

COMPANY NO: 04243510
CHARITY NO: 1087839

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

	Page
Governors, Officers and Advisers	1 - 2
Report of the Governors	3 – 12
Directors' Report	3
Strategic Report	5
Statement of Governors' Responsibilities	13
Independent Auditors' Report	14 – 16
Statement of Financial Activities	17
Balance Sheets	18
Cash Flow Statement	19
Notes to the Financial Statements	20 – 38

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2020

REGISTERED OFFICE &

PRINCIPAL ADDRESS: Holme Park
Sonning-on-Thames
Reading
RG4 6SU

DIRECTORS:

P Bertram *	(Chairman)
D Few	Partner of Blandy & Blandy LLP
P Gillibrand	
C Green	(Appointed 15 June 2020)
L Hague	
C Hubbard *	
C Litten *	
P Smith *	(Deputy Chairman)
Revd J Taylor ⁺	Ex-officio, Vicar of Sonning
S Mount *	
L Hyde	
A Worrall	
H Williams *	

* Member of the Finance and General Purpose Committee

⁺ Ex officio appointments

The directors are also the Charity Trustees and Governors of Reading Blue Coat School.

OFFICERS

Headmaster:	P Thomas (Appointed 1 September 2020, formerly Second Master)
	J Elzinga (Resigned 31 August 2020)
Bursar and Company Secretary:	S A Jackson

BANKERS:

Lloyds TSB plc
Market Place
Reading
Berkshire
RG1 2EQ

SOLICITORS:

Blandy & Blandy LLP
1 Friar Street
Reading
RG1 1DA

AUDITORS:

Crowe U.K. LLP
Aquis House
49 – 51 Blagrove Street
Reading
RG1 1PL

**READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2020**

INSURANCE BROKERS: Zurich Municipal
Zurich House
2 Gladiator Way
Farnborough
Hampshire
GU14 6GB

WEBSITE: www.rbcscs.org.uk

KEY MANAGEMENT:	P Thomas	Headmaster (Appointed with effect from 1 September 2020, formerly Second Master)
	J Elzinga	Headmaster (Resigned with effect from 31 August 2020)
	E Trelinski	Second Master (Appointed with effect from 1 September 2020)
	K Magill	Deputy Head (Staff)
	G Williams	Deputy Head (Pastoral)
	R Tidbury	Deputy Head (Academic)
	S Jackson	Bursar
	J Jarrett	Director of Admissions & Marketing
	V Fangen Hall	Development Director

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2020

The Governors present their annual report for the year ended 31 August 2020, in accordance with the Charities Act 2011 and the Companies Act 2006, thus including the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year, and confirm that the latter comply with the requirements of the Companies Act 2006, the Company's Memorandum & Articles of Association and the Charities SORP 2015.

DIRECTORS' REPORT

REFERENCE AND ADMINISTRATIVE INFORMATION

Reading Blue Coat School (the Trust) is a charitable company limited by guarantee, company registration number 04243510 and charity registration number 1087839. In the event of the company being wound up, the liability of each member is limited to a maximum of £1.

Reading Blue Coat School was originally founded in 1646 by Richard Aldworth, to provide "education and upbringing" to children. The charitable company was incorporated on 29 June 2001 and registered as a charity on 2 August 2001.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The School is governed by its Memorandum and Articles of Association, last amended on 2 August 2001.

Governing Body

The members of the Governing Body are detailed on page 1. Two of the Governors are ex officio appointments, (one being vacant at this time). Other Governors are appointed initially by the Governing Body. They are then subject to election by members of the Company for a three year period at an Annual General Meeting. Retiring Governors are able to stand for re-election by the members.

Recruitment and Training of Governors

Potential Governors are identified by members of the Governing Body and considered against the Body's specifications concerning eligibility, competence, specialist skills and local availability. Training is regularly offered to all Governors. Bespoke courses are held in conjunction with Governors' meetings to address particular areas.

Organisational Management

The members of the Governing Body are legally responsible for the overall management and control of the School. The Governing Body meets three times a year. Much of the preparation for these meetings is undertaken by sub-committees ahead of each Governors' meeting. Mr Bertram (Chairman) chaired the Executive Committee, dealing with legal, personnel and policy issues. The other principal committees are the Education Committee, chaired by the Headmaster and the Finance and General Purpose Committee, chaired by Mr Smith.

The day to day running of the School is delegated to the Headmaster, who is assisted in this by the Bursar and other members of the Senior Management Team. The Headmaster and Bursar attend meetings of the Governing Body and its Committees.

Group structure

The School has a wholly owned non-charitable subsidiary, Reading Blue Coat School (Trading) Limited.

Local community relationships and other charitable activities

The School is proud of its historic links with the town of Reading and the Ancient Parish of Sonning, as well as its more recent links with the Borough of Wokingham, and strives to build on and strengthen those links, so as to be recognised as an important member of the local community. The Aldworth Partnership is an umbrella term that covers all outreach and charitable work of the School, and it includes:

**READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

- Active liaison with local primary schools, including tutoring, coaching and supporting music;
- Sharing the School's sports facilities with local schools and community groups;
- Providing access to its performing arts facilities for educational concerts and other similar events;
- A programme of placements where Blue Coat pupils assist with teaching in local primary schools;
- Community Service and environmental projects in the local area;
- Support by pupils for local charities, particularly those relating to services for homeless people.

The School has a partnership with Ankwanda Government School in Ghana. Blue Coat pupils have visited this school to work on a number of educational and development projects. The School also works closely with the charity Brass for Africa, and has organised trip to Uganda with this charity.

The School offers 14 (two per year group) full bursaries called Foundation Scholarships, as well as providing additional funds for other means-tested bursaries. The Reading Blue Coat School Charitable Trust provides additional funds for bursaries at Reading Blue Coat School.

PROVISION OF INFORMATION TO AUDITORS

The Governors are responsible for ensuring that the Governors' Report and other information included in the annual report is prepared in accordance with company law in the United Kingdom.

So far as each of the Governors is aware at the time the report is approved:

- There is no relevant audit information of which the charitable company's auditors are unaware, and
- Each Governor has 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 (s.234ZA(2)).

AUDITORS

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the appointment of Crowe U.K. LLP as auditors of the company will be put to the Annual General Meeting.

KEY MANAGEMENT PERSONNEL

The School's key management personnel are listed on page 2.

The remuneration of key management personnel is set by the Chairman and the Board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the School's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that Reading Blue Coat School remains sensitive to the broader issues of pay and employment conditions elsewhere.

The School aims to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2020

STRATEGIC REPORT

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable objects

The main object, as set out in the charitable company's Memorandum of Association, is the advancement of education by carrying on or managing schools for boys and girls under the age of 19 years, in which religious instruction, in accordance with the doctrines of the Church of England, shall be given.

The School's policy is to provide an all-round education enabling pupils to achieve high academic standards and, through co-curricular activities, to develop character, the self-confidence and self-discipline to make them valued members of society. It is the long term policy of the School to maintain the number of free means-tested places (Foundation Scholarships) to reflect the original intention of its founders and benefactors.

STRATEGIES TO ACHIEVE THE PRIMARY OBJECTIVES

Objectives for the year

- To maintain the achievement of high academic and value-added performance across a broad range of subjects at GCSE and A Level
- To maintain the provision of co-curricular activities and pastoral care.
- To make better use of the buildings available at the School to improve amenities for staff and pupils.
- The provision of sufficient free and financially supported places at the School to meet the means tested demand.

Strategies to achieve the year's objectives

- Recruit and retain high calibre teachers committed to providing excellence in education.
- Utilise areas of the School's premises released by previous developments to provide better facilities.
- Maintain and fill the number of means-tested Foundation Scholarships in the School.
- Provide adequate levels of bursarial support in the School to meet the demand.

