		144,213	-	144,213	122,415
Other Income (Furlough Claim)		141,099	-	141,099	550,104
TOTAL INCOME		16,218,756	287,137	16,505,893	15,690,976
EXPENDITURE ON:					
Charitable activities	5	14,473,557	189,504	14,663,061	15,011,214
Cost of raising funds					
Fundraising		96,266	-	96,266	95,635
Finance costs	8	275,253	-	275,253	315,238
TOTAL EXPENDITURE		14,845,076	189,504	15,034,580	15,422,087
NET INCOME before gains on investments		1,373,680	97,633	1,471,313	268,889
Net gains on investments	11	347,819	-	347,819	66,286
NET MOVEMENT IN FUNDS		1,721,499	97,633	1,819,132	335,175
Fund balances brought forward (unrestricted)		15,186,813	-	15,186,813	14,765,646
Fund balances brought forward (restricted)		-	2,345,461	2,345,461	2,431,453
FUND BALANCES CARRIED FORWARD		16,908,312	2,443,094	19,351,406	17,532,274

All of the Trust's activities relate to continuing operations.

The notes on pages 28 to 52 form part of these accounts

Prior Park Educational Trust (a company limited by guarantee)

GROUP AND CHARITY BALANCE SHEETS

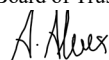
as at 31 August 2021

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
FIXED ASSETS					
Tangible assets	10	16,410,512	16,460,383	14,144,286	14,205,019
Investments	11	2,410,534	2,212,715	2,410,534	2,212,715
Investments in subsidiaries	11	-	-	7	7
		18,821,046	18,673,098	16,554,827	16,417,741
CURRENT ASSETS					
Stocks	12	4,641	6,429	4,641	6,429
Debtors	13	635,012	784,099	1,358,624	1,380,967
Cash at bank and in hand		9,496,801	6,298,539	7,962,827	5,543,132
		10,136,454	7,089,067	9,326,092	6,930,528
CREDITORS: Amounts falling due within one year	14	(5,531,133)	(4,071,052)	(4,629,888)	(3,541,802)
NET CURRENT ASSETS		4,605,321	3,018,015	4,696,202	3,388,726
TOTAL ASSETS LESS CURRENT LIABILITIES		23,426,367	21,691,113	21,251,029	19,806,467
CREDITORS: Amounts falling due after one year	15	(4,070,464)	(4,147,259)	(1,204,448)	(1,263,875)
Provisions	18	(4,497)	(11,580)	(4,497)	(11,580)
NET ASSETS		19,351,406	17,532,274	20,042,084	18,492,012
FUNDS					
RESTRICTED	21	2,443,094	2,345,461	2,390,117	2,315,292
UNRESTRICTED					
Designated	19	2,620,440	2,232,261	2,620,440	2,232,261
General	19	14,287,872	12,954,552	15,031,527	13,944,459
		16,908,312	15,186,813	17,651,967	16,176,720
TOTAL FUNDS		19,351,406	17,532,274	20,042,084	18,492,012

The parent company charity, whose net income for the year was £1,550,072 (2020: £286,065), has taken advantage of the exemption under S408 of the Companies Act 2006 of not disclosing its own income and expenditure account.

Approved by the Board of Trustees, and authorised for issue, on 9th December 2021 and signed on its behalf by:


A Alves



)
)

Trustees

J Shinkwin



)

The notes on pages 28 to 52 form part of these accounts

Company Registration Number: 01521832

Charity Number: 281242

Prior Park Educational Trust (a company limited by guarantee)

CONSOLIDATED STATEMENT OF CASHFLOWS

for the year ended 31 August 2021

	2021	2020
	£	£
Cash flows from operating activities:		
Net cash provided by / (used in) operating activities	3,967,414	(215,032)
Interest paid	(100,378)	(108,162)
	<hr/>	<hr/>
Net cash provided by / (used in) operating activities	3,867,036	(323,194)
	<hr/>	<hr/>
Cash flows from investing activities:		
Dividends, interest and rents from investments	4,095	38,774
Transfer from investments	150,000	-
Proceeds from the sale of property, plant & equipment	-	-
Purchase of property, plant & equipment	(757,095)	(214,698)
	<hr/>	<hr/>
Net cash used in investing activities	(603,000)	(175,924)
	<hr/>	<hr/>
Cash flows from financing activities:		
Repayments of borrowing	(65,774)	(66,962)
Cash inflows from new borrowing	-	-
	<hr/>	<hr/>
Net cash used in financing activities	(65,774)	(66,962)
	<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period	3,198,262	(566,080)
Cash and cash equivalents at the beginning of the reporting period	6,298,539	6,864,619
	<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period	9,496,801	6,298,539
	<hr/>	<hr/>
Reconciliation of net income to net cash flow from operating activities		
	2021	2020
	£	£
Net cash inflow from operating activities:		
Net income for the reporting period	1,819,132	335,175
Adjustments for:		
Depreciation charges	806,967	796,798
Other recognised gains	-	-
Dividends, interest and rents from investments	(4,095)	(38,774)
Interest payable	136,573	146,631
Decrease / (Increase) in stocks	1,788	(1,377)
Net gains on investments	(347,819)	(66,286)
Decrease in debtors	149,087	185,520
Increase / (Decrease) in creditors	1,412,864	(1,523,699)
Decrease in provision	(7,083)	(49,020)
	<hr/>	<hr/>
Net cash provided by / (used in) operating activities	3,967,414	(215,032)
	<hr/>	<hr/>

The notes on pages 28 to 52 form part of these accounts

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

1 ACCOUNTING POLICIES

GENERAL INFORMATION

Prior Park Educational Trust (“the Company”) is a company limited by guarantee, domiciled and incorporated in England.

The Company meets the definition of a Public Benefit entity under FRS102.

The address of the Company’s registered office and principal place of business is Prior Park College, Ralph Allen Drive, Bath, BA2 5AH.

Throughout the year under review the Group consisted of Prior Park Educational Trust, Prior Park Enterprises Limited, Prior Park Holdings Limited and Prior Park School, Gibraltar.

