

PORT REGIS SCHOOL LTD

England & Wales · Charity number 306218

Details

| | |
|----------------|---|
| Other names | PORT REGIS |
| Status | Registered |
| Legal form | Charitable company |
| Company number | 00440436 |
| Registered | 1963-09-04 |
| Register | View on the Charity Commission register |

Contact

| | |
|---------|--|
| Address | Port Regis School Motcombe Shaftesbury SP7 9QA |
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| Email | office@portregis.com |
| Website | www.portregis.com |

Activities

Objects: THE OBJECTS ARE, FOR THE PUBLIC BENEFIT, TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF EDUCATION AND IN PARTICULAR BUT NOT EXCLUSIVELY TO CARRY ON AND DEVELOP PORT REGIS SCHOOL, NEAR SHAFTESBURY, DORSET, OR ANY OTHER SCHOOLS, COLLEGES, NURSERIES, OR OTHER EDUCATIONAL FACILITIES FOR THE EDUCATION OF CHILDREN WHERE THEY MAY OBTAIN A SOUND GENERAL EDUCATION OF THE HIGHEST ORDER ON MODERN LINES AND TO PURSUE OTHER ANCILLARY EDUCATIONAL ACTIVITIES AND OTHER ASSOCIATED ACTIVITIES FOR THE BENEFIT OF THE COMMUNITY.

Activities: The School which is a boarding and day preparatory school, for both boys and girls, exists to provide children between the ages of three and thirteen with an all-round education of the very highest quality. The school continues to prepare children for Common Entrance and Senior Independent School Scholarships and to ensure that each child has a full extra-curricular programme.

Classification

- **How:** Makes Grants To Individuals, Provides Buildings/facilities/open Space
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** DORSET
- Throughout England And Wales

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|------------|-------------|------------|-----------|
| 2024-08-31 | £8,125,325 | £7,769,060 | £7,706,101 | 145 |
| 2023-08-31 | £6,977,337 | £7,030,704 | £7,349,836 | 139 |
| 2022-08-31 | £6,571,073 | £6,767,483 | £7,403,203 | 144 |
| 2021-08-31 | £6,222,316 | £6,155,054 | £7,594,117 | 147 |
| 2020-08-31 | £6,015,043 | £6,210,527 | £7,526,855 | 169 |

Trustees

| Name | Role | Appointed |
|-----------------------------------|-------|------------|
| James Arthur Hussey | Chair | 2021-04-05 |
| Alastair Cotton | | 2023-06-23 |
| Alexander Balfour Henshilwood | | 2022-03-18 |
| Christa Jane Band | | 2024-03-15 |
| Emily Boswell | | 2018-05-18 |
| Giles Richard Collingridge Morant | | 2021-11-26 |
| Guy Thomas | | 2023-03-17 |
| Helen Snow | | 2023-06-23 |
| Rosalind Henrietta Fraser | | 2025-09-01 |
| Rupert Digby Hague-Holmes | | 2025-09-01 |
| Rupert Timothy Herbert Jones | | 2022-08-01 |
| William Anthony Howard | | 2026-01-01 |
| William James Fraser | | 2026-02-27 |

Linked charities

- PORT REGIS SCHOOL ENDOWMENT FUND (306218-1)

PORT REGIS SCHOOL LTD

England & Wales - Charity number 306218

Accounts

Port Regis School Limited
(A Company Limited By Guarantee)

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

For the year ended 31 August 2024

Company number: 440436
Charity number: 306218

**Port Regis School Limited
Contents**

For the year ended 31 August 2024

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**Port Regis School Limited
Report of the Council
For the year ended 31 August 2024**

| | |
|--------------------------------------|--|
| CHAIR | Mr J Hussey MA (Oxon) *e+xm |
| MEMBERS OF THE COUNCIL | Mr H Arouzi p m (appointed 12.10.23) Mrs C Band e (appointed 15.3.24) Miss E Boswell MA (Oxon) e Mr A Cotton * Mr J Hamer * (resigned 31.12.23) Mrs E Hattersley e Mr A Henshilwood e Major General Rupert Jones CBE +* Mrs F Loveridge MA (Oxon) *e+xm Mr G Morant MEng +p Mrs Sophie O’Keefe x Mrs H Snow ex Mr G Thomas *p Mr T Walker-Jones +p Mr G White +* * Member of the Finance Committee e Member of the Education Committee + Member of the Governance Committee x Member of the Wellbeing Committee m Member of the Communications Committee p Governor who is also a parent |
| HEAD | Mr T Mills BA (Hons) |
| BURSAR | Mrs S Ehlen |
| SECRETARY | Mrs J Jarrett |
| ADDRESS AND REGISTERED OFFICE | Motcombe House Motcombe Park Shaftesbury Dorset, SP7 9QA |
| REGISTERED NUMBER | 440436 |
| CHARITY NUMBER | 306218 |
| BANKERS | National Westminster Bank Plc 25 Market Place Blandford Forum Dorset, DT11 7AQ |
| AUDITORS | Fawcetts LLP Windover House St Ann Street Salisbury, SP1 2DR |

Port Regis School Limited
Report of the Council
For the year ended 31 August 2024

The Council present their report, together with the audited financial statements for the year ended 31 August 2024. The financial statements comply with current statutory requirements and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2019).

REFERENCE AND ADMINISTRATIVE INFORMATION

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Council

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

The number of the members of Council shall not be less than three nor more than twenty. The Council may at any time co-opt any person duly qualified to be appointed as a member of the Council to fill a vacancy in their number or as an additional member of the Council, to hold office only until the next General Meeting, when he/she is eligible for re-election. The Chair of the Council is elected by the members.

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

Recruitment, induction and training of Members of the Council

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

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

Organisation

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

There are five main Governor Committees responsible for scrutiny and oversight of the School's work. Each committee reports to the full Council:

- Communication Committee has oversight of the School's communication, marketing and development programmes. It meets once a term

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Report of the Council
For the year ended 31 August 2024

- Education Committee is responsible for all matters of an academic and co-curricular nature. It meets once a term.
- Finance Committee supports the Bursar and oversees the financial progress and operations of the School. It meets once a term.
- Governance Committee is involved in the selection, induction and training of Council Members, ensures overall statutory compliance and the identification and mitigation of risks to the School and oversees the School's strategic objectives. It meets once a term.
- Wellbeing Committee has responsibility for overseeing pastoral care policy with particular emphasis on RSE, the care and wellbeing of the pupils, the School's ethos and values, and the opportunities for moral, spiritual, social and cultural development. It meets once a term.

The full Council of Management meets once a term, always following the meetings of the governor committees. At each meeting the full Council reviews the outcomes of the preceding governor committees, with the chair of each committee giving a verbal update and responding to questions.

Often a senior member of the School Staff makes a presentation to the Council to provide members with detailed information on a particular aspect of School life. Meetings finish with a review of how the decisions agreed will impact the pupils.

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

Principal Risks and Uncertainties

The Council is responsible for ensuring that the risks faced by the School are appropriately managed. Each governor committee is responsible for reviewing appropriate risks from the Risk Register in support of the Governance Committee which has overall responsibility for Risk. Each committee considers two risks at each meeting to ensure appropriate focus across the register. The Executive team routinely identify, assess and control risks.

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

Key risks are documented and controls include:

- regular staff training, robust policies and regular meetings on Safeguarding for key personnel including governors
- annual safeguarding audit through Dorset Safeguarding and Standards
- regular staff and management meetings
- policy documents for all major activities which are regularly updated and reviewed
- remote teaching and learning programmes to be used in the event of a major crisis
- crisis and emergency response training
- detailed terms of reference for all governor committees
- formal agendas for all committee and board activities
- comprehensive financial planning and budgeting, in-year management and reporting
- vetting procedures as required by law for the protection of the vulnerable
- declaration by governors about related party transactions
- termly meetings of the School's Health and Safety Committee
- regular meetings of the Governance Committee to ensure compliance with current legislation
- tracking of key performance indicators through an Information Dashboard which is monitored by the Governance Committee and reviewed at each Council Meeting.

- comprehensive and live risk register tracking changes and mitigations
- preparing for compliance with National Standards (ISI Inspections)

STRATEGIC AIMS AND OBJECTIVES

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

Principal activity

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

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

Vision

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

1. The championing of an unhurried and joyful childhood.
2. Extraordinary teaching that stretches and supports every child, enabling them to discover the discipline of study and the delight of learning.
3. Exceptional pastoral care that nurtures pupils and staff, placing their wellbeing at the heart of all we do.
4. A passion for developing the unique academic, sporting and creative talents of every child- giving equal measure to the head, hand and heart.
5. Strong moral, social and spiritual values, for those of all faiths or none.
6. A cohesive and distinctly happy school community that fosters a deep sense of belonging in the children, staff and parents.
7. A vibrant boarding experience, equipping children with vital skills for senior school and life beyond.
8. A culture that embeds in every child a sense of wonder for the natural world and a responsibility to preserve it.
9. A global perspective that celebrates the diversity of our children and friendships between those of different cultures and backgrounds.
10. Kindness and tolerance, so children leave as capable and compassionate young people, inspired to play their part in making the world a better place.

Ethos

The school ethos values and promotes the qualities of generosity, endeavour, joy, courage and creativity and reflects the School's motto *Altiora Petimus* ('We Seek Higher Things').

Values

Port Regis is one of the country's leading co-educational day and boarding schools for children aged two to thirteen. A school in which tradition and innovation have gone hand in hand for more than a century, it provides a thoughtful,

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Report of the Council
For the year ended 31 August 2024

rounded education that enables children to thrive. This education goes well beyond the beautiful buildings and outstanding facilities – it is rooted in the School’s culture and values.

Five words are central to school life and underpin so much of what we champion at Port Regis: Generosity, Endeavour, Joy, Courage and Creativity.

The children have also come up with a mnemonic to help everyone remember these important values. The mnemonic is *‘Chocolate Cakes Gives Everyone Joy!’*

Strategy

The School’s strategy is to:

- Deliver a broad, innovative education with individualised care.
- Grow pupil numbers while maintaining a diverse cross-section of pupils.
- Simplify the business model to improve cost efficiency and our value proposition to parents.
- Diversify and increase non-fee income.

Objectives for the year

The principal objectives for the year have been the continuing achievement of both academic performance, moral and physical education and the involvement of the pupils in co-curricular activities. The specific objectives for 2023-24 have been to:

- Maintain the School’s reputation for academic and co-curricular excellence.
- Continue to grow pupil numbers and further reduce costs to put the School in the best financial position to mitigate the combined impact of VAT on school fees and the loss of business rate relief.
- Develop the Pre-Prep so it is deemed a leading facility in the area and models outstanding provision.
- Continue to invest in the recruitment and professional development of high-quality staff.
- Invest in additional IT infrastructure to increase the use of devices in the classroom to further promote exemplary teaching and learning.
- Generate sufficient cash flow to help fund the future development of the School.
- Promote sustainability and further reduce Port Regis’ environmental footprint by developing additional solar capacity.
- Revitalise the School’s new fundraising campaign to help fund future development plans, with a particular focus on STEAM and environmental initiatives.
- Maintain the School’s partnership with Royal National Children’s Springboard Foundation to offer a number of fully funded bursary places to children who most need access to the outstanding opportunities that Port Regis provides.

Public benefit and Community

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

- Port Regis educates over 300 children aged from 2-13 and the standards of education and care are judged by the Independent Schools Inspectorate as ‘excellent’ in all areas. The last inspection took place in September 2022.
- By educating these children in the private sector the School is saving the public purse a seven-figure sum, an indirect and significant public benefit.

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- In 2023/24 the School awarded bursaries to the value of £1.093m for children from a wide range of financial backgrounds who would otherwise be unable to afford a Port Regis education. In 2023 the School formed a partnership with the Royal National Children's SpringBoard Foundation (RNCSF) to provide fully-funded bursary places for children who most need access to the opportunities it provides. This includes children from under-served communities and those with experience of the care system.
- The School provides full boarding for local, military and international families and during the 2023/24 academic year was home to a number of non-British pupils with parents living overseas (France, Spain, Monaco, Russia, Portugal, Nigeria, Ghana, Hong Kong, China, Taiwan, Japan, Thailand and India) or whose parents live in the UK (from the US, Hong Kong, China and Taiwan).
- The School actively seeks to promote community links by making its facilities (music, sporting, art, design and technology) available to the local community, schools and other organisations and by engaging where practicable and desirable in community affairs. This includes links with Motcombe Church and Motcombe Primary School, a Christmas lunch for the Motcombe Pensioners, the provision of a minibus and driver to support Semley Primary School's summer outing, design and technology workshops with Wardour Primary School and sports events for local primary schools including tri-golf and mini tennis events.
- The School organised an art exhibition at Messums West Gallery in Tisbury which showcased work by children at Port Regis and two local primary schools. Port Regis sent a member of staff to teach the art lesson at St John's Primary School in Tisbury and Semley School, and along with Messums provided the art materials. It held a joint private view which included music, dance and poetry, alongside the art, for the children and parents of all three schools.
- The School sponsored local events such as the Semley Music Festival, the Motcombe Music Festival and the Chalke Valley History Festival.
- The Port Regis Sports Centre includes swim and gym facilities which are open to the local community and are used by multiple local primary schools for their PE lessons.
- The Port Regis Sports Centre provides swim and gymnastic facilities to the wider local community, and continues to be focused on widening opportunities available to children. Multiple local primary schools use the facilities for their weekly PE lessons, as well as many local football and netball clubs. The School also hires its facilities to organisations such as TCW Sports, Rugby Tots and English Country Schools.
- The School runs a range of sporting and creative holiday clubs which are open to Port Regis pupils aged 2-13 and children from the surrounding communities aged 7-13.
- The School's Saturday morning programme of enrichment - called PR+ - utilises links with the local community and hosts visits from a wide range of speakers including local historians and businesses such as Feltham's Farm and The Newt. PR+ also promotes the benefits of volunteering in the local community with activities such as clearing the Motcombe churchyard.
- The School supports and fundraises for a wide range of local, national and international charities. These are often chosen by the children and are of special significance or relevance. In the 2023/24 academic year, the following charities benefited from donations by the School, by pupil led fundraising or by fundraising events held at the school: Horatio's Garden, the Foundation of Goodness, Macmillan Cancer Support, Restless Development, the Royal British Legion, Save the Children and Children in Need.
- The Headmaster runs an annual trip to Arnhem in Holland where senior pupils and their parents learn about and listen to the moving stories from the last survivors of this dramatic battle fought in 1944.
- The School is responsible for maintaining at significant cost the historic building at the heart of the School, Motcombe House, as well as all the grounds and other buildings within its curtilage.
- The School made good progress with its Green Vision in 2023/24. The installation of a 300kW ground solar array on land adjacent to the golf course is expected to reduce the School's carbon production to less than 60% of pre-Covid levels. Initiatives such as the 30-mile menu, waste reduction, increasing organisms across the site, tree planting and food production have all supported progress towards the School's carbon neutral targets.

Port Regis School Limited
Report of the Council
For the year ended 31 August 2024

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

Grant making policy

The Council is committed to broadening access to the School by offering eligible parents means tested financial support with the payment of school fees. Assistance is also provided to the children of School staff and military families. Means-tested bursaries are awarded by the Council in exceptional cases of need on the recommendation of the remissions committee to existing pupils of the School. The opportunity to benefit from the School's grants is neither subject to geographical nor other restrictions nor by the ability to pay any fees charged. As such, those in poverty are not excluded from the opportunity to benefit. In 2023-24 the financial value of all discounts was £1,093,575, representing 13.7% of gross fees.

ACHIEVEMENTS AND PERFORMANCE

Operational Performance

The Council oversees the School to ensure its objectives are met and continues to focus on ensuring sufficient funds to run and develop the School. The School had a strong year with 9% growth in pupil numbers to the highest level in a decade. Boarding numbers continued to increase, bucking the national trend, with robust numbers in all boarding houses and weekends were vibrant with activity. The Council was delighted to see progress in the School's drive to reduce its carbon footprint, notably through the installation of the 300kW ground solar array.

Staff

The School continues to invest in the recruitment and professional development of high-quality staff to help meet the School's objective of enhancing its reputation for academic and co-curricular excellence. The School was pleased to appoint a new Head of Classics, Head of Geography and Head of MFL, as well as additional teachers and teaching assistants to enable expansion of pupil numbers in the Pre-Prep and Early Years settings. In addition, the School appointed a new Bursar.

Facilities

Port Regis has long been regarded as having outstanding facilities for a preparatory school. These facilities provide pupils with exceptional opportunities to allow them to reach their potential on the academic front as well as in music, drama, sport, art and design and technology. The School continues to invest to maintain and upgrade its first-rate facilities across the 150-acre site. During the year, in addition to the above-mentioned ground solar array, the School invested in a new playground for the pre-prep, sound and light equipment for drama, IT infrastructure and a the resurfacing of a tennis / netball court .

Academic

The School prepared 48 children for entry to their senior Schools. The pass rate at Common Entrance was once again 100%, and 24 scholarships/exhibitions were awarded: nine academic, two sporting, five art, two design technology, two music and four drama. Scholarships were awarded to Port Regians by King's Bruton, Radley, Godolphin, Leweston, Marlborough, Wycombe Abbey, St Mary's Calne, Bryanston, Charterhouse, Sherborne Girls, Rugby, Oundle, Canford, Monkton and Wellington. 48% of Year 8 leavers heading to UK senior schools won at least one scholarship. Leavers went on to 24 different UK senior schools, continuing Port Regis' long tradition of preparing children for a wide range of the country's leading destinations at 13+. As a boarding school, Port Regis is proud of its tradition of educating children from all over the world and of the levels of attainment reached by its EAL pupils, (those for whom English is not the first language).

Sports

The Games programme has continued to develop and, in keeping with our 'sport for all' philosophy, every child has had the opportunity to represent the School as well as his or her House. At the same time, we have continued to stretch and develop our top teams and performers, with pupils taking part in trainings sessions with senior school staff from Bryanston, King's Bruton and Sherborne amongst others. One sports scholarship was awarded to King's Bruton and one sports exhibition to Sherborne Girls. Our New Head of Girls' Games joined in January 2024 and has had a really positive impact on the girls' programme and driving it forwards, particularly the netball.

The house competitions remain popular. The inter-house cross country was a big success, with every child representing and earning points for their houses and an impressive turn out of runners this year. We also held inter-house tournaments for rugby, football, netball and hockey, and the athletics events on Sports Day were a highlight.

We hosted the IAPS Netball Regional Qualifiers in February, and welcomed 16 schools for our 48th annual Rugby Sevens Festival. In May, we hosted the Port Regis Track Meet with seven visiting schools, coming joint 1st place overall. In July, 14 of our athletes travelled to the Alexander Stadium in Birmingham for the IAPS National Athletics Finals, with four children winning medals (the highest number in recent years). Our swimmers continued to train three times a week, winning medals and achieving PBs throughout the year. Six members of the squad made it to the IAPS National Swimming Finals. Our 1st teams travelled to Jersey for our annual fixtures against St Michael's Jersey, while our U11 girls' football team won the North Dorset Davison Cup. Our gymnasts remain strong, with various successes throughout the year including teams qualifying for the BSGA competition and the ISGAs. We also celebrated one of our senior girls joining the boys' 1st hockey team for the first time.

Port Regis Sports Centre offers swimming (including lessons), tennis, squash, badminton, use of the Astroturf as well as holiday activity courses. The Port Regis Gym Club is available for children (including toddlers) of all abilities.

Arts

Music at Port Regis is growing from strength to strength with regular classroom teaching at the core. Across every year group in the school from Pre-School to A Form, regular weekly lessons take place. The guidance from the new National Plan for Music Education has been incorporated across KS2 which encourages all year groups from C-F Form to have the opportunity and regular access to learning a musical instrument. In addition to this provision, we have developed a programme of concerts and performances throughout the year to enable every musician, from the very youngest in Pre-Prep to our very capable music scholars, to enjoy and reap the benefits from performing to a live audience. We re-established the school interhouse music competition, had our 2nd Rock & Pop night and had a super live band, made up of students and Visiting Music Teachers (VMT)s, for our A Form leavers programme. Our team of VMTs continue to grow stronger with pupil numbers also starting to increase. 52 ABRSM exams took place throughout the year with a 100% pass rate.

Drama in the school continues to thrive with lessons being taught to all children in Reception-Year 8, with topics ranging from creating and working with puppets and masks to film production. There has been a real focus on performing with every year group having at least one production. Particular highlights were the A Form Leavers' production of 'Bugsy Malone', the Upper school production based on 'Macbeth' and the Lower School production of 'The Wizard of Oz'. Additionally, there are several after-school hobby activities devoted to Drama. Pupils learnt about stage make-up, prop making and set building whilst becoming involved in technical and backstage roles required for productions. Drama scholarships were highly successful, with an 80% success rate. Individual performing arts training continued to be extremely popular with the school achieving a pass rate of 100% in LAMDA exams and over 50 pupils attending weekly lessons.

The Art, Design and Technology, Drama, Music and Sports departments offered enhanced scholarship provision to selected pupils on top of their standard curricular provision.

FINANCIAL REVIEW

Operating Results

Port Regis generated a surplus of £356,265, a notable improvement on the £53,367 loss recorded in the previous year. Cash flow from operations of £1.327m was more than sufficient to cover annual capital expenditure of £651,909 leading to an increase in cash reserves.

Net assets at year-end rose to £7.71m (2023: £7.35m). The improvement in financial performance was principally due to pupil growth, tight cost control and an increase in non-fee income. Cash and cash equivalents ended the year at £3.15m (2023: £2.63m) leaving the outstanding CBILS loan at £262,500 (2003: £412,500).

Reserves

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

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

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

Investment policy and objectives

Surplus funds are held in treasury reserves and current bank accounts.

FUTURE PLANS

We will continue to embed our principal objectives, continuing with our achievement of both academic performance, moral, spiritual and physical education and the involvement of the pupils in extra-curricular activities. The specific objectives for 2024-2025 are to:

- Maintain the School's reputation for academic and co-curricular excellence while continuing to put the individual welfare of children at the centre of everything we do.
- Continue to grow pupil numbers from a broad range of markets.
- Further streamline the School's operating structures to help mitigate the impact of VAT on school fees, the loss of business rate relief, the increase to the National Living Wage and changes to employer National Insurance contributions.
- Progress the School's fundraising campaign to help fund future development plans.