ACHIEVEMENTS AND PERFORMANCE

Academic Staff

Eight replacement teaching staff have been recruited.

Development of the Facilities

The School has undertaken the following during the reporting period:

- Improved the facilities by starting the redevelopment of the Coach House as an academic *Innovation Centre*.
- Improved the facilities by completing the building of the Grounds, Maintenance and Activities Centre.

Grant-making

This year, the value of academic scholarships made, based on individuals' academic ability, was £57,000 (2019: £57,000). The value of means-tested bursaries made to the School's pupils amounted to £778,497 (2019: £688,089). A maximum of 14 full Foundation Scholarships are available at the School. The Governors' policy is to make these awards on the basis of the individual's educational ability, subject to means testing.

Fundraising performance

During the year the Development Office, now re-named the Foundation Office has continued to make progress in establishing the office and its associated activities at Reading Blue Coat. The aim of the Foundation Office has not changed, and the office continues to focus on developing a voluntary fundraising programme for the School in line with its charitable aims of managing a School for boys and girls under the age of 19.

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2020

For the year, donations totalled £461,736 (2019: £253,299); including unrestricted funds of £13k and restricted funds for the provision of bursaries of £212k. Of this, £138,000 (2019: £125,000) was received from Reading Blue Coat School Charitable Trust to fund means-tested bursaries to pupils.

There is no change to how fundraising activities for the School are conducted. All are carried out by School staff and volunteers from the parent body, pupils and alumni are not currently assisting with fundraising events. The School does not use professional fundraisers or have any commercial participators. All fundraising activities are managed by the Foundation Director with overall management by the Headmaster and oversight by the Governing Body.

No complaints relating to fundraising activities have been received by the School during this reporting period. The School has in place a complaints procedure that would be followed in the event of one being received. Depending on the nature of the complaint, the initial response is the responsibility of the Headmaster or the Bursar. The complaints procedure is available on the School website.

During the past year, the School enrolled in the Fundraising Preference Service and is now registered with the Fundraising Regulator. The School was due to launch a fundraising campaign in May 2020, but due to the COVID-19 pandemic this has been delayed until 2021. The School continues to comply with the Code of Fundraising Practice published by the Fundraising Regulator and its own Fundraising Policy, ensuring best practice is upheld. The School continues to be a member of the Institute of Development Professionals in Education (IDPE) which keeps the Foundation Office up to date with changes to industry standards.

The School has set up appropriate standards for the operation and management of its fundraising activities. In particular, the School considers its processes and controls will ensure vulnerable people and other member of the School's community are protected from any unreasonable intrusion and that no fundraising activity will be excessively persistent or place undue pressure on a person to give money or property.

OPERATIONAL PERFORMANCE OF THE SCHOOL

On taking over from Jesse Elzinga as Reading Blue Coat's 25th Headmaster,, Pete Thomas noted a review of the year seems not only appropriate, but necessary. Covid's fingers of influence have been pretty searching and have necessitated a pausing of some projects and an enormous amount of work from staff to ensure the School is ready for academic year 2020-21 and all it will bring! The overriding aim has always been, and will remain, to provide a first class, great value education for the young people entrusted to our care. 'Enquiring minds, adventurous spirits' is a strapline for some of the material we are producing in the Marketing office, and it certainly captures the essence of what I want Blue Coat pupils to develop. This goes alongside kindness, a quality expected of every member of our community.

Along with all other schools, RBC closed its doors to the pupils and staff on March 20th as lockdown commenced. Apart from a few days with Year 10 and 12 pupils before the end of the summer term, or a handful of key worker children who we supervised throughout lockdown, it was 171 days before we returned as a whole school community on September 7th! In the intervening months, learning went online. The staff and students responded so positively to this need, moving from the traditional 'up at the front of the classroom' style to 'in front of the screen' over the course of a weekend. Alongside the virtual academic lessons, PE and Games, a TEDx style event, staff interviews, parents' evenings, music and drama, an art exhibition, tutorials and assemblies, even Speech Day, all became streamed events. Recognising the opportunities that virtual events bring we have invested in camera and sound equipment that has already reaped benefits in the professionalisation of the School's events that are now routinely broadcast.

With lockdown came many questions, perhaps the most pressing of which was how exams and assessing pupils would occur. The assessment method decided upon by Ofqual is well documented in the Media. For Reading Blue Coat, as anticipated, it led to historically superb results at A Level and GCSE, but with individual pupils who did not fare so well it left the School in the firing line in a way not seen before.

At A Level, results almost touched the 80% A*-B heights seen a few years ago and this is a figure that is our target, although not one I view as a ceiling. At GCSE, the percentage of pupils receiving A*-B was 93.6, our highest ever, with a number of pupils achieving a clean sweep of top grades.

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2020

As Covid struck in March, the pause button was pressed on some building projects. The old coach house, which had lain dormant for several years, was almost a completed 'Innovation Centre'; three smaller classrooms that will be invaluable for our growing Sixth Form teaching and which we hope, with Governors' approval, might be completed for the New Year. The Grounds, Maintenance and Activity Centre (GMAC) was ready ahead of schedule and is already proving to be a tremendous asset in the bid to ensure our 45 acre site remains a jewel in the Berkshire countryside.

The Performing Arts Centre (PAC) planning was reaching a fairly advanced stage but, again, rightly paused with lockdown. When we begin to move forward again on this project is a significant decision and is being discussed regularly by the Senior Leadership Team (SLT) and the Governors..

The Foundation Office, led by Victoria Fangen-Hall, has continued to work hard to engage the Old Blues' community. The launch of our fundraising campaign, scheduled for May this year, was postponed and is now anticipated to be March 2021. Exactly how that launch will work might depend on the state of the pandemic, but its focus is fixed: to raise funds for the PAC (10% of the total cost is the target) and to increase the Foundation's financial pot so that the amount available for bursarial support is doubled over the next ten years.

Positively, despite the greatest restrictions ever faced, school numbers are their highest ever. 786 pupils started the year, 31 up on the 755 we had as the summer term closed. We also welcomed 17 new staff to the School who bring great energy, ideas, experience and enthusiasm that we hope will be passed on to the pupils each day. Life and community in Covid has complications and inconveniences, but the pupils are adapting well and spirits are buoyant. We are conscious of the significant strain that the extra logistics place on our staff, and we are working hard to understand where pinch points exist and how we can alleviate them. It is more important for the school than ever to acknowledge the tremendous job the teaching and non-teaching staff are doing and we will do our utmost to encourage and enable them to keep doing so. We are in this for a long haul.

Comment from the new Headmaster

We moved as a family in early August and are very thankful for being able to live in a wonderful house in an extraordinary site. I am very grateful too for having been given the privilege of leading Reading Blue Coat; thank you for your confidence in me and for all that you do collectively in helping to guide the School. I look forward to working with you in the years ahead.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The COVID-19 pandemic had a considerable effect on the School. As a result the total net incoming resources were £559,493 (2019:£928,955) for the year. In order to provide the School with sufficient *headroom* to manage risks a Corona Virus Business Interruption Loan (CBIL) of £1,500,000.00 was taken out in July. So at the end of the year the School's surplus was £543,429 (2019: £859,181) in respect of unrestricted funds for the year. This surplus is required to provide both *headroom* in the current academic year as well as in academic year 2020/21. Some surplus is required to finance future capital expenditure to achieve our objective of continually improving the School's facilities.

Investment policy and objectives

The Board aims to maximise the total investment return within the objectives of maintaining income, while continuing to preserve the real value of endowed investments and to maximise income on temporarily invested restricted funds. The Board also aims to match the return on invested Advanced Fee Scheme monies in line with the maturation profile of the related liability to provide schooling in future years.

