

# **BLUNDELL'S SCHOOL**

## **TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

# **BLUNDELL'S SCHOOL**

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## BLUNDELL'S SCHOOL

### REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2020

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<b>Trustees &amp; Directors</b>	Mr C M Clapp, Chair <sup>1</sup> Dr S B Ansell <sup>2,3</sup> Mr N Arnold <sup>1,2,3,4</sup> Mr N Cryer <sup>1,3</sup> Mr N P Hall, Vice Chair <sup>1,2,3</sup> Mr G L Howe <sup>1,4</sup> Mr B J Hurst-Bannister (resigned 29 November 2019) <sup>1,4</sup> Mr P M Johnson (resigned 3 July 2020) <sup>1,3</sup> Mr M J Lovett <sup>2,4</sup> Mrs M MacNeice <sup>1,3,4</sup> Mr J K MacPherson (resigned 29 November 2019) <sup>1,2,3</sup> Mrs J M A Mannix <sup>2,3,4</sup> Fr R Maudsley <sup>2,3</sup> Rt Rev'd N H P McKinnel <sup>1,3</sup> Mr R W Thane <sup>1,2,3</sup> Mr I R G Thomas <sup>1,3</sup> Mrs J S Thomson <sup>1,3,4</sup> Dr M E Wood <sup>3,4</sup>
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- <sup>1</sup> Finance and General Purposes Committee
- <sup>2</sup> Blundell's Preparatory School Committee
- <sup>3</sup> Education Committee
- <sup>4</sup> Governance Committee

<b>Company registered number</b>	04016403
<b>Charity registered number</b>	1081249
<b>Registered office</b>	Blundells Road Tiverton Devon EX16 4DN
<b>Head</b>	Mr B Wielenga, BCom, Natal & Johannesburg, BEd
<b>Company secretary</b>	Mrs A Hedrich-Wiggans, MA (Cantab), MSt (Oxon), ACA
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS

**BLUNDELL'S SCHOOL**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS TRUSTEES AND ADVISERS  
(CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**Bankers**

Allied Irish Bank (GB) (to October 2020)  
19 Whiteladies Road  
Clifton  
Bristol  
BS8 1PB

HSBC Bank Plc (from October 2020)  
Stratus House  
Emperor Way  
Exeter Business Park  
Exeter  
EX1 3QS

**Solicitors**

Hole & Pugsley  
6 St Peter Street  
Tiverton  
Devon  
EX16 6NX

Harrison Clark Rickerbys  
Ellenborough House  
Wellington Street  
Cheltenham  
GL50 1YD



**TRUSTEES REPORT  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2020**

The Governors, who are also directors of the company for the purpose of the Companies Act 2006, present their annual report and the audited consolidated financial statements for the year ended 31 August 2020. The Governors, all of whom served throughout the year to 31 August 2020 and up to the date of signing the financial statements, except where otherwise disclosed, are listed on page 1.

Blundell's School ("the School") is a charitable company limited by guarantee, governed by its Memorandum and Articles of Association (company registered number 4016403) and a charity registered with the Charity Commission (charity registered number 1081249). It has a wholly owned subsidiary, Horsdon Enterprises Limited (company registered number 2758360). Two directors of Horsdon Enterprises Limited hold one share each in trust for the School.

The information with respect to governors, directors, officers and advisers, set out on pages 1 and 2, forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, applicable Accounting Standards in the United Kingdom and the Statement of Recommended Practice (SORP) "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)" 2005 (effective 1 January 2019), the Charities Act 1993 (as amended by the Charities Act 2011) and the Companies Act 2006.

**Executive Summary**

Our Report gives an overview of the year's activities at Blundell's School (including Blundell's Preparatory School) – both academic and co-curricular – our financial strength and our Governance. Our primary objective, to provide a first-class independent education for all our pupils as they move through the School, has not changed and we highlight in our Report the ways in which progress has continued. It is our aim to achieve the best possible environment for academic learning and teaching and the all-round development of the sporting, artistic and social skills of our pupils.

Clearly this was a year without precedent due to the Coronavirus pandemic that began to impact on school life in the Spring Term. A-Level and GCSE examinations were cancelled and replaced by teacher assessments of grades. An innovative programme of online teaching and involvement for the youngest through to the most senior pupils was created by our dedicated teachers and a reduced, but effective, estate maintenance programme was undertaken by our support teams. This year's academic results have been excellent and there have been successes at national level in a variety of academic competitions.

The pandemic affected our co-curricular programmes, but after the return to attendance at school in the summer every effort was made to resume as many events and fixtures as possible. Earlier in the year, we enjoyed impressive sporting successes at regional and national levels.

We have continued to be a positive contributor to our local community in a variety of ways. Both our schools have contributed to the West Country Teaching School Alliance and we have extended our partnerships with local schools, holding events through which we can share the facilities we have available and enhance the relationships that develop.

Our finances, in common with many schools during the pandemic, came under pressure but through careful management and the support of our parent body we have remained financially sound while recognising that many financial challenges still exist for the independent schools sector. We thank our Head, Bart Wielenga and all his colleagues for their skill, care and enthusiasm and their constant pursuit of excellence particularly in the face of circumstances that presented them with unprecedented challenges.

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**Aims, objectives and activities**

The primary object of the School, as stated in its Memorandum of Association, is to advance education through the provision of an age 2½ to age 18 co-educational day and boarding school known as Blundell's School or such other schools as the Board of Governors shall determine. Within this object, the School's aim is to provide first class independent education, both through strong academic tuition, and through developing wider sporting, musical, artistic and social skills in all its pupils. The School's main objective for the year is for pupils to achieve good examination results at both A and GCSE levels. The School's strategy for achieving these results is by seeking continually to improve academic standards throughout the School; providing the best possible environment for teaching and providing excellent pastoral care and a varied co-curricular programme.

Our core School aims centre around the theme of providing "Roots and Wings" for our pupils. These are defined as follows:

**Roots:**

- To develop depth and breadth of character, which will encourage resilience, optimism, self-control and generosity within the rich Christian values that we have.
- To develop a sense of social responsibility and to be mindful of our role in our community towards each other, our role in society at large and in the global environment, which will encourage consideration, mindfulness and respect.

**Wings:**

- To develop independence, taking responsibility for our own growth and development which will enable us to show initiative, take ownership and feel satisfaction in what is achieved.
- To pursue excellence, aspiring to do everything as well as it can be done, which will develop a sense of justifiable pride and ambition.
- To develop confidence and a sense of adventure which will foster courage, curiosity and enterprise and originality.

In setting our objectives and planning our activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee charging.

**ACHIEVEMENTS AND PERFORMANCE**

**Academic**

The public exams, of course, did not happen due to the exceptional circumstances caused by the Coronavirus outbreak and therefore the results of the A-Levels and GCSE exams are not comparable to previous years. However, using the Predicated Grades system of assessment, pupils did very well and overall, the outcomes were very satisfactory.