GOVERNORS' INDEMNITY INSURANCE

The School has purchased governors' indemnity insurance cover.

STATEMENT OF COUNCIL'S RESPONSIBILITIES

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

Company law requires the Members of the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources

Port Regis School Limited
Report of the Council
For the year ended 31 August 2024

and application of resources, including the income and expenditure, of the charity and the group for that period. In preparing these financial statements, the trustees are required to:

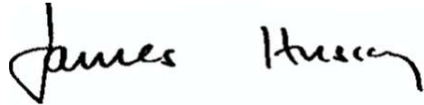
- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

The report of the Council, which includes the strategic report, was approved on21 March 2025..... and signed on their behalf by:



Mr J Hussey
Chair of the Council of Management
Motcombe House
Motcombe Park
Shaftesbury
Dorset
SP7 9QA

**Report of the Independent Auditors
To the Members of**

Port Regis School Limited

Opinion

We have audited the financial statements of Port Regis School Limited (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

**Report of the Independent Auditors
To the Members of**

Port Regis School Limited

Matters on which we are required to report by exception

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

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

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

Responsibilities of Members of the Council

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

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

Auditor's responsibilities for the audit of the financial statements

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

Identifying and assessing potential risks related to irregularities

Irregularities, including fraud, are non-compliance with laws and regulations. We design procedures, in line with our responsibilities, as set out in the auditor's responsibilities for the audit of the financial statements section, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, are detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations we consider the following:

- the nature of the charity sector, control environment and financial performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following area: revenue and resource recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

**Report of the Independent Auditors (continued)
To the Members of**

Port Regis School Limited

We have also obtained an understanding of the legal and regulatory frameworks that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act and related legislation.

Audit response to risks identified

As a result of performing the above, we identified revenue and resource recognition as a key audit matter related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- understanding the charitable company's revenue recognition policies and how they are applied, including the relevant controls and performing a walkthrough to validate our understanding.
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to compare revenue recognised against expectations and based on past experiences and management forecasts and investigated material divergencies by obtaining corroborative evidence.
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; applying parameters designed to identify entries that were not within our expectations. This included analysing and selecting journals for testing which appeared unusual in nature, either due to size, preparer or date of posting. To test their validity, we verified the journals to originating documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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

Simon J L Ellingham

Simon Ellingham BA FCA DChA (Senior Statutory Auditor)

for and on behalf of Fawcetts LLP

Chartered Accountants & Statutory Auditors

Windover House, St Ann Street

Salisbury

SP1 2DR

Date: 23 April 2025

Port Regis School Limited
Statement of Financial Activities
For the year ended 31 August 2024

| INCOME AND EXPENDITURE | | Unrestricted | Restricted | 2024 Total | 2023 Total |
|------------------------------------|------|-------------------------|-----------------|-------------------------|-------------------------|
| | Note | £ | £ | £ | £ |
| INCOME AND ENDOWMENTS FROM: | | | | | |
| Charitable activities: | | | | | |
| School fees receivable | 3 | 6,863,270 | - | 6,863,270 | 6,194,880 |
| Other income | 4 | 507,636 | - | 507,636 | 473,344 |
| Donations and legacies | 5 | 179,715 | | 179,715 | 5,000 |
| Other trading activities | 6 | 474,669 | - | 474,669 | 276,536 |
| Investment income | 7 | 100,035 | - | 100,035 | 27,577 |
| | | <u>8,125,325</u> | <u>-</u> | <u>8,125,325</u> | <u>6,977,337</u> |
| Total income | | | | | |
| EXPENDITURE ON: | | | | | |
| Raising funds | 8 | 170,572 | - | 170,572 | 134,489 |
| Charitable activities | 8 | 7,598,488 | - | 7,598,488 | 6,896,215 |
| | | <u>7,769,060</u> | <u>-</u> | <u>7,769,060</u> | <u>7,030,704</u> |
| Total expenditure | | | | | |
| Net gains/(losses) on investments | 14 | 356,265 | - | 356,265 | (53,367) |
| | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET INCOME/(EXPENDITURE) | | 356,265 | - | 356,265 | (53,367) |
| RECONCILIATION OF FUNDS: | | | | | |
| Total funds brought forward | | 7,349,836 | - | 7,349,836 | 7,403,203 |
| | | <u>7,349,836</u> | <u>-</u> | <u>7,349,836</u> | <u>7,403,203</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u>7,706,101</u> | <u>-</u> | <u>7,706,101</u> | <u>7,349,836</u> |

The above results are derived from continuing activities and discontinued activities. There were no other recognised gains or losses other than those stated above.

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

The notes form part of these financial statements

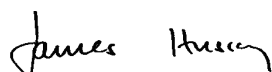
Port Regis School Limited
(Company number: 440436)
Balance Sheet

For the year ended 31 August 2024

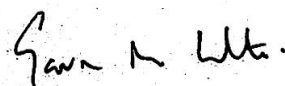
| | Note | 2024 £ | 2023 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Tangible fixed assets | 13 | 8,094,985 | 7,945,941 |
| Investment | 14 | 5,749 | 5,749 |
| | | 8,100,734 | 7,951,690 |
| Current assets | | | |
| Debtors | 15 | 520,509 | 293,004 |
| Cash at bank and in hand | | 3,154,696 | 2,630,026 |
| Total current assets | | 3,675,205 | 2,923,030 |
| Liabilities | | | |
| Creditors: Amounts due within one year | 16 | (2,947,567) | (2,156,663) |
| Net current assets | | 727,638 | 766,367 |
| Total assets less current liabilities | | 8,828,372 | 8,718,057 |
| Creditors: Amounts due after more than one year | 17 | (1,122,271) | (1,368,221) |
| NET ASSETS | | 7,706,101 | 7,349,836 |
| Funds | | | |
| Unrestricted funds: | | | |
| Undesignated | 21 | 7,706,101 | 7,349,836 |
| Total unrestricted general funds | | 7,706,101 | 7,349,836 |
| Restricted funds | 21 | - | - |
| TOTAL FUNDS | | 7,706,101 | 7,349,836 |

The financial statements were approved and authorised for issue by the Members of the Council on 21 March 2025 and were signed on its behalf by:

J A Hussey (Chair of Council)



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



The notes form part of these financial statements

Port Regis School Limited

**Statement of Cash Flow
For the year ended 31 August 2024**

| | Notes | 2024 £ | 2023 £ |
|---|-------|-------------------------|-------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Net cash provided by/(used in) operating activities | a | 1,326,579 | 1,055,631 |
| Cash flows from investing activities: | | | |
| Purchase of tangible fixed assets | | (651,909) | (199,465) |
| Proceeds on sale of tangible fixed assets | | - | 1,185 |
| Net cash provided by/(used in) investing activities | | <u>(651,909)</u> | <u>(198,280)</u> |
| Cash flows from financing activities: | | | |
| Repayments of borrowing | | (150,000) | (150,000) |
| Cash inflows from new borrowing | | - | - |
| Net cash provided by/(used in) financing activities | | <u>(150,000)</u> | <u>(150,000)</u> |
| CHANGE IN CASH AND CASH EQUIVALENTS FOR THE YEAR | | 524,670 | 707,351 |
| Cash and cash equivalents brought forward | b | 2,630,026 | 1,922,675 |
| CASH AND CASH EQUIVALENTS CARRIED FORWARD AT 31 AUGUST | b | <u><u>3,154,696</u></u> | <u><u>2,630,026</u></u> |

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

| | 2024 £ | 2023 £ |
|--|-------------------------|-------------------------|
| Net income/(expenditure) for the year as per the Statement of Financial Activities | 356,265 | (53,367) |
| Adjusted for: | | |
| Depreciation | 502,865 | 468,454 |
| (Profit)/loss on disposal of tangible fixed assets | - | (1,185) |
| Net gains/(losses) on investments | - | - |
| (Increase)/decrease in debtors | (227,505) | 16,068 |
| Increase/(decrease) in creditors | 694,954 | 625,661 |
| Net cash (used in)/provided by operating activities | <u><u>1,326,579</u></u> | <u><u>1,055,631</u></u> |

b) Analysis of cash and cash equivalents

| | 2024 £ | 2023 £ |
|--------------------------|-------------------------|-------------------------|
| Cash at bank and in hand | <u><u>3,154,696</u></u> | <u><u>2,630,026</u></u> |

Port Regis School Limited
Notes to the Financial Statements
For the year ended 31 August 2024

1. Accounting policies

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

1.1 Accounting convention

The accounts of the School are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102) and the Companies Act 2006.

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

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

1.2 Income

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

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

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

Investment income is accounted for on an accruals basis.

1.3 Expenditure

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

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

1.4 Fund accounting

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

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

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

Port Regis School Limited
Notes to the Financial Statements
For the year ended 31 August 2024

1. Accounting policies (continued)

1.5 Tangible fixed assets and depreciation

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

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

An impairment review is carried out on an annual basis.

1.6 Investments

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

1.7 Debtor

Debtors are measured at their recoverable amount.

1.8 Creditors and provisions

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

1.9 Financial instruments

The School only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.10 Advance fees scheme

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

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

1.11 Operating leases

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

1.12 Pension costs

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

Port Regis School Limited
Statement of Financial Activities
For the year ended 31 August 2024

2. Statement of financial activities - comparative balances

| INCOME AND EXPENDITURE | Unrestricted £ | Restricted £ | 2023 Total £ |
|------------------------------------|---------------------------|-------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM: | | | |
| Charitable activities: | | | |
| School fees receivable | 6,194,880 | - | 6,194,880 |
| Other income | 473,344 | - | 473,344 |
| Donations and legacies | - | 5,000 | 5,000 |
| Other trading activities | 276,536 | - | 276,536 |
| Investment income | 27,577 | - | 27,577 |
| | <hr/> | <hr/> | <hr/> |
| Total income | 6,972,337 | 5,000 | 6,977,337 |
| EXPENDITURE ON: | | | |
| Raising funds | 134,489 | - | 134,489 |
| Charitable activities | 6,891,215 | 5,000 | 6,896,215 |
| | <hr/> | <hr/> | <hr/> |
| Total expenditure | 7,025,704 | 5,000 | 7,030,704 |
| | (53,367) | - | (53,367) |
| Net gains/(losses) on investments | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| NET INCOME/(EXPENDITURE) | (53,367) | - | (53,367) |
| RECONCILIATION OF FUNDS: | | | |
| Total funds brought forward | 7,403,203 | - | 7,403,203 |
| | <hr/> | <hr/> | <hr/> |
| TOTAL FUNDS CARRIED FORWARD | 7,349,836 | - | 7,349,836 |

The above results are derived from continuing activities and discontinued activities. There were no other recognised gains or losses other than those stated above.

The notes form part of these financial statements

Port Regis School Limited
Notes to the Financial Statements

For the year ended 31 August 2024

| 3. Charitable activities: School fees receivable | 2024 | 2023 |
|---|-------------------------|-------------------------|
| | £ | £ |
| Gross fees excluding registrations | 7,956,845 | 7,154,613 |
| Less: Bursaries, scholarships and allowances | <u>(1,093,575)</u> | <u>(959,733)</u> |
| | 6,863,270 | 6,194,880 |
| Restricted fund bursaries | - | - |
| | <u>6,863,270</u> | <u>6,194,880</u> |
| | <u><u>6,863,270</u></u> | <u><u>6,194,880</u></u> |
| 4. Charitable activities: Other income | 2024 | 2023 |
| | £ | £ |
| Extras, special tuition and outlays recoverable | 485,614 | 452,694 |
| Registration fees | 22,022 | 20,650 |
| | <u>507,636</u> | <u>473,344</u> |
| | <u><u>507,636</u></u> | <u><u>473,344</u></u> |
| 5. Donations and legacies | 2024 | 2023 |
| | £ | £ |
| Donations | <u>179,715</u> | <u>5,000</u> |
| | <u><u>179,715</u></u> | <u><u>5,000</u></u> |
| 6. Other trading activities | 2024 | 2023 |
| | £ | £ |
| Sports centre income | 254,381 | 180,772 |
| Lettings and rents | 10,521 | 1,765 |
| Other income | 10,330 | 4,148 |
| Profit on disposal of assets | - | 1,185 |
| Course income | 199,437 | 88,666 |
| | <u>474,669</u> | <u>276,536</u> |
| | <u><u>474,669</u></u> | <u><u>276,536</u></u> |
| 7. Investment income | 2024 | 2023 |
| | £ | £ |
| Bank and other interest | 99,853 | 27,409 |
| Investment income | 182 | 168 |
| | <u>100,035</u> | <u>27,577</u> |
| | <u><u>100,035</u></u> | <u><u>27,577</u></u> |

Port Regis School Limited
Notes to the Financial Statements

For the year ended 31 August 2024

| 8. Expenditure | Staff costs £ | Other costs £ | Depreciation £ | Total 2024 £ | Total 2023 £ |
|---|---------------------|---------------------|-------------------|--------------------|--------------------|
| Raising funds | | | | | |
| Commissions and other costs | - | 156,658 | - | 156,658 | 115,704 |
| Bank loan interest and charges | - | 13,914 | - | 13,914 | 18,785 |
| | <u>-</u> | <u>170,572</u> | <u>-</u> | <u>170,572</u> | <u>134,489</u> |
| Charitable activities | | | | | |
| Education: | | | | | |
| Teaching | 3,151,357 | 180,211 | 1,838 | 3,333,406 | 3,187,693 |
| Welfare | 589,771 | 349,915 | - | 939,686 | 881,566 |
| Premises | 614,778 | 983,048 | 501,027 | 2,098,853 | 1,756,663 |
| ICT & AV development | - | 287,267 | - | 287,267 | 271,753 |
| Support costs of schooling | 629,650 | 224,358 | - | 854,008 | 730,959 |
| Bad debts | - | 870 | - | 870 | 13,419 |
| Lettings, courses and other activities | 42,132 | 42,266 | - | 84,398 | 54,162 |
| | <u>5,027,688</u> | <u>2,067,935</u> | <u>502,865</u> | <u>7,598,488</u> | <u>6,896,215</u> |
| | <u>5,027,688</u> | <u>2,238,507</u> | <u>502,865</u> | <u>7,769,060</u> | <u>7,030,704</u> |
| | (note 11) | | | | |
| <i>TOTAL 2023</i> | <i>4,624,970</i> | <i>1,937,280</i> | <i>468,454</i> | <i>7,030,704</i> | |
| 9. Net income/(expenditure) | | | | 2024 | 2023 |
| | | | | £ | £ |
| This is stated after charging: | | | | | |
| Depreciation | | | | 502,865 | 468,454 |
| (Loss)/Profit on disposal of fixed assets | | | | - | 1,185 |
| Auditors' remuneration: | | | | | |
| - audit | | | | 14,400 | 14,170 |
| Operating lease rentals: | | | | | |
| - equipment rental | | | | <u>25,504</u> | <u>26,015</u> |

10. Taxation

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

Port Regis School Limited
Notes to the Financial Statements

For the year ended 31 August 2024

11. Staff costs and numbers

| | Teaching | | Non-teaching | | Total | |
|--------------------|-----------|-----------|--------------|-----------|-----------|-----------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| | £ | £ | £ | £ | £ | £ |
| Wages and salaries | 2,360,399 | 2,318,191 | 1,840,806 | 1,613,888 | 4,201,205 | 3,932,079 |
| Social security | 235,582 | 231,032 | 139,764 | 128,614 | 375,346 | 359,646 |
| Pension costs | 339,450 | 283,636 | 111,687 | 49,609 | 451,137 | 333,245 |
| | 2,935,431 | 2,832,859 | 2,092,257 | 1,792,111 | 5,027,688 | 4,624,970 |

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

| | 2024 No. | 2023 No. |
|-----------------|-------------|-------------|
| Teaching staff | 52 | 52 |
| Other employees | 93 | 87 |
| | 145 | 139 |

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

| | 2024 No. | 2023 No. |
|----------------------|-------------|-------------|
| £50,001 to £60,000 | 1 | - |
| £60,001 to £70,000 | - | 1 |
| £70,001 to £80,000 | 1 | 2 |
| £80,001 to £90,000 | 1 | - |
| £90,001 to £100,000 | - | - |
| £100,001 to £150,000 | - | 1 |
| Over £150,000 | 1 | - |

During the year there were redundancy and termination payments made which amounted to £112,380 (2023: £9,616). There was £nil outstanding at the year end (2023: £nil).

The total amount of employee benefits (including employer pension contributions) received by the 4 key management personnel, as listed in the Report of the Council, for their services was £423,596 (2023: £405,426 to 4 personnel).

12. Council Members' expenses and remuneration

Members of the Council are not remunerated. No expenses were reimbursed to the Council Members in the year (2023: £Nil).

Port Regis School Limited
Notes to the Financial Statements

For the year ended 31 August 2024

13. Tangible Fixed Assets

| | Freehold property £ | Building improvements £ | Furniture, fittings & equipment £ | Motor vehicles £ | Total £ |
|-----------------------|---------------------------|-------------------------------|--|------------------------|-------------------|
| Cost | | | | | |
| At 1 September | 11,684,892 | 2,998,690 | 3,663,898 | 49,560 | 18,397,040 |
| Additions | - | 410,391 | 241,518 | - | 651,909 |
| Disposals | - | - | - | - | - |
| At 31 August | <u>11,684,892</u> | <u>3,409,081</u> | <u>3,905,416</u> | <u>49,560</u> | <u>19,048,949</u> |
| Depreciation | | | | | |
| At 1 September | 5,143,895 | 2,596,102 | 2,668,893 | 42,209 | 10,451,099 |
| Charge for the year | 231,698 | 50,156 | 219,173 | 1,838 | 502,865 |
| Disposals | - | - | - | - | - |
| At 31 August | <u>5,375,593</u> | <u>2,646,258</u> | <u>2,888,066</u> | <u>44,047</u> | <u>10,953,964</u> |
| Net book value | | | | | |
| At 31 August 2024 | <u>6,309,299</u> | <u>762,823</u> | <u>1,017,350</u> | <u>5,513</u> | <u>8,094,985</u> |
| At 31 August 2023 | <u>6,540,997</u> | <u>402,588</u> | <u>995,005</u> | <u>7,351</u> | <u>7,945,941</u> |

14. Fixed Asset Investments

| | Investment Trusts £ | Unquoted UK equities £ | Total £ |
|-----------------------------|---------------------------|------------------------------|--------------|
| Market value at 1 September | 4,429 | 1,320 | 5,749 |
| Unrealised gains/(losses) | - | - | - |
| Disposals | - | - | - |
| Market value at 31 August | <u>4,429</u> | <u>1,320</u> | <u>5,749</u> |
| Historical cost | <u>1,600</u> | <u>90</u> | <u>1,690</u> |

15. Debtors

| | 2024 £ | 2023 £ |
|--|------------------|------------------|
| Fees and extras | 220,378 | 148,908 |
| Stocks, prepayments and accrued income | 236,822 | 144,096 |
| Other debtors | 63,309 | - |
| | <u>520,509</u> | <u>293,004</u> |

Fees and extras stated above are shown after provisions for doubtful debts of £870 (2023: £13,901).

Port Regis School Limited
Notes to the Financial Statements

For the year ended 31 August 2024

16. Creditors: amounts due within one year

| | 2024 | 2023 |
|---|------------------|------------------|
| | £ | £ |
| Cash received in advance for next term's fees | 1,018,874 | 861,073 |
| Advance fees scheme (note 18) | 424,421 | 266,852 |
| Deposits | 808,104 | 558,370 |
| Trade creditors | 193,777 | 81,823 |
| Bank loans (note 17) | 150,000 | 150,000 |
| Other taxation and social security | 93,830 | 87,974 |
| Other creditors | 46,649 | 36,344 |
| Accruals and deferred income | 211,912 | 114,227 |
| | 2,947,567 | 2,156,663 |
| | 2,947,567 | 2,156,663 |

17. Creditors: amounts due after more than one year

| | 2024 | 2023 |
|------------------------------|------------------|------------------|
| | £ | £ |
| Advance fee scheme (note 18) | 1,009,771 | 1,105,721 |
| Bank loans | 112,500 | 262,500 |
| | 1,122,271 | 1,368,221 |
| | 1,122,271 | 1,368,221 |

Bank loans repayable by instalments:

| | 2024 | 2023 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Less than 1 year | 150,000 | 150,000 |
| Between 2 and 5 years | 112,500 | 262,500 |
| In 5 years or more | - | - |
| | 262,500 | 412,500 |
| | 262,500 | 412,500 |

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

Port Regis School Limited
Notes to the Financial Statements

For the year ended 31 August 2024

18. Advance fee scheme

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

| | 2024 | 2023 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Less than 1 year | 424,421 | 266,852 |
| Between 2 and 7 years | 1,009,771 | 1,105,721 |
| | <u>1,434,192</u> | <u>1,372,573</u> |

Summary of movements in liability:

| | 2024 | 2023 |
|-----------------------------|------------------|------------------|
| | £ | £ |
| Balance at 1 September | 1,372,573 | 1,033,082 |
| Additional amounts received | 518,123 | 663,492 |
| Allocation to fees | (456,504) | (324,001) |
| | <u>1,434,192</u> | <u>1,372,573</u> |

19. Operating lease commitments

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

| | 2024 | 2023 |
|-----------------------|---------------|---------------|
| | £ | £ |
| Less than 1 year | 30,766 | 35,351 |
| Between 2 and 5 years | 19,245 | 42,366 |
| Over 5 years | - | - |
| | <u>50,011</u> | <u>77,717</u> |

20. Analysis of net assets between funds

| | Fixed assets & investments | Net current assets | Creditors > 1 year | Total |
|----------------------------|---|-------------------------------|----------------------------------|------------------|
| | £ | £ | £ | £ |
| Unrestricted funds: | | | | |
| General undesignated funds | 8,100,734 | 727,638 | (1,122,271) | 7,706,101 |
| Restricted funds | - | - | - | - |
| | <u>8,100,734</u> | <u>727,638</u> | <u>(1,122,271)</u> | <u>7,706,101</u> |

Port Regis School Limited
Notes to the Financial Statements

For the year ended 31 August 2024

20. Analysis of net assets between funds (continued)

Comparative analysis of net assets between funds for the year ended 31 August 2023:

| | Fixed assets & investments £ | Net current assets £ | Creditors > 1 year £ | Total £ |
|----------------------------|---|-------------------------------------|--|--------------------|
| Unrestricted funds: | | | | |
| General undesignated funds | 7,951,690 | 766,367 | (1,368,221) | 7,349,836 |
| Restricted funds | - | - | - | - |
| | <u>7,951,690</u> | <u>766,367</u> | <u>(1,368,221)</u> | <u>7,349,836</u> |

21. Statement of funds

| | Balance at 1.09.23 £ | Incoming resources £ | Outgoing resources £ | Gains/losses & transfers £ | Balance at 31.08.24 £ |
|----------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---|--------------------------------------|
| Unrestricted funds: | | | | | |
| General undesignated funds | 7,349,836 | 8,125,325 | (7,769,060) | | 7,706,101 |
| | <u>7,349,836</u> | <u>8,125,325</u> | <u>(7,769,060)</u> | - | <u>7,706,101</u> |
| Restricted funds | - | - | - | - | - |
| | <u>7,349,836</u> | <u>8,125,325</u> | <u>(7,769,060)</u> | - | <u>7,706,101</u> |

Comparative statement of funds for the year ended 31 August 2023:

| | Balance at 1.09.21 £ | Incoming resources £ | Outgoing resources £ | Gains/losses & transfers £ | Balance at 31.08.23 £ |
|----------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---|--------------------------------------|
| Unrestricted funds: | | | | | |
| General undesignated funds | 7,403,203 | 6,972,337 | (7,025,704) | - | 7,349,836 |
| | <u>7,403,203</u> | <u>6,972,337</u> | <u>(7,025,704)</u> | - | <u>7,349,836</u> |
| Restricted funds | - | 5,000 | (5,000) | - | - |
| | <u>7,403,203</u> | <u>6,977,337</u> | <u>(7,030,704)</u> | - | <u>7,349,836</u> |

Restricted funds represent a donation that was made to the charity for the sole purpose of the purchase a piece of equipment.