The Investment Sub-committee continues to manage investments within its medium to long term investment strategy as defined in the School's investment policy.

**READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2020**

RESERVES LEVEL AND POLICY

The School's funds are held to maintain the leasehold property and to cover normal fluctuations in working capital. The School's assets including the CBIL are sufficient to meet its known and ongoing obligations. The School aims to maintain the following:

- Cash reserves of £150,000 subject to the short term borrowing requirements of the School.
- The school took advantage of the Coronavirus Business Interruption Loan to ensure that it remained financially stable.
- Consider the implementation of phase 2 of the campus strategy once the risk from the coronavirus pandemic has been mitigated.
- At the end of the reporting period the group holds total funds of £17,062,586 (2019: £16,503,093).
- At the end of the reporting period the group holds cash totalling £2,507,784 (2019: £1,517,887).
- The amount of funds which are restricted and not available for general purposes of the charity at the end of the reporting period were £2,954,156 (2019: £2,938,092).
- At the end of the reporting period there were designated funds of £41,416 (2019: £34,351).
- At the end of the reporting period the following funds/amounts can only be realised by disposing of tangible fixed assets or programme related investments:
 - Tangible fixed assets £20,235,183 (2019: £19,397,953).
- After making allowance for any restricted funds, designations, commitments (not provided for as a liability in the accounts) and the carrying amount of functional assets which the School needs to deliver its objects, there are no free reserves.
- At the end of the reporting period a comparison of the amount of reserves held with the charity's reserves policy was made.

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2020

PUBLIC BENEFIT

In furtherance of these objectives Reading Blue Coat School Governors, as charity trustees, have complied with their duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance concerning the operation of the public benefit requirement under that Act. A summary of the public benefit offered is as follows:

Means Tested Assistance: Around £778,497 (2019: £688,089) was spent on means-tested support which was 6.1% of the School's gross fee income. Assistance was provided in the form of 43 bursaries and 13 Foundation Scholarships, i.e. a total of 56 or 7% of the pupil's received some support. Foundation Bursaries cover 100% of the school fees and also provide some additional assistance with costs.

Funding Arrangements: RBCS has a funding arrangement in place with Reading Blue Coat School Charitable Trust.

Aldworth Partnership: The Aldworth Partnership is the umbrella term for student led outreach work by RBC in the local area & local community. Pupils participate in local service by teaching in local primary schools and running on site visits to benefit from our facilities at Blue Coat. Pupils are also active in the international community through the RBC partnership school in Ghana, links with the charity Brass for Africa, and also through Wilderness Expertise trips. Currently pupil participation is strong (c.30%) and the aim is for all pupils to be involved in some sort of service or outreach work during their time at Blue Coat. All pupils fundraise through their houses and all proceeds go into the Aldworth Partnership fund, which provides equipment to be used in the partnership schools. A student-led committee, led by Aldworth Partnership prefects, help oversee fundraising activities. According to the 'Justgiving' website, we are in the top 1% of all fundraising organisations in the country based on how much we donate to charity every year.

Regular aspects of the Aldworth Partnership in the past year included the following in terms of local service:

- Weekly community action visits to Highwood and Thameside Primary school
- Primary Placement scheme to local primary schools
- Onsite education visits by local primary school
- Student led sports activities for local Pupil Referral Unit and other schools in locality
- Designed and created a reflection room at Thameside Primary school for students with behavioural needs- all money used on this project was fundraised by students at RBC.
- Community collection of food and fundraising of money for share Wokingham Share Wokingham is local foodbank and holiday club food provider for pupil premium students in Wokingham Borough. They have a community shop that enables people to access free food without being referred by a health or social team. They currently help up to 150 families a week.
- We have built a community garden to donate produce to local foodbank (Share Wokingham) and Child poverty holiday food clubs (Grub club/ Lunch bunch) for school students in local area.
- Students are volunteering at Freely Fruity a community garden and a charity organisation that donates the produce grown to homeless food kitchens, food poverty holiday clubs and the local community cafes. They also work very closely with Share Wokingham.
- Donation of Christmas presents and family Christmas food boxes to Woodley Children's centre (social services)
- Donation of Women's Christmas boxes and Christmas presents for Children to a domestic abuse charity organised through Finchampstead Baptist Church.
- Donation of Easter eggs to the Royal Berkshire Hospital during COVID- 19.
- Fundraiser for the NHS that required the Blue Coat community to complete a sporting challenge covering the distance from Lands' End to John O'Groats and raise money via just giving in the process. This money was donated to West Cornwall hospital, The Royal Berkshire hospital and the face mask initiative from the Reading Schools

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2020

Use of the Facilities by State Schools:

- RBCS annually host Cricket County Cup finals for various state schools.
- RBCS supply TAG rugby officials for the Wokingham partnership primary TAG festival.
- RBCS's Primary Liaison Officer has forged strong links with Sonning Primary School and Crazies Hill, where RBCS students run weekly clubs in Sport and French.
- RBCS's Primary Liaison Officer has forged strong links with Loddon Primary School, Hawkedon Primary school and Aldryngton Primary school where student run weekly clubs in Spanish, German and Coding.
- The Robert Piggott Junior School used the swimming pool on a weekly basis from September 2018 to June 2019. RBCS provides life guards. This will continue for 2019/20.
- Sonning Primary School use the swimming pool on a weekly basis during the summer term. This will continue for 2019/20.
- RBCS hosted Sonning Primary School's Sports Day in July 2019.
- In addition, RBCS hosted Addington School for swimming in the summer term of 2018 and they are tbc for 2019.
- RBCS organises a summer day of activities in academic subjects and outdoor games for St. John's Primary on an annual basis.
- RBC host the Wokingham Swimming Gala and offer a subsidised rate for the schools to use the swimming pool. The Senior Staff Instructor of our Combined Cadet Force spent a week in February 2020 running a camp for cadets from Maintained Schools to teach and qualify them in weapon handling. Their Schools do not hold weapons and therefore without this training the cadets would not be able to attend the national annual CCF Summer Camp.

FUTURE PLANS

The Board's current five year strategic plan, reviewed on an annual basis, has the following key objectives:

- 1) To maintain a reputation as a leading independent school in the region giving excellent value for money;
- 2) To maintain the current high standards of academic achievement as measured by external public examinations and independent value-added criteria together with a range of co-curricular activities to provide an all-round education;
- 3) To continue to upgrade the School's buildings, specifically to: a. Complete the Coach House refurbishment. This was put on hold in March 2020 in light of the COVID-19 pandemic. At the time the work was approximately 50% complete and all payments were up to date. There were no additional costs involved in stopping work.
- 4) The building of the Grounds, Maintenance & Activities Centre was completed in February 2020 and at the time of signing all payments bar the final retention have been made.
- 5) The new Performing Arts Centre that was put on hold in March 2020 in light of the COVID-19 pandemic. The School looks to revisit this in the New Year.
- 6) To keep the School's strategic options under review.
- 7) To maintain 14 means-tested Foundation Scholars;
- 8) To maintain adequate financial assistance available for both additional bursaries and hardship bursaries to meet the demand;
- 9) To continue to build links with local primary schools in both state and independent sectors;
- 10) To build up the level of ancillary activities on site to generate income and encourage educational and children's activities on site.
- 11) To maintain a fund-raising programme to support bursaries and capital projects
- 12) To continue to build and encourage community access to the School's facilities.
- 13) To continue to represent good financial value to parents.

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2020

RISK MANAGEMENT

The Governing Body continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. Apart from the risks associated with COVID-19 which are dealt with below, the risks that the Governors identify are reviewed, and systems or procedures are put in place to manage those risks. The principal threats that the Governors have considered and met are as follows:

- To maintain the academic provision in the face of the corona virus pandemic.
- To maintain academic results;
- To maintain pupil numbers;
- To build up and maintain the financial surplus.