At the Preparatory School, annual standardised scores indicate an above average academic profile across all age groups, with the addition of 9 academic awards to Blundell's Senior School gained by Year 6 pupils during the 11+ exam period. Notable academic successes have included Gold awards in national Computational Thinking Competitions, UK Maths Challenges and, since March 2020, the 100% engagement in our Home Learning Programme which was launched when lockdown began. Through live lessons and the continuation of our broad offering, all pupils were able to continue their academic studies whilst also enjoying their creative and athletic pursuits. Teacher assessments indicate that, in the most part, children were able to make academic progress even when not physically attending school, and this has been recognised by the school's parent body.

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**A Level and GCSE Results**

At A-Level over 70% of our pupils achieved A\* to B grades. The more important outcome was that almost all our pupils gained acceptance to university courses of their choice. Over 50% accepted Russell Group university offers with three of our pupils securing places at Oxford University.

The GCSE results were excellent with 4 pupils gaining straight 9's and another 16 achieving a grade average above 8.

**Music and Drama**

Despite the curtailed music programme over the past year the Choir and Orchestra again performed at the highest level on very grand stages. The Carol Service was held at Exeter Cathedral and we returned to that venue for the popular Spring Concert. The Spring Concert was a major collaborative work including a number of Prep Schools as well as Tiverton High School and several local Primary Schools from the Tiverton area. It was a wonderful success and a particular treat to have the composer of the piece, Alec Roth, there to appreciate his 'Time to Dance' performed by pupils aged between 8 and 18.

Ondaatje Hall, the School's Theatre, has been uncharacteristically quiet with no performances since the success of Dicken's A Christmas Carol late in 2019. Since then productions of Much Ado About Nothing, scheduled to coincide with VE Day celebrations, and the junior production of Sweeney Todd have had to be stopped due to the school's untimely lockdown.

**Sport**

Sport continues to play a critical role in the life of the school and whether pupils are novices or semi-professional, there is a place for everyone to enjoy learning new skills and being part of a team.

The Rugby season was another successful one with the 1st XV continuing to enhance the reputation of the School on the national stage. The U15A XV remained unbeaten despite a very strong fixture list and can rightly claim to be the team to beat in their age group in the South West of England.

Our U18 Hockey girls had the best season in recent years and had a very impressive cup run which took them to the Olympic Park for the National Finals. They lost that playing in sub-zero conditions but emerged with a fantastic experience and having done the morale of girl's sport at school endless good. Arguably the sporting highlight of the year was the home quarter final match supported by hundreds of staff and pupils.

Other highlights include the 140th running of The Russell, the school's cross-country event, towards the end of the Spring Term. The boys' Cricket team managed to enjoy a wonderful half term expedition in February to India for 5 matches in Mumbai and Goa. They would have fielded the strongest 1st XI in some years had the summer cricket season taken place.

**CCF and Duke of Edinburgh**

We have an active and growing CCF which is compulsory to all Year 9 and 10 pupils, but which is voluntary after that. A healthy number of pupils choose to continue and qualify for various BTEC's in leadership as part of that participation. During the CCF time pupils prepare for the Bronze Duke of Edinburgh Award and last year nearly 60 pupils completed the Bronze Award. Two groups went on to achieve Silver Awards and the Gold candidates completed their expedition in Morocco – in what proved to be a very successful and popular trip.

**World Challenge**

Every two years we undertake a World Challenge Expedition and in July and August of 2019 a large group of Year 11 and 12 pupils travelled through Peru hiking, climbing, serving and relaxing. The next World Challenge expedition is scheduled for July and August of 2021 and is heading for Madagascar.

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**Ten Tors**

As part of our commitment to Outdoor Pursuits, Ten Tors training began in October 2019 for the event to be held in the late Spring. Ultimately it did not happen due to the current restrictions in place, but the training had pretty much been completed. Two 35- and two 45-mile teams were raring to go when the event was cancelled.

**Public Benefit - External engagement with local schools, clubs, and other Charities**

The School further expanded its extensive programme of engagement with other local organisations last year. Communication with Tiverton Town Council now includes attendance by the Heads of School at trimonthly meetings, in which they update the Council on the School's most recent initiatives, community involvement, fundraising, individual and group successes and achievements.

Gardening, a popular activity within the School, now also includes weekly volunteer work by pupils in a local Hospice vegetable bed and herb garden, as well as involvement with Tiverton in Bloom. Last October, our garden successfully participated in the RHS Campaign for School Gardening Big Soup Open Garden Event. It is our intention to participate in the 2021 National Gardens Scheme, raising funds for Cancer charities.

Pupils and staff are also supporting CHAT, a local Homeless Charity and Food Bank, by supplying surplus food to the Community Fridge in Tiverton Library. During Lockdown, over 500 food boxes were sold and distributed to local residents, many of whom were shielding at home. As well as providing a service to the community, the initiative raised almost £2,000 for CHAT. One of our pupils is voluntarily maintaining the CHAT website.

We are members of the West Country Teaching Schools Alliance and the Culm Valley Small Schools Association. In addition, we continue to support three local state schools, both primary and secondary, by providing specialist Science and Music teaching, as well as Activities programmes.

At the Preparatory School, a number of charities have been supported throughout the year - almost forty local, national and international charities have been researched by the pupils and thousands of pounds have been raised for them along the way, often through child-initiated activities such as cake sales, sponsored walks and car washes. This was particularly the case during the lockdown period, where the school community joined in raising funds for the NHS, for Force cancer support, local food banks and the 2.6 challenge, to name but a few. There were also numerous examples of children giving their time for causes close to their hearts, whether delivering food to local people who were most at risk or selling their own produce for a charity of their choice.

The Blundell's Adventure, Leadership and Service Award (BALSA) is a scheme for pupils in Year 6. It has been designed to encourage children to try new activities, to give up their time to help others and to learn more about their place in the world around them. This continued to take place with a highlight being the children's participation in the Virgin Money 'Make £5 Grow' scheme in which they raised £300 for The Devon Air Ambulance.

In order to further develop our engagement with the local community, the School appointed its first ever Director of Community Partnerships, who started in post in September 2020.

**FINANCIAL REVIEW**

The Group statement of financial activities for the year is set out on page 18 of the financial statements.

The School's income decreased from £16,613,000 to £15,583,000. A significant part of this decrease was due to a legacy of £1,189,000 received during the prior year for the purpose of providing scholarships.



**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**Fund-raising**

Whilst the School does not carry out significant fund-raising activities, we continue to be grateful for the on-going support from the wider Blundell's Community. This was particularly evident during the Spring and Summer Coronavirus pandemic, during which current parents, members of School staff and Old Blundellians donated in excess of £20,000 for temporary hardship assistance with payment of school fees.

A large legacy, amounting to £485,000, was in the process of being received at the year end. Its purpose is to support Music at Blundell's. The School is grateful to all those who made donations or remembered the School in their will.

**Horsdon Enterprises Limited**

The School's wholly-owned trading subsidiary carries out non-charitable trading activities for the School. Its income is largely derived from the letting of School facilities to local sports teams, and to host children's activity clubs and courses for adult groups. Despite ambitious development plans for 2019-20, the subsidiary's ability to trade was significantly impacted by the Covid-19 outbreak in March 2020. This year the subsidiary therefore generated income of £37,121 (2019: £22,123), expenditure of £13,700 (2019: £4,267) and recorded a profit of £23,421 (2019: £17,856). Net assets at 31st August 2020 were £27,347 (2019: £21,782).