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

Port Regis School Limited
Notes to the Financial Statements

For the year ended 31 August 2024

23. Related party transactions

There are no other related party transactions (2023: none).

24. Status

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

25. Pension

The total pension cost for the school was £451,137 (2023: £333,245) of which £266,997 (2023: £138,267) relates to Money Purchase Schemes.

There were outstanding contributions at the balance sheet date of £23,555 (2023: £18,410) in respect of contributions due for the month of August paid over to the pension scheme administrators in September.

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

Teachers' Pension Scheme

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

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

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried in 2020 and the valuation report was published by the Department for Education in October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million;
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The pension charge for the year includes contributions payable to the TPS of £184,140 (2023: £194,978) and at the year end £20,339 (2023: £15,640) was accrued in respect of contributions to this scheme.

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

PORT REGIS SCHOOL LTD

England & Wales - Charity number 306218

Accounts

Port Regis School Limited

(A Company Limited By Guarantee)

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

For the year ended 31 August 2023

Company number: 440436

Charity number: 306218

**Port Regis School Limited
Contents**

For the year ended 31 August 2023

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Port Regis School Limited
Report of the Council
For the year ended 31 August 2023

| | |
|-------------------------------|--|
| CHAIR | Mr J Hussey MA (Oxon) *e+xm |
| MEMBERS OF THE COUNCIL | Miss E Boswell MA (Oxon) e Mr A Cotton * (appointed 23.06.23) Mrs M Cursons m (resigned 11.04.23) Mrs E Dawson *+ (resigned 23.06.23) Mr J Hamer * Mrs E Hattersley e Mr A Henshilwood e Ms S James BEd Hons e (resigned 19.01.23) Major General Rupert Jones CBE + Mrs F Loveridge MA (Oxon) *e+xm Mr G Morant Meng +p Mrs Sophie O'Keefe x Mrs H Snow e (appointed 23.06.23) Mr G Thomas *p (appointed 17.03.23) Mr T Walker-Jones +p Mr G White +* * Member of the Finance Committee e Member of the Education Committee + Member of the Governance Committee x Member of the Wellbeing Committee m Member of the Communications Committee p Parent Governor |
| HEAD | Mr T Mills BA (Hons) |
| BURSAR | Mr K Binns BSc (Hons) MRICS |
| SECRETARY | Mrs EM Bailey BA (Hons) (resigned 07.09.23) Mrs J Jarrett (appointed 07.09.23) |
| ADDRESS AND REGISTERED OFFICE | Motcombe House Motcombe Park Shaftesbury Dorset, SP7 9QA |
| REGISTERED NUMBER | 440436 |
| CHARITY NUMBER | 306218 |
| BANKERS | National Westminster Bank Plc 25 Market Place Blandford Forum Dorset, DT11 7AQ |
| AUDITORS | Fawcetts LLP Windover House St Ann Street Salisbury, SP1 2DR |

The Council present their report, together with the audited financial statements for the year ended 31 August 2023. The financial statements comply with current statutory requirements and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2019).

REFERENCE AND ADMINISTRATIVE INFORMATION

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Council

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

The number of the members of Council shall not be less than three nor more than twenty. The Council may at any time co-opt any person duly qualified to be appointed as a member of the Council to fill a vacancy in their number or as an additional member of the Council, to hold office only until the next General Meeting, when he/she is eligible for re-election. The Chair of the Council is elected by the members.

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

Recruitment, induction and training of Members of the Council

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

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

Organisation

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

There are five main Governor Committees responsible for scrutiny and oversight of the School's work. Each reports to the full Council:

- Communication Committee has oversight of the School's communication, marketing and development programmes. It meets once a term
- Education Committee is responsible for all matters of an academic and co-curricular nature. It meets once a term.
- Finance Committee supports the Bursar and oversees the financial progress and operations of the School. It meets once a term.
- Governance Committee is involved in the selection, induction and training of Council Members, ensures overall statutory compliance and the identification and mitigation of risks to the School and oversees the School's strategic objectives. It meets once a term.
- Wellbeing Committee has responsibility for overseeing pastoral care policy with particular emphasis on RSE, the care and wellbeing of the pupils, the School's ethos and values, and the opportunities for moral, spiritual, social and cultural development. It meets once a term.

The full Council of Management meets once a term, always following the meetings of the governor committees. At each meeting the full Council reviews the outcomes of the preceding governor committees, with the chair of each committee giving a verbal update and responding to questions.

Often a senior member of the School Staff makes a presentation to the Council to provide members with detailed information on a particular aspect of School life. Meetings finish with a review of how the decisions agreed will impact the pupils.

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

Principal Risks and Uncertainties

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

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

Risks fall into four categories; Education, Wellbeing, Finance and Governance. Each category is reviewed in detail by the appropriate committee on a three-term rolling cycle. Key risks are documented and the key controls include:

- regular staff training, robust policies and regular meeting on Safeguarding for key personnel including governors
- annual safeguarding audit through Dorset Safeguarding and Standards
- regular staff and management meetings
- policy documents for all major activities which are regularly updated and reviewed
- remote teaching and learning programmes to be used in the event of a major crisis
- crisis and emergency response training
- detailed terms of reference for all committees
- formal agendas for all committee and board activities
- comprehensive financial planning and budgeting, in-year management and reporting
- vetting procedures as required by law for the protection of the vulnerable
- declaration by governors about related party transactions
- termly meetings of the School's Health and Safety Committee
- regular meetings of the Governance Committee to ensure compliance with current legislation
- tracking of key performance indicators through an Information Dashboard which is monitored by the Governance Committee.
- comprehensive and live risk register tracking changes and mitigations
- preparing for compliance with National Standards (ISI Inspections)

STRATEGIC AIMS AND OBJECTIVES

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

at the Earl of Verulam's home at Gorhambury the School moved in 1947 to Motcombe Park, one mile from Shaftesbury in Dorset.

Principal activity

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

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

Vision

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

1. The championing of an unhurried and joyful childhood.
2. Extraordinary teaching that stretches and supports every child, enabling them to discover the discipline of study and the delight of learning.
3. Exceptional pastoral care that nurtures pupils and staff, placing their wellbeing at the heart of all we do.
4. A passion for developing the unique academic, sporting and creative talents of every child- giving equal measure to the head, hand and heart.
5. Strong moral, social and spiritual values, for those of all faiths or none.
6. A cohesive and distinctly happy school community that fosters a deep sense of belonging in the children, staff and parents.
7. A vibrant boarding experience, equipping children with vital skills for senior school and life beyond.
8. A culture that embeds in every child a sense of wonder for the natural world and a responsibility to preserve it.
9. A global perspective that celebrates the diversity of our children and friendships between those of different cultures and backgrounds.
10. Kindness and tolerance, so children leave as capable and compassionate young people, inspired to play their part in making the world a better place.

Ethos

The school ethos values and promotes the qualities of generosity, endeavour, joy, courage and creativity and reflects the School's motto *Altiora Petimus* ('We Seek Higher Things').

Values

Port Regis is one of the country's leading co-educational day and boarding schools for children aged two to thirteen. A school in which tradition and innovation have gone hand in hand for more than a century, it provides a thoughtful, rounded education that enables children to thrive. This education goes well beyond the beautiful buildings and outstanding facilities – it is rooted in the School's culture and values.

Five words are central to school life and underpin so much of what we champion at Port Regis: Generosity, Endeavour, Joy, Courage and Creativity.

The children have also come up with a mnemonic to help everyone remember these important values. The mnemonic is '*Chocolate Cakes Gives Everyone Joy!*'

Strategy

The School's strategy is to:

- Deliver a broad, innovative education with individualised care.
- Grow pupil numbers while maintaining a diverse cross-section of pupils.

- Simplify the model to improve cost efficiency and our value proposition to parents.
- Diversify and increase non-fee income.

Objectives for the year

The principal objectives for the year have been the continuing achievement of both academic performance, moral and physical education and the involvement of the pupils in co-curricular activities. The specific objectives for 2022-23 have been to:

- Enhance the School's reputation for academic and co-curricular excellence.
- Grow pupil numbers.
- Develop the Pre-Prep so it is deemed a leading facility in the area and models outstanding provision.
- Continue to invest in the recruitment and professional development of high-quality staff.
- Invest in additional IT infrastructure to increase the use of devices in the classroom to further promote exemplary teaching and learning.
- Install a new management information software to improve the smooth and efficient running of the School.
- Generate sufficient cash flow to help fund the future development of the School.
- Promote sustainability and further reduce Port Regis' environmental footprint by developing additional solar capacity.
- Revitalise the School's new fundraising campaign to help fund future development plans, with a particular focus on STEAM and environmental initiatives.
- Partner with Royal National Children's Springboard Foundation to offer a number of fully funded bursary places to children who most need access to the opportunities that Port Regis provides.

Public benefit

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

- The School educates around 300 children and the standards of education and care are judged by the Independent Schools Inspectorate, to be of a high standard. The last inspection took place in September 2022. All the standards were met and the School was awarded excellent, the highest grade, for the quality of the pupils' academic and other achievements as well as for the quality of the pupils' personal development.
- By educating these children in the private sector we save the public purse a seven-figure sum, an indirect and significant public benefit. The School provides children from a wide range of financial backgrounds with access to its education by way of means-tested bursarial awards.
- The School trains and inducts teachers through the PGCE scheme and the ECT programme. It receives no funding from government for these undertakings and thus provides a significant net benefit to the profession and to society.
- The School is responsible for maintaining at significant cost the historic building at the heart of the School, Motcombe House, as well as all the grounds and other buildings within its curtilage.
- The School actively seeks to promote community links by making its facilities (music, sporting, art, design technology) available to the local community, schools and other organisations and by engaging where practicable and desirable in community affairs.
- The School supports and fundraises for a wide range of local, national and international charities. These are often chosen by the children and are of special significance or relevance.
- The school makes available its excellent sporting facilities, notably the swimming pool and gym, to children from the local community.
- By being an early adopter of solar technology, the school is leading the local community in demonstrating both a pathway, as well as the environmental benefits, of pursuing a carbon neutral energy strategy (see facilities).

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

Grant making policy

The Council is committed to broadening access to the School by offering eligible parents means tested financial support with the payment of school fees. Assistance is also provided to the children of School staff and military families. Means-tested bursaries are awarded by the Council in exceptional cases of need on the recommendation of the remissions committee to existing pupils of the School. The opportunity to benefit from the School's grants is neither subject to geographical nor other restrictions nor by the ability to pay any fees charged. As such, people in poverty are not excluded from the opportunity to benefit. In 2022-23 the financial value of all discounts was £959,733, representing 13.4% of gross fees.

ACHIEVEMENTS AND PERFORMANCE

Operational Performance

The Council oversees the School to ensure its objectives are met and continues to focus on ensuring sufficient funds to run and develop the School. The School had a good year with pupil numbers steady. Boarding numbers remained robust in all boarding houses and weekends are vibrant with activity. The Council was pleased to see progress in the School's drive to reduce its carbon footprint with an 18% and 24% reduction in annual electricity and gas consumption respectively.

Academic Staff

The School continues to invest in the recruitment and professional development of high-quality staff to help meet the School's objective of enhancing its reputation for academic and co-curricular excellence. The School was pleased to appoint a new Head of Upper School, Head of MFL and Head of Drama.

Facilities

Port Regis has long been regarded as having outstanding facilities for a preparatory school. These facilities provide pupils with exceptional opportunities to allow them to reach their potential on the academic front as well as in music, drama, sport, art and design and technology. The School continues to invest to maintain and upgrade its first-rate facilities across the 150-acre site. During the year the School invested in new computer devices and IT infrastructure, new grounds machinery and launched a new parent's portal and Old Port Regians' network and approved investment a new 300kW solar scheme for installation in 2024.

Academic

The School prepared 62 children for entry to their senior Schools. The pass rate at Common Entrance was once again 100%, and 27 scholarships/exhibitions were awarded: nine academic, nine sporting, four art, one design technology, two music and two drama. Scholarships were awarded to Port Regians by Bryanston, Canford, Marlborough, Sherborne, Sherborne Girls, Clayesmore, King's Bruton, Radley, Dauntsey's, Clifton College, Millfield, Leweston, Harrow, Winchester and St Mary's, Calne. 34% of Year 8 leavers heading to UK senior schools won at least one scholarship. Leavers went on to 19 different UK senior schools, continuing Port Regis' long tradition of preparing children for a wide range of the country's leading destinations at 13+. As a boarding school, Port Regis is proud of its tradition of educating children from all over the world and of the levels of attainment reached by its EAL pupils, (those for whom English is not the first language).

Sports

The Games programme was again successful in its support of Port Regis' "Sport for All" philosophy. Every child had the opportunity to represent the School as well as his or her house. We have also had a push on our top teams so that we continue to challenge our pupils as well as stretching our top performers and a push to be as competitive as we can in all fixtures.

The house competitions have been ever popular with the inter-house cross country proving a big success, with every child representing and earning points for their houses and an impressive turn out of runners this year.

Last Spring we qualified 12 swimmers to the National Swimming Finals with 1 becoming a National Champion. We qualified 18 athletes to represent Port Regis at the National Athletics Finals in Nuneaton. The U10 Boys gymnastics won a National Gold Medal.

Port Regis Sports Centre offers swimming (including lessons), tennis, squash, badminton, use of the Astro turf as well as holiday activity courses. The Port Regis Gym Club is available for children (including toddlers) of all abilities. We have continued to grow our Sport Centre numbers and are trying to put on more classes where possible to reduce waiting lists. Looking at the timetable though there are not many gaps where we can add more classes.

Arts

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

Drama in the school continues to thrive with lessons being taught to all children in Reception-Year 8 There has been a real focus on performing with every year group having at least one production. These included full length productions of 'The Hobbit' and 'A Christmas Carol'. In addition, the Advanced Stage Acting Club for year 7 and 8 took their workshop performances to local primary schools. The popular 'Stage Crew' saw over 25 Y5-8 pupils becoming involved in learning about the technical and backstage roles required for productions. These students were fully immersed in the shows whether making props and applying make-up, manning the lighting and sound desks or taking on stage management roles. Individual performing arts training continued to be popular with the school achieving a pass rate of 100% in LAMDA exams.

The Art, Design and Technology, Drama, Music and Sports departments offered enhanced scholarship provision to selected pupils on top of their standard curricular provision. The extensive Scholarships awarded are detailed above.

Community

The School continue to promote community links by making its facilities available to, local schools and other organisations and by engaging where practicable in community affairs. This has included: use of the swimming pool and gymnasium, local schools coming to watch school drama productions, meet Father Christmas participate in other charity events, taking part in the Motcombe Santa Run to raise funds for the local community.

On charity fundraising Port Regis has focused on supporting one local charity – Horatio's Garden and two Worldwide charities, The World Land Trust and The Foundation of Goodness, which includes an exciting project to rebuild a primary school in Sri Lanka. Various events have been organised in support including cricket coaching from a world-famous cricketer, Art competitions, selling flowers, charity cricket match, a summer fete and a summer charity ball for parents and staff. As in previous years we have also supported the following charities: Royal British Legion, Red Nose Day, MacMillan Coffee Morning, Wear Green for Macmillan, and Christmas Jumper Day for Save the Children.

Port Regis Sports Centre offers swimming (including lessons), tennis, squash, badminton, use of the Astro turf as well as holiday activity courses. The Port Regis Gym Club is available for children (including toddlers) of all abilities. Though Port Regis Sports Centre is permanently closed to adult members we have focused resources on providing classes to local schools, children's groups and individuals in line with Port Regis' wider charitable objectives.

As we plan ahead, we are constantly looking at new ways to involve the school in different community events and how we can enable use of our facilities to support the local community.

FINANCIAL REVIEW

Operating Results

Port Regis School Limited
Report of the Council
For the year ended 31 August 2023

Port Regis posted a small loss in 2022-23 of £53,370 in line with expectations and an improvement on the loss of £198,491 in the previous year. Cash flow from operations was more than sufficient to cover annual capital expenditure without the need for borrowing. Net assets at year-end were £7.35m (2022: £7.4m). The improvement in financial performance was principally due to cost control and the increase in fees. Cash and cash equivalents ended the year at £2.63m (2022: £1.9m) with an outstanding CBILS loan of £412,500. The School invested heavily in IT, including new devices for teaching, website development and new management information software.

Reserves

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

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

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

Investment policy and objectives

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

FUTURE PLANS

We will continue to embed our principal objectives, continuing with our achievement of both academic performance, moral, spiritual and physical education and the involvement of the pupils in extra-curricular activities. The specific objectives for 2023-2024 are to:

- Maintain the School's reputation for academic and co-curricular excellence while continuing to put the welfare of children at the centre of everything we do.
- Grow pupil numbers.
- Achieve more efficient use of teachers' time and resources.
- Streamline the School's operating structures to help mitigate the impact of any potential changes to the existing tax regime for independent schools
- Install a new 300kW solar scheme to further reduce both the School's carbon footprint and its resilience to fluctuating energy prices.
- Make progress with the School's fundraising campaign to help fund future development plans.

GOVERNORS' INDEMNITY INSURANCE

The School has purchased governors' indemnity insurance cover.

STATEMENT OF COUNCIL'S RESPONSIBILITIES

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

Company law requires the Members of the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charity and the group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;

Port Regis School Limited
Report of the Council
For the year ended 31 August 2023

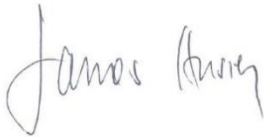
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

The report of the Council, which includes the strategic report, was approved on 16th November 2023 and signed on their behalf by:



Mr J Hussey
Chair of the Council of Management
Motcombe House
Motcombe Park
Shaftesbury
Dorset
SP7 9QA

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

Opinion

We have audited the consolidated financial statements of Port Regis School Limited (the 'charitable company') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and School Balance Sheet, the Consolidated Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's and group's affairs as at 31 August 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

**Report of the Independent Auditors
To the Members of**

Port Regis School Limited

Matters on which we are required to report by exception

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

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

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

Responsibilities of Members of the Council

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

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

Auditor's responsibilities for the audit of the financial statements

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

Identifying and assessing potential risks related to irregularities

Irregularities, including fraud, are non-compliance with laws and regulations. We design procedures, in line with our responsibilities, as set out in the auditor's responsibilities for the audit of the financial statements section, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, are detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations we consider the following:

- the nature of the charity sector, control environment and financial performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following area: revenue and resource recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

**Report of the Independent Auditors (continued)
To the Members of**

Port Regis School Limited

We have also obtained an understanding of the legal and regulatory frameworks that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act and related legislation.

Audit response to risks identified

As a result of performing the above, we identified revenue and resource recognition as a key audit matter related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- understanding the group's revenue recognition policies and how they are applied, including the relevant controls and performing a walkthrough to validate our understanding.
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to compare revenue recognised against expectations and based on past experiences and management forecasts and investigated material divergencies by obtaining corroborative evidence.
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; applying parameters designed to identify entries that were not within our expectations. This included analysing and selecting journals for testing which appeared unusual in nature, either due to size, preparer or date of posting. To test their validity, we verified the journals to originating documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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

Simon J Ellingham

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

Date: 21 May 2024

Port Regis School Limited
Consolidated Statement of Financial Activities

For the year ended 31 August 2023

| INCOME AND EXPENDITURE | | Unrestricted | Restricted | 2023 | 2022 |
|------------------------------------|-------------|-------------------------|-------------------|-------------------------|-------------------------|
| | Note | £ | £ | Total | Total |
| | | | | £ | £ |
| INCOME AND ENDOWMENTS FROM: | | | | | |
| Charitable activities: | | | | | |
| School fees receivable | 3 | 6,194,880 | - | 6,194,880 | 5,739,477 |
| Other income | 4 | 473,344 | - | 473,344 | 438,743 |
| Donations and legacies | 5 | - | 5,000 | 5,000 | 61,121 |
| Other trading activities | 6 | 276,536 | - | 276,536 | 330,387 |
| Investment income | 7 | 27,577 | - | 27,577 | 1,345 |
| | | <u>6,972,337</u> | <u>5,000</u> | <u>6,977,337</u> | <u>6,571,073</u> |
| Total income | | | | | |
| EXPENDITURE ON: | | | | | |
| Raising funds | 8 | 134,489 | - | 134,489 | 87,559 |
| Charitable activities | 8 | 6,891,215 | 5,000 | 6,896,215 | 6,674,428 |
| | | <u>7,025,704</u> | <u>5,000</u> | <u>7,030,704</u> | <u>6,761,987</u> |
| Total expenditure | | | | | |
| | | (53,367) | - | (53,367) | (190,914) |
| Net gains/(losses) on investments | 14 | - | - | - | - |
| | | <u>(53,367)</u> | <u>-</u> | <u>(53,367)</u> | <u>(190,914)</u> |
| NET INCOME/(EXPENDITURE) | | | | | |
| RECONCILIATION OF FUNDS: | | | | | |
| Total funds brought forward | | 7,403,203 | - | 7,403,203 | 7,594,117 |
| | | <u>7,403,203</u> | <u>-</u> | <u>7,403,203</u> | <u>7,594,117</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u>7,349,836</u> | <u>-</u> | <u>7,349,836</u> | <u>7,403,203</u> |

The above results are derived from continuing activities and discontinued activities. There were no other recognised gains or losses other than those stated above.