The School has managed to finance the required increase in contributions to the Teacher's Pension during the academic year having made provision for it last year. The Finance & General Purpose Committee continues to monitor the situation and affordability of the Teacher's Pension scheme.

COVID-19

The School continues to react to the COVID-19 pandemic in accordance with the Government's advice. Including, but not limited to, taking the following actions;

- Monitoring the situation and maintaining the following:
 - a robust risk assessment
 - an up to date operational plan
 - its Health & Safety policy
- It maintained teaching throughout the summer term online through the use of Microsoft Teams, with a minimum of 50% lessons being taught live and almost 100% being started and finished live.
- When permitted, 25% of Years 10 and 12 returned to school for the contact teaching and social interaction that was so necessary, but it was only in September – roughly 6 months since they had last been in school – that all students and staff returned at the start of the new academic year.

The Governors have also carried out and have maintained a robust assessment of the risks facing the school in light of the COVID-19 pandemic. Additional meetings of the Finance & General Purpose Committee were convened in the summer term. Detailed Cash flow forecasts were produced and reviewed and a number of downside sensitivities have been considered to understand the impact on liquidity. The School identified that it could end the year in deficit and in order to manage this the following activity took place:

- The School took part in the Corona Virus Job Retention Scheme.
- The School took out a CBIL.

The CBIL was taken out as conditions over the coming months might deteriorate once again and could lead to lower than the expected cash flows as considered in the various scenarios.

Overall and despite the current circumstances the Governors believe that the School's financial resources and contingency planning is sufficient to ensure the ability of the school to continue as a going concern for the foreseeable future

Principal risks and uncertainties

The School has worked hard to maintain the academic provision and a safe and healthy workplace in the face of the corona virus pandemic.

The SLT and Governing Body is working (largely through the Education Sub-committee) to ensure that academic results are not only maintained but improved, especially at A Level.

**READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2020**

The School is working hard to control increases in costs in order to maintain its financial flexibility. In addition new ways to maintain the surplus will be developed, such as additional ancillary educational activities, lettings and fund raising.

The Governing Body is satisfied that for all major risks identified for the group appropriate controls have been put in place and maintained to mitigate those risks adequately. It is recognised that systems can provide only reasonable but not absolute assurance that major risks have been managed.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of the Reading Blue Coat School on 7th December 2020 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

On behalf of the Governors I would like to thank both the Teaching and Support staff for their hard work and incredible results which were achieved during the real difficulties and hardships imposed by the Covid-19 pandemic.



P Bertram
Chairman of Governors

READING BLUE COAT SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF GOVERNORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2020

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

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT REPORT OF THE AUDITORS' TO THE MEMBERS OF READING BLUE COAT SCHOOL

Opinion

We have audited the financial statements of Reading Blue Coat School for the year ended 31 August 2020 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, 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 the charitable company's affairs as at 31 August 2020 and of the group's 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 group 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 governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or 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.

INDEPENDENT REPORT OF THE AUDITORS' TO THE MEMBERS OF READING BLUE COAT SCHOOL

Other information

The governors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 our audit

- the information given in the governors' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the governors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the governors' report.

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

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

INDEPENDENT REPORT OF THE AUDITORS' TO THE MEMBERS OF READING BLUE COAT SCHOOL

Responsibilities of governors

As explained more fully in the governors' responsibilities statement on page 13, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of report

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



Janette Joyce
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

Aquis House
49-51 Blagrove Street
Reading
RG1 1PL

Date: 16 December 2020

READING BLUE COAT SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
<u>INCOME AND ENDOWMENTS</u>					
<u>FROM:</u>					
Income from charitable activities					
School fees receivable	4	11,363,667	-	11,363,667	11,814,756
Ancillary trading income	5	692,377	-	692,377	874,332
Other trading activities:					
Bank interest		6,547	-	6,547	11,439
Non-ancillary trading income	6	41,127	-	41,127	16,080
Trading income	7	88,742	-	88,742	149,305
Donations	8	<u>249,012</u>	<u>212,724</u>	<u>461,736</u>	<u>253,299</u>
Total		<u>12,441,472</u>	<u>212,724</u>	<u>12,654,196</u>	<u>13,119,211</u>
<u>EXPENDITURE ON:</u>					
Charitable activities					
School operating costs		11,779,776	192,500	11,972,276	12,031,725
Raising funds					
Trading expenditure	7	6,952	-	6,952	43,272
Financing and other costs	9	<u>115,475</u>	<u>-</u>	<u>115,475</u>	<u>115,259</u>
Total	10	<u>11,902,203</u>	<u>192,500</u>	<u>12,094,703</u>	<u>12,190,256</u>
Net income		539,269	20,224	559,493	928,955
Transfer between funds		4,160	(4,160)	-	-
Net income after transfer		543,429	16,064	559,493	928,955
Total funds brought forward		<u>13,565,001</u>	<u>2,938,092</u>	<u>16,503,093</u>	<u>15,574,138</u>
Total funds carried forward	21	<u>£ 14,108,430</u>	<u>£ 2,954,156</u>	<u>£ 17,062,586</u>	<u>£ 16,503,093</u>

The notes on pages 20 to 38 form part of these financial statements

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 AUGUST 2020
COMPANY REGISTERED NUMBER: 04243510

	Note	Group 2020 £	2019 £	Charity 2020 £	2019 £
FIXED ASSETS					
Tangible assets	14	20,235,183	19,397,953	20,235,183	19,397,953
Investments	15	-	-	2	2
CURRENT ASSETS					
Debtors	16	353,691	432,262	423,294	495,787
Cash in hand		<u>2,507,784</u>	<u>1,517,887</u>	<u>2,353,122</u>	<u>1,344,013</u>
		2,861,475	1,950,149	2,776,416	1,839,800
CURRENT LIABILITIES					
CREDITORS: Amounts falling due within one year	17	<u>(3,839,890)</u>	<u>(3,606,492)</u>	<u>(3,834,223)</u>	<u>(3,599,778)</u>
NET CURRENT LIABILITIES		<u>(978,415)</u>	<u>(1,656,343)</u>	<u>(1,057,807)</u>	<u>(1,759,978)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		19,256,768	17,741,610	19,177,378	17,637,977
CREDITORS: Amounts falling due after more than one year	18	<u>(2,194,182)</u>	<u>(1,238,517)</u>	<u>(2,194,182)</u>	<u>(1,238,517)</u>
TOTAL NET ASSETS		<u>£ 17,062,586</u>	<u>£ 16,503,093</u>	<u>£ 16,983,196</u>	<u>£ 16,399,460</u>
UNRESTRICTED FUNDS					
General Funds	22a	14,067,284	13,530,650	13,987,894	13,427,017
DESIGNATED FUNDS	22b	41,146	34,351	41,146	34,351
RESTRICTED FUNDS (includes a revaluation reserve of £2,798,400)	22c	<u>2,954,156</u>	<u>2,938,092</u>	<u>2,954,156</u>	<u>2,938,092</u>
TOTAL FUNDS		<u>£ 17,062,586</u>	<u>£ 16,503,093</u>	<u>£ 16,983,196</u>	<u>£ 16,399,460</u>

The profit for the financial year dealt within the financial statements of the parent company was £583,736 (2019: £937,048).