**Asset cover for funds**

Note 22 to the financial statements sets out an analysis of the assets attributable to the various funds and, in Note 21, a description of the funds. These assets are sufficient to meet the School's obligations in respect of each individual fund.

**Plans for future periods – Strategic Development Plan (SDP) targets for 2020/21**

In February 2020 we launched our Blundell's 2025 Strategic Development Plan. It sets out our educational stall and clarifies our objectives for the next five years. It deliberately focuses on educational outcomes rather than operational ones, although work is being done on the strategic development of the business model too.

**ACADEMIC TARGETS**

As part of our Blundell's 2025 work we have set our very clearly our educational philosophy. We believe that all schools should provide excellent teaching and a good work ethic amongst its pupils. At Blundell's, in addition to those baseline expectations, we focus on five specific areas which we believe help pupils to become good at learning.

- Self-Efficacy: A pupil's belief in their own ability to overcome challenges and to succeed in their learning.
- Staff Endorsement: That teachers ensure that pupils know that they care and believe in their ability to succeed.
- Metacognitive Skills: A pupil's understanding of their current abilities and of what their goals are – and knowing what the first step towards the goal is.
- Executive Functions: A pupil's mental skills required for learning, which we believe can be taught and learnt.
- Resourcefulness: A pupil's ability to problem solve and dexterity in doing what needs to be done to complete the task.

During the period of lockdown over the Summer Term we turned to a very effective and successful on-line learning programme. The focus was to use Microsoft Tools such as Teams and OneNote to teach pupils and to set, produce, submit and mark work. It has proved to be very successful and the skills staff and pupils have acquired form the foundation of further opportunities for efficiency and flexibility in our teaching and learning.

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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The Enrichment and Extension programmes continue to develop. The Year 7 & 8 "Roots and Wings" programme is now well established and continues to be fine-tuned to ensure the delivery of a diverse and stimulating enrichment programme. Last year we introduced a programme for Year 11 – 13 on Friday afternoons, which included lectures and smaller seminars and discussion groups. This year we have launched our Enrichment Programme to Year 9 – 11. The Year 9s have a rotation under the banner of Character Education which includes three 10-week courses on Service, Well-Being and Character. The Year 10 and 11 Electives Programme consists of options electives under four headings: Study Skills, Employability Skills, Character and Well-Being.

The School continues to invest in a Graduate Teacher Training Programme and this year has four new staff. Last year three teachers graduated, two of whom have stayed on at Blundell's. Blundell's continues to host NQT training days and we believe we play a leading role in introducing and training young teachers to the profession.

We continue to invest heavily in the training of teachers in Coaching skills and these skills are employed in a variety of settings in school. From lessons to tutoring to career advice and also coaching on the sports field, the culture around coaching continues to grow and take root.

**Pastoral Targets**

The main pastoral target for the coming year is to establish the Blundell's Leadership Institute which will consist of three complementary strands:

1. The school leaver readiness programme: To establish links with local industry leaders to help us to audit the school leaver readiness of our pupils and to help us develop programmes to address and deficits in our pupil's current skillset.
2. To continue to develop the use of AS Tracking as a means of monitoring the mental and emotional well-being of our pupils, and to use it as a tool to track the effectiveness of interventions aimed at promoting resilience and self-regulation in our pupils.
3. To develop the use of coaching as a tool to develop our pupils intellectually, emotionally, physically, and spiritually.

We have two new House Parents with another two who have one year behind them. The Second Master therefore has a new team of key pastoral workers to develop in the coming year. By the end of this year all seven house parents will have been appointed in the past 36 months.

To develop opportunities for pupils to develop their voice. There are a number of forums through which pupils can contribute to the running of the school:

1. School Monitors: A group of 14 Upper Sixth pupils who meet regularly with the Head and Second Master to discuss school matters.
2. House Monitors: Teams of Year 12 Monitors are appointed in each house to assist the House Parents in running the houses.
3. School Council: Elected representatives from each year group in each house meet on a fortnightly basis to raise concerns and discuss school matters. The Council is chaired by the Senior Monitors.
4. The International Pupil Committee. This committee represents the needs and interests of the pupils who come from different countries. The committee helps to organise events marking special occasions in other countries, such as Chinese New Year or Diwali. The committee also represents the interests of overseas students to the Senior Management Team.
5. The Respect Committee. A pupil-led and -organised group that promotes diversity and understanding amongst pupils.

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**Extra-curricular Targets:**

**Sports Scholars Programme:** A new sports scholars programme is being launched this year. An external professional bio kineticist will be conducting assessments with our scholars and setting programmes to help their cardio and physiological development. He will be monitoring them and reporting on their progress.

**Drama:** A number of productions were very close to their final delivery but had to be cancelled due to the lockdown. We are not yet clear on when normal rehearsals are practically possible, so the plans are very unclear at this stage. However, the number of pupils taking individual Speech and Drama lessons continues to grow and even during the lockdown these lessons continued online. At the last round of assessments, more pupils than ever achieved merits and distinctions.

**Music:** As with Drama, the amount of music we are able to participate in is limited, so we are cautious about planning too far ahead. The choir tour to Lisbon, scheduled for last summer, unfortunately had to be postponed until next year. However, individual music and singing lessons continued online through the lockdown and 'live' individual lessons will resume in mid-September. Last year the two main events both happened at the magnificent Exeter Cathedral: first, our Carol Service and then, a few months later, the Spring Concert. The latter was an ambitious collaboration between Blundell's and a number of local Primary Schools and also included musicians from Tiverton High School.

Our programme will be curtailed by current restrictions, but pupils will still have the opportunity to participate in a wide variety of activities.

**STRATEGIC AIMS FOR GOVERNANCE, LEADERSHIP AND MANAGEMENT**

Over the past year a considerable amount of work has been invested in the restructuring of the Bursary. A number of new middle managers have joined the team and have raised capacity and performance and there are a number of further changes which are imminent. A new Finance Bursar will head up a restructured finance team and a new Head Groundsman has already begun. We are due to appoint a new Shop Manager and a new Head Chef. Each new appointment brings fresh ideas and energy, and we look forward to our new colleagues settling into their new roles.

The leadership structure continues to evolve but the Senior Executive Team has now been unchanged for the third year running. The Senior Exec consists of the Head, the Bursar, The Prep School Head, The Second Master and the Deputy Head (Academic). The next tier of leadership consists of the Operational Leadership Team (focusing on the organisational aspects of school life) and the Senior Leadership Team, who focus primarily on educational and pupil matters. There is appropriate overlap between these two committees and every third meeting is a joint meeting.

The Governors engaged an external consultant to conduct a Governance Review last year. That is now complete, and its findings will be discussed and addressed during the coming months. No major areas for improvement were noted. The Head is undergoing an externally conducted Performance Review in Autumn 2020.

**Risk management**

The Board of Governors is responsible for assessing, monitoring and mitigating the potential risks faced by the School. The School regularly conducts a comprehensive review of the major strategic, business and operational risks to which the School could be exposed. This review has resulted in the production of a Risk Register which reflects systems established to mitigate those risks and procedures are continually being implemented to minimise any potential impact on the School should any of those risks materialise. The Board of Governors, through the Governance Committee, reviews the Register each term and considers the likely impact of the risks that have been identified and the effectiveness of the systems put in place to minimise those risks.