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

these financial statements

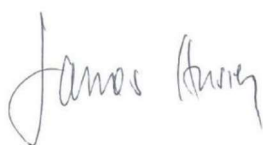
Port Regis School Limited
(Company number: 440436)
Consolidated Balance Sheet

For the year ended 31 August 2023

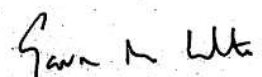
| | Note | Group | | School | |
|---|------|-------------------------|-------------------------|-------------------------|-------------------------|
| | | 2023 £ | 2022 £ | 2023 £ | 2022 £ |
| Fixed assets | | | | | |
| Tangible fixed assets | 13 | 7,945,941 | 8,214,930 | 7,945,941 | 8,214,930 |
| Investment | 14 | 5,749 | 5,749 | 5,749 | 5,749 |
| | | <u>7,951,690</u> | <u>8,220,679</u> | <u>7,951,690</u> | <u>8,220,679</u> |
| Current assets | | | | | |
| Debtors | 15 | 293,004 | 309,072 | 293,004 | 309,072 |
| Cash at bank and in hand | | <u>2,630,026</u> | <u>1,922,675</u> | <u>2,630,026</u> | <u>1,922,675</u> |
| Total current assets | | <u>2,923,030</u> | <u>2,231,747</u> | <u>2,923,030</u> | <u>2,231,747</u> |
| Liabilities | | | | | |
| Creditors: Amounts due within one year | 16 | <u>(2,156,663)</u> | <u>(1,927,361)</u> | <u>(2,156,663)</u> | <u>(1,927,361)</u> |
| Net current assets | | <u>766,367</u> | <u>304,386</u> | <u>766,367</u> | <u>304,386</u> |
| Total assets less current liabilities | | <u>8,718,057</u> | <u>8,525,065</u> | <u>8,718,057</u> | <u>8,525,065</u> |
| Creditors: Amounts due after more than one year | 17 | <u>(1,368,221)</u> | <u>(1,121,862)</u> | <u>(1,368,221)</u> | <u>(1,121,862)</u> |
| NET ASSETS | | <u><u>7,349,836</u></u> | <u><u>7,403,203</u></u> | <u><u>7,349,836</u></u> | <u><u>7,403,203</u></u> |
| Funds | | | | | |
| Unrestricted funds: | | | | | |
| Undesignated | 21 | 7,349,836 | 7,403,203 | 7,349,836 | 7,403,203 |
| Trading company | 21 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total unrestricted general funds | | <u>7,349,836</u> | <u>7,403,203</u> | <u>7,349,836</u> | <u>7,403,203</u> |
| Restricted funds | 21 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL FUNDS | | <u><u>7,349,836</u></u> | <u><u>7,403,203</u></u> | <u><u>7,349,836</u></u> | <u><u>7,403,203</u></u> |

The financial statements were approved and authorised for issue by the Members of the Council on 16th November 23 and were signed on its behalf by:

J A Hussey (Chair of Council)



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



The notes form part of these financial statements

Port Regis School Limited

Consolidated Statement of Cash Flow
For the year ended 31 August 2023

| | Notes | 2023 £ | 2022 £ |
|---|-------|-------------------------|-------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Net cash provided by/(used in) operating activities | a | 1,055,631 | (205,713) |
| Cash flows from investing activities: | | | |
| Purchase of tangible fixed assets | | (199,465) | (451,155) |
| Proceeds on sale of tangible fixed assets | | 1,185 | 45,216 |
| Net cash provided by/(used in) investing activities | | <u>(198,280)</u> | <u>(405,939)</u> |
| Cash flows from financing activities: | | | |
| Repayments of borrowing | | (150,000) | (150,000) |
| Cash inflows from new borrowing | | - | - |
| Net cash provided by/(used in) financing activities | | <u>(150,000)</u> | <u>(150,000)</u> |
| CHANGE IN CASH AND CASH EQUIVALENTS FOR THE YEAR | | 707,351 | (761,652) |
| Cash and cash equivalents brought forward | b | 1,922,675 | 2,684,327 |
| CASH AND CASH EQUIVALENTS CARRIED FORWARD AT 31 AUGUST | b | <u><u>2,630,026</u></u> | <u><u>1,922,675</u></u> |

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

| | 2023 £ | 2022 £ |
|--|-------------------------|-------------------------|
| Net income/(expenditure) for the year as per the Statement of Financial Activities | (53,367) | (190,914) |
| Adjusted for: | | |
| Depreciation | 468,454 | 413,775 |
| (Profit)/loss on disposal of tangible fixed assets | (1,185) | (33,897) |
| Disposal of subsidiary | - | (2,748) |
| (Increase)/decrease in debtors | 16,068 | (66,304) |
| Increase/(decrease) in creditors | 625,661 | (325,625) |
| Net cash (used in)/provided by operating activities | <u><u>1,055,631</u></u> | <u><u>(205,713)</u></u> |

b) Analysis of cash and cash equivalents

| | 2023 £ | 2022 £ |
|--------------------------|-------------------------|-------------------------|
| Cash at bank and in hand | <u><u>2,630,026</u></u> | <u><u>1,922,675</u></u> |

Port Regis School Limited
Notes to the Consolidated Financial Statements
For the year ended 31 August 2023

1. Accounting policies

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

1.1 Accounting convention

The accounts of the School are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102) and the Companies Act 2006.

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

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

1.2 Basis of consolidation

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

1.3 Income

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

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

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

Investment income is accounted for on an accruals basis.

1.4 Expenditure

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

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

1.5 Fund accounting

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

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

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

Port Regis School Limited
Notes to the Consolidated Financial Statements
For the year ended 31 August 2023

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

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

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

An impairment review is carried out on an annual basis.

1.7 Investments

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

1.8 Debtor

Debtors are measured at their recoverable amount.

1.9 Creditors and provisions

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

1.10 Financial instruments

The School only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.11 Advance fees scheme

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

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

1.12 Operating leases

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

1.13 Pension costs

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2023

2. Statement of financial activities - comparative balances

| | Unrestricted £ | Restricted £ | 2022 Total £ |
|------------------------------------|---------------------------|-------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM: | | | |
| Charitable activities: | | | |
| School fees receivable | 5,739,477 | - | 5,739,477 |
| Other income | 438,743 | - | 438,743 |
| Donations and legacies | 61,121 | | 61,121 |
| Other trading activities | 330,387 | - | 330,387 |
| Investment income | 1,345 | - | 1,345 |
| | <u>6,571,073</u> | <u>-</u> | <u>6,571,073</u> |
| Total income | | | |
| EXPENDITURE ON: | | | |
| Raising funds | 87,559 | - | 87,559 |
| Charitable activities | 6,643,359 | 31,069 | 6,674,428 |
| | <u>6,730,918</u> | <u>31,069</u> | <u>6,761,987</u> |
| | (159,845) | (31,069) | (190,914) |
| Net gains/(losses) on investments | - | - | - |
| NET INCOME/(EXPENDITURE) | <u>(159,845)</u> | <u>(31,069)</u> | <u>(190,914)</u> |
| RECONCILIATION OF FUNDS: | | | |
| Total funds brought forward | 7,563,048 | 31,069 | 7,594,117 |
| TOTAL FUNDS CARRIED FORWARD | <u><u>7,403,203</u></u> | <u><u>-</u></u> | <u><u>7,403,203</u></u> |

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2023

| 3. Charitable activities: School fees receivable | 2023 | 2022 |
|---|------------------|------------------|
| | £ | £ |
| Gross fees excluding registrations | 7,154,613 | 6,684,768 |
| Less: Bursaries, scholarships and allowances | (959,733) | (945,291) |
| | <u>6,194,880</u> | <u>5,739,477</u> |
| Restricted fund bursaries | - | - |
| | <u>6,194,880</u> | <u>5,739,477</u> |
| | <u>6,194,880</u> | <u>5,739,477</u> |
| | | |
| 4. Charitable activities: Other income | 2023 | 2022 |
| | £ | £ |
| Extras, special tuition and outlays recoverable | 452,694 | 427,379 |
| Registration fees | 20,650 | 10,340 |
| Government grants | - | 1,024 |
| | <u>473,344</u> | <u>438,743</u> |
| | <u>473,344</u> | <u>438,743</u> |
| | <u>473,344</u> | <u>438,743</u> |
| | | |
| 5. Donations and legacies | 2023 | 2022 |
| | £ | £ |
| Donations | <u>5,000</u> | <u>61,121</u> |
| | <u>5,000</u> | <u>61,121</u> |
| | <u>5,000</u> | <u>61,121</u> |
| | | |
| 6. Other trading activities | 2023 | 2022 |
| | £ | £ |
| Subsidiary trading income | - | 2,180 |
| Sports centre income | 180,772 | 135,402 |
| Lettings and rents | 1,765 | 1,364 |
| Other income | 4,148 | 3,776 |
| Insurance proceeds | - | 29,396 |
| Profit on disposal of assets | 1,185 | 33,897 |
| Course income | 88,666 | 124,372 |
| | <u>276,536</u> | <u>330,387</u> |
| | <u>276,536</u> | <u>330,387</u> |
| | <u>276,536</u> | <u>330,387</u> |
| | | |
| 7. Investment income | 2023 | 2022 |
| | £ | £ |
| Bank and other interest | 27,409 | 1,198 |
| Investment income | 168 | 147 |
| | <u>27,577</u> | <u>1,345</u> |
| | <u>27,577</u> | <u>1,345</u> |
| | <u>27,577</u> | <u>1,345</u> |

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2023

| 8. Expenditure | Staff costs £ | Other costs £ | Depreciation £ | Total 2023 £ | Total 2022 £ |
|---|------------------------------|------------------------------|---------------------------|-----------------------------|-----------------------------|
| Raising funds | | | | | |
| Trading costs | - | - | - | - | 6,572 |
| Commissions and other costs | - | 115,704 | - | 115,704 | 57,473 |
| Bank loan interest and charges | - | 18,785 | - | 18,785 | 23,514 |
| | <u>-</u> | <u>134,489</u> | <u>-</u> | <u>134,489</u> | <u>87,559</u> |
| Charitable activities | | | | | |
| Education: | | | | | |
| Teaching | 3,006,642 | 178,600 | 2,451 | 3,187,693 | 3,023,882 |
| Welfare | 552,906 | 328,660 | - | 881,566 | 864,144 |
| Premises | 532,772 | 757,888 | 466,003 | 1,756,663 | 1,812,731 |
| ICT & AV development | - | 271,753 | - | 271,753 | 232,649 |
| Support costs of schooling | 503,520 | 227,439 | - | 730,959 | 665,212 |
| Bad debts | - | 13,419 | - | 13,419 | 333 |
| Lettings, courses and other activities | 29,130 | 25,032 | - | 54,162 | 78,225 |
| Loss on disposal of subsidiary | - | - | - | - | (2,748) |
| | <u>4,624,970</u> | <u>1,802,791</u> | <u>468,454</u> | <u>6,896,215</u> | <u>6,674,428</u> |
| | <u>4,624,970</u> | <u>1,937,280</u> | <u>468,454</u> | <u>7,030,704</u> | <u>6,761,987</u> |
| | (note 11) | | | | |
| TOTAL 2022 | 4,492,448 | 1,885,764 | 413,775 | 6,791,987 | |
| 9. Net income/(expenditure) | | | | 2023 | 2022 |
| | | | | £ | £ |
| This is stated after charging: | | | | | |
| Depreciation | | | | 468,454 | 413,775 |
| (Loss)/Profit on disposal of fixed assets | | | | 1,185 | 33,897 |
| Auditors' remuneration: | | | | | |
| - audit | | | | 14,170 | 16,370 |
| Operating lease rentals: | | | | | |
| - equipment rental | | | | <u>26,015</u> | <u>30,770</u> |

10. Taxation

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2023

11. Staff costs and numbers

| | <u>Teaching</u> | | <u>Non-teaching</u> | | <u>Total</u> | |
|--------------------|------------------|------------------|---------------------|------------------|------------------|------------------|
| | <u>2023</u> | <u>2022</u> | <u>2023</u> | <u>2022</u> | <u>2023</u> | <u>2022</u> |
| | £ | £ | £ | £ | £ | £ |
| Wages and salaries | 2,318,191 | 2,165,509 | 1,613,888 | 1,656,954 | 3,932,079 | 3,822,463 |
| Social security | 231,032 | 217,191 | 128,614 | 126,975 | 359,646 | 344,166 |
| Pension costs | 283,636 | 276,742 | 49,609 | 49,077 | 333,245 | 325,819 |
| | <u>2,832,859</u> | <u>2,659,442</u> | <u>1,792,111</u> | <u>1,833,006</u> | <u>4,624,970</u> | <u>4,492,448</u> |

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

| | 2023 | 2022 |
|-----------------|-------------|-------------|
| | No. | No. |
| Teaching staff | 52 | 52 |
| Other employees | 87 | 92 |
| | <u>139</u> | <u>144</u> |

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

| | 2023 | 2022 |
|----------------------|-------------|-------------|
| | No. | No. |
| £50,001 to £60,000 | - | 1 |
| £60,001 to £70,000 | 1 | 1 |
| £70,001 to £80,000 | 2 | 1 |
| £80,001 to £90,000 | - | - |
| £90,001 to £100,000 | - | - |
| £100,001 to £150,000 | <u>1</u> | <u>1</u> |

During the year there were redundancy and termination payments made which amounted to £9,616 (2022: £26,000). There was £nil outstanding at the year end (2022: £nil).

The total amount of employee benefits (including employer pension contributions) received by the 4 key management personnel, as listed in the Report of the Council, for their services was £357,648 (2022: £327,584 to 4 personnel).

12. Council Members' expenses and remuneration

Members of the Council are not remunerated. No expenses were reimbursed to the Council Members in the year (2022: £Nil).

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2023

13. Tangible Fixed Assets

| | Freehold property £ | Building improvements £ | Furniture, fittings & equipment £ | Motor vehicles £ | School Total £ | Subsidiary £ | Group Total £ |
|-----------------------|---------------------------|-------------------------------|--|------------------------|----------------------|-----------------|---------------------|
| Cost | | | | | | | |
| At 1 September | 11,684,892 | 2,998,690 | 3,467,258 | 49,560 | 18,200,400 | - | 18,200,400 |
| Additions | - | - | 199,465 | - | 199,465 | - | 199,465 |
| Disposals | - | - | (2,825) | - | (2,825) | - | (2,825) |
| At 31 August | <u>11,684,892</u> | <u>2,998,690</u> | <u>3,663,898</u> | <u>49,560</u> | <u>18,397,040</u> | <u>-</u> | <u>18,397,040</u> |
| Depreciation | | | | | | | |
| At 1 September | 4,912,197 | 2,549,435 | 2,484,080 | 39,758 | 9,985,470 | - | 9,985,470 |
| Charge for the year | 231,698 | 46,667 | 187,638 | 2,451 | 468,454 | - | 468,454 |
| Disposals | - | - | (2,825) | - | (2,825) | - | (2,825) |
| At 31 August | <u>5,143,895</u> | <u>2,596,102</u> | <u>2,668,893</u> | <u>42,209</u> | <u>10,451,099</u> | <u>-</u> | <u>10,451,099</u> |
| Net book value | | | | | | | |
| At 31 August 2023 | <u>6,540,997</u> | <u>402,588</u> | <u>995,005</u> | <u>7,351</u> | <u>7,945,941</u> | <u>-</u> | <u>7,945,941</u> |
| At 31 August 2022 | <u>6,772,695</u> | <u>449,255</u> | <u>983,178</u> | <u>9,802</u> | <u>8,214,930</u> | <u>-</u> | <u>8,214,930</u> |

14. Fixed Asset Investments

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

15. Debtors

| | Group | | School | |
|--|----------------|----------------|----------------|----------------|
| | 2023 £ | 2022 £ | 2023 £ | 2022 £ |
| Fees and extras | 148,908 | 170,419 | 148,908 | 170,419 |
| Stocks, prepayments and accrued income | 144,096 | 138,653 | 144,096 | 138,653 |
| Amount owed by subsidiary | - | - | - | - |
| | <u>293,004</u> | <u>309,072</u> | <u>293,004</u> | <u>309,072</u> |

Fees and extras stated above are shown after provisions for doubtful debts of £12,654 (2022: £Nil).

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2023

| 16. Creditors: amounts due within one year | Group | | School | |
|--|-----------|-----------|-------------|-------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Cash received in advance for next term's fees | 861,073 | 759,941 | 861,073 | 759,941 |
| Advance fees scheme (note 18) | 266,852 | 323,720 | 266,852 | 323,720 |
| Deposits | 558,370 | 358,506 | 558,370 | 358,506 |
| Trade creditors | 81,823 | 93,416 | 81,823 | 93,416 |
| Bank loans (note 17) | 150,000 | 150,000 | 150,000 | 150,000 |
| Other taxation and social security | 87,974 | 84,608 | 87,974 | 84,608 |
| Other creditors | 36,344 | 35,840 | 36,344 | 35,840 |
| Accruals and deferred income | 114,227 | 121,330 | 114,227 | 121,330 |
| | 2,156,663 | 1,927,361 | 2,156,663 | 1,927,361 |
| 17. Creditors: amounts due after more than one year | | | | |
| | | | 2023 | 2022 |
| | | | £ | £ |
| Advance fee scheme (note 18) | | | 1,105,721 | 709,362 |
| Bank loans | | | 262,500 | 412,500 |
| | | | 1,368,221 | 1,121,862 |
| Bank loans repayable by instalments: | | | | |
| | | | 2023 | 2022 |
| | | | £ | £ |
| Less than 1 year | | | 150,000 | 150,000 |
| Between 2 and 5 years | | | 262,500 | 412,500 |
| In 5 years or more | | | - | - |
| | | | 412,500 | 562,500 |

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2023

18. Advance fee scheme

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

| | 2023 | 2022 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Less than 1 year | 266,852 | 323,700 |
| Between 2 and 7 years | 1,105,721 | 709,362 |
| | 1,372,573 | 1,033,062 |

Summary of movements in liability:

| | 2023 | 2022 |
|-----------------------------|------------------|------------------|
| | £ | £ |
| Balance at 1 September | 1,033,082 | 1,414,746 |
| Additional amounts received | 663,492 | - |
| Allocation to fees | (324,001) | (381,664) |
| | 1,372,573 | 1,033,082 |

19. Operating lease commitments

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

| | 2023 | 2022 |
|-----------------------|---------------|---------------|
| | £ | £ |
| Less than 1 year | 35,351 | 18,498 |
| Between 2 and 5 years | 42,366 | 11,142 |
| Over 5 years | - | - |
| | 77,717 | 29,640 |

20. Analysis of net assets between funds

| | Fixed assets & investments | Net current liabilities | Creditors > 1 year | Total |
|----------------------------|---|------------------------------------|----------------------------------|------------------|
| | £ | £ | £ | £ |
| Unrestricted funds: | | | | |
| General undesignated funds | 7,951,690 | 766,367 | (1,368,221) | 7,349,836 |
| Trading subsidiary | - | - | - | - |
| Restricted funds | - | - | - | - |
| | 7,951,690 | 766,367 | (1,368,221) | 7,349,836 |

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2023

20. Analysis of net assets between funds (continued)

Comparative analysis of net assets between funds for the year ended 31 August 2022:

| | Fixed assets & investments £ | Net current liabilities £ | Creditors > 1 year £ | Total £ |
|--|---|--|--|-------------------------|
| Unrestricted funds: | | | | |
| General undesignated funds | 8,220,679 | 304,386 | (1,121,862) | 7,403,203 |
| Trading subsidiary | - | - | - | - |
| Restricted funds | - | - | - | - |
| Net assets at the end of the year | <u><u>8,220,679</u></u> | <u><u>304,386</u></u> | <u><u>(1,121,862)</u></u> | <u><u>7,403,203</u></u> |

21. Statement of funds

| | Balance at 1.09.22 £ | Incoming resources £ | Outgoing resources £ | Gains/losses & transfers £ | Balance at 31.08.23 £ |
|----------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---|--------------------------------------|
| Unrestricted funds: | | | | | |
| General undesignated funds | 7,403,203 | 6,972,337 | (7,025,704) | | 7,349,836 |
| Trading subsidiary | - | | - | | - |
| | <u>7,403,203</u> | <u>6,972,337</u> | <u>(7,025,704)</u> | <u>-</u> | <u>7,349,836</u> |
| Restricted funds | - | 5,000 | (5,000) | - | - |
| | <u>7,403,203</u> | <u>6,977,337</u> | <u>(7,030,704)</u> | <u>-</u> | <u>7,349,836</u> |

Comparative statement of funds for the year ended 31 August 2022:

| | Balance at 1.09.21 £ | Incoming resources £ | Outgoing resources £ | Gains/losses & transfers £ | Balance at 31.08.22 £ |
|----------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---|--------------------------------------|
| Unrestricted funds: | | | | | |
| General undesignated funds | 7,570,629 | 6,568,893 | (6,724,346) | (11,973) | 7,403,203 |
| Trading subsidiary | (7,581) | 2,180 | (6,572) | 11,973 | - |
| | <u>7,563,048</u> | <u>6,571,073</u> | <u>(6,730,918)</u> | <u>-</u> | <u>7,403,203</u> |
| Restricted funds | 31,069 | - | (31,069) | - | - |
| | <u>7,594,117</u> | <u>6,571,073</u> | <u>(6,761,987)</u> | <u>-</u> | <u>7,403,203</u> |

Restricted funds represent a donation that was made to the charity for the sole purpose of the purchase a piece of equipment.