The Company’s and the Group’s principal activities are detailed in the Trustees’ Report on pages 5 to 20. The nature of the Company’s operations and the Group’s operations are also detailed in this section.

BASIS OF PREPARATION

The accounts have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice and Financial Reporting Standard hereinafter collectively referred to as “SORP (FRS102)”. The accounts are drawn up on the historical cost basis of accounting.

GOING CONCERN

After making due enquiries, including review of latest financial data and future projections (three year budgets for each school and cash flow projections for the next two years) the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future.

The Trust has a healthy reserve position and with pupil numbers continuing to grow and the cost base under control the Group is in a strong financial position.

For these reasons they continue to adopt the going concern basis in preparing the financial statements.

BASIS OF CONSOLIDATION

These financial statements consolidate the results, assets and liabilities of the School, it’s wholly owned non-charitable subsidiary (Prior Park Enterprises Limited), Prior Park Holdings Limited and Prior Park School, Gibraltar on a line by line basis. The results of the subsidiaries are included from the date on which the Trust took control of them. A separate statement of financial activities (including income and expenditure account) for the Charity itself is not presented as permitted by Section 408 of the Companies Act 2006.

REDUCED DISCLOSURES

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 ‘Statement of Cash Flows’ – Presentation of a Company Statement of Cash Flows and related notes and disclosures.
- Section 11 ‘Basic Financial Instruments’ & Section 12 ‘Other Financial Instrument Issues’ – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 33 ‘Related Party Disclosures’ – Compensation for key management personnel.

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

ACCOUNTING POLICIES (continued)

FEES

Fees receivable consist of charges billed for the school year ending 31 August 2021, less bursaries and allowances. Fees received for education to be provided in future years are carried forward within creditors as deferred income.

EXPENDITURE

Expenditure is accounted for on an accruals basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year. The irrecoverable element of VAT is included with the item of expense to which it relates.

Governance costs comprise the costs of running the Charity. These include: strategic planning for its future development; external audit; legal advice for the Trustees; 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.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated in the balance sheet at cost less impairment and accumulated depreciation. Only assets individually costing more than £1,000 are capitalised.

DEPRECIATION

Depreciation is provided on all tangible fixed assets except land and assets under construction at rates calculated to write off the cost of each asset, less its estimated residual value, evenly over its expected useful life, as follows:

Freehold buildings	- Buildings	-	50 years (or length of the lease if shorter than 50 years)
	- AstroTurf	-	20 years
	- Driveway	-	20 years
Plant and equipment	- Boilers	-	15 years
	- ICT infrastructure	-	10 years
	- Other	-	10 years
	- Domestic	-	5 years
Musical instruments		-	50 years
Motor vehicles		-	5 years
Computer Equipment		-	3 years

DONATIONS

Donations receivable for the general purposes of the Charity are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are binding on the Trustees.

GOVERNMENT GRANTS

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

ACCOUNTING POLICIES (continued)

INVESTMENTS AND INVESTMENT INCOME

Fixed Asset Investments are included at their market value as at the balance sheet date. Any surplus or deficit on revaluation is taken to the Statement of Financial Activities (SOFA). Investment income is accounted for in the period in which the company is entitled to receipt.

BAD DEBT PROVISION

The provision for bad debts is calculated based on a detailed review of all outstanding balances as at Year-End. Each individual debt is reviewed and management judgement used to determine an appropriate provision to make in each individual case.

STOCKS

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

LEASE COMMITMENTS

Operating lease commitments are charged to the Statement of Financial Activities on a straight line basis over the lease term.

FINANCIAL INSTRUMENTS

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument, and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate.

Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled. Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

ACCOUNTING POLICIES (continued)

at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions

The Company 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.

The Company, via its management, has made judgements in the following areas:

- The recoverability of school fee debts. A systematic approach has been taken to all outstanding debts to ensure consistency of approach year to year.
- The length of asset lives. Management have applied their judgement in the application of depreciation lifespans for fixed assets as disclosed in the table on page 29.

2 FEES RECEIVABLE

	Unrestricted Funds	Restricted Funds	2021 Total	2020 Total
	£	£	£	£
Gross fees	16,960,134	-	16,960,134	16,799,463
Remote Learning Discount (Lent Term 2021)	(644,418)	-	(644,418)	(1,124,872)
Less bursaries, scholarships and allowances	(1,951,298)	-	(1,951,298)	(2,098,908)
	<u>14,364,418</u>	<u>-</u>	<u>14,364,418</u>	<u>13,575,683</u>

3 OTHER EDUCATIONAL INCOME

	Unrestricted Funds	Restricted Funds	2021 Total	2020 Total
	£	£	£	£
Extras	1,064,111	-	1,064,111	1,063,473
Sundry income	451,836	-	451,836	202,990
	<u>1,515,947</u>	<u>-</u>	<u>1,515,947</u>	<u>1,266,463</u>

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

4 DONATIONS

Donations comprise the following:

	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
Designated Fund donations (note 19)	48,984	-	48,984	-
Restricted donations (note 21)	-	287,137	287,137	137,537
	<u>48,984</u>	<u>287,137</u>	<u>336,121</u>	<u>137,537</u>

During the year Prior Park Enterprises Limited (PPEL) made a surplus of **£49,313** (2020: £37,056). Payment of this surplus will be made via gift aid to PPET within nine months of the year end. PPEL undertakes the letting of the schools and it donates any profit to the Trust. This income is shown on the Statement of Financial Activities under Rents & Lettings.

5 TOTAL EXPENDITURE

	Staff costs £	Deprec- iation £	Other costs £	Total 2021 £	Total 2020 £
Cost of generating funds:					
Fundraising Costs			95,266	95,266	95,635
Finance costs			275,253	275,253	315,238
			<u>371,519</u>	<u>371,519</u>	<u>410,873</u>
Charitable activities:					
Teaching	8,009,582	448	311,277	8,321,307	8,915,080
Welfare	75,785	12,873	805,555	894,213	773,139
Premises	800,708	710,613	1,053,744	2,565,065	2,351,153
Marketing and publicity	-	-	109,848	109,848	180,589
Support costs of schooling	917,762	-	732,993	1,650,755	1,670,968
Extras & Trips	-	-	1,064,111	1,064,111	1,063,473
Governance costs	-	-	57,762	57,762	56,812
	<u>9,803,837</u>	<u>723,934</u>	<u>4,506,809</u>	<u>15,034,580</u>	<u>15,422,087</u>

Note: Depreciation in year of Fixed Assets is **£806,966** but is shown above net of amortisation of the applicable funds of **£83,032**. The donated funds used to purchase the fixed assets being amortised at the same rate as the fixed assets are depreciated.