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**Principal risks and uncertainties**

The School's financial performance may be affected by factors outside the control of the School which impact on UK and global economic conditions.

**Financial risk management**

*Price risk*

Fees are subject to annual review. Salary costs are communicated to staff during the formal annual review of salaries. Prices of materials purchased are subject to contracts with suppliers, based on current market prices. High value contracts are subject formal tender process and Governor approval.

*Credit risk*

Credit risk on amounts owed to the School by its customers is low, due to the nature of the income being received and the close attention given to any overdue debts.

*Liquidity risk*

The School has long term borrowings to finance capital projects. The School will make use of its credit facility with its bankers when required.

*Interest rate cash flow risk*

The School is able to place surplus funds on short term deposit with its bankers. The School has a loan, split between fixed and variable rate interest. Details are shown in Notes 18 and 19.

**Coronavirus risk management**

During 2019-20, the Coronavirus pandemic created significant new financial, operational and reputational risks. In order to manage risks, the School produces budgets and forecasts and regularly reviews its financial performance against forecast. Operational procedures and risk assessments are reviewed regularly and adapted when appropriate. The School's Health and Safety Committee, which normally meets termly, convened frequently throughout Spring and Summer this year, in order to ensure timely and effective action in response to the challenges posed by the Coronavirus outbreak.

**Bursaries, Foundation Awards, Scholarships and other Concessions**

Bursaries - Applications for bursaries (hardship awards) are considered by the School and awards made based on the financial information forwarded by the applicant.

Foundation awards - The School is able to offer Foundation awards to applicants whose parents need financial assistance to afford a place at the School for their child. Assessment is through the 11+ entrance test and completion of a means-test form. Awards can be made up to 100% of the basic tuition fee.

Scholarships - These are awarded by the School as a result of academic achievement in the scholarship examinations set by the School and academic potential. The value of a scholarship varies from 10% to 100% of the basic fee. The value of a scholarship may be increased in cases of financial hardship based on the completion of a means-test form.

In addition to the support shown above, the School received direct contributions from six educational charities in means-tested assistance towards fees for a total of 15 pupils. The total of this support was £74,428 for the year (2019: £76,872) and is dependent upon the continued financial support of these pupils by Blundell's School.

Services discount - The School recognises the importance of continuity of education for children of service personnel and offers financial assistance to enable those receiving the Ministry of Defence Continuity of Education Allowance to send their children to Blundell's School.



**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**Sibling discount** – To underline the value we place on continuity for families, we offer discounts where parents have more than one child at the School.

**Staff fee remission** – As part of our emphasis on attracting and retaining high calibre staff, we offer a discount to some members of staff who choose to educate their children at the School.

**Investment powers, policy and performance**

Investment powers are governed by the Memorandum of Association, which permits the funds to be invested in the manner shown in Note 12 to the financial statements. The Governors intend that the real value of the School's investments be maintained and enhanced over the long term by investment in a portfolio comprising equities, fixed income stocks and cash. In order to meet these objectives, the Governors last year carried out a re-tender exercise of investment fund managers and appointed two firms to manage a diversified portfolio of suitable investments on a discretionary basis. The Governors have delegated the investment management function to CCLA and Rathbones, who each hold approximately 50% of total investment value. The share of investments administered by CCLA is held within the COIF Charities Investment Fund, which the Governing Body is satisfied meets the School's investment objectives. Rathbones have invested the Blundell's funds in a mixed portfolio which is made up of equities, fixed interest stocks and other asset classes. During the year the income return on investments was 2.14% (2019: 2.61%). In a difficult period, the performance of the investments has been reasonable, in line with the general performance of world markets.

**Reserves**

The School's policy on restricted funds is to separately record donations, grants and other sources of fundraising where restrictions are imposed that are narrower than the School's overall objectives.

At 31st August 2020 total reserves held amounted to £16,106,000 of which £4,156,000 constituted restricted funds held in investment funds. The three major funds are: the School's Scholarships and Prizes Fund, the income of which contributes to the cost of scholarships and Speech Day prizes each year; the Holstius Scholarship Fund, which uses its income to support one or more scholars each year; and the Goldman Sachs Bursary Fund, which provides means-tested assistance to pupils from an agricultural background. Total reserves of the School's trading subsidiary were £27,000 at the year end.

The School's unrestricted reserves are fully represented by tangible fixed assets, investments, long term liabilities and net current liabilities. There are no unrestricted funds beyond the extent of these assets and commitments. The Governors believe that there is no requirement to increase levels of unrestricted reserves as the annual budget is set to ensure that income will cover operating costs on an ongoing basis.

The level of reserves is reviewed annually at the same time as the income and expenditure budget for the following year is approved. The Governors believe that the current level of unrestricted reserves is satisfactory at £11,829,000.

**GOVERNANCE OF THE SCHOOL**

During the year under review, the Governors met termly. A panel comprising existing Governors selects members of the Governing Body having regard to the individual's experience and qualifications and the needs of the School. Governors serve for a 5-year period and may be re-elected for two further 5-year periods. New Governors are given a suitable induction based on their past experience and areas of responsibility within the Governing Body. Ongoing training needs are assessed by the Governance Committee. The Governing Body meets three times a year; meetings include reviewing the strategy and performance and setting operating plans and budgets with an additional meeting periodically to focus on future strategy. The Governors, all of whom served throughout the year to 31 August 2019 and up to the date of signing the financial statements, except where otherwise disclosed, are listed on page 1. Pay and remuneration of the Charity's key management staff is set by Governors.

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**COMMITTEES**

The Governors have established committees for specific areas of the School's operations. These are: a Governance Committee; a Finance and General Purposes Committee; an Education Committee; and a Blundell's Preparatory School Committee. Each committee has its own Terms of Reference and its decisions are ratified by the full Board. In addition, some Governors focus on specific aspects of School life, such as Child Protection, Health and Safety and Boarding.

**STATEMENT OF GOING CONCERN**

In our consideration of the presumption of going concern as the basis for the preparation of the report and financial statements, the Governors have concluded that no material uncertainties have been identified that may cast significant doubt about the ability of the School to continue as a going concern. The Governors therefore have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing the financial statements.

**STATEMENT OF GOVERNORS' RESPONSIBILITIES**

The Governors (who are also directors of Blundell's School for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with applicable law and regulation.

Company law requires the Governors to prepare financial statements for each financial year. Under that law the Governors have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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.

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

In accordance with Section 418, Governors in office at the date the Governors' Report is approved, state that:

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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- (a) so far as the Governors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) that they have taken all the steps that they ought to have taken as Governors in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Indemnity Insurance**

As permitted by the Articles of Association, the Governors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. Indemnity insurance for governors' liability is included within the School's combined insurance policy which was in force during the financial year and also at the date of approval of the financial statements.