Approved by the Board of Governors on: 7th December 2020
and signed on its behalf by:



P A Smith
Governor

The notes on pages 20 to 38 form part of these financial statements

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	2020 £	2019 £
Cash flows from operating activities		
Net income for the year (as per Statement of Financial Activities)	559,493	928,955
Interest receivable	(6,547)	(11,439)
Depreciation	948,838	883,859
Loss on disposal of fixed assets	-	50,529
Impairment of fixed assets	23,016	-
Decrease/ (increase) in debtors	78,571	(41,322)
Deferred purchase release	(67,120)	(67,120)
(Decrease)/increase in creditors	(95,362)	470,129
Interest paid	<u>72,048</u>	<u>95,895</u>
Cash generated by operating activities	<u>1,512,937</u>	<u>2,309,486</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(1,740,514)	(1,107,350)
Interest received	<u>6,547</u>	<u>11,439</u>
Cash flows used in investing activities	<u>(1,733,967)</u>	<u>(1,095,911)</u>
Cash flows from financing activities		
Hire Purchase capital repayments	(27,793)	(4,158)
Interest paid	(72,048)	(95,895)
Net movement of advance fee contracts	211,270	66,673
New bank loans in the year	1,500,000	-
Bank loan payments in the year	<u>(400,502)</u>	<u>(376,655)</u>
Cash used in financing activities	<u>1,210,927</u>	<u>(410,035)</u>
Change in cash and cash equivalents in the year	989,897	803,540
Cash and cash equivalents at the beginning of the year	<u>1,517,887</u>	<u>714,347</u>
Total cash and cash equivalents at the end of the year	<u>£ 2,507,784</u>	<u>£ 1,517,887</u>

The notes on pages 20 to 38 form part of these financial statements

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. COMPANY INFORMATION

The School's principal activity in the year under review was the advancement of education by carrying on or managing schools for boys and girls under the age of 19 years. The incorporated charity (registered number 04243510 and charity number 1087839), is incorporated and domiciled in the UK. The address of the registered office is: Holme Park, Sonning-on-Thames, Reading, RG4 6SU

2. ACCOUNTING POLICIES

a) Accounting convention

The financial statements have been 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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Reading Blue Coat 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 note(s).

b) Going concern

Cash flow projections have been prepared for both the School and the Trading Company up to December 2021. These projections and the assumptions on which they are based were presented to the Finance Committee at their meeting on 23rd November 2020. After careful review and discussion, the Governors agreed that, based on the financial models presented, both the School and the Trading Company have sufficient financial resources, and contingency planning is adequate to ensure the ability of both entities to continue as a going concern for the foreseeable future.

COVID-19

At the time of approval of the Annual Report, the COVID-19 pandemic continues to evolve and the long term impact on the School, in common with other businesses, is unknown. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff. Cash flow modelling together with sensitivity scenario's indicate that the cash reserves of the School are adequate to meet its obligations as they fall due. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

c) Group financial statements

These financial statements consolidate the results of the charity and its subsidiary Reading Blue Coat School (Trading) Limited on a line by line basis.

No separate Statement of Financial Activities has been presented for the charity as permitted by Section 408 of the Companies Act 2006. The surplus of income and expenditure for the charity (excluding Trading) for the year was £583,736 (2019: £937,048).

d) Income

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. ACCOUNTING POLICIES (continued)

e) Fees and similar income

Fees receivable and similar income are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships, bursaries and other remissions granted by the School.

f) Donations policy

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

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Fund. Where the donor or an appeal has imposed trust law regulations, voluntary income is credited to the relevant restricted fund. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the School in the case of donated services or facilities

Grants (and in particular the CJRS grant) are accounted for under the performance model as permitted by the Charity SORP. CJRS grant income is therefore recognised on a straight line basis over the furlough period for each relevant employee.

g) Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities.

Expenditure is allocated to expense headings either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expenses to which it relates.

h) Tangible fixed assets

Tangible fixed assets are stated in the balance sheet at cost less accumulated depreciation.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:-

Leasehold land and buildings	- 125 years
New Buildings (including mechanical and electrical fittings)	- 40 years
Improvement to existing buildings	- 20 years
Furniture and equipment	- 5 years
Plant, machinery and equipment	- 5 years
Motor vehicles	- 5 years
Computer equipment	- 3 years

Assets under £1,000 are expensed to the Statement of Financial Activities.

i) Lease commitments

Operating leases are charged to the Statement of Financial Activities in the year in which they are incurred.

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

2. ACCOUNTING POLICIES (continued)

Assets obtained under finance leases are capitalised within the balance sheet and are depreciated over their useful economic lives. The interest element of the lease is normally charged to the statement of financial activities account over the lease period. The capital element of the future payments is treated as a liability.

j) Pension

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set out by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme.

The School also operates defined contribution group personal pension scheme for non-teaching staff. This includes an auto enrolment arrangement. Contributions to the schemes are charged in the SOFA as they become payable, in accordance with the rules of the schemes.

k) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

l) Unrestricted General Funds

These are funds which can be used in accordance with the charitable objects at the discretion of the Directors.

m) Designated Funds

These are funds that have been set aside by the directors for particular purposes. The aim of the designated funds is set out in the notes to the financial statements.

n) Restricted Funds

These are funds that can only be used for specific restricted purposes within the objects of the charity as laid down by the donor. Expenditure which meets this criteria is charged to the fund. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

o) Financial instruments

Basic financial instruments include cash, debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. Note 26 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to fixed asset investments and debtor balances excluding prepayments, and financial liabilities referring to all creditor balances excluding deferred income

p) Advance Fee Scheme creditors

Amounts received under the School's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

q) Pupil deposits

The Governors have reviewed the contract terms under which Pupil fee deposits are held by the School. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the School, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August have been included within current liabilities.

3. SIGNIFICANT JUDGEMENTS AND ESTIMATES

In the application of the charity's accounting policies, which are described in note 2, trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

4. SCHOOL FEES

	2020 £	2019 £
The School's fee income comprised:		
Gross fees	12,320,114	12,660,375
Less: Discounts	(154,067)	(141,461)
Scholarships and bursaries	<u>(802,380)</u>	<u>(704,158)</u>
	<u>£11,363,667</u>	<u>£11,814,756</u>

5. ANCILLIARY TRADING INCOME

School trips	119,643	144,591
School lunches	381,448	486,180
Registration fees	42,700	51,100
Exam fees	91,892	99,200
Miscellaneous	<u>56,694</u>	<u>93,261</u>
	<u>£ 692,377</u>	<u>£ 874,332</u>

6. NON-ANCILLIARY TRADING INCOME

	2020 £	2019 £
Rents and lettings	5,363	12,630
Insurance claims	18,098	-
OFGEM payment	11,720	-
Miscellaneous	<u>5,946</u>	<u>3,450</u>
	<u>£ 41,127</u>	<u>£ 16,080</u>

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

7. TRADING INCOME AND EXPENDITURE

The School owns 100% of Reading Blue Coat School (Trading) Limited (company number 4242660). It's registered office is as per Note 1. This company manages the external lettings of the School's facilities. A summary of the results of the subsidiary is shown below:

	2020	2019
	£	£
Turnover	88,742	149,305
Cost of sales	<u>(118)</u>	<u>(38,482)</u>
Gross Profit	88,624	110,823
Administration Expenses	(9,234)	(7,190)
Tax Payable	<u>-</u>	<u>-</u>
Surplus pre gift aid paid	<u>79,390</u>	<u>103,633</u>
Retained earnings at the beginning of the year	103,633	111,726
Profit for the year	79,390	103,633
Gift aid donation	<u>(103,633)</u>	<u>(111,726)</u>
Retained earnings at the end of the year	<u>£ 79,390</u>	<u>£ 103,633</u>

Administration costs include a management charge from the School of £2,400 (2019: £2,400) which is eliminated on consolidation.

The aggregate amount of share capital and reserves of Reading Blue Coat School (Trading) Limited as at 31 August 2020 was £79,392 (2019: £103,635).

8. DONATIONS

A total of £461,736 (2019: £253,299) was included in donations, including a total of £212,474 restricted for bursaries (2019: £185,968). £237,861 (2019: Nil) was received as part of the Coronavirus Job Retention Scheme government grant.