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2023

25. Pension

The total pension cost for the group was £333,245 (2022: £325,819) of which £138,267 (2022: £153,609) relates to Money Purchase Schemes.

There were outstanding contributions at the balance sheet date of £18,410 (2022: £20,373) in respect of contributions due for the month of August paid over to the pension scheme administrators in September.

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

Teachers' Pension Scheme

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

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

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

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

The next valuation result is due to be implemented from 1 April 2024.

The pension charge for the year includes contributions payable to the TPS of £194,978 (2022: £172,210) and at the year end £15,640 (2022: £13,251) was accrued in respect of contributions to this scheme.

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

PORT REGIS SCHOOL LTD

England & Wales - Charity number 306218

Accounts

AMENDED

Port Regis School Limited

(A Company Limited By Guarantee)

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

For the year ended 31 August 2022

Company number: 440436

Charity number: 306218

**Port Regis School Limited
Contents**

For the year ended 31 August 2022

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Port Regis School Limited
Report of the Council
For the year ended 31 August 2022

The Council present their report, together with the audited financial statements for the year ended 31 August 2022. The financial statements comply with current statutory requirements and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2019).

REFERENCE AND ADMINISTRATIVE INFORMATION

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Council

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

The number of the members of Council shall not be less than three nor more than twenty. The Council may at any time co-opt any person duly qualified to be appointed as a member of the Council to fill a vacancy in their number or as an additional member of the Council, to hold office only until the next General Meeting, when he/she is eligible for re-election. The Chair of the Council is elected by the members.

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

Recruitment, induction and training of Members of the Council

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

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

Organisation

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

There are five main Governor Committees responsible for scrutiny and oversight of the School's work. Each reports to the full Council:

- Communication Committee has oversight of the School's communication, marketing and development programmes. It meets once a term
- Education Committee is responsible for all matters of an academic and co-curricular nature. It meets once a term.
- Finance Committee supports the Bursar and oversees the financial progress and operations of the School. It meets once a term.

Port Regis School Limited
Report of the Council
For the year ended 31 August 2022

- Governance Committee is involved in the selection, induction and training of Council Members, ensures overall statutory compliance and the identification and mitigation of risks to the School and oversees the School's strategic objectives. It meets once a term.
- Wellbeing Committee has responsibility for overseeing pastoral care policy with particular emphasis on RSE, the care and wellbeing of the pupils, the School's ethos and values, and the opportunities for moral, spiritual, social and cultural development. It meets once a term.

The full Council of Management meets once a term, always following the meetings of the governor committees. At each meeting the full Council reviews the minutes of the preceding governor committees, with the chair of each committee giving a verbal update and responding to questions.

Often a senior member of the School Staff makes a presentation to the Council to provide members with detailed information on a particular aspect of School life. Meetings finish with a review of how the decisions agreed will impact the pupils.

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

Principal Risks and Uncertainties

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

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

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

- regular staff training, robust policies and regular meeting on Safeguarding for key personnel including governors
- annual safeguarding audit through Dorset Safeguarding and Standards
- regular staff and management meetings
- policy documents for all major activities which are regularly updated and reviewed
- remote teaching and learning programmes to be used in the event of a major crisis
- crisis and emergency response training
- detailed terms of reference for all committees
- formal agendas for all committee and board activities
- comprehensive financial planning and budgeting, in-year management and reporting
- vetting procedures as required by law for the protection of the vulnerable
- declaration by governors about related party transactions
- termly meetings of the School's Health and Safety Committee
- regular meetings of the Governance Committee to ensure compliance with current legislation
- tracking of key performance indicators through an Information Dashboard which is monitored by the Governance Committee.
- comprehensive and live risk register tracking changes and mitigations
- preparing for compliance with National Standards (ISI Inspections)

STRATEGIC AIMS AND OBJECTIVES

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

Principal activity

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

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

Related Entity

Motcombe Park Limited, a wholly owned subsidiary of Port Regis School Limited, was dissolved in June 2022.

Vision

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

1. The championing of an unhurried and joyful childhood.
2. Extraordinary teaching that stretches and supports every child, enabling them to discover the discipline of study and the delight of learning.
3. Exceptional pastoral care that nurtures pupils and staff, placing their wellbeing at the heart of all we do.
4. A passion for developing the unique academic, sporting and creative talents of every child- giving equal measure to the head, hand and heart.
5. Strong moral, social and spiritual values, for those of all faiths or none.
6. A cohesive and distinctly happy school community that fosters a deep sense of belonging in the children, staff and parents.
7. A vibrant boarding experience, equipping children with vital skills for senior school and life beyond.
8. A culture that embeds in every child a sense of wonder for the natural world and a responsibility to preserve it.
9. A global perspective that celebrates the diversity of our children and friendships between those of different cultures and backgrounds.
10. Kindness and tolerance, so children leave as capable and compassionate young people, inspired to play their part in making the world a better place.

Ethos

The school ethos values and promotes the qualities of generosity, endeavour, joy, courage and creativity and reflects the School's motto *Altera Altius* ('We Seek Higher Things').

Values

Port Regis is one of the country's leading co-educational day and boarding schools for children aged two to thirteen. A school in which tradition and innovation have gone hand in hand for more than a century, it provides a thoughtful, rounded education that enables children to thrive. This education goes well beyond the beautiful buildings and outstanding facilities – it is rooted in the School's culture and values:

We have recently rearticulated the School's core Values. After much consultation, including discussions with

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the children, it is agreed that these five words are central to school life and underpin so much of what we champion at Port Regis.

Generosity
Endeavour
Joy
Courage
Creativity

The children have also come up with a mnemonic to help everyone remember these important Values. The mnemonic is *'Chocolate Takes Guess Everyone Joy!'*

Strategic objectives

The School's ongoing strategic objectives are to:

- Ensure our renewed vision and values are compelling, well known and clearly define Port Regis
- Enhance our reputation for academic and co-curricular excellence
- Provide exceptional pastoral care ensuring the welfare of pupils and staff
- Develop excellence in the quality of leadership and Governance across the school
- Develop the Pre-Prep so it is deemed a leading facility in the area and models outstanding provision
- Enhance our vibrant boarding community, ensuring it remains at the heart of PR life
- Ensure PR remains in touch with key educational trends in the prep school landscape
- Develop IT provision, through the use of learning devices, across the school to help promote exemplary teaching and learning
- Achieve a sustainable, carbon neutral community that proactively addresses environmental issues and integrates nature and outdoor learning meaningfully into school life
- Grow pupil numbers while maintaining a diverse cross-section of pupils
- Ensure the School's financial stability, grow and diversify non-fee income, generate sufficient cash flow to fund the future development of the site so it promotes PR's values and supports our educational goals and continue to widen access to the School through bursarial awards.
- Revitalise the fundraising strategy to help fund the school's strategic objectives.
- Ensure that in fulfilling the above objectives the School operates to the benefit of the wider community.

Objectives for the year

The principal objectives for the year have been the continuing achievement of both academic performance, moral, spiritual and physical education and the involvement of the pupils in co-curricular activities. The specific objectives for 2021-22 have been to:

- Deliver a rating of EXCELLENT in standards of Education and Pupil Personal Development in the expected Inspection from ISI
- Secure REGULATORY COMPLIANCE from the expected Inspection from ISI
- Maintain the high quality of education provision. To introduce PR Plus, an exciting new initiative on Saturdays which at its heart champions dynamic learning to develop new skills through a range of vocational, intellectual and collaborative activities.
- Ensure that RSE is embedded into our academic programme, and together with Safeguarding, confirming that protection of children is instrumental in all that we do
- Ensure the wellbeing of all pupils and staff
- Ensure the School's financial stability by boosting liquidity and managing the cost base to generate a cash surplus
- Continue to invest in the recruitment and professional development of high-quality staff
- Maintain and enhance the School's high-quality facilities with a specific focus on investment projects which reduce the School's environmental footprint.
- Promote and enhance the boarding experience at the School.

Public benefit

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

- The School educates around 300 children and the standards of education are judged by the Independent Schools Inspectorate, the Commission for Social Care Inspection and OFSTED to be of a high standard.
- The ISI report of both bodies, which took place in September 2022 provides evidence of this and are freely available on request. By educating these children in the private sector we save the public purse a seven-figure sum by way of indirect public benefit.
- The School provides children from a wide range of financial backgrounds with access to its education by way of means-tested bursarial awards.
- The School trains and inducts teachers through the PGCE scheme and the NQT programme. It receives no funding from government for these undertakings and thus provides a significant net benefit to the profession and to society.
- The School is responsible for maintaining at significant cost the historic building at the heart of the School, Motcombe House, as well as all the grounds and other buildings within its curtilage.
- The School actively seeks to promote community links by making its facilities (music, sporting, art, design technology) available to the local community, schools and other organisations and by engaging where practicable and desirable in community affairs.
- The School supports and fundraises for a wide range of local, national and international charities. These are often chosen by the children and are of special significance or relevance.
- By being an early adopter of solar technology, the school is leading the local community in demonstrating both a pathway, as well as the environmental benefits, of pursuing a carbon neutral energy strategy (see facilities)

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

Grant making policy

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

In 2021-22 the financial value of all discounts was £945,291, representing 14.1% of gross fees.

ACHIEVEMENTS AND PERFORMANCE

Operational Performance

The Council oversees the School to ensure its objectives are met and continues to focus on ensuring sufficient funds to run and develop the School. The School had a good year and the Council is encouraged to see UK based pupils at the highest level for 10 years, a testament to the performance of the School through the post Covid period. The number of Overseas pupils remained at historically low levels due to ongoing travel restrictions, due to COVID and the war in Ukraine. Boarding numbers, however, remained robust despite the fall in the number of Overseas boarders. The Council was pleased to see progress in the School's drive to reduce its carbon footprint with a respective 33% and 16% reduction in underlying electricity and gas consumption, on pre COVID levels, helped by the commissioning of new solar capacity and efforts to reduce usage.

Academic Staff

The School continues to invest in the recruitment and professional development of high-quality staff to help meet the School's objective of enhancing its reputation for academic and co-curricular excellence. The School

was pleased to appoint a new Director of Studies, a new Head of Boarding and a new Head of STEAM all of whom will start in the 2022/23 academic year.

Facilities

Port Regis has long been regarded as having outstanding facilities for a preparatory school. These facilities provide pupils with exceptional opportunities to allow them to reach their potential on the academic front as well as in music, drama, sport, art and design and technology. The School continues to invest to maintain and upgrade its first-rate facilities across the 150-acre site. During the year the School commissioned a full LED lighting conversion, new computer suites and IT infrastructure, new grounds machinery and launched a new website and rebrand.

Academic

The School prepared 49 children for 13+ Common Entrance Exams for entry to their senior Schools while 8 children were accepted to their senior schools on the basis of a sufficiently strong performance at scholarship level. Scholarships were awarded to Port Regians by Bryanston, Canford, Marlborough, Sherborne and Winchester. One child was accepted following the senior school's own entry tests. The pass rate at Common Entrance was once again 100%, and 18 scholarships/exhibitions were awarded: five academic, five sporting, two all-rounder, two art, two design technology and one drama. 30% of Year 8 leavers heading to UK senior schools won at least one scholarship. Leavers went on to 14 different UK senior schools, continuing Port Regis' long tradition of preparing children for a wide range of the country's leading destinations at 13+. Selected pupils once again entered the UKMT Junior Mathematical Challenge, a competition entered by around 250,000 of the highest attaining pupils in UK and UK-international schools. A record number of 21 gold certificates were awarded, with four pupils going on to the Junior Mathematical Olympiad, where two gained distinctions and one a merit. From the Intermediate Mathematical Challenge, two pupils progressed to the Cayley Olympiad, with both gaining merits. As a boarding school, Port Regis is proud of its tradition of educating children from all over the world and of the levels of attainment reached by its EAL pupils, (those for whom English is not the first language).

Sports

The Games programme was again successful in its support of the "Sport for All" philosophy of the School. Every child had the opportunity to represent the School as well as his or her house. The children enjoyed competitive fixtures played in a varied and full programme even if for parts of the year the opportunity for competitive matches against other schools was restricted due to COVID. Five sports scholarships were achieved.

The house competitions have been ever popular with the inter-house swimming proving a big success, with every child representing and earning points for their houses. We have had recent hockey success with the boys 1st VII finishing second at the IAPS Qualifiers and will head to the National Finals later in March. The U11 Boys have also won the Dorset In2Hockey Championships.

Arts

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

Drama in the School continues to thrive with lessons being taught to all children in Pre-Prep, years; Reception, One and Two. In the prep school lessons were taught to all in years; 3, 4, 5 and 6. There was a real focus on the productions with every child performing, on stage, from Reception to Year 6. The productions included; 'Robbie's Supersonic Rocket', 'Charlie', an adaptation of 'Charlie and the Chocolate Factory', 'Treasure Island' and the Upper School musical, 'War-Torn'. An Advanced Stage Acting Club was also introduced to year 7 and 8. This was to encourage those wanting to take Performing Arts Scholarships to develop their skills further using more advanced techniques. This group produced a devised one act play called, 'Beyond' in the summer term. We have been ambitious with the scale of the productions having both incredible sets and setting the bar high with our expectations of performance. One of the most popular clubs in the school has been the 'Stage Crew Club'. Over 30 pupils have been involved in learning about the technical and backstage roles required for productions. The students have then been fully immersed in the shows either in the practical aspects such as: making props, make-up, lighting, sound as well as taking on stage management roles. They are proud to wear

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the stage crew T. shirts and take on the responsibility. The club is offered to pupils from Years 5 to 8. A good number of children from E right up to A form were awarded Lamda certificates at varying levels, with the School achieving a pass rate of 100%.

The Art, Design and Technology, Drama, Music and Sports departments offered enhanced scholarship provision to selected pupils on top of their standard curricular provision. The extensive Scholarships awarded are detailed above.

Community

After the COVID pandemic it is fantastic to see the School continue to promote community links by making its facilities available to, local schools and other organisations and by engaging where practicable in community affairs. This has included: use of the swimming pool and gymnasium local schools coming to watch school drama productions, meet Father Christmas participate in other charity events, taking part in the Motcombe Santa Run to raise funds for the local community, providing books for the Milborne Port Primary Book Hut Project, children singing in Shaftesbury at various locations, writing Christmas Cards to those in the local community who were alone after COVID, attending the Remembrance service at Motcombe Church

On charity fundraising the School has focused on supporting one local charity – Horatio's Garden and a Worldwide charity, The World Land Trust. Various events have been organised in support including a school dog show and fete and planning for a dance in the coming year. As in previous years we have also supported the following charities: Royal British Legion, Dorset Air Ambulance, Red Nose Day, MacMillan Coffee Morning, Wear Green for Macmillan, and Christmas Jumper Day for Save the Children. We have also helped with the crisis in Ukraine supplying school bags for children in Ukraine.

Port Regis Sports Centre offers swimming (including lessons), tennis, squash, badminton, use of the AstroTurf as well as holiday activity courses. The Port Regis Gym Club is available for children (including toddlers) of all abilities. Though Port Regis Sports Centre is permanently closed to adult members we have focused resources on providing classes to local schools, children's groups and individuals in line with Port Regis' wider charitable objectives.

As we plan ahead, we are constantly looking at new ways to involve the school in different community events and how we can enable use of our facilities to support the local community.

FINANCIAL REVIEW

Operating Results

The lasting affects of the COVID pandemic, from a financial viewpoint, led to reduction in fee income due to a decline in Overseas pupil numbers, the loss of some income from external holiday courses and a substantial drop in income from the sports centre. The School recorded a loss for the year of £198,491 (2020-21: profit £74,508) but still generated positive cash flow before working capital movements and capital expenditure and ended the year in a robust financial position with net assets of £7.4m (2020-21: £7.6m) and cash and cash equivalents of £1.9m (2020-21: £2.7m) inclusive of a £563,000 CBILS loan. The School invested heavily in future proofing the IT and infrastructure, a full rebrand and website, a new portal for our Old Portregians network, a new management information system, a full conversion of all of our lighting systems to LED, new grounds machinery, a new boys locker room changing facility and multiple boarding house and houseparent's accommodation refurbishments.

Reserves

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

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

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

Investment policy and objectives

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

FUTURE PLANS

We will continue to embed our principal objectives, continuing with our achievement of both academic performance, moral, spiritual and physical education and the involvement of the pupils in extra-curricular activities. The specific objectives for 2022-23 are to:

- Ensure PR's renewed vision and values are compelling, well known and clearly define Port Regis
- Launch the School's new fundraising campaign to help fund future development plans and bursaries to widen access to the School.
- Grow pupil numbers and attract a diverse cross section of new pupils from Overseas
- Continue to promote boarding and further enhance the boarding experience at the School.
- Generate sufficient cash flow to help fund the future development of the School.
- Promote sustainability and further invest to reduce the School's environmental footprint by developing further solar capacity, potentially for export to the National Grid. Once commissioned, it is expected underlying electricity consumption across the site will have fallen over 50% in 5 years substantially reducing the School's carbon footprint.
- Continue to invest in the recruitment and professional development of high-quality staff

GOVERNORS' INDEMNITY INSURANCE

The School has purchased governors' indemnity insurance cover.

STATEMENT OF COUNCIL'S RESPONSIBILITIES

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

Company law requires the Members of the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charity and the group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

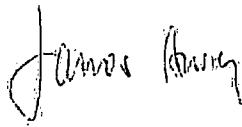
The Members of the Council are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for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

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Report of the Council
For the year ended 31 August 2022

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

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

The report of the Council, which includes the strategic report, was approved on November 25th 2022 and signed on their behalf by:



Mr J Hussey
Chair of the Council of Management
Motcombe House
Motcombe Park
Shaftesbury
Dorset,
SP7 9QA

**Report of the Independent Auditors
To the Members of**

Port Regis School Limited

Opinion

We have audited the consolidated financial statements of Port Regis School Limited (the 'charitable company') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and School Balance Sheet, the Consolidated Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's and group's affairs as at 31 August 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

**Report of the Independent Auditors
To the Members of**

Port Regis School Limited

Matters on which we are required to report by exception

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

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

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

Responsibilities of Members of the Council

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

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

Auditor's responsibilities for the audit of the financial statements

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

Identifying and assessing potential risks related to irregularities

Irregularities, including fraud, are non-compliance with laws and regulations. We design procedures, in line with our responsibilities, as set out in the auditor's responsibilities for the audit of the financial statements section, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, are detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations we consider the following:

- the nature of the charity sector, control environment and financial performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following area: revenue and resource recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

**Report of the Independent Auditors (continued)
To the Members of**

Port Regis School Limited

We have also obtained an understanding of the legal and regulatory frameworks that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act and related legislation.

Audit response to risks identified

As a result of performing the above, we identified revenue and resource recognition as a key audit matter related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- understanding the group's revenue recognition policies and how they are applied, including the relevant controls and performing a walkthrough to validate our understanding.
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to compare revenue recognised against expectations and based on past experiences and management forecasts and investigated material divergencies by obtaining corroborative evidence.
- Reading minutes of meetings of those charged with governance;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; applying parameters designed to identify entries that were not within our expectations. This included analysing and selecting journals for testing which appeared unusual in nature, either due to size, preparer or date of posting. To test their validity, we verified the journals to originating documentation.


We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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


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

Date: 12 July 2011

Port Regis School Limited
Consolidated Statement of Financial Activities

For the year ended 31 August 2022

| INCOME AND EXPENDITURE | Note | Unrestricted £ | Restricted £ | 2022 Total £ | 2021 Total £ |
|------------------------------------|------|-------------------|-----------------|--------------------|--------------------|
| INCOME AND ENDOWMENTS FROM: | | | | | |
| Charitable activities: | | | | | |
| School fees receivable | 3 | 5,739,477 | - | 5,739,477 | 5,356,943 |
| Other income | 4 | 438,743 | - | 438,743 | 739,330 |
| Donations and legacies | 5 | 61,121 | | 61,121 | 79,093 |
| Other trading activities | 6 | 330,387 | - | 330,387 | 46,418 |
| Investment income | 7 | 1,345 | - | 1,345 | 532 |
| Total income | | <u>6,571,073</u> | <u>-</u> | <u>6,571,073</u> | <u>6,222,316</u> |
| EXPENDITURE ON: | | | | | |
| Raising funds | 8 | 87,559 | - | 87,559 | 53,018 |
| Charitable activities | 8 | 6,643,359 | 31,069 | 6,674,428 | 6,102,036 |
| Total expenditure | | <u>6,730,918</u> | <u>31,069</u> | <u>6,761,987</u> | <u>6,155,054</u> |
| Net gains/(losses) on investments | 14 | (159,845) | (31,069) | (190,914) | 67,262 |
| NET INCOME/(EXPENDITURE) | | <u>(159,845)</u> | <u>(31,069)</u> | <u>(190,914)</u> | <u>67,262</u> |
| RECONCILIATION OF FUNDS: | | | | | |
| Total funds brought forward | | 7,563,048 | 31,069 | 7,594,117 | 7,526,855 |
| TOTAL FUNDS CARRIED FORWARD | | <u>7,403,203</u> | <u>-</u> | <u>7,403,203</u> | <u>7,594,117</u> |

The above results are derived from continuing activities and discontinued activities. There were no other recognised gains or losses other than those stated above.