6 GOVERNANCE COSTS

	2021 £	2020 £
Governance costs can be analysed as follows:		
Fees payable to auditor – audit & other services (see note 9)	45,070	37,835
Indemnity insurance	7,704	5,564
Other governance costs	4,988	13,413
	<u>57,762</u>	<u>56,812</u>
Total	<u>57,762</u>	<u>56,812</u>

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

7 STAFF COSTS

Staff costs can be analysed as follows:

Group:

	2021 £	2020 £
Wages and salaries	8,045,876	8,271,435
Social security costs	712,559	741,446
Pension costs	1,045,402	1,251,130
	<hr/>	<hr/>
Total	9,803,837	10,264,011
	<hr/>	<hr/>

Charity:

	2021 £	2020 £
Wages and salaries	6,370,690	6,758,905
Social security costs	607,761	649,979
Pension costs	985,559	1,189,390
	<hr/>	<hr/>
Total	7,964,010	8,598,274
	<hr/>	<hr/>

None of the Trustees have received any remuneration in this year or the previous year. During the year Trustees' expenses of **£4,988** (2020: £13,413) were reimbursed by the Group in respect of travel and accommodation costs during the year in respect of 12 Trustees (2020: 14 Trustees)

The monthly average number of persons employed, full and part time, during the year was:

Group:

	2021 Number	2020 Number
Educational	212	220
Support staff	93	87
	<hr/>	<hr/>
	305	307
	<hr/>	<hr/>

Charity:

	2021 Number	2020 Number
Educational	172	184
Support staff	81	78
	<hr/>	<hr/>
	253	262
	<hr/>	<hr/>

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

7 STAFF COSTS (continued)

Group:

The number of Group employees whose emoluments (excluding employer's pension and National Insurance contributions) fell in the following bands were:

	2021 Number	2020 Number
£60,001 - £70,000	3	5
£70,001 - £80,000	1	1
£90,001 - £100,000	2	1
£100,001 - £110,000	-	1
£140,001 - £150,000	1	1
£160,001 - £170,000	1	1
	<u>8</u>	<u>10</u>

For these employees the number with retirement benefits accruing in:

	2021	2020
Money purchase schemes was	5	5
for which the contributions amounted to	£47,953	£28,020
	<u> </u>	<u> </u>
Defined benefit scheme was	3	5
for which the contributions amounted to	£47,876	£88,744
	<u> </u>	<u> </u>

Remuneration of Key Group Personnel:

The total remuneration for 2020/21 of the key personnel in the group (as identified on page 4) is **£628,469** (2020: £660,060).

8 FINANCE COSTS

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Bank & other loan interest	136,573	-	136,573	146,631
Other finance costs	138,680	-	138,680	168,607
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	275,253	-	275,253	315,238
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

9 NET INCOME FOR THE YEAR

This is stated after charging:

	2021 £	2020 £
Depreciation of owned assets	806,966	796,798
Auditor's remuneration (including VAT):		
Audit services: fees payable for the audit of the Trust's financial statements	26,610	26,519
Audit services: fees payable for the audit of the subsidiaries' financial statements	11,650	6,276
Other services - taxation and other services	6,810	5,040
Operating lease rentals:		
Plant & machinery	47,386	37,621

A gain of £347,819 due to growth in the Prior Park Schools 2030 Bursary Fund investment was reported outside of normal operating activities.

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

10 TANGIBLE FIXED ASSETS (GROUP)

	Assets in the course of construction	Land	Buildings	Astro Turf & Drive	Plant & Equipment	Motor Vehicles	Musical Instruments	IT Equipment	Total
COST									
As at 1 September 2020	75,266	598,274	18,060,578	647,694	2,696,932	109,208	128,845	331,745	22,648,542
Additions	6,826	-	312,150	-	312,704	-	-	125,415	757,095
Transfer to Buildings	(75,266)	-	75,266	-	-	-	-	-	-
As at 31 August 2021	6,826	598,274	18,447,994	647,694	3,009,636	109,208	128,845	457,160	23,405,637
DEPRECIATION AND IMPAIRMENT									
As at 1 September 2020	-	-	4,621,846	216,364	989,995	65,795	43,560	250,599	6,188,159
Charge for Year	-	-	414,413	32,073	260,616	12,873	2,577	84,414	806,966
As at 31 August 2021			5,036,259	248,437	1,250,611	78,668	46,137	335,013	6,995,125
Net Book Value at 31 August 2021	6,826	598,274	13,411,735	399,257	1,759,025	30,540	82,708	122,147	16,410,512
As at 1 September 2020	75,266	598,274	13,438,731	431,331	1,706,936	43,413	85,285	81,146	16,460,383

All the above assets are held for direct charitable purposes.

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

10 TANGIBLE FIXED ASSETS (CHARITY)

	Assets in the course of construction	Land	Buildings	Astro Turf & Drive	Plant & Equipment	Motor Vehicles	Musical Instruments	IT Equipment	Total
COST									
As at 1 September 2020	-	598,274	15,693,351	647,694	2,517,121	109,208	128,845	168,314	19,862,807
Additions	6,826	-	165,079	-	305,503	-	-	125,415	602,823
As at 31 August 2021	6,826	598,274	15,858,430	647,694	2,822,624	109,208	128,845	293,729	20,465,630
DEPRECIATION AND IMPAIRMENT									
As at 1 September 2020	-	-	4,278,212	216,364	935,517	65,795	43,560	118,340	5,657,788
Charge for Year	-	-	314,142	32,073	242,575	12,873	2,577	59,316	663,556
As at 31 August 2021			4,592,354	248,437	1,178,092	78,668	46,137	177,656	6,321,344
Net Book Value at 31 August 2021	6,826	598,274	11,266,076	399,257	1,644,532	30,540	82,708	116,073	14,144,286
As at 1 September 2020	-	598,274	11,415,139	431,330	1,581,604	43,413	85,285	49,974	14,205,019

All the above assets are held for direct charitable purposes.