9. FINANCING AND OTHER COSTS

	2020	2019
	£	£
Bank and loan interest	72,048	95,895
Other finance costs	<u>43,427</u>	<u>19,364</u>
	<u>£ 115,475</u>	<u>£ 115,259</u>

READING BLUE COAT SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

10. TOTAL RESOURCES EXPENDED-GROUP 2020

	Staff costs £	Depreciation £	Other £	Total 2020 £	Total 2019 £
Charitable activities					
School operating costs:					
Teaching costs	6,242,148	-	533,615	6,775,763	6,519,915
Welfare costs	177,365	180,241	669,976	1,027,582	1,187,941
Premises costs	432,290	768,597	1,043,082	2,243,969	2,233,898
Support costs of schooling	<u>1,341,341</u>	<u>-</u>	<u>583,621</u>	<u>1,924,962</u>	<u>2,089,971</u>
	<u>8,193,144</u>	<u>948,838</u>	<u>2,830,294</u>	<u>11,972,276</u>	<u>12,031,725</u>
Expenditure on raising funds					
Trading expenditure	-	-	6,952	6,952	43,272
Financing and other costs (Note 9)	<u>-</u>	<u>-</u>	<u>115,475</u>	<u>115,475</u>	<u>115,259</u>
	<u>-</u>	<u>-</u>	<u>122,427</u>	<u>122,427</u>	<u>158,531</u>
Total resources expended	<u>£ 8,193,144</u>	<u>£ 948,838</u>	<u>£ 2,952,721</u>	<u>£ 12,094,703</u>	<u>£ 12,190,256</u>
2019 COMPARATIVE					
	Staff costs £	Depreciation £	Other £	Total 2019 £	Total 2018 £
School operating costs:					
Teaching costs	5,949,596		570,319	6,519,915	6,216,493
Welfare costs	166,250	164,982	856,709	1,187,941	1,194,778
Premises costs	411,713	718,877	1,103,308	2,233,898	2,037,281
Support costs of schooling	<u>1,298,752</u>	<u>-</u>	<u>791,219</u>	<u>2,089,971</u>	<u>1,925,691</u>
	<u>7,826,311</u>	<u>883,859</u>	<u>3,321,555</u>	<u>12,031,725</u>	<u>11,374,243</u>
Expenditure on raising funds					
Trading expenditure	-	-	43,272	43,272	43,582
Financing and other costs (Note 9)	<u>-</u>	<u>-</u>	<u>115,259</u>	<u>115,259</u>	<u>151,325</u>
	<u>-</u>	<u>-</u>	<u>158,531</u>	<u>158,531</u>	<u>194,907</u>
Total resources expended	<u>£ 7,826,311</u>	<u>£ 883,859</u>	<u>£ 3,480,086</u>	<u>£ 12,190,256</u>	<u>£ 11,569,150</u>

11. NET INCOME/(EXPENDITURE) – GROUP

		2020 £	2019 £
Net income is stated after charging:			
Depreciation	- Owned assets	923,715	881,364
	- Assets on HP	25,123	2,495
Auditors' remuneration	- Audit and accountancy services	16,600	16,600
	- Other services	2,080	1,050
Operating leases		<u>133,090</u>	<u>132,687</u>
Included in support costs are governance costs of £18,948 (2019: £19,160).			

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

12. STAFF COSTS

	2020 £	2019 £
Wages and salaries	6,322,152	6,260,785
Social security costs	646,261	644,017
Other pension costs	<u>1,224,731</u>	<u>921,509</u>
	<u>£8,193,144</u>	<u>£7,826,311</u>

Included in wages and salaries is £11,720 of settlement costs (2019: £11,430).

	No.	No.
The average number of employees in the year was:		
Teaching	84	89
Welfare	15	15
Premises	12	12
Support	<u>69</u>	<u>67</u>
	<u>180</u>	<u>183</u>

	2020	2019
The following number of employees exceeded £60,000 emoluments:		
£60,000 - £70,000	2	3
£70,000 - £80,000	2	2
£80,000 - £90,000	1	-
£90,000 - £100,000	1	1
£100,000 - £110,000	1	1
£160,000 - £170,000	<u>1</u>	<u>1</u>
 The number of higher paid employees in the Teachers' Superannuation scheme	 <u>6</u>	 <u>6</u>
 The number of higher paid employees in a Defined Contribution scheme	 <u>2</u>	 <u>2</u>
 Total cost of Employer's contributions in relation to the above	 <u>151,284</u>	 <u>120,666</u>

None of the Governors received remuneration, reimbursement of expenses or other benefits in the year (2019: Nil).

Key management personnel comprise the Governors and the key management personnel listed on page 2. They received aggregate remuneration (including employer's pension and employers national insurance) of £965,910 (2019: £891,433).

13. TAXATION

Reading Blue Coat School is a charity and entitled for the current year to the exemptions provided by Section 505 Income and Corporation Tax Act 1988.

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

14a. TANGIBLE FIXED ASSETS – GROUP

	Leasehold land and buildings £	RBCS' buildings £	Assets under construction £	Improvements to buildings £	Furniture, Fixtures & Fittings £	Plant, Machinery & Equipment £	Motor vehicles £	Total £
COST:								
At 1 September 2019	3,300,000	15,345,162	1,166,099	4,983,411	397,145	2,607,147	39,283	27,838,247
Additions	-	-	1,494,766	86,857	31,730	195,731	-	1,809,084
Impairment	-	(18,216)	(4,800)	-	-	-	-	(23,016)
Transfers	-	1,943,723	(1,943,723)	-	-	-	-	-
At 31 August 2020	<u>3,300,000</u>	<u>17,270,669</u>	<u>712,342</u>	<u>5,070,268</u>	<u>428,875</u>	<u>2,802,878</u>	<u>39,283</u>	<u>29,624,315</u>
DEPRECIATION:								
At 1 September 2019	475,200	3,523,107	-	1,683,643	323,559	2,403,552	31,233	8,440,294
Charge for the year	<u>26,400</u>	<u>481,832</u>	<u>-</u>	<u>260,365</u>	<u>32,959</u>	<u>142,839</u>	<u>4,443</u>	<u>948,838</u>
At 31 August 2020	<u>501,600</u>	<u>4,004,939</u>	<u>-</u>	<u>1,944,008</u>	<u>356,518</u>	<u>2,546,391</u>	<u>35,676</u>	<u>9,389,132</u>
NET BOOK VALUE								
At 31 August 2020	<u>£ 2,798,400</u>	<u>£ 13,265,730</u>	<u>£ 712,342</u>	<u>£ 3,126,260</u>	<u>£ 72,357</u>	<u>£ 256,487</u>	<u>£ 3,607</u>	<u>£ 20,235,183</u>
<i>At 31 August 2019</i>	<i><u>£ 2,824,800</u></i>	<i><u>£11,822,055</u></i>	<i><u>£ 1,166,099</u></i>	<i><u>£ 3,299,768</u></i>	<i><u>£ 73,586</u></i>	<i><u>£ 203,595</u></i>	<i><u>£ 8,050</u></i>	<i><u>£ 19,397,953</u></i>

All assets are stated at cost except the leasehold land and buildings.

The above valuation of £3,300,000 for the School's 125 year lease of its land and buildings was carried out by Dunster and Morton in March 2000. The historic cost is £1.98m.

The net book value of assets held under finance leases or hire purchase contracts included above in 2020 total £53,426 (2019: £9,979).