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

The notes form part of these financial statements

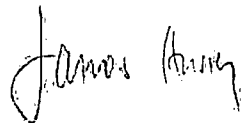
Port Regis School Limited
(Company number: 440436)
Consolidated Balance Sheet

As at 31 August 2022

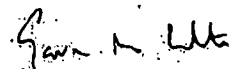
| | Note | Group | | School | |
|---|------|------------------|------------------|------------------|------------------|
| | | 2022 £ | 2021 £ | 2022 £ | 2021 £ |
| Fixed assets | | | | | |
| Tangible fixed assets | 13 | 8,214,930 | 8,186,121 | 8,214,930 | 8,182,592 |
| Investment | 14 | 5,749 | 5,749 | 5,749 | 6,249 |
| | | 8,220,679 | 8,191,870 | 8,220,679 | 8,188,841 |
| Current assets | | | | | |
| Debtors | 15 | 309,072 | 242,768 | 309,072 | 253,065 |
| Cash at bank and in hand | | 1,922,675 | 2,684,327 | 1,922,675 | 2,682,024 |
| Total current assets | | 2,231,747 | 2,927,095 | 2,231,747 | 2,935,089 |
| Liabilities | | | | | |
| Creditors: Amounts due within one year | 16 | (1,927,361) | (1,879,036) | (1,927,361) | (1,876,420) |
| Net current assets | | 304,386 | 1,048,059 | 304,386 | 1,058,669 |
| Total assets less current liabilities | | 8,525,065 | 9,239,929 | 8,525,065 | 9,247,510 |
| Creditors: Amounts due after more than one year | 17 | (1,121,862) | (1,645,812) | (1,121,862) | (1,645,812) |
| NET ASSETS | | 7,403,203 | 7,594,117 | 7,403,203 | 7,601,698 |
| Funds | | | | | |
| Unrestricted funds: | | | | | |
| Undesignated | 21 | 7,403,203 | 7,570,629 | 7,403,203 | 7,570,629 |
| Trading company | 21 | - | (7,581) | - | - |
| Total unrestricted general funds | | 7,403,203 | 7,563,048 | 7,403,203 | 7,570,629 |
| Restricted funds | 21 | - | 31,069 | - | 31,069 |
| TOTAL FUNDS | | 7,403,203 | 7,594,117 | 7,403,203 | 7,601,698 |

The financial statements were approved and authorised for issue by the Members of the Council on 25th November 2022..... and were signed on its behalf by:

J A Hussey (Chair of Council)



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



The notes form part of these financial statements

Port Regis School Limited

Consolidated Statement of Cash Flow
For the year ended 31 August 2022

| | Notes | 2022 £ | 2021 £ |
|---|-------|-------------------------|-------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Net cash provided by/(used in) operating activities | a | (205,713) | 1,760,527 |
| Cash flows from investing activities: | | | |
| Purchase of tangible fixed assets | | (451,155) | (307,125) |
| Proceeds on sale of tangible fixed assets | | 45,216 | - |
| Net cash provided by/(used in) investing activities | | <u>(405,939)</u> | <u>(307,125)</u> |
| Cash flows from financing activities: | | | |
| Repayments of borrowing | | (150,000) | (1,287,500) |
| Cash inflows from new borrowing | | - | - |
| Net cash provided by/(used in) financing activities | | <u>(150,000)</u> | <u>(1,287,500)</u> |
| CHANGE IN CASH AND CASH EQUIVALENTS FOR THE YEAR | | (761,652) | 165,902 |
| Cash and cash equivalents brought forward | b | 2,684,327 | 2,518,425 |
| CASH AND CASH EQUIVALENTS CARRIED FORWARD AT 31 AUGUST | b | <u>1,922,675</u> | <u>2,684,327</u> |

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

| | 2022 £ | 2021 £ |
|--|-------------------------|-------------------------|
| Net income/(expenditure) for the year as per the Statement of Financial Activities | (190,914) | 67,262 |
| Adjusted for: | | |
| Depreciation | 413,775 | 396,232 |
| (Profit)/loss on disposal of tangible fixed assets | (33,897) | 3,493 |
| Net gains/(losses) on investments | - | - |
| Disposal of subsidiary | (2,748) | - |
| (Increase)/decrease in debtors | (66,304) | (15,760) |
| Increase/(decrease) in creditors | (325,625) | 1,309,300 |
| Net cash (used in)/provided by operating activities | <u>(205,713)</u> | <u>1,760,527</u> |

b) Analysis of cash and cash equivalents

| | 2022 £ | 2021 £ |
|--------------------------|------------------|------------------|
| Cash at bank and in hand | <u>1,922,675</u> | <u>2,684,327</u> |

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2022

1. Accounting policies

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

1.1 Accounting convention

The accounts of the School are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102) and the Companies Act 2006.

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

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

1.2 Basis of consolidation

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

1.3 Income

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

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

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

Investment income is accounted for on an accruals basis.

1.4 Expenditure

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

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

1.5 Fund accounting

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

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

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2022

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

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

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

An impairment review is carried out on an annual basis.

1.7 Investments

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

1.8 Debtor

Debtors are measured at their recoverable amount.

1.9 Creditors and provisions

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

1.10 Financial instruments

The School only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.11 Advance fees scheme

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

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

1.12 Operating leases

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

1.13 Pension costs

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2022

1. Accounting policies (continued)

1.14 Government grants and COVID-19

The company has received support from the UK Government as part of a package of measures introduced to support businesses during the coronavirus pandemic. Government grants are recognised in the financial statements in the period in which they become receivable.

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2022

2. Statement of financial activities - comparative balances

| | Unrestricted £ | Restricted £ | 2021 Total £ |
|------------------------------------|--------------------------------|-----------------------------|--------------------------------|
| INCOME AND ENDOWMENTS FROM: | | | |
| Charitable activities: | | | |
| School fees receivable | 5,356,943 | - | 5,356,943 |
| Other income | 739,330 | - | 739,330 |
| Donations and legacies | 39,100 | 39,993 | 79,093 |
| Other trading activities | 46,418 | - | 46,418 |
| Investment income | 532 | - | 532 |
| | <u>6,182,323</u> | <u>39,993</u> | <u>6,222,316</u> |
| EXPENDITURE ON: | | | |
| Raising funds | 53,018 | - | 53,018 |
| Charitable activities | 6,093,112 | 8,924 | 6,102,036 |
| | <u>6,146,130</u> | <u>8,924</u> | <u>6,155,054</u> |
| | 36,193 | 31,069 | 67,262 |
| Net gains/(losses) on investments | - | - | - |
| NET INCOME/(EXPENDITURE) | <u>36,193</u> | <u>31,069</u> | <u>67,262</u> |
| RECONCILIATION OF FUNDS: | | | |
| Total funds brought | 7,526,855 | - | 7,526,855 |
| TOTAL FUNDS CARRIED FORWARD | <u><u>7,563,048</u></u> | <u><u>31,069</u></u> | <u><u>7,594,117</u></u> |

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2022

| | | |
|---|-----------------------------|-----------------------------|
| 3. Charitable activities: School fees receivable | 2022 | 2021 |
| | £ | £ |
| Gross fees excluding registrations | 6,684,768 | 6,642,356 |
| Less: Bursaries, scholarships and allowances | <u>(945,291)</u> | <u>(1,285,413)</u> |
| | 5,739,477 | 5,356,943 |
| Restricted fund bursaries | <u> </u> | <u> </u> |
| | <u>5,739,477</u> | <u>5,356,943</u> |
| 4. Charitable activities: Other income | 2022 | 2021 |
| | £ | £ |
| Extras, special tuition and outlays recoverable | 427,379 | 375,966 |
| Registration fees | 10,340 | 10,295 |
| Government grants | 1,024 | 353,069 |
| | <u>438,743</u> | <u>739,330</u> |
| 5. Donations and legacies | 2022 | 2021 |
| | £ | £ |
| Donations | <u>61,121</u> | <u>79,093</u> |
| 6. Other trading activities | 2022 | 2021 |
| | £ | £ |
| Subsidiary trading income | 2,180 | (1,970) |
| Sports centre income | 135,402 | 36,953 |
| Lettings and rents | 1,364 | 8,395 |
| Other income | 3,776 | 3,040 |
| Insurance proceeds | 29,396 | - |
| Profit on disposal of assets | 33,897 | - |
| Course income | 124,372 | - |
| | <u>330,387</u> | <u>46,418</u> |
| 7. Investment income | 2022 | 2021 |
| | £ | £ |
| Bank and other interest | 1198 | 310 |
| Investment income | 147 | 222 |
| | <u>1,345</u> | <u>532</u> |

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2022

| 8. Expenditure | Staff costs £ | Other costs £ | Depreciation £ | Total 2022 £ | Total 2021 £ |
|--|---------------------|---------------------|-------------------|--------------------|--------------------|
| Raising funds | | | | | |
| Trading costs | - | 6,572 | - | 6,572 | 5,280 |
| Commissions and other costs | - | 57,473 | - | 57,473 | 35,427 |
| Bank loan interest and charges | - | 23,514 | - | 23,514 | 12,311 |
| | <u>-</u> | <u>87,559</u> | <u>-</u> | <u>87,559</u> | <u>53,018</u> |
| Charitable activities | | | | | |
| Education: | | | | | |
| Teaching | 2,846,931 | 173,683 | 3,268 | 3,023,882 | 2,785,093 |
| Welfare | 551,372 | 312,772 | - | 864,144 | 670,328 |
| Premises | 572,697 | 829,527 | 410,507 | 1,812,731 | 1,762,483 |
| ICT & AV development | - | 232,649 | - | 232,649 | 163,512 |
| Support costs of schooling | 479,551 | 185,661 | - | 665,212 | 667,250 |
| Bad debts | - | 333 | - | 333 | 21,834 |
| Lettings, courses and other activities | 41,897 | 36,328 | - | 78,225 | 31,536 |
| Loss on disposal of subsidiary | - | (2,748) | - | (2,748) | - |
| | <u>4,492,448</u> | <u>1,768,205</u> | <u>413,775</u> | <u>6,674,428</u> | <u>6,102,036</u> |
| | <u>4,492,448</u> | <u>1,855,764</u> | <u>413,775</u> | <u>6,761,987</u> | <u>6,155,054</u> |
| | (note 11) | | | | |
| TOTAL 2021 | 4,225,797 | 1,533,026 | 396,231 | 6,155,054 | |

| 9. Net income/(expenditure) | 2022 £ | 2021 £ |
|---|---------------|---------------|
| This is stated after charging: | | |
| Depreciation | 413,775 | 396,231 |
| (Loss)/Profit on disposal of fixed assets | 33,897 | (3,493) |
| Auditors' remuneration: | | |
| - audit | 16,370 | 15,000 |
| Operating lease rentals: | | |
| - equipment rental | <u>30,770</u> | <u>29,376</u> |

10. Taxation

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2022

11. Staff costs and numbers

| | Teaching | | Non-teaching | | Total | |
|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ | £ | £ |
| Wages and salaries | 2,165,509 | 2,042,085 | 1,656,954 | 1,572,733 | 3,822,463 | 3,614,818 |
| Social security | 217,191 | 195,012 | 126,975 | 115,677 | 344,166 | 310,689 |
| Pension costs | 276,742 | 252,218 | 49,077 | 48,072 | 325,819 | 300,290 |
| | <u>2,659,442</u> | <u>2,489,315</u> | <u>1,833,006</u> | <u>1,736,482</u> | <u>4,492,448</u> | <u>4,225,797</u> |

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

| | 2022 | 2021 |
|-----------------|------------|------------|
| | No. | No. |
| Teaching staff | 52 | 53 |
| Other employees | 92 | 94 |
| | <u>144</u> | <u>147</u> |

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

| | 2022 | 2021 |
|----------------------|----------|----------|
| | No. | No. |
| £50,001 to £60,000 | 1 | 1 |
| £60,001 to £70,000 | 1 | 1 |
| £70,001 to £80,000 | 1 | 1 |
| £80,001 to £90,000 | - | - |
| £90,001 to £100,000 | - | - |
| £100,001 to £150,000 | 1 | 1 |
| | <u>1</u> | <u>1</u> |

During the year there were redundancy and termination payments made which amounted to £26,000 (2021: £40,047). There was £nil outstanding at the year end (2021: £nil).

The total amount of employee benefits (including employer pension contributions) received by the 4 key management personnel, as listed in the Report of the Council, for their services was £327,584 (2021: £304,682 to 4 personnel).

12. Council Members' expenses and remuneration

Members of the Council are not remunerated. No expenses were reimbursed to the Council Members in the year (2021: £Nil).

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2022

13. Tangible Fixed Assets

| | Freehold property £ | Building improvements £ | Furniture, fittings & equipment £ | Motor vehicles £ | School Total £ | Subsidiary £ | Group Total £ |
|-----------------------|---------------------------|-------------------------------|--|------------------------|----------------------|-----------------|---------------------|
| Cost | | | | | | | |
| At 1 September | 11,684,892 | 2,987,170 | 3,046,373 | 49,560 | 17,767,995 | 143,370 | 17,911,365 |
| Additions | - | 11,520 | 439,635 | - | 451,155 | - | 451,155 |
| Disposals | - | - | (18,750) | - | (18,750) | (143,370) | (162,120) |
| At 31 August | <u>11,684,892</u> | <u>2,998,690</u> | <u>3,467,258</u> | <u>49,560</u> | <u>18,200,400</u> | <u>-</u> | <u>18,200,400</u> |
| Depreciation | | | | | | | |
| At 1 September | 4,680,499 | 2,502,105 | 2,366,309 | 36,490 | 9,585,403 | 139,841 | 9,725,244 |
| Charge for the year | 231,698 | 47,330 | 131,479 | 3,268 | 413,775 | - | 413,775 |
| Disposals | - | - | (13,708) | - | (13,708) | (139,841) | 153,549.00 |
| At 31 August | <u>4,912,197</u> | <u>2,549,435</u> | <u>2,484,080</u> | <u>39,758</u> | <u>9,985,470</u> | <u>-</u> | <u>9,985,470</u> |
| Net book value | | | | | | | |
| At 31 August 2022 | <u>6,772,695</u> | <u>449,255</u> | <u>983,178</u> | <u>9,802</u> | <u>8,214,930</u> | <u>-</u> | <u>8,214,930</u> |
| At 31 August 2021 | <u>7,004,393</u> | <u>485,065</u> | <u>680,064</u> | <u>13,070</u> | <u>8,182,592</u> | <u>3,529</u> | <u>8,186,121</u> |

Included above are fixed assets under hire purchase agreement with a NBV of £3,723 (2020: £11,167).

14. Fixed Asset Investments

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

15. Debtors

| | Group | | School | |
|--|----------------|----------------|----------------|----------------|
| | 2022 £ | 2021 £ | 2022 £ | 2021 £ |
| Fees and extras | 170,419 | 145,114 | 170,419 | 145,114 |
| Stocks, prepayments and accrued income | 138,653 | 97,654 | 138,653 | 96,788 |
| Amount owed by subsidiary | - | - | - | 11,163 |
| | <u>309,072</u> | <u>242,768</u> | <u>309,072</u> | <u>253,065</u> |

Fees and extras stated above are shown after provisions for doubtful debts of £Nil (2021: £15,000).

Included in amount owed by subsidiary is a loan with a year end balance of £Nil(2021: £5,000). Interest is payable on the loan at 1% above BoE base rates.

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2022

| 16. Creditors: amounts due within one year | Group | | School | |
|---|-----------|-----------|-----------|-----------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Cash received in advance for next term's fees | 759,941 | 707,757 | 759,941 | 707,757 |
| Advance fees scheme (note 18) | 323,720 | 331,434 | 323,720 | 331,434 |
| Deposits | 358,506 | 344,747 | 358,506 | 344,747 |
| Trade creditors | 93,416 | 97,245 | 93,416 | 97,245 |
| Bank loans (note 17) | 150,000 | 150,000 | 150,000 | 150,000 |
| Hire purchase agreements | - | 4,343 | - | 4,343 |
| Other taxation and social security | 84,608 | 74,774 | 84,608 | 74,774 |
| Other creditors | 35,840 | 32,666 | 35,840 | 32,666 |
| Accruals and deferred income | 121,330 | 136,070 | 121,330 | 133,454 |
| | 1,927,361 | 1,879,036 | 1,927,361 | 1,876,420 |
| 17. Creditors: amounts due after more than one year | | | 2022 | 2021 |
| | | | £ | £ |
| Advance fee scheme (note 18) | | | 709,362 | 1,083,312 |
| Bank loans | | | 412,500 | 712,500 |
| | | | 1,121,862 | 1,795,812 |
| Hire purchase agreements repayable by instalments: | | | 2022 | 2021 |
| | | | £ | £ |
| Less than 1 year | | | - | 4,343 |
| Between 2 and 5 years | | | - | - |
| | | | - | 4,343 |
| Bank loans repayable by instalments: | | | 2022 | 2021 |
| | | | £ | £ |
| Less than 1 year | | | 150,000 | 150,000 |
| Between 2 and 5 years | | | 412,500 | 562,500 |
| In 5 years or more | | | - | - |
| | | | 562,500 | 712,500 |

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2022

18. Advance fee scheme

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

| | 2022 £ | 2021 £ |
|--|-----------|-----------|
| Less than 1 year | 323,720 | 331,434 |
| Between 2 and 7 years | 709,362 | 1,083,312 |
| | 1,033,082 | 1,414,746 |
| Summary of movements in liability: | | |
| | 2022 £ | 2021 £ |
| Balance at 1 September | 1,414,746 | 209,848 |
| Additional amounts received | - | 1,356,410 |
| Allocation to fees | (381,664) | (151,512) |
| | 1,033,082 | 1,414,746 |

19. Operating lease commitments

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

| | 2022 £ | 2021 £ |
|-----------------------|-----------|-----------|
| Less than 1 year | 18,498 | 27,506 |
| Between 2 and 5 years | 11,142 | 18,013 |
| Over 5 years | - | - |
| | 29,640 | 45,519 |

20. Analysis of net assets between funds

| | Fixed assets & investments £ | Net current liabilities £ | Creditors > 1 year £ | Total £ |
|--|---------------------------------------|---------------------------------|----------------------------|------------------|
| Unrestricted funds: | | | | |
| General undesignated funds | 8,220,679 | 304,386 | (1,121,862) | 7,403,203 |
| Trading subsidiary | - | - | - | - |
| Restricted funds | - | - | - | - |
| Net assets at the end of the year | 8,220,679 | 304,386 | (1,121,862) | 7,403,203 |

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2022

20. Analysis of net assets between funds (continued)

Comparative analysis of net assets between funds for the year ended 31 August 2021:

| | Fixed assets & investments £ | Net current liabilities £ | Creditors > 1 year £ | Total £ |
|--|---------------------------------------|---------------------------------|----------------------------|------------------|
| Unrestricted funds: | | | | |
| General undesignated funds | 8,157,272 | 1,059,169 | (1,645,812) | 7,570,629 |
| Trading subsidiary | 3,529 | (11,110) | - | (7,581) |
| Restricted funds | 31,069 | - | - | 31,069 |
| Net assets at the end of the year | 8,191,870 | 1,048,059 | (1,645,812) | 7,594,117 |

21. Statement of funds

| | Balance at 1.09.21 £ | Incoming resources £ | Outgoing resources £ | Gains/losses & transfers £ | Balance at 31.08.22 £ |
|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------------|-----------------------------|
| Unrestricted funds: | | | | | |
| General undesignated funds | 7,570,629 | 6,568,893 | (6,724,346) | (11,973) | 7,403,203 |
| Trading subsidiary | (7,581) | 2,180 | (6,572) | 11,973 | - |
| | <u>7,563,048</u> | <u>6,571,073</u> | <u>(6,730,918)</u> | <u>-</u> | <u>7,403,203</u> |
| Restricted funds | 31,069 | - | (31,069) | - | - |
| | <u>7,594,117</u> | <u>6,571,073</u> | <u>(6,761,987)</u> | <u>-</u> | <u>7,403,203</u> |

Comparative statement of funds for the year ended 31 August 2021:

| | Balance at 1.09.20 £ | Incoming resources £ | Outgoing resources £ | Gains/losses & transfers £ | Balance at 31.08.21 £ |
|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------------|-----------------------------|
| Unrestricted funds: | | | | | |
| General undesignated funds | 7,527,186 | 6,184,293 | (6,140,850) | - | 7,570,629 |
| Trading subsidiary | (331) | (1,970) | (5,280) | - | (7,581) |
| | <u>7,526,855</u> | <u>6,182,323</u> | <u>(6,146,130)</u> | <u>-</u> | <u>7,563,048</u> |
| Restricted funds | - | 39,993 | (8,924) | - | 31,069 |
| | <u>7,526,855</u> | <u>6,222,316</u> | <u>(6,155,054)</u> | <u>-</u> | <u>7,594,117</u> |

Restricted funds represent a donation that was made to the charity for the sole purpose of the purchase a piece of equipment.

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2022

22. Subsidiary undertaking

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

| Profit and loss accounts | 2022 | 2021 |
|--|----------------|----------------|
| | £ | £ |
| Turnover | 2,180 | (1,970) |
| Operating costs | <u>(6,572)</u> | <u>(5,280)</u> |
| Operating profit | (4,392) | (7,250) |
| Interest receivable | <u>-</u> | <u>-</u> |
| | (4,392) | (7,250) |
| Gift aid donation to Port Regis School | - | - |
| | <u>(4,392)</u> | <u>(7,250)</u> |

| Balance sheet | 2022 | 2021 |
|-------------------------|-------------|----------------|
| | £ | £ |
| Fixed assets | - | 3,529 |
| Current assets | - | 3,170 |
| Current liabilities | | (13,780) |
| | <u>-</u> | <u>(7,081)</u> |
| Called up share capital | - | 500 |
| Retained earnings | - | (7,581) |
| | <u>-</u> | <u>(7,081)</u> |

Motcombe Park Limited ceased trading during the year and was dissolved on 14 June 2022.

23. Related party transactions

There are no other related party transactions (2021: none).

24. Status

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2022

25. Pension

The total pension cost for the group was £325,819 (2021: £300,289) of which £153,609 (2021: £152,190) relates to Money Purchase Schemes.

There were outstanding contributions at the balance sheet date of £20,373 (2021: £18,675) in respect of contributions due for the month of August paid over to the pension scheme administrators in September.

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

Teachers' Pension Scheme

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

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

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

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

The next valuation result is due to be implemented from 1 April 2024.

The pension charge for the year includes contributions payable to the TPS of £172,210 (2021: £148,099) and at the year end £13,251 (2021: £13,178) was accrued in respect of contributions to this scheme.