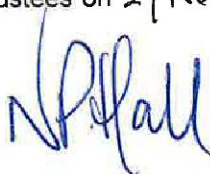
**Independent Auditors**

Our auditors, Bishop Fleming LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

Approved by order of the members of the Board of Trustees on 27 Nov 2020 and signed on their behalf, by:



**Mr C M Clapp**  
Governor



**Mr N P Hall**  
Governor

**(CONTINUED)**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the School and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BLUNDELL'S SCHOOL**

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**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BLUNDELL'S SCHOOL (CONTINUED)**

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**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

**Responsibilities of trustees**

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

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

**Auditors' responsibilities for the audit of the financial statements**

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

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BLUNDELL'S SCHOOL (CONTINUED)**

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**Use of our report**

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

**Tim Borton FCA DChA (Senior Statutory Auditor)**

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date:

**BLUNDELL'S SCHOOL**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Endowment funds 2020 £000	Restricted funds 2020 £000	Unrestricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
<b>INCOME AND ENDOWMENTS FROM:</b>						
Donations and legacies	4	-	574	-	574	1,400
Charitable activities	5	-	590	14,154	14,744	15,000
Other trading activities	6	-	-	222	222	192
Investments	7	3	40	-	43	21
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>3</b>	<b>1,204</b>	<b>14,376</b>	<b>15,583</b>	<b>16,613</b>
<b>EXPENDITURE ON:</b>						
Raising funds	8	-	-	232	232	268
Charitable activities:	9					
Other charitable activities		-	675	14,269	14,944	14,554
<b>TOTAL EXPENDITURE</b>		<b>-</b>	<b>675</b>	<b>14,501</b>	<b>15,176</b>	<b>14,822</b>
Net gains/(losses) on investments		2	39	(2)	39	57
<b>NET MOVEMENT IN FUNDS</b>		<b>5</b>	<b>568</b>	<b>(127)</b>	<b>446</b>	<b>1,848</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		116	3,588	11,956	15,660	13,812
Net movement in funds		5	568	(127)	446	1,848
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>121</b>	<b>4,156</b>	<b>11,829</b>	<b>16,106</b>	<b>15,660</b>

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

The Notes on pages 22 to 42 form part of these financial statements.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**4. INCOME FROM DONATIONS AND LEGACIES**

	<b>Restricted funds 2020 £000</b>	<b>Total funds 2020 £000</b>	<b>Total funds 2019 £000</b>
Donations	9	9	49
Legacies	565	565	1,351
<b>TOTAL 2020</b>	<b>574</b>	<b>574</b>	<b>1,400</b>
<b>TOTAL 2019</b>	<b>1,400</b>	<b>1,400</b>	

**5. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Restricted funds 2020 £000</b>	<b>Unrestricted funds 2020 £000</b>	<b>Total funds 2020 £000</b>	<b>Total funds 2019 £000</b>
Gross Fees	-	16,947	16,947	17,794
Less: Total scholarships, bursaries, grants and allowances	-	(2,793)	(2,793)	(2,804)
Add back: scholarships, bursaries, grants and allowances paid by Restricted Funds	8	-	8	10
Furlough funding	582	-	582	-
<b>TOTAL 2020</b>	<b>590</b>	<b>14,154</b>	<b>14,744</b>	<b>15,000</b>
<b>TOTAL 2019</b>	<b>-</b>	<b>15,000</b>	<b>15,000</b>	

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**2. ACCOUNTING POLICIES (continued)**

**2.13 FUND ACCOUNTING**

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

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

Investment income, gains and losses are allocated to the appropriate fund.

**3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

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

Critical accounting estimates and assumptions:

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

Critical areas of judgement:

The annual depreciation charges for tangible fixed assets are sensitive to changes in the estimated useful economic life of the assets. The useful lives are amended when necessary to reflect current estimates.

The School makes an estimate of the recoverable value of trade and other debtors. Factors such as the ageing profile of the debtors and historical experience are considered.

Bad debts are considered on a case by case basis, taking into account the likelihood of recovery. Debts are written off in line with approval limits if deemed appropriate.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**2. ACCOUNTING POLICIES (continued)**

**2.7 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.8 DEBTORS**

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

**2.9 CASH AT BANK AND IN HAND**

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

**2.10 LIABILITIES AND PROVISIONS**

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

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

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

**2.11 FINANCIAL INSTRUMENTS**

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.12 PENSIONS**

The Group operates three defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the funds in respect of the year.

The Group is a member of the Teachers' Superannuation Scheme. It is not possible for the Group to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**2. ACCOUNTING POLICIES (continued)**

**2.4 EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

All expenditure is inclusive of irrecoverable VAT.

**2.5 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

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

Depreciation is provided on the following basis:

Freehold property	-	1%
Short-term leasehold property	-	1%
Plant and machinery	-	10% or 25% for Computer Equipment
Motor vehicles	-	25%
Other fixed assets	-	7%

**2.6 INVESTMENTS**

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

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

Investments held as fixed assets are shown at cost less provision for impairment.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. GENERAL INFORMATION**

Blundell's School is a company limited by guarantee, incorporated in England and Wales. The registered office is Blundell's School, Blundells Road, Tiverton, Devon, EX16 4DT. The principal activity of the entity is disclosed within the Trustees report.

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the School and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The School has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

**2.2 GOING CONCERN**

In our consideration of the presumption of going concern as the basis for the preparation of the report and financial statements, the Governors have concluded that no material uncertainties have been identified that may cast significant doubt about the ability of the School to continue as a going concern. The Governors therefore have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing the financial statements.

**2.3 INCOME**

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the School has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the School, can be reliably measured.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**BLUNDELL'S SCHOOL****CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>2020 £000</b>	<b>2019 £000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net cash used in operating activities	<b>1,033</b>	2,637
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividends and interest received from investments	<b>43</b>	21
Purchase of tangible fixed assets	<b>(737)</b>	(678)
Purchase of investments	<b>(1,187)</b>	-
Interest paid on bank loans and overdraft	<b>(58)</b>	(149)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(1,939)</b>	<b>(806)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash inflows from new borrowing	<b>415</b>	495
Repayments of borrowing	<b>(668)</b>	(645)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(253)</b>	<b>(150)</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>	<b>(1,159)</b>	<b>1,681</b>
Cash and cash equivalents at the beginning of the year	<b>2,841</b>	1,160
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>1,682</b>	2,841

The Notes on pages 22 to 42 form part of these financial statements

SCHOOL STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 AUGUST 2020

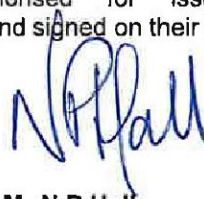
	Note	2020 £000	2019 £000
<b>FIXED ASSETS</b>			
Tangible assets	14	17,305	17,228
Investments	15	2,237	1,009
		<u>19,542</u>	<u>18,237</u>
<b>CURRENT ASSETS</b>			
Stocks	16	172	169
Debtors	17	747	553
Cash at bank and in hand		1,637	2,814
		<u>2,556</u>	<u>3,536</u>
Creditors: amounts falling due within one year	18	(4,484)	(3,881)
		<u>(1,928)</u>	<u>(345)</u>
<b>NET CURRENT LIABILITIES</b>			
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>17,614</u>	<u>17,892</u>
Creditors: amounts falling due after more than one year	19	(1,536)	(2,254)
<b>NET ASSETS EXCLUDING PENSION ASSET</b>		<u>16,078</u>	<u>15,638</u>
<b>TOTAL NET ASSETS</b>		<u><u>16,078</u></u>	<u><u>15,638</u></u>
<b>CHARITY FUNDS</b>			
Endowment funds	21	121	116
Restricted funds	21	4,155	3,588
Unrestricted funds	21	11,802	11,934
<b>TOTAL FUNDS</b>		<u><u>16,078</u></u>	<u><u>15,638</u></u>

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

The financial statements were approved and authorised for issue by the Trustees on 27 Nov 2020 and signed on their behalf by:



Mr C M Clapp



Mr N P Hall

The Notes on pages 22 to 42 form part of these financial statements.