Prior Park School (a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and expenditure account)

for the year ended 31 August 2021

11 INVESTMENTS

In October 2018 the PPS Bursary Fund 2030 was established which initial funds of £2m. The fund saw growth in value of **£347,819** (2020: £66,286) during the financial year:

	2021 £	2020 £
Opening Balance	2,212,715	2,146,429
Transfer of funds to other designated funds (see note 19)	(150,000)	-
Net gains on investment	347,819	66,286
	<hr/>	<hr/>
Closing Balance as at 31 August 2021:	2,410,534	2,212,715
	<hr/>	<hr/>

The above investment was placed with Stanhope Capital and the portfolio consists of a mix of global equities, bonds and commodities to ensure a fully diversified portfolio. The value shown is the market value as at 31st August 2021.

The investment was placed under the terms of the Prior Park Educational Trust investment policy and is monitored by the FAIR Committee on a regular basis.

The following notes detail the investments of the Charity in the other Group Companies:

	2021 £	2020 £
Charity:		
Shares at cost	7	7
	<hr/>	<hr/>
	7	7
	<hr/>	<hr/>

PRIOR PARK HOLDINGS LIMITED (Company number: 09598950)

Prior Park Holdings Limited was incorporated on 19 May 2015 and commenced trading on 1 September 2018. The principal activity of the company is to provide educational and management services to satellite schools within the Prior Park Group. A summary of the subsidiary's results for the year to 31 August 2021, and its balance sheet position is shown below:

	2021 £	2020 £
TURNOVER	270,441	220,048
Cost of sales	(141,864)	(149,012)
GROSS PROFIT	128,577	71,036
Administrative expenses	(1,410)	-
OPERATING PROFIT	127,167	71,036
Interest payable and similar charges	-	-
PROFIT BEFORE TAXATION	127,167	71,036
Taxation	-	-
PROFIT FOR THE FINANCIAL YEAR AND RETAINED EARNINGS	127,167	71,036

Prior Park School (a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and expenditure account)

for the year ended 31 August 2021

11 INVESTMENTS (continued)

	2021 £	2020 £
Fixed and Current assets	922,034	675,794
Current liabilities	(794,866)	(653,002)
	<u>127,168</u>	<u>22,792</u>
Called up share capital	1	1
Profit and loss account	127,167	22,791
	<u>127,168</u>	<u>22,792</u>

PRIOR PARK ENTERPRISES LIMITED (Company number: 2224611)

On 29 August 2008, the entire issued share capital of Prior Park Enterprises Limited was gifted to the Trust. No consideration was paid for the shares. Their value to the Trust was considered to be equal to the value of the net assets of the company at the date of transfer. The subsidiary runs the commercial activities of Prior Park Schools. A summary of the subsidiary's results for the year to 31 August 2021, and its balance sheet position is shown below:

	2021 £	2020 £
Turnover	60,392	41,546
Expenditure	(6,507)	(412)
	<u>53,885</u>	<u>41,134</u>
Gross Profit	53,885	41,134
Administrative Expenses	(4,572)	(4,078)
	<u>49,313</u>	<u>37,056</u>
Net profit before taxation	49,313	37,056
Taxation	-	-
Net profit after taxation	<u>49,313</u>	<u>37,056</u>
Current assets	67,615	48,002
Current liabilities	(18,296)	(10,940)
	<u>49,319</u>	<u>37,062</u>
Called up share capital	6	6
Profit and loss account	49,313	37,056
	<u>49,319</u>	<u>37,062</u>

Prior Park School (a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and expenditure account)

for the year ended 31 August 2021

11 INVESTMENTS (continued)

PRIOR PARK SCHOOL, GIBRALTAR (Company number: 00113158, Charity number: 000272)

Prior Park School, Gibraltar is a wholly owned subsidiary of the Trust, involved in the establishment of the School in Gibraltar. The School was opened on 7th September 2016 and there were 227 pupils attending in the 2020/21 academic year.

	Unrest- ricted Funds £	Rest- ricted Funds £	2021 Total £	2020 Total £
INCOME:				
Income from charitable activities:				
School Fees receivable	2,704,414	-	2,704,414	2,197,772
Other educational income	93,458	-	93,458	113,440
Donations	-	57,621	57,621	5,493
Other income	2,491	-	2,491	109,045
TOTAL INCOME	2,800,363	57,621	2,857,984	2,425,750
EXPENDITURE ON:				
Charitable activities	2,555,008	34,814	2,589,822	2,396,265
Cost of raising funds				
Fundraising	-	-	-	-
Finance costs	76,734	-	76,734	81,219
TOTAL EXPENDITURE	2,631,742	34,814	2,666,556	2,477,484
NET MOVEMENT IN FUNDS	168,621	22,807	191,428	(51,734)
Fund balances brought forward (unrestricted)	(1,088,754)	-	(1,088,754)	(1,067,452)
Fund balances brought forward (restricted)	-	30,170	30,170	60,602
FUND (DEFICIT) / EARNINGS CARRIED FORWARD	(920,133)	52,977	(867,156)	(1,058,584)

In the prior year, all activities related to unrestricted funds, with the exception of donation income of **£5,493** and expenditure on charitable activities of **£35,925** which related to restricted funds.