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

PORT REGIS SCHOOL LTD

England & Wales - Charity number 306218

Accounts

Port Regis School Limited
(A Company Limited By Guarantee)

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

For the year ended 31 August 2021

Company number: 440436

Charity number: 306218

**Port Regis School Limited
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For the year ended 31 August 2021

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**Port Regis School Limited
Report of the Council
For the year ended 31 August 2021**

| | |
|--------------------------------------|--|
| CHAIR | Mr J Hussey MA (Oxon) *•+x~ (appointed 12/03/21) Mr O T W Hawkins MChem (Oxon) +*•x^~ (resigned 10/07/21) |
| MEMBERS OF THE COUNCIL | Mr M Aichroth + Miss E Boswell MA (Oxon) • Lady M Cayley MA (Cantab) •x Mrs E Dawson *+ Mr J Hamer * Mrs J Healy MA (Cantab) *~ Ms S James BEd Hons • Mrs F Loveridge MA (Oxon) *+•x~ Mrs K Massey ~ Mr G White +* Mrs J Williamson JP +x Mr N Tomlin +x (resigned 31/8/21) Dr J McManus MChem (Oxon) • Mr W Gething * (resigned 31/8/21) * Member of the Finance Committee • Member of the Education Committee + Member of the Governance Committee x Member of the Wellbeing Committee ~ Member of the Communications Committee ^ Parent Governor |
| HEAD | Mr T Mills BA(Hons) appointed 01/01/21 Mr S Ilett MA (Oxon) resigned 31/12/20 |
| BURSAR | Mr K Binns BSc (Hons) MRICS |
| SECRETARY | Mrs G A White LLB (Hons) LPC |
| ADDRESS AND REGISTERED OFFICE | Motcombe House Motcombe Park Shaftesbury Dorset, SP7 9QA |
| REGISTERED NUMBER | 440436 |
| CHARITY NUMBER | 306218 |
| BANKERS | National Westminster Bank Plc 25 Market Place Blandford Forum Dorset DT11 7AQ |
| AUDITORS | Fawcetts LLP Windover House St Ann Street Salisbury SP1 2DR |

Port Regis School Limited
Report of the Council
For the year ended 31 August 2021

The Council present their report, together with the audited financial statements for the year ended 31 August 2021. The financial statements comply with current statutory requirements and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2019).

REFERENCE AND ADMINISTRATIVE INFORMATION

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Council

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

The number of the members of Council shall not be less than three nor more than twenty. The Council may at any time co-opt any person duly qualified to be appointed as a member of the Council to fill a vacancy in their number or as an additional member of the Council, to hold office only until the next General Meeting, when he/she is eligible for re-election. The Chair of the Council is elected by the members.

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

Recruitment, induction and training of Members of the Council

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

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

Organisation

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

There are five main Governor Committees responsible for scrutiny and oversight of the School's work. Each report to the full Council:

- Communication Committee has oversight of the School's communication, marketing and development programmes. It meets once a term
- Education Committee is responsible for all matters of an academic nature. It meets once a term.
- Finance Committee supports the Bursar and oversees the financial progress and operations of the School. It meets once a term.

Port Regis School Limited
Report of the Council
For the year ended 31 August 2021

- Governance Committee is involved in the selection, induction and training of Council Members, ensures overall statutory compliance and the identification and mitigation of risks to the School and oversees the School's strategic objectives. It meets once a term.

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

The full Council of Management meets once a term, always following the meetings of the governor committees. At each meeting the full Council reviews the minutes of the preceding governor committees, with the chair of each committee giving a verbal update and responding to questions.

Often a senior member of the School Staff makes a presentation to the Council to provide members with detailed information on a particular aspect of School life. Every meeting finishes with a review of how the decisions agreed will impact the pupils.

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

Principal Risks and Uncertainties

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

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

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

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

Port Regis School Limited
Report of the Council
For the year ended 31 August 2021

STRATEGIC AIMS AND OBJECTIVES

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

Principal activity

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

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

Related Entity

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

Vision

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

Ethos

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

Values

Port Regis is one of the country's leading co-educational day and boarding schools for children aged two to thirteen. A school in which tradition and innovation have gone hand in hand for more than a century, it provides a thoughtful, rounded education that enables children to thrive. This education goes well beyond the beautiful buildings and outstanding facilities – it is rooted in the School's culture and values:

- The championing of an unhurried and joyful childhood.
- Extraordinary teaching that stretches and supports every child, enabling them to discover the discipline of study and the delight of learning.
- Exceptional pastoral care that nurtures pupils and staff, placing their wellbeing at the heart of all we do.
- A passion for developing the unique academic, sporting and creative talents of every child – giving equal measure to the head, hand and heart.
- Strong moral, social and spiritual values, for those of all faiths or none.
- A cohesive and distinctly happy school community that fosters a deep sense of belonging in the children, staff and parents.
- A vibrant boarding experience, equipping children with vital skills for senior school and life beyond
- A culture that embeds in every child a sense of wonder for the natural world and a responsibility to preserve it.
- A global perspective that celebrates the diversity of our children, enabling them to be comfortable with people from different backgrounds and cultures.

Port Regis School Limited
Report of the Council
For the year ended 31 August 2021

- Kindness and tolerance, so children leave as capable and compassionate young people, inspired to play their part in making the world a better place.

Strategic objectives

The School's ongoing strategic objectives are to:

- Ensure our renewed vision and values are compelling, well known and clearly define Port Regis
- Enhance our reputation for academic and co-curricular excellence
- Provide exceptional pastoral care ensuring the welfare of pupils and staff
- Develop excellence in the quality of leadership and Governance across the school
- Develop the Pre-Prep so it is deemed a leading facility in the area and models outstanding provision
- Enhance our vibrant boarding community, ensuring it remains at the heart of PR life
- Ensure PR remains in touch with key educational trends in the prep school landscape
- Develop IT provision across the school to help promote exemplary teaching and learning
- Achieve a sustainable, carbon neutral community that proactively addresses environmental issues and integrates nature and outdoor learning meaningfully into school life
- Grow pupil numbers while maintaining a diverse cross-section of pupils
- Ensure the School's financial stability, grow and diversify non-fee income, generate sufficient cash flow to fund the future development of the site so it promotes PR's values and supports our educational goals and continue to widen access to the School through bursarial awards
- Revitalise the fundraising strategy to help fund the school's strategic objectives
- Ensure that in fulfilling the above objectives the School operates to the benefit of the wider community.

Objectives for the year

The principal objectives for the year have been the continuing achievement of both academic performance, moral, spiritual and physical education and the involvement of the pupils in co-curricular activities. The specific objectives for 2020-21 were inevitably influenced by the ongoing COVID crisis and have been to:

- Maintain the high quality of education during the COVID crisis and provide a seamless learning experience by the provision of an excellent combined in class and remote learning programme when needed
- Ensure that RSE is embedded into our academic programme, and together with Safeguarding, confirm that protection of children is instrumental in all that we do
- Ensure the wellbeing of all our pupils and staff particularly during periods of pupil and staff absence when the site was closed
- Ensure the School's financial stability through the COVID crisis by boosting liquidity and managing the cost base to generate a cash surplus
- Continue to invest in the recruitment and professional development of high-quality staff
- Maintain and enhance the School's high-quality facilities with a specific focus on investment projects which reduce the School's environmental footprint
- Promote and enhance the boarding experience at the School
- Welcome the new Headmaster, Titus Mills, and a new Chair of the Council of Management, James Hussey.

Public benefit

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

- The School educates over 300 children and the standards of education are judged by the Independent Schools Inspectorate, the Commission for Social Care Inspection and OFSTED to be of a high standard. The inspection reports of both bodies provide evidence of this and are freely available on request. By educating these children in the private sector we save the public purse a seven-figure sum by way of indirect public benefit.
- The School provides children from a wide range of financial backgrounds with access to its education by way of means-tested bursarial awards.

Port Regis School Limited
Report of the Council
For the year ended 31 August 2021

- The School trains and inducts teachers through the PGCE scheme and the NQT programme. It receives no funding from government for these undertakings and thus provides a significant net benefit to the profession and to society.
- The School is responsible for maintaining at significant cost the historic building at the heart of the School, Motcombe House, as well as all the grounds and other buildings within its curtilage.
- The School actively seeks to promote community links by making its facilities (music, sporting, art, design technology) available to the local community, schools and other organisations and by engaging where practicable and desirable in community affairs.
- The School supports and fundraises for a wide range of local, national and international charities. These are often chosen by the children and are of special significance or relevance.
- By being an early adopter of solar technology, the school is leading the local community in demonstrating both a pathway, as well as the environmental benefits of pursuing a carbon neutral energy strategy (see facilities)
-

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

Grant making policy

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

In 2020-21 the financial value of all discounts was £1,285,413, representing 19.4% of gross fees. This included £305,880 of discounts given during the Lent term when the site was forced to close due to the COVID crisis and the children were educated through remote learning. On an underlying basis, bursarial awards represented 14.7% of gross fees.

ACHIEVEMENTS AND PERFORMANCE

Operational Performance

The Council oversees the School to ensure its objectives are met and continues to focus on ensuring sufficient funds to run and develop the School. The School had a successful year despite the many challenges presented by the COVID crisis due to the commitment and support of all academic and support staff and the dedication of the senior leadership team. The quality and delivery of a seamless remote learning and wellbeing programme when the site had to close during the Easter term have, in the Council's opinion, further enhanced the reputation of the School. The Council is encouraged to see the stability of pupil numbers through the crisis and UK based pupils at the highest level for 9 years, a testament to the performance of the School through a challenging year. The number of Overseas pupils fell year on year due to ongoing travel restrictions and concerns over COVID. Boarding numbers remained robust despite the fall in the number of Overseas boarders. The Council was pleased to see progress in the School's drive to reduce its environmental footprint with a 25% reduction in underlying electricity consumption on pre COVID levels helped by the commissioning of new solar capacity. The Council welcomed the new Headmaster, Titus Mills from Walhampton School, who took over from Stephen Ilett in January 2021. Oliver Hawkins stepped down as Chair of the Council of Management after completing his 6-year term and was replaced by James Hussey.

Academic Staff

The School continues to invest in the recruitment and professional development of high-quality staff to help meet the School's objective of enhancing its reputation for academic and co-curricular excellence. The School was pleased to appoint a new Director of Sport, a new Head of History and a new Head of Drama all of whom will start in the 2021/22 academic year.

Port Regis School Limited
Report of the Council
For the year ended 31 August 2021

Facilities

Port Regis has long been regarded as having outstanding facilities for a preparatory school. These facilities provide pupils with exceptional opportunities to allow them to reach their potential on the academic front as well as in music, drama, sport, art and design and technology. The School continues to invest to maintain and upgrade its first-rate facilities across the 150-acre site. During the year the School commissioned two solar arrays along with re-roofing the Sports Centre and arts, technology and science block, installed new fencing and gates to enhance the warmth and security of the site, acquired a new 3D printer and bought a COVID testing machine.

Academic

The School prepared 50 children for 13+ Common Entrance Exams for entry to their senior Schools while 14 children were accepted to their senior schools on the basis of a sufficiently strong performance at scholarship level. The pass rate at Common Entrance was once again 100%, and 39 scholarships/exhibitions were awarded: ten academic, twelve sport, four all-rounder, six music, two art, two design technology and two armed forces and one drama. 41% of Year 8 leavers heading to UK senior schools won at least one scholarship. Leavers went on to 22 different UK senior schools, continuing Port Regis' long tradition of preparing children for a wide range of the country's leading destinations at 13+. Selected pupils once again entered the UKMT Junior Mathematical Challenge, with 7 of the 9 gold awards going to pupils currently in Year 7. This means that these pupils were in the top 7% of the 250,000 pupils who entered, which is taken from the highest attaining pupils across the UK and UK-international schools. As a boarding school, Port Regis is proud of its tradition of educating children from all over the world and continues to aim high for its EAL pupils, i.e. those for whom English is not the first language. In 2021 our ten EAL pupils in Year 8 sat a total of 91 CE papers, of which 25 were graded A (27.5%), 35 B (38.5%), 26 C (28.6%) and 5 D (5.5%), making the mean level of attainment of EAL children broadly in line with the mean attainment of the whole cohort.

Sports

The Games programme was again successful in its support of the "Sport for All" philosophy of the School. Every child had the opportunity to represent the School as well as his or her house. The children enjoyed competitive fixtures played in a varied and full programme even if for large parts of the year the opportunity for competitive matches against other schools was restricted due to COVID. Seven sports scholarships were achieved.

Arts

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

Drama in the School continues to thrive by the quality of plays put on through the year. D and F Form continued to receive a weekly drama lesson, while the E Form continued with their Lamda programme. A good number of children from E right up to A form were awarded Lamda certificates at varying levels, with the School achieving a pass rate of 100%.

The Art and Design and Technology departments, both long term strengths within the School, continued to prosper and a new laser cutter was installed for the DT department. In Ceramics, pupils learning to throw on the two new pottery wheels and Ceramics remains the most popular hobby in the school. The Art Scholarship program continued to be boosted with weekend workshops with invited artists providing inspiration. There were scholarships awarded to Marlborough, Bryanston, Clayesmore and Kings Bruton. Design and Technology gained two to Bryanston.

Community

The School continues to promote community links by making its facilities available to local people, local schools and other organisations and by engaging where practicable in community affairs although opportunities to open the site to the local community was marred by the COVID pandemic. With communities being isolated our plans to engage with the outside community were curtailed. Port Regis pupils are encouraged to contribute to community life and to community welfare.

The stunning and purpose-built Farrington Music Hall is at the heart of the School's musical life and its facilities are available for use by the community, outside of term time.

Port Regis School Limited
Report of the Council
For the year ended 31 August 2021

For many years the School has made its sporting facilities available at a very modest cost to local groups and individuals although remained closed for much of the year to the public due to COVID restrictions. In normal times, Motcombe Park Sports Centre offers swimming (including lessons), tennis, squash, badminton, use of the astro-turf as well as holiday activity courses. The Port Regis Gym Club is available for children (including toddlers) of all abilities. At the end of the year, the decision was taken to close Motcombe Park Sports Centre permanently to adult members and to focus resources on providing classes to local schools, children's groups and individuals in line with Port Regis' wider charitable objectives.

FINANCIAL REVIEW

Operating Results

The COVID crisis continued to impact life at Port Regis and led to the forced closure of the site during the Easter term of financial year. From a financial view point the crisis led to reduction in fee income, a decline in Overseas pupil numbers, the loss of all income from external holiday courses and a substantial drop in income from the Motcombe Park sports centre whilst it remained closed. In spite of these challenges, the School recorded a profit for the year of £67,262 (2019-20: loss £195,484) helped by a tight cost control and the receipt of furlough income. The School completed the re-roofing and installation of solar panels on two buildings, installed new fencing and gates, acquired a 3D printer and a COVID testing machine. The new solar panels have a combined installed capacity of 166 kWp and have contributed to a 25% fall in underlying electricity consumption. The School generated positive cash flow before working capital movements and capital expenditure and ended the year in a robust financial position with net assets of £7.6m (2019-20: £7.5m) and cash and cash equivalents of £2.7m (2019-20: £2.5m) inclusive of a £712,500 CBILS loan.

Reserves

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

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

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

Investment policy and objectives

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

FUTURE PLANS

The principal objectives for the year are the continuing achievement of both academic performance, moral, spiritual and physical education and the involvement of the pupils in extra-curricular activities. The specific objectives for 2021-22 are to:

- Ensure PR's renewed vision and values are compelling, well known and clearly define Port Regis
- Launch the School's new brand and website
- Grow pupil numbers and attract a diverse cross section of new pupils from Overseas when global travel restrictions ease.
- Continue to promote boarding and enhance the boarding experience at the School
- Generate sufficient cash flow to help fund the future development of the School
- Promote sustainability and further invest to reduce the School's environmental footprint by converting fully to LED and installing a further 192 kWp of solar capacity. Once commissioned, it is expected underlying electricity consumption across the site will have fallen nearly 60% in 3 years substantially reducing the School's carbon footprint.
- Continue to invest in the recruitment and professional development of high-quality staff
- Reinvigorate Motcombe Park Sports Centre after a long period of forced closure due to the pandemic by offering our wide range of facilities to local schools and children groups/clubs

Port Regis School Limited
Report of the Council
For the year ended 31 August 2021

- Reinvigorate the fundraising programme to help fund future development plans and bursaries to widen access to the School

GOVERNORS' INDEMNITY INSURANCE

The School has purchased governors' indemnity insurance cover.

STATEMENT OF COUNCIL'S RESPONSIBILITIES

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

Company law requires the Members of the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charity and the group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

The report of the Council, which includes the strategic report, was approved on November 26th 2021 and signed on their behalf by:

Mr J Hussey
Chair of the Council of Management

Motcombe House
Motcombe Park
Shaftesbury
Dorset
SP7 9QA

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

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's and group's affairs as at 31 August 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

**Report of the Independent Auditors
To the Members of**

Port Regis School Limited

Matters on which we are required to report by exception

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

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

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

Responsibilities of Members of the Council

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

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

Auditor's responsibilities for the audit of the financial statements

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

Identifying and assessing potential risks related to irregularities

Irregularities, including fraud, are non-compliance with laws and regulations. We design procedures, in line with our responsibilities, as set out in the auditor's responsibilities for the audit of the financial statements section, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, are detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations we consider the following:

- the nature of the charity sector, control environment and financial performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following area: revenue and resource recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

**Report of the Independent Auditors (continued)
To the Members of**

Port Regis School Limited

We have also obtained an understanding of the legal and regulatory frameworks that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act and related legislation.

Audit response to risks identified

As a result of performing the above, we identified revenue and resource recognition as a key audit matter related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- understanding the group's revenue recognition policies and how they are applied, including the relevant controls and performing a walkthrough to validate our understanding.
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to compare revenue recognised against expectations and based on past experiences and management forecasts and investigated material divergencies by obtaining corroborative evidence.
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; applying parameters designed to identify entries that were not within our expectations. This included analysing and selecting journals for testing which appeared unusual in nature, either due to size, preparer or date of posting. To test their validity, we verified the journals to originating documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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



Simon Ellingham BA FCA DChA (Senior Statutory Auditor)

for and on behalf of Fawcetts LLP

Chartered Accountants & Statutory Auditors

Windover House, St Ann Street

Salisbury

SP1 2DR

Date: 21 February 2017

Port Regis School Limited
Consolidated Statement of Financial Activities

For the year ended 31 August 2021

| INCOME AND EXPENDITURE | | Unrestricted | Restricted | 2021 | 2020 |
|------------------------------------|-------------|---------------------|-------------------|------------------|------------------|
| | Note | £ | £ | Total | Total |
| | | | | £ | £ |
| INCOME AND ENDOWMENTS FROM: | | | | | |
| Charitable activities: | | | | | |
| School fees receivable | 3 | 5,356,943 | - | 5,356,943 | 4,778,962 |
| Other income | 4 | 739,330 | - | 739,330 | 1,041,820 |
| Donations and legacies | 5 | 39,100 | 39,993 | 79,093 | 61,721 |
| Other trading activities | 6 | 46,418 | - | 46,418 | 129,792 |
| Investment income | 7 | 532 | - | 532 | 2,748 |
| | | <u>6,182,323</u> | <u>39,993</u> | <u>6,222,316</u> | <u>6,015,043</u> |
| Total income | | | | | |
| EXPENDITURE ON: | | | | | |
| Raising funds | 8 | 53,018 | - | 53,018 | 75,247 |
| Charitable activities | 8 | 6,093,112 | 8,924 | 6,102,036 | 6,135,280 |
| | | <u>6,146,130</u> | <u>8,924</u> | <u>6,155,054</u> | <u>6,210,527</u> |
| Total expenditure | | | | | |
| | | 36,193 | 31,069 | 67,262 | (195,484) |
| Net gains/(losses) on investments | 14 | - | - | - | - |
| NET INCOME/(EXPENDITURE) | | <u>36,193</u> | <u>31,069</u> | <u>67,262</u> | <u>(195,484)</u> |
| RECONCILIATION OF FUNDS: | | | | | |
| Total funds brought forward | | 7,526,855 | - | 7,526,855 | 7,722,339 |
| TOTAL FUNDS CARRIED FORWARD | | <u>7,563,048</u> | <u>31,069</u> | <u>7,594,117</u> | <u>7,526,855</u> |

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

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

The notes form part of these financial statements

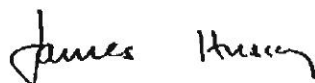
Port Regis School Limited
(Company number: 440436)
Consolidated Balance Sheet

As at 31 August 2021

| | Note | Group | | School | |
|---|------|------------------|------------------|------------------|------------------|
| | | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Fixed assets | | | | | |
| Tangible fixed assets | 13 | 8,186,121 | 8,278,721 | 8,182,592 | 8,273,163 |
| Investment | 14 | 5,749 | 5,749 | 6,249 | 6,249 |
| | | 8,191,870 | 8,284,470 | 8,188,841 | 8,279,412 |
| Current assets | | | | | |
| Debtors | 15 | 242,768 | 227,008 | 253,065 | 231,138 |
| Cash at bank and in hand | | 2,684,327 | 2,518,425 | 2,682,024 | 2,515,936 |
| Total current assets | | 2,927,095 | 2,745,433 | 2,935,089 | 2,747,074 |
| Liabilities | | | | | |
| Creditors: Amounts due within one year | 16 | (1,879,036) | (1,527,641) | (1,876,420) | (1,523,893) |
| Net current assets | | 1,048,059 | 1,217,792 | 1,058,669 | 1,223,181 |
| Total assets less current liabilities | | 9,239,929 | 9,502,262 | 9,247,510 | 9,502,593 |
| Creditors: Amounts due after more than one year | 17 | (1,645,812) | (1,975,407) | (1,645,812) | (1,975,407) |
| NET ASSETS | | 7,594,117 | 7,526,855 | 7,601,698 | 7,527,186 |
| Funds | | | | | |
| Unrestricted funds: | | | | | |
| Undesignated | 21 | 7,570,629 | 7,527,186 | 7,570,629 | 7,527,186 |
| Trading company | 21 | (7,581) | (331) | - | - |
| Total unrestricted general funds | | 7,563,048 | 7,526,855 | 7,570,629 | 7,527,186 |
| Restricted funds | 21 | 31,069 | - | 31,069 | - |
| TOTAL FUNDS | | 7,594,117 | 7,526,855 | 7,601,698 | 7,527,186 |

The financial statements were approved and authorised for issue by the Members of the Council on 4 February 2022..... and were signed on its behalf by:

J A Hussey (Chair of Council)



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



The notes form part of these financial statements

Port Regis School Limited

Consolidated Statement of Cash Flow
For the year ended 31 August 2021

| | Notes | 2021 £ | 2020 £ |
|---|-------|-------------------------|-------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Net cash provided by/(used in) operating activities | a | 1,760,527 | (176,453) |
| Cash flows from investing activities: | | | |
| Purchase of tangible fixed assets | | (307,125) | (379,600) |
| Proceeds on sale of tangible fixed assets | | - | 5,200 |
| Net cash provided by/(used in) investing activities | | <u>(307,125)</u> | <u>(374,400)</u> |
| Cash flows from financing activities: | | | |
| Repayments of borrowing | | (1,287,500) | - |
| Cash inflows from new borrowing | | - | 2,000,000 |
| Net cash provided by/(used in) financing activities | | <u>(1,287,500)</u> | <u>2,000,000</u> |
| CHANGE IN CASH AND CASH EQUIVALENTS FOR THE YEAR | | 165,902 | 1,449,147 |
| Cash and cash equivalents brought forward | b | 2,518,425 | 1,069,278 |
| CASH AND CASH EQUIVALENTS CARRIED FORWARD AT 31 AUGUST | b | <u>2,684,327</u> | <u>2,518,425</u> |

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

| | 2021 £ | 2020 £ |
|--|-------------------------|-------------------------|
| Net income/(expenditure) for the year as per the Statement of Financial Activities | 67,262 | (195,484) |
| Adjusted for: | | |
| Depreciation | 396,232 | 382,743 |
| (Profit)/loss on disposal of tangible fixed assets | 3,493 | (738) |
| Net gains/(losses) on investments | - | - |
| (Increase)/decrease in debtors | (15,760) | 181,428 |
| Increase/(decrease) in creditors | 1,309,300 | (544,402) |
| Net cash (used in)/provided by operating activities | <u>1,760,527</u> | <u>(176,453)</u> |

b) Analysis of cash and cash equivalents

| | 2021 £ | 2020 £ |
|--------------------------|-------------------------|-------------------------|
| Cash at bank and in hand | <u>2,684,327</u> | <u>2,518,425</u> |

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2021

1. Accounting policies

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

1.1 Accounting convention

The accounts of the School are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102) and the Companies Act 2006.