**CONSOLIDATED BALANCE SHEET  
AS AT 31 AUGUST 2020**


	Note	2020 £000	2019 £000
<b>FIXED ASSETS</b>			
Tangible assets	14	17,305	17,228
Investments	15	2,237	1,009
		<u>19,542</u>	<u>18,237</u>
<b>CURRENT ASSETS</b>			
Stocks	16	172	169
Debtors	17	741	558
Cash at bank and in hand		1,682	2,841
		<u>2,595</u>	<u>3,568</u>
Creditors: amounts falling due within one year	18	(4,495)	(3,891)
<b>NET CURRENT LIABILITIES</b>		<u>(1,900)</u>	<u>(323)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>17,642</u>	<u>17,914</u>
Creditors: amounts falling due after more than one year	19	(1,536)	(2,254)
<b>NET ASSETS EXCLUDING PENSION ASSET</b>		<u>16,106</u>	<u>15,660</u>
<b>TOTAL NET ASSETS</b>		<u>16,106</u>	<u>15,660</u>
<b>CHARITY FUNDS</b>			
Endowment funds	21	121	116
Restricted funds	21	4,156	3,588
Unrestricted funds	21	11,829	11,956
<b>TOTAL FUNDS</b>		<u>16,106</u>	<u>15,660</u>

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

The financial statements were approved and authorised for issue by the Trustees on 27 Nov 2020 and signed on their behalf by:



Mr C M Clapp



Mr N P Hall

The Notes on pages 22 to 42 form part of these financial statements.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**6. INCOME FROM OTHER TRADING ACTIVITIES**

**Income from non charitable trading activities**

	<b>Unrestricted funds 2020 £000</b>	<b>Total funds 2020 £000</b>	<b>Total funds 2019 £000</b>
Trading subsidiary	37	<b>37</b>	23
Ancillary trading turnover	185	<b>185</b>	169
<b>TOTAL 2020</b>	<u>222</u>	<u><b>222</b></u>	<u>192</u>
<b>TOTAL 2019</b>	<u>192</u>	<u>192</u>	

**7. INVESTMENT INCOME**

	<b>Endowment funds 2020 £000</b>	<b>Restricted funds 2020 £000</b>	<b>Total funds 2020 £000</b>	<b>Total funds 2019 £000</b>
Income from listed investments	3	40	<b>43</b>	21
<b>TOTAL 2019</b>	<u>-</u>	<u>21</u>	<u>21</u>	

**8. EXPENDITURE ON RAISING FUNDS**

**FUNDRAISING TRADING EXPENSES**

	<b>Unrestricted funds 2020 £000</b>	<b>Total funds 2020 £000</b>	<b>Total funds 2019 £000</b>
Fundraising costs	99	<b>99</b>	116
<b>TOTAL 2019</b>	<u>116</u>	<u>116</u>	

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**8. EXPENDITURE ON RAISING FUNDS (CONTINUED)**

**OTHER TRADING EXPENSES**

	<b>Unrestricted funds 2020 £000</b>	<b>Total funds 2020 £000</b>	<b>Total funds 2019 £000</b>
Trading costs	99	99	127
Trading staff costs	21	21	21
Cost of sales	9	9	-
Administration expenses	4	4	4
<b>TOTAL 2020</b>	<b>133</b>	<b>133</b>	<b>152</b>
<b>TOTAL 2019</b>	<b>152</b>	<b>152</b>	

**9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

**Summary by fund type**

	<b>Restricted funds 2020 £000</b>	<b>Unrestricted funds 2020 £000</b>	<b>Total funds 2020 £000</b>	<b>Total funds 2019 £000</b>
Teaching	672	8,309	8,981	8,371
Welfare	-	1,627	1,627	1,830
Premises	-	2,902	2,902	3,059
Grants, awards and prizes	3	-	3	4
Marketing	-	220	220	274
Office and administration costs	-	859	859	780
Minibus	-	80	80	83
Finance costs	-	272	272	153
<b>TOTAL 2020</b>	<b>675</b>	<b>14,269</b>	<b>14,944</b>	<b>14,554</b>
<b>TOTAL 2019</b>	<b>99</b>	<b>14,455</b>	<b>14,554</b>	

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Activities undertaken directly 2020 £000	Support costs 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Teaching	8,872	109	8,981	8,371
Welfare	1,627	-	1,627	1,830
Premises	2,241	661	2,902	3,059
Grants, awards and prizes	3	-	3	4
Marketing	-	220	220	274
Office and administration costs	-	859	859	780
Minibus	-	80	80	83
Finance costs	-	272	272	153
<b>TOTAL 2020</b>	<b>12,743</b>	<b>2,201</b>	<b>14,944</b>	<b>14,554</b>
<b>TOTAL 2019</b>	<b>12,567</b>	<b>1,987</b>	<b>14,554</b>	

**11. AUDITORS' REMUNERATION**

The auditors' remuneration amounts to an auditor fee of £12,000 (2019 - £32,000), and accounts and taxation service of £5,000 (2019 - £3,000).

**12. STAFF COSTS**

	Group 2020 £000	Group 2019 £000	School 2020 £000	School 2019 £000
Wages and salaries	8,382	8,422	8,382	8,422
Social security costs	714	701	714	701
Contribution to defined contribution pension schemes	1,400	1,002	1,400	1,002
	<b>10,496</b>	<b>10,125</b>	<b>10,496</b>	<b>10,125</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**
**12. STAFF COSTS (CONTINUED)**

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

	<b>Group 2020 No.</b>	<b>Group 2019 No.</b>
Education	<b>202</b>	209
Services	<b>112</b>	110
Support	<b>13</b>	11
Fundraising	<b>3</b>	3
Catering and shop	<b>34</b>	43
	<b>364</b>	376

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	<b>Group 2020 No.</b>	<b>Group 2019 No.</b>
In the band £60,001 - £70,000	<b>3</b>	1
In the band £70,001 - £80,000	<b>1</b>	2
In the band £80,001 - £90,000	<b>1</b>	1
In the band £110,001 - £120,000	<b>1</b>	1

For those staff whose emoluments exceed £60,000, five of the above staff members (2019: four) have benefits accruing under a defined benefit scheme. The School made employer's contributions of £95,000 (2019: £61,000) to the Teachers' Pension Scheme in relation to these employees.

Key management received remuneration for the year of £467,047 (2019: £416,985).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**
**13. TRUSTEES' REMUNERATION AND EXPENSES**

During the year, five Governors (2019: one) received expenses covering travel during the year totaling £559 (2019: £381).