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

14b. TANGIBLE FIXED ASSETS – CHARITY

	Leasehold land and buildings £	RBCS' buildings £	Assets under construction £	Improvements to buildings £	Furniture, Fixtures & Fittings £	Plant, Machinery & Equipment £	Motor vehicles £	Total £
COST:								
At 1 September 2019	3,300,000	15,345,162	1,166,099	4,983,411	397,145	2,588,915	39,283	27,820,015
Additions	-	-	1,494,766	86,857	31,730	195,731	-	1,809,084
Impairment	-	(18,216)	(4,800)	-	-	-	-	(23,016)
Disposals	-	-	-	-	-	-	-	-
Transfers	-	1,943,723	(1,943,723)	-	-	-	-	-
At 31 August 2020	<u>3,300,000</u>	<u>17,270,669</u>	<u>712,342</u>	<u>5,070,268</u>	<u>428,875</u>	<u>2,784,646</u>	<u>39,283</u>	<u>29,606,083</u>
DEPRECIATION:								
At 1 September 2019	475,200	3,523,107	-	1,683,643	323,559	2,385,320	31,233	8,422,062
Charge for the year	26,400	481,832	-	260,365	32,959	142,839	4,443	948,838
Depreciation on disposal	-	-	-	-	-	-	-	-
At 31 August 2020	<u>501,600</u>	<u>4,004,939</u>	<u>-</u>	<u>1,944,008</u>	<u>356,518</u>	<u>2,528,159</u>	<u>35,676</u>	<u>9,370,900</u>
NET BOOK VALUE								
At 31 August 2020	<u>£ 2,798,400</u>	<u>£ 13,265,730</u>	<u>£ 712,342</u>	<u>£ 3,126,260</u>	<u>£ 72,357</u>	<u>£ 256,487</u>	<u>£ 3,607</u>	<u>£ 20,235,183</u>
<i>At 31 August 2019</i>	<i><u>£ 2,824,800</u></i>	<i><u>£ 11,822,055</u></i>	<i><u>£ 1,166,099</u></i>	<i><u>£ 3,299,768</u></i>	<i><u>£ 73,586</u></i>	<i><u>£ 203,595</u></i>	<i><u>£ 8,050</u></i>	<i><u>£ 19,397,953</u></i>

All assets are stated at cost except the leasehold land and buildings.

The above valuation of £3,300,000 for the School's 125 year lease of its land and buildings was carried out by Dunster and Morton in March 2000. The historic cost is £1.98m.

The net book value of assets held under finance leases or hire purchase contracts included above in 2020 total £53,426 (2019: £9,979)

READING BLUE COAT SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

15. INVESTMENTS

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Reading Blue Coat School (Trading) Limited	-	-	2	2
	<u>£ -</u>	<u>£ -</u>	<u>£ 2</u>	<u>£ 2</u>

16. DEBTORS

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Fees receivable	75,574	70,809	75,574	70,809
Other debtors	168,226	34,153	154,148	16,530
Prepayments and accrued income	109,891	327,300	109,891	327,300
Amounts due from subsidiary undertakings	-	-	83,681	81,148
	<u>£ 353,691</u>	<u>£ 432,262</u>	<u>£ 423,294</u>	<u>£ 495,787</u>

17. CREDITORS: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Bank loan (note 18)	477,175	400,502	477,175	400,502
Trade creditors	143,143	178,529	143,143	178,529
Fees in advance	1,319,117	1,268,703	1,319,117	1,268,703
Deposits repayable	503,350	452,650	503,350	452,650
Deferred income - Advanced fees (note 19)	562,731	329,691	562,731	329,691
Hire Purchase Leases	21,126	2,079	21,126	2,079
Other creditors	211,199	159,682	211,199	159,682
Social security & other taxes	168,835	169,185	168,835	166,971
Accruals & deferred income	366,094	578,351	360,427	573,851
Deferred purchase creditor	67,120	67,120	67,120	67,120
	<u>£3,839,890</u>	<u>£3,606,492</u>	<u>£3,834,223</u>	<u>£3,599,778</u>

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

18. CREDITORS: Amounts falling due after more than one year

	Group 2020 £	<i>Group 2019 £</i>	Charity 2020 £	<i>Charity 2019 £</i>
Bank loan (see below)	1,941,204	918,379	1,941,204	918,379
Advanced fees (see Note 19)	157,888	179,658	157,888	179,658
Hire Purchase Lease	27,967	6,237	27,967	6,237
Deferred purchase creditor	<u>67,123</u>	<u>134,243</u>	<u>67,123</u>	<u>134,243</u>
	<u>£ 2,194,182</u>	<u>£ 1,238,517</u>	<u>£ 2,194,182</u>	<u>£ 1,238,517</u>

The School has two bank loans with Lloyds TSB. Both loans are secured by a legal charge over the leasehold properties.

The balance of the first loan at the 31st August 2020 is £918,379 (2019: £1,316,881). This loan has interest charged at a fixed rate of 6.3%, and it is due for repayment in September 2022.

In July 2020, a CIBLS loan of £1.5million was drawn down. No capital repayments or interest are due on the loan until July 2021. The loan will then have interest charged at a rate of base plus 1.06%. The loan is due for final repayment in July 2026.

The maturity of the bank loans are analysed as follows:

	2020 £	<i>2019 £</i>
Within one year	477,175	400,502
Between one and two years	791,204	427,175
Between two and five years	<u>1,150,000</u>	<u>491,203</u>
	<u>2,418,379</u>	<u>1,318,881</u>

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

19. DEFERRED INCOME - ADVANCED FEES

Parents may pay lump sums to the School as advance payment of future fees. Assuming pupils remain in the School, advance fees received will be applied as follows:

	2020	2019
	£	£
Within one year	562,731	329,691
Within 2 to 5 years	<u>157,888</u>	<u>179,658</u>
	<u>£ 720,619</u>	<u>£ 509,349</u>

The balance represents the accrued liability.

The movements in the period were:

	£
Balance at 1 September 2019	509,349
Receipts from contracts	547,491
Discounts allocated	6,423
Advance fees utilised	<u>(342,644)</u>
Balance at 31 August 2020	<u>£ 720,619</u>

20. PENSION COSTS

There are two pension schemes available to certain employees of the School, the Teachers' Pension Scheme, and a group personal pension scheme.

Teaching Staff – Defined Benefit Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £971,319 (2019: £687,131) and at the year-end £115,099 (2019: £91,770) 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.

READING BLUE COAT SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

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 closes 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.

Non-Teaching Staff

The Company contributes on a money purchase basis to a group personal pension scheme. Contributions totalling £253,412 (2019: £234,378) were payable to this scheme for the year. Contributions totalling £27,071 (2019: £25,714) were unpaid at the year end.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £	Net Current Liabilities £	Long Term Liabilities £	Total 2020 £
Restricted Funds	2,798,400	155,756	-	2,954,156
Unrestricted Funds	<u>17,436,783</u>	<u>(1,134,171)</u>	<u>(2,194,182)</u>	<u>14,108,430</u>
	<u>20,235,183</u>	<u>(978,415)</u>	<u>(2,194,182)</u>	<u>17,062,586</u>

2019 COMPARATIVE- ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £	Net Current Liabilities £	Long Term Liabilities £	Total 2019 £
Restricted Funds	2,824,800	113,292	-	2,938,092
Unrestricted Funds	<u>16,573,153</u>	<u>(1,769,635)</u>	<u>(1,238,517)</u>	<u>13,565,001</u>
	<u>19,397,953</u>	<u>(1,656,343)</u>	<u>(1,238,517)</u>	<u>16,503,093</u>

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

22a. UNRESTRICTED FUNDS – MOVEMENT IN THE YEAR

	<i>Balance at 1 September 2019</i>	<i>Incoming Resources</i>	<i>Resources Expended</i>	<i>Transfer</i>	<i>Balance at 31 August 2020</i>
	£	£	£	£	£
General Funds – School	13,427,017	12,339,913	(11,781,796)	2,760	13,987,894
Trading Company	<u>103,633</u>	<u>88,742</u>	<u>(112,985)</u>	<u>-</u>	<u>79,390</u>
	<u>£13,530,650</u>	<u>£12,428,655</u>	<u>£(11,894,781)</u>	<u>£ 2,760</u>	<u>£14,067,284</u>

The School funds are held to maintain the leasehold properties and to cover normal fluctuations in working capital, future development costs and general reserves.