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

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

1.2 Basis of consolidation

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

1.3 Income

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

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

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

Investment income is accounted for on an accruals basis.

1.4 Expenditure

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

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

1.5 Fund accounting

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

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

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2021

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

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

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

An impairment review is carried out on an annual basis.

1.7 Investments

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

1.8 Debtor

Debtors are measured at their recoverable amount.

1.9 Creditors and provisions

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

1.10 Financial instruments

The School only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.11 Advance fees scheme

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

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

1.12 Operating leases

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

1.13 Pension costs

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2021

1. Accounting policies (continued)

1.14 Government grants and COVID-19

The company has received support from the UK Government as part of a package of measures introduced to support businesses during the coronavirus pandemic. Government grants are recognised in the financial statements in the period in which they become receivable.

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2021

2. Statement of financial activities - comparative balances

| | Unrestricted £ | Restricted £ | 2020 Total £ |
|------------------------------------|-------------------|-----------------|--------------------|
| INCOME AND ENDOWMENTS FROM: | | | |
| Charitable activities: | | | |
| School fees receivable | 4,778,962 | - | 4,778,962 |
| Other income | 1,041,820 | - | 1,041,820 |
| Donations and legacies | 61,721 | - | 61,721 |
| Other trading activities | 129,792 | - | 129,792 |
| Investment income | 2,748 | - | 2,748 |
| Total income | 6,015,043 | - | 6,015,043 |
| EXPENDITURE ON: | | | |
| Raising funds | 75,247 | - | 75,247 |
| Charitable activities | 6,135,280 | - | 6,135,280 |
| Total expenditure | 6,210,527 | - | 6,210,527 |
| | (195,484) | - | (195,484) |
| Net gains/(losses) on investments | - | - | - |
| NET INCOME/(EXPENDITURE) | (195,484) | - | (195,484) |
| RECONCILIATION OF FUNDS: | | | |
| Total funds brought | 7,722,339 | - | 7,722,339 |
| TOTAL FUNDS CARRIED FORWARD | 7,526,855 | - | 7,526,855 |

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2021

| 3. Charitable activities: School fees receivable | 2021 | 2020 |
|---|-------------------------|-------------------------|
| | £ | £ |
| Gross fees excluding registrations | 6,642,356 | 6,556,697 |
| Less: Bursaries, scholarships and allowances | <u>(1,285,413)</u> | <u>(1,777,735)</u> |
| | 5,356,943 | 4,778,962 |
| Restricted fund bursaries | - | - |
| | <u><u>5,356,943</u></u> | <u><u>4,778,962</u></u> |
| 4. Charitable activities: Other income | 2021 | 2020 |
| | £ | £ |
| Extras, special tuition and outlays recoverable | 375,966 | 439,676 |
| Registration fees | 10,295 | 10,659 |
| Government grants | 353,069 | 591,485 |
| | <u>739,330</u> | <u>1,041,820</u> |
| 5. Donations and legacies | 2021 | 2020 |
| | £ | £ |
| Donations | <u>79,093</u> | <u>61,721</u> |
| 6. Other trading activities | 2021 | 2020 |
| | £ | £ |
| Subsidiary trading income | (1,970) | 21,715 |
| Sports centre income | 36,953 | 90,964 |
| Lettings and rents | 8,395 | 2,406 |
| Other income | 3,040 | 14,707 |
| | <u>46,418</u> | <u>129,792</u> |
| 7. Investment income | 2021 | 2020 |
| | £ | £ |
| Bank and other interest | 310 | 2,609 |
| Investment income | 222 | 139 |
| | <u>532</u> | <u>2,748</u> |

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2021

| 8. Expenditure | Staff costs £ | Other costs £ | Depreciation £ | Total 2021 £ | Total 2020 £ |
|---|------------------|------------------|-------------------|--------------------|--------------------|
| Raising funds | | | | | |
| Trading costs | - | 3,251 | 2,029 | 5,280 | 22,124 |
| Commissions and other costs | - | 35,427 | - | 35,427 | 49,105 |
| Bank loan interest and charges | - | 12,311 | - | 12,311 | 4,018 |
| | <u>-</u> | <u>50,989</u> | <u>2,029</u> | <u>53,018</u> | <u>75,247</u> |
| Charitable activities | | | | | |
| Education: | | | | | |
| Teaching | 2,682,489 | 98,247 | 4,357 | 2,785,093 | 2,930,890 |
| Welfare | 471,160 | 199,168 | - | 670,328 | 717,676 |
| Premises | 511,048 | 861,590 | 389,845 | 1,762,483 | 1,620,692 |
| ICT & AV development | - | 163,512 | - | 163,512 | 121,411 |
| Support costs of schooling | 531,100 | 136,150 | - | 667,250 | 699,511 |
| Bad debts | - | 21,834 | - | 21,834 | 13,907 |
| Lettings, courses and other activities | 30,000 | 1,536 | - | 31,536 | 31,193 |
| | <u>4,225,797</u> | <u>1,482,037</u> | <u>394,202</u> | <u>6,102,036</u> | <u>6,135,280</u> |
| | <u>4,225,797</u> | <u>1,533,026</u> | <u>396,231</u> | <u>6,155,054</u> | <u>6,210,527</u> |
| | (note 11) | | | | |
| TOTAL 2020 | 4,481,576 | 1,346,208 | 382,743 | 6,210,527 | |
| 9. Net income/(expenditure) | | | | | |
| This is stated after charging: | | | | 2021 | 2020 |
| | | | | £ | £ |
| Depreciation | | | | 396,231 | 382,743 |
| (Loss)/Profit on disposal of fixed assets | | | | (3,493) | 738 |
| Auditors' remuneration: | | | | | |
| - audit | | | | 15,000 | 13,746 |
| Operating lease rentals: | | | | | |
| - equipment rental | | | | <u>29,376</u> | <u>32,098</u> |
| 10. Taxation | | | | | |

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2021

11. Staff costs and numbers

| | Teaching | | Non-teaching | | Total | |
|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Wages and salaries | 2,042,085 | 2,261,541 | 1,572,733 | 1,520,102 | 3,614,818 | 3,781,643 |
| Social security | 195,012 | 220,563 | 115,677 | 107,676 | 310,689 | 328,239 |
| Pension costs | 252,218 | 320,510 | 48,072 | 51,184 | 300,290 | 371,694 |
| | <u>2,489,315</u> | <u>2,802,614</u> | <u>1,736,482</u> | <u>1,678,962</u> | <u>4,225,797</u> | <u>4,481,576</u> |

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

| | 2021 No. | 2020 No. |
|-----------------|-------------|-------------|
| Teaching staff | 53 | 56 |
| Other employees | 94 | 113 |
| | <u>147</u> | <u>169</u> |

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

| | 2021 No. | 2020 No. |
|----------------------|-------------|-------------|
| £60,001 to £70,000 | 3 | 3 |
| £70,001 to £80,000 | 1 | 1 |
| £80,001 to £90,000 | - | - |
| £90,001 to £100,000 | - | - |
| £100,001 to £110,000 | 1 | 1 |
| | <u>1</u> | <u>1</u> |

During the year there were redundancy and termination payments made which amounted to £40,047 (2020: £16,358). There was £nil outstanding at the year end (2020: £nil).

The total amount of employee benefits (including employer pension contributions) received by the 4 key management personnel, as listed in the Report of the Council, for their services was £304,682 (2020: £300,206 to 4 personnel).

12. Council Members' expenses and remuneration

Members of the Council are not remunerated. No expenses were reimbursed to the Council Members in the year (2020: £Nil).

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2021

13. Tangible Fixed Assets

| | Freehold property £ | Building improvements £ | Furniture, fittings & equipment £ | Motor vehicles £ | School Total £ | Subsidiary £ | Group Total £ |
|-----------------------|---------------------------|-------------------------------|--|------------------------|----------------------|-----------------|---------------------|
| Cost | | | | | | | |
| At 1 September | 11,684,892 | 2,881,672 | 2,849,588 | 49,560 | 17,465,712 | 143,370 | 17,609,082 |
| Additions | - | 105,498 | 201,627 | - | 307,125 | - | 307,125 |
| Disposals | - | - | (4,842) | - | (4,842) | - | (4,842) |
| At 31 August | <u>11,684,892</u> | <u>2,987,170</u> | <u>3,046,373</u> | <u>49,560</u> | <u>17,767,995</u> | <u>143,370</u> | <u>17,911,365</u> |
| Depreciation | | | | | | | |
| At 1 September | 4,448,801 | 2,459,317 | 2,252,298 | 32,133 | 9,192,549 | 137,812 | 9,330,361 |
| Charge for the year | 231,698 | 42,788 | 115,360 | 4,357 | 394,203 | 2,029 | 396,232 |
| Disposals | - | - | (1,349) | - | (1,349) | - | (1,349) |
| At 31 August | <u>4,680,499</u> | <u>2,502,105</u> | <u>2,366,309</u> | <u>36,490</u> | <u>9,585,403</u> | <u>139,841</u> | <u>9,725,244</u> |
| Net book value | | | | | | | |
| At 31 August 2021 | <u>7,004,393</u> | <u>485,065</u> | <u>680,064</u> | <u>13,070</u> | <u>8,182,592</u> | <u>3,529</u> | <u>8,186,121</u> |
| At 31 August 2020 | <u>7,236,091</u> | <u>422,355</u> | <u>597,290</u> | <u>17,427</u> | <u>8,273,163</u> | <u>5,558</u> | <u>8,278,721</u> |

Included above are fixed assets under hire purchase agreement with a NBV of £3,723 (2020: £11,167).

14. Fixed Asset Investments

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

15. Debtors

| | Group | | School | |
|--|----------------|----------------|----------------|----------------|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Fees and extras | 145,114 | 128,978 | 145,114 | 128,978 |
| Stocks, prepayments and accrued income | 97,654 | 98,030 | 96,788 | 97,777 |
| Amount owed by subsidiary | - | - | 11,163 | 4,383 |
| | <u>242,768</u> | <u>227,008</u> | <u>253,065</u> | <u>231,138</u> |

Fees and extras stated above are shown after provisions for doubtful debts of £15,000 (2020: £10,623).

Included in amount owed by subsidiary is a loan with a year end balance of £5,000 (2020: £Nil). Interest is payable on the loan at 1% above BoE base rates.

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2021

| 16. Creditors: amounts due within one year | Group | | School | |
|---|------------------|------------------|------------------|------------------|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Cash received in advance for next term's fees | 707,757 | 575,332 | 707,757 | 575,332 |
| Advance fees scheme (note 18) | 331,434 | 138,784 | 331,434 | 138,784 |
| Deposits | 344,747 | 400,800 | 344,747 | 400,800 |
| Trade creditors | 97,245 | 109,816 | 97,245 | 109,816 |
| Bank loans (note 17) | 150,000 | 100,000 | 150,000 | 100,000 |
| Hire purchase agreements | 4,343 | 7,445 | 4,343 | 7,445 |
| Other taxation and social security | 74,774 | 77,703 | 74,774 | 76,055 |
| Other creditors | 32,666 | 33,254 | 32,666 | 31,154 |
| Accruals and deferred income | 136,070 | 84,507 | 133,454 | 84,507 |
| | <u>1,879,036</u> | <u>1,527,641</u> | <u>1,876,420</u> | <u>1,523,893</u> |
| | | | | |
| 17. Creditors: amounts due after more than one year | | | 2021 £ | 2020 £ |
| Advance fee scheme (note 18) | | | 1,083,312 | 71,064 |
| Bank loans | | | 562,500 | 1,900,000 |
| Hire purchase agreements | | | - | 4,343 |
| | | | <u>1,645,812</u> | <u>1,975,407</u> |
| | | | | |
| Hire purchase agreements repayable by instalments: | | | 2021 £ | 2020 £ |
| Less than 1 year | | | 4,343 | 7,445 |
| Between 2 and 5 years | | | - | 4,343 |
| | | | <u>4,343</u> | <u>11,788</u> |
| | | | | |
| Bank loans repayable by instalments: | | | 2021 £ | 2020 £ |
| Less than 1 year | | | 150,000 | 100,000 |
| Between 2 and 5 years | | | 562,500 | 1,600,000 |
| In 5 years or more | | | - | 300,000 |
| | | | <u>712,500</u> | <u>2,000,000</u> |

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2021

18. Advance fee scheme

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

| | 2021 | 2020 |
|--|------------------|----------------|
| | £ | £ |
| Less than 1 year | 331,434 | 138,784 |
| Between 2 and 5 years | 1,083,312 | 71,064 |
| | 1,414,746 | 209,848 |
| Summary of movements in liability: | | |
| | 2021 | 2020 |
| | £ | £ |
| Balance at 1 September | 209,848 | 249,613 |
| Additional amounts received | 1,356,410 | 138,049 |
| Allocation to fees | (151,512) | (177,814) |
| | 1,414,746 | 209,848 |

19. Operating lease commitments

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

| | 2021 | 2020 |
|-----------------------|---------------|---------------|
| | £ | £ |
| Less than 1 year | 27,506 | 29,376 |
| Between 2 and 5 years | 18,013 | 45,519 |
| Over 5 years | - | - |
| | 45,519 | 74,895 |

20. Analysis of net assets between funds

| | Fixed assets & investments | Net current liabilities | Creditors > 1 year | Total |
|--|---|------------------------------------|----------------------------------|------------------|
| | £ | £ | £ | £ |
| Unrestricted funds: | | | | |
| General undesignated funds | 8,157,272 | 1,059,169 | (1,645,812) | 7,570,629 |
| Trading subsidiary | 3,529 | (11,110) | - | (7,581) |
| Restricted funds | 31,069 | - | - | 31,069 |
| | 8,191,870 | 1,048,059 | (1,645,812) | 7,594,117 |
| Net assets at the end of the year | | | | |

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2021

20. Analysis of net assets between funds (continued)

Comparative analysis of net assets between funds for the year ended 31 August 2020:

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

21. Statement of funds

| | Balance at 1.09.20 £ | Incoming resources £ | Outgoing resources £ | Gains/losses & transfers £ | Balance at 31.08.21 £ |
|----------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---|--------------------------------------|
| Unrestricted funds: | | | | | |
| General undesignated funds | 7,527,186 | 6,184,293 | (6,140,850) | - | 7,570,629 |
| Trading subsidiary | (331) | (1,970) | (5,280) | - | (7,581) |
| | <u>7,526,855</u> | <u>6,182,323</u> | <u>(6,146,130)</u> | <u>-</u> | <u>7,563,048</u> |
| Restricted funds | - | 39,993 | (8,924) | - | 31,069 |
| | <u>7,526,855</u> | <u>6,222,316</u> | <u>(6,155,054)</u> | <u>-</u> | <u>7,594,117</u> |

Comparative statement of funds for the year ended 31 August 2020:

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

Restricted funds represent a donation that was made to the charity for the sole purpose of the purchase a piece of equipment.

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2021

22. Subsidiary undertaking

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

| Profit and loss accounts | 2021 | 2020 |
|--|----------------|-----------------|
| | £ | £ |
| Turnover | (1,970) | 21,715 |
| Operating costs | <u>(5,280)</u> | <u>(22,124)</u> |
| Operating profit | (7,250) | (409) |
| Interest receivable | <u>-</u> | <u>-</u> |
| | (7,250) | (409) |
| Gift aid donation to Port Regis School | - | - |
| | <u>(7,250)</u> | <u>(409)</u> |
| | | |
| Balance sheet | 2021 | 2020 |
| | £ | £ |
| Fixed assets | 3,529 | 5,558 |
| Current assets | 3,170 | 4,521 |
| Current liabilities | (13,780) | (9,910) |
| | <u>(7,081)</u> | <u>169</u> |
| | | |
| Called up share capital | 500 | 500 |
| Retained earnings | (7,581) | (331) |
| | <u>(7,081)</u> | <u>169</u> |

23. Related party transactions

There are no other related party transactions (2020: none).

24. Status

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2021

25. Pension

The total pension cost for the group was £300,289 (2020: £363,395) of which £152,190 (2020: £151,238) relates to Money Purchase Schemes.

There were outstanding contributions at the balance sheet date of £18,675 (2020: £17,625) in respect of contributions due for the month of August paid over to the pension scheme administrators in September.

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

Teachers' Pension Scheme

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

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

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

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

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

The pension charge for the year includes contributions payable to the TPS of £148,099 (2020: £212,157) and at the year end £13,178 (2020: £13,328) was accrued in respect of contributions to this scheme.

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

PORT REGIS SCHOOL LTD

England & Wales - Charity number 306218

Accounts

Port Regis School Limited

(A Company Limited By Guarantee)

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

For the year ended 31 August 2020

Company number: 440436

Charity number: 306218

**Port Regis School Limited
Contents**

For the year ended 31 August 2020

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

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

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

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

REFERENCE AND ADMINISTRATIVE INFORMATION

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Council

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

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

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

Recruitment, induction and training of Members of the Council

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

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

Organisation

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

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

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

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

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

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

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

Principal Risks and Uncertainties

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

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

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

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

STRATEGIC AIMS AND OBJECTIVES

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

Principal activity

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

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

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

Related Entity

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

Vision

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

Ethos

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

Aims

The School's aims are:

For the pupils

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

For the education

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

For the School

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

Strategic objectives

The School's ongoing objectives are to:

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

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

Objectives for the year

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

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

Public benefit

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

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

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

Grant making policy

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

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

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

ACHIEVEMENTS AND PERFORMANCE

Operational Performance

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

Academic Staff

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

Facilities

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

Academic

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

Sports

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

Arts

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

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

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

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

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

Community

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

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

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

FINANCIAL REVIEW

Operating Results

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

Reserves

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

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

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

Investment policy and objectives

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

FUTURE DEVELOPMENTS

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

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

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

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

GOVERNORS' INDEMNITY INSURANCE

The School has purchased governors' indemnity insurance cover.

STATEMENT OF COUNCIL'S RESPONSIBILITIES

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

Company law requires the Members of the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charity and the group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

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



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

Motcombe House
Motcombe Park
Shaftesbury
Dorset
SP7 9QA

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

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Members of the Council

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

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


Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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


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

Date: 11 December 2019

Port Regis School Limited
Consolidated Statement of Financial Activities

For the year ended 31 August 2020

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

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

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

The notes form part of these financial statements

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

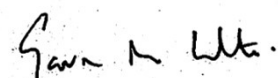
As at 31 August 2020

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

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



O Hawkins (Chairman of Council)



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

The notes form part of these financial statements

Port Regis School Limited

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

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

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

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

b) Analysis of cash and cash equivalents

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

1. Accounting policies

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

1.1 Accounting convention

The accounts of the School are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102) and the Companies Act 2006.

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

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

1.2 Basis of consolidation

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

1.3 Income

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

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

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

Investment income is accounted for on an accruals basis.

1.4 Expenditure

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

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

1.5 Fund accounting

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

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

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

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

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

An impairment review is carried out on an annual basis.

1.7 Investments

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

1.8 Debtor

Debtors are measured at their recoverable amount.

1.9 Creditors and provisions

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

1.10 Financial instruments

The School only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.11 Advance fees scheme

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

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

1.12 Operating leases

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

1.13 Pension costs

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

2. Statement of financial activities - comparative balances

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

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

10. Taxation

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

11. Staff costs and numbers

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

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

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

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

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

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

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

12. Council Members' expenses and remuneration

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

13. Tangible Fixed Assets

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

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

14. Fixed Asset Investments

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

15. Debtors

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

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

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

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

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

18. Advance fee scheme

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

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

19. Operating lease commitments

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

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

20. Analysis of net assets between funds

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

20. Analysis of net assets between funds (continued)

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

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

21. Statement of funds

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

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

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

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

22. Subsidiary undertaking

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

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

23. Related party transactions

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

24. Status

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

Port Regis School Limited
Notes to the Consolidated Financial Statements

For the year ended 31 August 2020

25. Pension

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

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

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

Teachers' Pension Scheme

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

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

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

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

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

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

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