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

	<u>2021</u>	<u>2020</u>
	£	£
FIXED ASSETS		
Tangible assets	<u>2,266,226</u>	<u>2,255,364</u>
	2,266,226	2,255,364
CURRENT ASSETS		
Debtors	56,555	140,661
Cash at bank and in hand	<u>1,381,758</u>	<u>716,669</u>
	1,438,313	857,330
CREDITORS: Amounts falling due within one year	<u>(959,445)</u>	<u>(1,287,895)</u>
NET CURRENT ASSETS	<u>478,868</u>	<u>(430,565)</u>
TOTAL ASSETS PLUS CURRENT LIABILITIES	2,745,094	1,824,799
CREDITORS: Amounts falling due after one year	<u>(3,612,250)</u>	<u>(2,883,383)</u>
NET LIABILITIES	<u>(867,156)</u>	<u>(1,058,584)</u>
FUNDS		
Restricted	52,977	30,170
Unrestricted Funds		
General	<u>(920,133)</u>	<u>(1,088,754)</u>
Total deficit	<u>(867,156)</u>	<u>(1,058,584)</u>

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

12 STOCKS (GROUP AND CHARITY)

	2021 £	2020 £
Goods for resale	4,641	6,429

13 DEBTORS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	41,197	1,018	-	-
School fees	219,201	171,587	203,711	155,682
Other debtors	206,746	229,967	180,827	157,776
Prepayments and accrued income	167,868	381,527	156,573	323,965
Amounts owed by group undertakings	-	-	817,513	743,544
	635,012	784,099	1,358,624	1,380,967

14 CREDITORS: Amounts falling due within one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Current instalments due on bank loans (note 17)	65,137	65,297	48,470	48,631
School fees received in advance	2,423,461	1,576,530	1,916,476	1,315,158
Trade creditors	457,017	311,663	429,096	230,398
Taxation and social security payable	164,947	206,521	164,947	206,521
Other creditors	2,079,699	1,692,272	1,767,949	1,550,598
Accruals	340,872	218,769	302,951	190,496
	5,531,133	4,071,052	4,629,889	3,541,802

15 CREDITORS: Amounts falling due after more than one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Bank loans (note 17)	4,044,110	4,109,723	1,178,094	1,226,339
School fees received in advance	26,354	37,536	26,354	37,536
	4,070,464	4,147,259	1,204,448	1,263,875

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

16 DEFERRED INCOME:

	Group £	Charity £
Brought forward fees in advance	1,614,066	1,352,694
Cash received in 2020/21	2,404,972	1,897,988
Amounts utilised in 2020/21	(1,569,223)	(1,307,852)
	<hr/>	<hr/>
Carried forward fees in advance	2,449,815	1,942,830
	<hr/>	<hr/>

The deferred income shown above relates to payments of school fees and activity charges before 31/8/2021 for the 2021/22 school year, with the exception of £26,354 which relates to the payment of school fees beyond the 2021/22 school year.

17 BANK AND OTHER LOANS

Group:

Bank loans repayable by instalments are due for repayment as follows:

	2021 £	2020 £
Repayable within one year	65,137	65,297
Repayable within one to two years	150,596	147,470
Repayable within two to five years	465,496	455,271
Repayable beyond five years	3,428,018	3,506,982
	<hr/>	<hr/>
	4,109,247	4,175,020
	<hr/>	<hr/>

Charity:

Bank loans repayable by instalments are due for repayment as follows:

	2021 £	2020 £
Repayable within one year	48,470	48,629
Repayable within one to two years	50,596	47,471
Repayable within two to five years	165,496	155,271
Repayable beyond five years	962,002	1,023,600
	<hr/>	<hr/>
	1,226,564	1,274,970
	<hr/>	<hr/>

Note regarding loan held by the Charity:

The Charity currently has a bank loan which was taken out to help fund the building of the Sports Hall at Prior Park College repayable over 25 years at a fixed rate of 4.3%.

The bank holds security in respect of this loan over the following freehold properties: Gate Lodge, Fyfield House and Creffield House, all on Ralph Allen Drive, Bath and Prior Lodge, North Road, Bath.

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

Note regarding additional loans held by the Group:

Prior Park School, Gibraltar ("PPSG") also has 2 loans:

The first with SPG Limited with a facility to drawdown up to £2m, is unsecured and is repayable in line with the Funding Agreement between SPG Limited and PPSG, dated 11 March 2016. The total drawdown (net of repayments taken in lieu of school fees) as at 31st August 2021 was £1,248,804 (2020: £1,294,173). Total accumulated accrued interest as at 31st August 2021 was £133,878 (2020: £105,877). Repayment of both the principal and the interest on this loan is to be made as soon as reasonably practicable under the terms of the Funding Agreement. The interest rate is 2% per annum.

The second loan is with Gibraltar International Bank with a facility to drawdown up to £1.5m. This loan is secured on PPSG's leasehold interest in the site at Sacred Heart Terraces and is repayable in line with the terms of the loan facility with the bank. The total drawdown as at 31st August 2021 was £1.5m (2020: £1.5m). The interest rate is 3% above Bank of England base rate per annum.

These loans were put in place to facilitate the refurbishment of PPSG's buildings and to cover the initial set up costs of PPSG.

18 PROVISIONS

The following provision was established during 2017/18 to reflect the ongoing liability to pay for scholarships and bursaries potentially until August 2026 in relation to children at Prior Park Preparatory School under the terms of the sale to Wishford Schools.

	2021 £
Provision as at 31 st August 2020	11,580
Payments to Wishford during 2021/21	(7,083)
Changes to provision for future years	-
	<hr/>
Provision as at 31 st August 2021	4,497
	<hr/>

19 UNRESTRICTED FUNDS (GROUP)

At 31 August 2021 total unrestricted funds amounted to **£16,908,312** (2020: £15,186,813). Included within this total are funds which the Trustees have designated for specific purposes as detailed below:

Position as per 2020/21 Accounts:

Unrestricted Fund	Fund balance as at 1 st September 2020	Income	Expenditure	Net Income / (expenditure)	Adjustments / Transfers	Fund balance as at 31 st August 2021
Gillan Bursary Fund	19,546	-	(8,625)	(8,625)	-	10,921
Designated Bursary Fund	-	48,985	-	48,985	150,000	198,985
PPS 2030 Bursary Fund	2,212,715	347,819	-	347,819	(150,000)	2,410,534
Designated Funds Total	2,232,261	396,804	(8,625)	388,179	-	2,620,440
General Fund	12,954,552	15,956,940	(14,623,620)	1,333,320	-	14,287,872
Total	15,186,813	16,353,744	(14,632,245)	11,721,499	-	16,908,312