**14. TANGIBLE FIXED ASSETS**
**GROUP AND SCHOOL**

	Freehold property £000	Short-term leasehold property £000	Plant and machinery £000	Motor vehicles £000	Other fixed assets £000	Total £000
<b>COST OR VALUATION</b>						
At 1 September 2019	17,491	114	5,130	125	1,112	23,972
Additions	-	-	563	-	174	737
Disposals	-	-	(62)	-	-	(62)
Transfers between classes	-	-	339	-	(339)	-
At 31 August 2020	17,491	114	5,970	125	947	24,647
<b>DEPRECIATION</b>						
At 1 September 2019	2,388	107	3,632	103	514	6,744
Charge for the year	175	6	417	10	52	660
On disposals	-	-	(62)	-	-	(62)
At 31 August 2020	2,563	113	3,987	113	566	7,342
<b>NET BOOK VALUE</b>						
At 31 August 2020	14,928	1	1,983	12	381	17,305
At 31 August 2019	15,103	7	1,498	22	598	17,228

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**15. FIXED ASSET INVESTMENTS**

<b>Group and School</b>	<b>Listed investments £000</b>	<b>Other fixed asset investments £000</b>	<b>Total £000</b>
<b>COST OR VALUATION</b>			
At 1 September 2019	472	537	1,009
Additions	600	595	1,195
Gain/(Loss)	(10)	43	33
<b>AT 31 AUGUST 2020</b>	<b>1,062</b>	<b>1,175</b>	<b>2,237</b>
<b>NET BOOK VALUE</b>			
<b>AT 31 AUGUST 2020</b>	<b>1,062</b>	<b>1,175</b>	<b>2,237</b>
<i>AT 31 AUGUST 2019</i>	<i>472</i>	<i>537</i>	<i>1,009</i>

**16. STOCKS**

	<b>Group 2020 £000</b>	<b>Group 2019 £000</b>	<b>School 2020 £000</b>	<b>School 2019 £000</b>
Finished goods and goods for resale	172	169	172	169

**17. DEBTORS**

	<b>Group 2020 £000</b>	<b>Group 2019 £000</b>	<b>School 2020 £000</b>	<b>School 2019 £000</b>
<b>DUE WITHIN ONE YEAR</b>				
Trade debtors	332	437	332	437
Amounts owed by group undertakings	-	-	12	4
Other debtors	94	30	88	21
Prepayments and accrued income	315	91	315	91
	<b>741</b>	<b>558</b>	<b>747</b>	<b>553</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group 2020 £000</b>	<b>Group 2019 £000</b>	<b>School 2020 £000</b>	<b>School 2019 £000</b>
Bank overdrafts	277	-	277	-
Bank loans	802	665	802	665
Trade creditors	202	396	202	396
Refundable deposits	64	83	64	83
Taxation and social security	196	190	196	190
Other creditors	183	154	183	146
Accruals and deferred income	2,771	2,403	2,760	2,401
	<b>4,495</b>	<b>3,891</b>	<b>4,484</b>	<b>3,881</b>

The bank loans and overdraft are secured by first legal mortgages over the land and buildings of Blundell's School and a fixed and floating charge over all other assets. The bank loan, both fixed and variable interest rate elements, is repayable by quarterly installments over a period of 13 years commencing February 2009.

In February 2015 a further loan facility was negotiated to finance the purchase of a property on the edge of the School campus and the extension of Westlake Upper Sixth boarding house. A total of £885,000 was drawn during 2014/15 with £400,000 drawn in October 2015. Interest is payable on this loan at 3.5% over 3 months LIBOR in quarterly installments from March 2015. The loan term is 7 years from March 2015 with quarterly repayments commencing from November 2015.

In November 2017 a further loan facility of £550,000 was negotiated to facilitate the building of a Medical Centre. Interest is payable on this loan at a base rate plus 3.5% over a loan term of 10 years.

Following a formal bank re-tender process in 2019/20, the loans were transferred and consolidated into one new facility provided by HSBC UK, in October 2020.

**Deferred Income**

	<b>Group 2020 £000</b>	<b>Group 2019 £000</b>	<b>School 2020 £000</b>	<b>School 2019 £000</b>
<b>Group and School</b>				
Deferred income at 1 September 2019	2,096	1,901	2,096	1,901
Resources deferred during the year	2,699	2,069	2,699	2,096
Amounts released from previous periods	(2,069)	(1,901)	(2,096)	(1,901)
	<b>2,726</b>	<b>2,069</b>	<b>2,699</b>	<b>2,096</b>

Deferred income relates to the payment of school fees paid in advance of the start of the Autumn Term.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group 2020 £000</b>	<b>Group 2019 £000</b>	<b>School 2020 £000</b>	<b>School 2019 £000</b>
Bank loans	<b>949</b>	1,614	<b>949</b>	1,614
Refundable deposits	<b>352</b>	302	<b>352</b>	302
Fees in advance	<b>235</b>	338	<b>235</b>	338
	<b>1,536</b>	2,254	<b>1,536</b>	2,254

Parents may enter into a contract to pay fees to the School to cover future periods. The money may be returned subject to specific conditions.

**20. FINANCIAL INSTRUMENTS**

	<b>Group 2020 £000</b>	<b>Group 2019 £000</b>	<b>School 2020 £000</b>	<b>School 2019 £000</b>
<b>FINANCIAL ASSETS</b>				
Financial assets measured at fair value through income and expenditure	<b>1,062</b>	472	<b>1,062</b>	472

Financial assets measured at fair value through income and expenditure comprise market listed investments.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**21. STATEMENT OF FUNDS****STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
<b>UNRESTRICTED FUNDS</b>					
General funds	11,934	14,339	(14,469)	(2)	11,802
Non-charitable trading reserves	22	37	(32)	-	27
	<u>11,956</u>	<u>14,376</u>	<u>(14,501)</u>	<u>(2)</u>	<u>11,829</u>
<b>ENDOWMENT FUNDS</b>					
Peter Hurford Organ Scholar	116	3	-	2	121
<b>RESTRICTED FUNDS</b>					
Scholarships and prizes	257	20	(4)	(26)	247
Unspent donations	18	-	-	-	18
Foundation Appeal	1,070	61	(74)	-	1,057
James Bullock Memorial Scholarship Fund	38	1	(3)	1	37
Colin Beale	235	-	(3)	-	232
Hay Library Fund	47	-	(2)	-	45
War Memorial Fund	210	5	-	5	220
Reserve Account	4	-	-	-	4
CCF	43	3	(2)	-	44
Chapel Funds	173	-	(4)	-	169
Music Funds	2	-	(1)	-	1
Preparatory School Drama Fund	12	-	-	-	12
Halford Bequest	118	2	-	26	146
Fiona Baddeley Drama Fund	17	1	-	-	18
Agricultural Bursary Fund	155	5	-	3	163
Holstius Scholarship Fund	1,189	14	-	30	1,233
The John Victor Reynolds and Beryl Reynolds Music Scholarship Fund	-	510	-	-	510
Furlough Grant	-	582	(582)	-	-
	<u>3,588</u>	<u>1,204</u>	<u>(675)</u>	<u>39</u>	<u>4,156</u>
<b>TOTAL OF FUNDS</b>	<u>15,660</u>	<u>15,583</u>	<u>(15,176)</u>	<u>39</u>	<u>16,106</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**21. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
<b>UNRESTRICTED FUNDS</b>					
General Reserve	11,454	15,175	(14,698)	3	11,934
Non-charitable trading	17	22	(17)	-	22
	<u>11,471</u>	<u>15,197</u>	<u>(14,715)</u>	<u>3</u>	<u>11,956</u>
<b>ENDOWMENT FUNDS</b>					
Peter Hurford Organ Scholarship	<u>102</u>	<u>2</u>	<u>-</u>	<u>12</u>	<u>116</u>
<b>RESTRICTED FUNDS</b>					
Scholarships and prizes	250	-	-	7	257
Unspent donations	16	-	-	2	18
Foundation Appeal	956	196	(82)	-	1,070
James Bullock Memorial Scholarship Fund	36	1	(3)	4	38
Colin Beale	238	-	(3)	-	235
Hay Library Fund	45	9	(7)	-	47
War Memorial Fund	192	5	-	13	210
Reserve Account	4	-	-	-	4
CCF	37	10	(4)	-	43
Chapel Funds	179	-	(6)	-	173
Music Funds	3	-	(1)	-	2
Preparatory School Drama Fund	12	-	-	-	12
Halford Bequest	120	1	(1)	(2)	118
Fiona Baddeley Drama Fund	15	-	-	2	17
Agricultural Bursary Fund	136	3	-	16	155
Holstius Scholarship Fund	-	1,189	-	-	1,189
	<u>2,239</u>	<u>1,414</u>	<u>(107)</u>	<u>42</u>	<u>3,588</u>
<b>TOTAL OF FUNDS</b>	<u>13,812</u>	<u>16,613</u>	<u>(14,822)</u>	<u>57</u>	<u>15,660</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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The main restricted funds comprise:

Scholarships and Prizes - Donations and legacies for the purposes of providing scholarships and prizes.

Foundation Appeal - Ongoing appeal to provide funds for projects, scholarships and bursaries.

James Bullock Memorial Scholarship Fund - Donations for the purpose of providing awards to leaving pupils to spend on materials required for university.

Colin Beale - Donation from the Old Blundellian Club towards a building.

Hay Library Fund - Donations and legacy for the purpose of providing books for the library.

War Memorial Fund - To maintain and keep in good repair the Memorial Cross and Tablets and to award bursaries to the sons of Old Blundellians who, in the opinion of the Trustees, are in need of financial assistance.

Reserve account - Remains of a bequest to be used at the absolute discretion of the School Governors.

CCF - Pupil subscriptions to the Combined Cadet Force used to fund the running of the unit.

Chapel Funds - Pupil subscriptions used for ecumenical purposes.

Music Funds - Donations to the Music Department.

Preparatory School Drama Fund - Donation towards the cost of building a Drama Studio at Preparatory School.

Halford Bequest - Donation to the History Department.

Fiona Baddeley Drama Fund - Legacy to be used fund those pupils audition fee to enter Drama School who ordinarily cannot afford the fee.

Agricultural Bursary Fund - Donation to be used to provide bursaries for the children of agricultural workers who otherwise would be unable to attend the School.

Holstius Scholarship Fund - Legacy to provide scholarships.

The John Victor Reynolds and Beryl Reynolds Music Scholarship Fund - A Legacy Fund to be applied to the benefit of one or more music scholars of promising talent of the School's choosing.

Furlough Grant - government funding for the furlough scheme, to only be used for paying specific wage costs.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**22. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD**

	Endowment funds 2020 £000	Restricted funds 2020 £000	Unrestricted funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	1,435	15,870	17,305
Fixed asset investments	116	1,849	272	2,237
Current assets	5	872	1,718	2,595
Creditors due within one year	-	-	(4,495)	(4,495)
Creditors due in more than one year	-	-	(1,536)	(1,536)
<b>TOTAL</b>	<b>121</b>	<b>4,156</b>	<b>11,829</b>	<b>16,106</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD**

	Endowment funds 2019 £000	Restricted funds 2019 £000	Unrestricted funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	1,456	15,772	17,228
Fixed asset investments	112	794	103	1,009
Current assets	4	1,338	2,226	3,568
Creditors due within one year	-	-	(3,891)	(3,891)
Creditors due in more than one year	-	-	(2,254)	(2,254)
<b>TOTAL</b>	<b>116</b>	<b>3,588</b>	<b>11,956</b>	<b>15,660</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>Group 2020 £000</b>	<b>Group 2019 £000</b>
Net income for the period (as per Statement of Financial Activities)	<b>446</b>	1,848
<b>ADJUSTMENTS FOR:</b>		
Depreciation charges	<b>660</b>	594
Interest payable	<b>58</b>	153
Gains on investments	<b>(39)</b>	(57)
Income from investments	<b>(43)</b>	(21)
Additions to investments	<b>-</b>	(306)
(Increase)/Decrease in stocks	<b>(3)</b>	30
(Increase)/Decrease in debtors	<b>(183)</b>	(62)
Increase/(Decrease) in creditors	<b>137</b>	458
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>1,033</b>	2,637

**24. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>Group 2020 £000</b>	<b>Group 2019 £000</b>
Cash in hand	<b>1,682</b>	2,841
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>1,682</b>	2,841

**25. ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1 September 2019 £000</b>	<b>Cash flows £000</b>	<b>At 31 August 2020 £000</b>
Cash at bank and in hand	2,841	(1,159)	1,682
Bank overdrafts repayable on demand	-	(277)	(277)
Debt due within 1 year	(748)	(118)	(866)
Debt due after 1 year	(1,614)	665	(949)
	<b>479</b>	<b>(889)</b>	<b>(410)</b>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020

## 26. CAPITAL COMMITMENTS

	Group 2020 £000	Group 2019 £000	School 2020 £000	School 2019 £000
<b>CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS</b>				
Acquisition of tangible fixed assets	<b>202</b>	-	<b>202</b>	-

## 27. PENSION COMMITMENTS

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,191,000 (2019: £828,000) and at the year-end £143,000 (2019 - £114,000) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

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

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

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

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

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



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**
**27. PENSION COMMITMENTS (CONTINUED)****28. OPERATING LEASE COMMITMENTS**

At 31 August 2020 the Group and the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2020 £000</b>	<b>Group 2019 £000</b>	<b>School 2020 £000</b>	<b>School 2019 £000</b>
Not later than 1 year	<b>78</b>	103	<b>78</b>	103
Later than 1 year and not later than 5 years	<b>275</b>	254	<b>275</b>	254
Later than 5 years	-	126	-	126
	<b>353</b>	483	<b>353</b>	483

**29. PRINCIPAL SUBSIDIARIES**

The following was a subsidiary undertaking of the School:

<b>Name</b>	<b>Company number</b>	<b>Registered office or principal place of business</b>	<b>Principal activity</b>
Horsdon Enterprises Limited	027658380	Blundell's School, Blundell's Road, Tiverton, EX16 4DT	Lettings services and sub contract work for the school
<b>Holding</b>	<b>Included in consolidation</b>		
100%	Yes		

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Profit/(Loss) / Surplus/ (Deficit) for the year £000</b>	<b>Net assets £000</b>
Horsdon Enterprises Limited	<b>37</b>	(14)	<b>23</b>	<b>27</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**30. MEMBERS' LIABILITY**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

**31. RELATED PARTY TRANSACTIONS**

The School has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the School at 31 August 2020.