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

Comparative position as per 2019/20 Accounts:

Unrestricted Fund	Fund balance as at 1 st September 2019	Income	Expenditure	Net Income / (expenditure)	Adjustments / Transfers	Fund balance as at 31 st August 2020
Gillan Bursary Fund	28,171	-	(8,625)	(8,625)	-	19,546
PPS 2030 Bursary Fund	2,146,429	66,286	-	66,286	-	2,212,715
Designated Funds Total	2,174,600	66,286	(8,625)	57,661	-	2,232,261
General Fund	12,591,046	15,553,439	(15,189,933)	254,315	-	12,954,552
Total	14,765,646	15,619,725	(15,198,558)	311,976	-	15,186,813

The Gillan Bursary Fund was established in the Summer of 2018 by a legacy donation from a former pupil of Prior Park College. The fund will be used to support pupils with bursarial support in coming years.

The Designated Bursary Fund has been established this year to hold funds donated by staff and parents during the Covid pandemic and to hold the release of any funds from the PPS 2030 Bursary Fund. It will also be used to hold any non-restricted donations from parents and former pupils.

The Prior Park Schools 2030 Bursary Fund was established during 2018/19 as a designated fund with the aim of building towards £10m by 2030 (see note 11). The fund will then be used to support bursarial funding requests from that date onwards.

Note: £150,000 was transferred out of the PPS 2030 Bursary Fund (from the accumulated growth in the fund) to ensure that sufficient liquid funds were available to support any emergency bursary requests during the 2021 and 2022 as parents recover from the Covid-19 pandemic. It is intended that further funds will be placed back into the PPS 2030 Bursary Fund once bursary requests return to a per pandemic level.

20 UNRESTRICTED FUNDS (CHARITY)

The table below shows how the Charity's unrestricted funds have moved since last year, with prior year movement shown for comparison purposes:

	2020/21	2019/20
Total Charity Unrestricted Funds brought forward	13,944,459	13,660,497
Plus: Unrestricted Funds Surplus in Year	1,087,068	283,962
Less: Transfer of Funds to Designated Fund: PPS 2030 Bursary Fund	-	-
Total Charity Unrestricted Funds carried forward	15,031,527	13,944,459

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

21 RESTRICTED FUNDS (GROUP & CHARITY)

The following table details the in-year restricted fund movements. The restricted funds all relate to the Charity with the exception of the following funds which are in relation to Prior Park School, Gibraltar: The Gibraltar IT & DT Technology fund (open and closed), the Gibraltar Ball Court, Library, Bursary, Facilities and Events Funds.

Restricted Fund	Fund balance as at 1 st September 2020	Income	Expenditure		Net Income / (expenditure)	Adjustments / Transfers	Fund balance as at 31 st August 2021
Open Funds			Amortisation & depreciation	Other			
Bursary (general)	162,844	38,204	-	35,350	2,854	-	165,698
Bursary (specific)	74,877	108,103	-	64,125	43,978	-	118,855
Chapel	80,246	7,809	-	950	6,859	-	87,105
Entrepreneurial	241,064	-	-	-	-	-	241,064
Big School Room	49,040	-	-	-	-	-	49,040
Sports Fund	638	12,000	-	-	12,000	-	12,638
Heritage Fund	2,330	63,400	-	-	63,400	-	65,730
Gibraltar - IT & DT Technology	1,847	-	-	1,847	(1,847)	-	-
Gibraltar - Bursary	-	30,371	-	2,700	27,671	-	27,671
Gibraltar - Facilities	-	750	-	-	750	-	750
Gibraltar - Events	-	1,500	-	1,500	-	-	-
Gibraltar - Library	306	-	-	-	-	-	306
Closed Funds							
Mansion Steps	50,738	-	1,103	-	(1,103)	-	49,635
Science Project	9,339	-	1,557	-	(1,557)	-	7,782
Sports Centre	504,813	-	11,281	-	(11,281)	-	493,532
Piano	34,099	-	929	-	(929)	-	33,170
College Freehold	115,971	-	4,004	-	(4,004)	-	111,967
Old Gymnasium	197,642	-	6,835	-	(6,835)	-	190,807
Sixth Form Centre	110,085	-	3,870	-	(3,870)	-	106,215
Campaign	509,529	-	11,580	-	(11,580)	-	497,949
Organ	38,756	-	1,200	-	(1,200)	-	37,556
Chapel Improvements	69,687	-	4,478	-	(4,478)	-	65,209
All Weather Pitch	7,225	-	422	-	(422)	-	6,803
Sports Facilities	20,903	-	2,613	-	(2,613)	-	18,290
Covid-19 Appeal	14,465	-	2,893	-	(2,893)	-	11,572
Paragon Parents Association	21,000	-	1,500	-	(1,500)	-	19,500
Gibraltar - Ball Court	-	25,000	750	-	24,250	-	24,250
Gibraltar - IT & DT Technology - closed	28,017	-	28,017	-	(28,017)	-	-
Total	2,345,461	287,137	83,032	106,472	97,633	-	2,443,094

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

Open Funds:

- The General Bursary Fund is funded by donations from past pupils and other supporters of Prior Park Schools. It is used to provide short term support towards the payment of school fees for existing pupils. It has been used to help some families through the Covid-19 pandemic.
- The Specific Bursary Fund consists of specific donations towards the School Fees of individual pupils at one of the Prior Park Schools.
- The Chapel Fund was established to help with the refurbishment of the chapel at Prior Park College.
- The Entrepreneurial Fund was established to develop an entrepreneurial programme across all Prior Park Schools.
- The Big School Room Fund was set up to aid with the refurbishment of this room at Prior Park College.
- The Sports Fund was established to help fund the purchase of sporting facilities at the College such as: cricket nets, cricket & hockey scoreboards, cricket covers and boundary rope and rugby scrummaging machine. These facilities have been purchased and the costs sit in the closed funds below.
- The Heritage Fund was established in Autumn 2018 to start collecting towards the future up-keep of the buildings and facilities at Prior Park College.
- The IT & DT Technology fund was created during 2018/19 in Gibraltar through donations towards the purchase of computer and other IT-related equipment. This fund has now been fully utilised.
- The Gibraltar Bursary fund was established at the start of the school to help fund short-term bursarial support for existing pupils.
- The Gibraltar Facilities Fund was established in 2021 to help fund additional school facilities.
- The Gibraltar Events Fund was established in 2021 to help fund specific events during the school year.
- The Gibraltar Library fund was set up to enable former pupils and other supporters of the school to contribute towards the establishment and development of a library at the school.

Closed Funds:

- The Mansion Steps Project was a fundraising exercise to help fund improvements to the steps leading up to the front of the mansion.
- The Science Project Fund was set up for former pupils to contribute towards the science laboratory.
- The Sports Centre Fund was established in 2012 to help towards the cost of building the sports centre.
- The Piano Fund was created through a donation to the Trust as a contribution towards the purchase of a Fazioli piano, which is now pride of place in the John Wood Chapel.
- The College Freehold Fund was created in 1999 through a donation made to the Trust as a contribution towards the cost of the freehold purchase of the College buildings and grounds.
- The Old Gymnasium Fund was established in 1994 to provide for the renovation of the old gymnasium. Grants were also received from English Heritage and others.
- The Sixth Form Centre Fund was established in 1992 when £225,000 was received from a former pupil to assist the School with the building of a sixth form centre and theatre.
- The Campaign Fund was set up in 2003 to raise funds for the development of facilities at the college.
- The Organ Appeal Fund was established in late 1995 to raise funds from parents, friends and former pupils to assist the School with the purchase of a new organ in the summer of 1996.
- The Chapel Fund was established to help towards the refurbishment of the chapel at Prior Park College. Funds have been spent recently on renovating the chapel roof and installing a new sound system.
- All Weather Pitch - We received a number of donations towards the installation of the new All Weather Pitch at Prior Park College. The pitch was installed in 2018 and has been a welcome addition to the facilities at Prior Park College.
- Sports Facilities – Funds were raised during 2017/18 and 2018/19 to help pay for new cricket nets, a cricket and hockey scoreboard and a rugby scrummaging machine, all of which were purchased in year.
- The Covid-19 appeal fund was established during the pandemic lockdown of early 2021 to raise funds to help produce visors and PPE for local NHS facilities. The remaining funds were used to purchase a new 3D printer and laser printer for the school, with the original equipment having been heavily used to make the PPE equipment.

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

- The Paragon Parents' Association Fund was established to raise funds towards the building of the new music centre at the Paragon School.
- The Gibraltar Ball Court Fund was established by the donation from a parent and Trustee of the school to help fund the establishment of the outside ball court behind the school. This fund is now closed following the successful completion of this project.
- The Gibraltar IT & DT Technology Fund shows the funds used to purchase IT & DT equipment for the school over the last three years.

Comparative position as per 2019/20 Accounts:

Restricted Fund	Fund balance as at 1 st September 2019	Income	Expenditure		Net Income / (expenditure)	Adjustments / Transfers	Fund balance as at 31 st August 2020
Open Funds			Amortisation	Other			
Bursary (general)	118,911	62,231	-	18,298	43,933	-	162,844
Bursary (specific)	141,301	35,615	-	102,039	(66,424)	-	74,877
Chapel	76,991	3,255	-	-	3,255	-	80,246
Entrepreneurial	241,064	-	-	-	-	-	241,064
Big School Room	49,040	-	-	-	-	-	49,040
Sports Fund	1,882	-	-	1,244	(1,244)	-	638
Heritage Fund	500	1,931	-	101	1,830	-	2,330
Gibraltar - IT & DT Technology	24,630	-	-	7,508	(7,508)	(15,275)	1,847
Gibraltar - Bursary	-	5,493	-	5,493	-	-	-
Gibraltar - Library	306	-	-	-	-	-	306
Closed Funds							
Mansion Steps	51,841	-	1,103	-	(1,103)	-	50,738
Science Project	10,895	-	1,557	-	(1,557)	-	9,339
Sports Centre	516,094	-	11,281	-	(11,281)	-	504,813
Piano	35,029	-	929	-	(929)	-	34,099
College Freehold	119,975	-	4,004	-	(4,004)	-	115,971
Old Gymnasium	204,477	-	6,835	-	(6,835)	-	197,642
Sixth Form Centre	113,955	-	3,870	-	(3,870)	-	110,085
Campaign	521,109	-	11,580	-	(11,580)	-	509,529
Organ	39,956	-	1,200	-	(1,200)	-	38,756
Chapel Improvements	74,165	-	4,478	-	(4,478)	-	69,687
All Weather Pitch	7,648	-	423	-	(423)	-	7,225
Sports Facilities	23,516	-	2,613	-	(2,613)	-	20,903
Covid-19 Appeal	-	29,012	-	14,547	14,465	-	14,465
Paragon Parents Association	22,500	-	1,500	-	(1,500)	-	21,000
Gibraltar - IT & DT Technology - closed	35,668	-	22,926	-	(22,926)	15,275	28,017
Total	2,431,453	137,537	74,299	149,230	(85,992)	-	2,345,461

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

22 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
Tangible Fixed Assets	14,736,276	1,674,236	-	16,410,512
Investments	2,410,534	-	-	2,410,534
Current Assets	9,377,044	768,858	-	10,145,902
Liabilities	(9,615,542)	-	-	(9,615,542)
	16,908,312	2,443,094	-	19,351,406

23 SHARE CAPITAL

The company is limited by guarantee and has no called-up share capital. As at 31 August 2021 there were 12 members of the Trust and each has a limited liability of £1.

24 PENSION COSTS

TEACHERS PENSION SCHEME

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £678,207 (2020: £1,099,251) and at the year-end £75,259 (2020 £124,362) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2020, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2020. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020 and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

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for the year ended 31 August 2021

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

The School undertook a consultation exercise with teaching staff during 2019/20 with the conclusion that the school will also offer the APTIS scheme (run by Aviva) for those teaching staff who wish to join this scheme from 1st September 2020 onwards. The School now offers the option to remain in the TPS (with the additional employers pension contribution made up via a deduction from gross salary) or to join the APTIS scheme at a choice of contribution levels.

CONTRIBUTIONS TO PENSION FUNDS

The Trust makes contributions to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the College by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are directly attributable to the Trust. In accordance with the SORP (FRS102) the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator (see above for further details).

As detailed above, UK teaching staff have the option to remain in TPS but to pay the additional employer contribution as a deduction from their gross pay or to move across to the APTIS Master Trust Scheme, run by Aviva from 1st September 2020.

From 1st September 2021 APTIS is also the default pension scheme for support staff with the incumbent Support Staff Group Personal Pension Scheme run by Aviva now closed to new members. Employer contributions into APTIS were at either 5.1% or 4% (depending on the employee's choice of pension contributions) of annual basic pay during 2020/21. The former rate has been increased to 7.5% from 1st September 2021. These contributions are recorded accordingly in these financial statements.

The APTIS scheme is a defined contribution scheme run by Aviva under a Master Trust Arrangement. There were £26,388 of contributions accrued at Year End regarding employers' contributions from August 2021. The Trust also operates a salary sacrifice scheme for staff members who wish to make their pension contributions via this method into APTIS.

25 COMMITMENTS UNDER OPERATING LEASES

The Company as a lessee:

The total future minimum lease payments under non-cancellable operating leases for plant and machinery are as follows:

	2021	2020
	£	£
Amounts due:		
Within one year	266,958	200,616
Between one and five years	412,476	430,102
After five years	-	4,164
	<hr/>	<hr/>
	679,434	634,882
	<hr/>	<hr/>

Prior Park Educational Trust (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

26 CAPITAL COMMITMENTS

The Trust has no capital commitments at the Year End (2020: £175,000).

27 RELATED PARTY TRANSACTIONS

Prior Park Enterprises Limited ("PPEL"), Prior Park Holdings Limited ("PPHL") and Prior Park School, Gibraltar ("PPSG") are wholly owned subsidiaries of Prior Park Educational Trust ("PPET"). Related party transactions during the year were as follows:

- The Trust held **£192,741** (2020: £184,745) on behalf of the school's alumni association (known as PPA).
- As shown in the Gibraltar Accounts, there is an amount of **£1,382,682** (2020: £1,405,050) (including accrued interest of £133,878) due to SPG Limited, a Gibraltar registered company which is related through its directorship of Prior Park School, Gibraltar.
- PPEL runs the commercial activities of the schools and it donates any surplus to the Trust via gift aid. The total profit for 2020/21 was **£49,313** (2020: £37,056), this will be donated via gift aid to PPET within nine months of the Financial Year End.
- The Trust donated **£0** during 2020/21 to PPSG with the total donation remaining at £500,000.
- At the Year End there was **£796,235** of management fees due from PPSG to PPHL (2020: £675,794) under the terms of the Collaboration Agreement dated 11 March 2016 between PPSG, PPET, PPHL and SPG Limited.
- At the Year End there was **£794,866** of staff and other costs due from PPHL to PPET (2020: £653,002) under the terms of the Collaboration agreement dated 11 March 2016 between PPSG, PPET, PPHL and SPG Limited and the Cost Sharing Agreement between PPHL and PPET.
- During 2020/21 the value of transactions between Group companies was **£294,003** (2020: £275,835).
- At year-end there was a group debtor in the Charity accounts of **£10,175** (2020: £3,454) due from PPEL and a group creditor in PPEL's accounts for the same value due to PPET. There was also a group debtor in the Charity accounts of **£12,472** (2020: £87,088) due from PPSG and a group creditor in PPSG's accounts for the same value due to PPET (in addition to the accrued management fees referred to above). All other group accounts showed a nil balance at year-end.

28 ANALYSIS OF NET DEBT

The following note is provided in addition to the Cash flow statement:

	As at 1.9.2020	Cash Flows	Other non-cash changes	As at 31.8.2021
Cash at bank and in hand	6,298,539	1,989,425	1,208,837	9,496,801
Loans falling due within one year	(65,296)	-	159	(65,137)
Loans falling due after more than one year	(4,109,724)	-	65,615	(4,044,109)
TOTAL	2,123,519	1,989,425	1,274,611	5,387,555

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

29 2019/20 SOFA SHOWING SPLIT BETWEEN UNRESTRICTED AND RETRICTED FUNDS

	Unrest- ricted Funds £	Rest- ricted Funds £	2020 Total £	2019 Total £
INCOME:				
Income from charitable activities:				
School fees receivable	13,575,683	-	13,575,683	13,869,392
Other educational income	1,266,463	-	1,266,463	1,195,844
Donations	-	137,537	137,537	244,307
Investment income	38,774	-	38,774	49,972
Other trading activities:				
Rents and lettings	122,415	-	122,415	231,822
Other Income (Furlough Claim)	550,104	-	550,104	-
TOTAL INCOME	15,553,439	137,537	15,690,976	15,591,337
EXPENDITURE ON:				
Charitable activities	14,787,685	223,529	15,011,214	14,641,578
Cost of raising funds				
Fundraising	95,635	-	95,635	118,110
Finance costs	315,238	-	315,238	176,720
TOTAL EXPENDITURE	15,198,558	223,529	15,422,087	14,936,408
NET INCOME before gains on investments	354,881	(85,992)	268,889	654,929
Net gains on investments	66,286	-	66,286	146,429
NET INCOME after gains on investments	421,167	(85,992)	335,175	801,358
Other recognised gains:				
Re-measurement of future remission liabilities	-	-	-	97,437
NET MOVEMENT IN FUNDS	421,167	(85,992)	335,175	898,795
Fund balances brought forward (unrestricted)	14,765,646	-	14,765,646	13,857,346
Fund balances brought forward (restricted)	-	2,431,453	2,431,453	2,440,958
FUND BALANCES CARRIED FORWARD	15,186,813	2,345,461	17,532,274	17,197,099