2019 COMPARATIVE- UNRESTRICTED FUNDS – MOVEMENT IN THE YEAR

	<i>Balance at 1 September 2018</i>	<i>Incoming Resources</i>	<i>Resources Expended</i>	<i>Transfer</i>	<i>Balance at 31 August 2019</i>
	£	£	£	£	£
General Funds – School	12,553,556	12,841,723	(11,981,712)	13,450	13,427,017
Trading Company	<u>111,726</u>	<u>149,305</u>	<u>(157,398)</u>	<u>-</u>	<u>103,633</u>
	<u>£12,665,282</u>	<u>£12,991,028</u>	<u>£(12,139,110)</u>	<u>£ 13,450</u>	<u>£13,530,650</u>

22b. DESIGNATED FUNDS – MOVEMENT IN THE YEAR

	<i>Balance at 1 September 2019</i>	<i>Incoming Resources</i>	<i>Resources Expended</i>	<i>Transfer</i>	<i>Balance at 31 August 2020</i>
	£	£	£	£	£
Charities Fund	14,846	7,755	(4,148)	-	18,453
Muir Prize Fund	200	-	-	-	200
Old Blues Fund	10,238	1,376	(421)	-	11,193
Roger Johnson Fund	2,954	250	(1,976)	-	1,228
Dr Fopp Public Speaking Fund	-	1,700	(320)	1,400	2,780
Staff Fund	598	644	(364)	-	878
Headmaster's Scholarship Fund	870	-	-	-	870
Aldworth Partnership Fund	<u>4,645</u>	<u>1,092</u>	<u>(193)</u>	<u>-</u>	<u>5,544</u>
	<u>£ 34,351</u>	<u>£ 12,817</u>	<u>£ (7,422)</u>	<u>£ 1,400</u>	<u>£ 41,146</u>

Designated funds are in respect of donations received, which are set aside, at the discretion of the Governors for particular purposes.

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

2019 COMPARATIVE- DESIGNATED FUNDS – MOVEMENT IN THE YEAR

	<i>Balance at 1 September 2018 £</i>	<i>Incoming Resources £</i>	<i>Resources Expended £</i>	<i>Transfer</i>	<i>Balance at 31 August 2019 £</i>
<i>Charities Fund</i>	15,521	2,631	(3,306)	-	14,846
<i>Muir Prize Fund</i>	200	-	-	(2,250)	200
<i>Old Blues Fund</i>	7,324	15,054	(9,890)	-	10,238
<i>Roger Johnson Fund</i>	5,387	250	(2,683)	-	2,954
<i>Staff Fund</i>	36	742	(180)	-	598
<i>Headmaster's Scholarship Fund</i>	870	-	-	-	870
<i>Aldworth Partnership Fund</i>	-	5,889	(1,244)	-	4,645
	<u>£ 29,338</u>	<u>£ 24,566</u>	<u>£ (17,303)</u>	<u>(2,250)</u>	<u>£ 34,351</u>

22c. RESTRICTED FUNDS – MOVEMENT IN THE YEAR

	<i>Balance at 1 Sept 2019 £</i>	<i>Incoming Resources £</i>	<i>Resources Expended £</i>	<i>Transfer £</i>	<i>Balance at 31 Aug 2020 £</i>
Sundry Funds					
Arthur Newbury Prize	100	-	-	-	100
Embling Memorial Fund	100	-	-	-	100
Summer Ball Fund	5,000	-	-	-	5,000
Edwards Bequest	2,000	-	-	-	2,000
Melrose Prize	200	-	-	-	200
Ali Driver Sonning Grant	6,658	-	(200)	-	6,458
Performing Arts Centre	15,000	250	-	-	15,250
Rowing Fund	13,690	-	(6,164)	(2,760)	4,766
	42,748	250	(6,364)	(2,760)	33,874
Bursary Fund	70,544	212,474	(159,736)	(1,400)	121,882
Property Revaluation Surplus Fund	<u>2,824,800</u>	-	(26,400)	-	<u>2,798,400</u>
	<u>£2,938,092</u>	<u>£ 212,724</u>	<u>£ (192,500)</u>	<u>£ (4,160)</u>	<u>£2,954,156</u>

Sundry Funds

These are various donations given with a specific request that they be used for prizes or other specified purposes.

Bursary Fund

This is a fund for donations given with a specific request that they are awarded as bursaries.

Property Revaluation Surplus Fund

This has been set up to cover the net book value of the leasehold property.

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

2019 COMPARATIVE- RESTRICTED FUNDS – MOVEMENT IN THE YEAR

	<i>Balance at 1 Sept 2018 £</i>	<i>Incoming Resources £</i>	<i>Resources Expended £</i>	<i>Transfer £</i>	<i>Balance at 31 Aug 2019 £</i>
Sundry Funds					
<i>Arthur Newbury Prize</i>	100	-	-	-	100
<i>Embling Memorial Fund</i>	100	-	-	-	100
<i>Summer Ball Fund</i>	6,000	-	(1,000)	-	5,000
<i>Edwards Bequest</i>	2,000	-	-	-	2,000
<i>Melrose Prize</i>	200	-	-	-	200
<i>Ali Driver Sonning Grant</i>	-	6,658	-	-	6,658
<i>Performing Arts Centre</i>	-	15,000	-	-	15,000
<i>Rowing Fund</i>	<u>10,042</u>	<u>20,991</u>	<u>(6,143)</u>	<u>(11,200)</u>	<u>13,690</u>
	18,442	42,649	(7,143)	(11,200)	42,748
Bursary Fund	9,876	185,968	(125,300)	-	70,544
Property Revaluation Surplus Fund	<u>2,851,200</u>	<u>-</u>	<u>(26,400)</u>	<u>-</u>	<u>2,824,800</u>
	<u>£2,879,518</u>	<u>£ 228,617</u>	<u>£ (158,843)</u>	<u>£ (11,200)</u>	<u>£2,938,092</u>

23. CAPITAL COMMITMENTS

At 31 August 2020 the School had capital commitments amounting to £Nil (2019: £949,743).

24. RELATED PARTIES

There were the following transactions in the year with Reading Blue Coat School (Trading) Limited:

- Management charge of £2,400 (2019: £2,400).
- Gift aid paid during the year of £103,633 (2019: £111,726).

The year-end balance owed by Reading Blue Coat School (Trading) Limited is £83,681 (2019: £81,148).

Mr D J Few, one of the School Governors, is a partner at Blandy & Blandy LLP, the School's solicitors. During the year Blandy & Blandy LLP invoiced the School for services amounting to £4,118 (2019: £20,896) and at the year end there was a creditor of £Nil (2019: £Nil) owing to them.

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

25. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	2020	2019	2020	2019
	£	£	£	£
Leases expiring:				
In less than one year	63,000	63,000	67,109	70,090
Between one and two years	63,000	63,000	28,928	28,200
Between two and five years	189,000	189,000	23,132	34,995
Greater than five years	<u>5,160,950</u>	<u>5,223,950</u>	<u>-</u>	<u>4,876</u>
	<u>£ 5,475,950</u>	<u>£ 5,538,950</u>	<u>£ 119,169</u>	<u>£ 138,161</u>

26. FINANCIAL INSTRUMENTS

Financial instruments held at amortised cost are fees receivable, other debtors, prepayments and accrued income, amounts due from subsidiary and cash in hand.

Financial liabilities held at amortised cost are bank loans, trade creditors, deposits repayable, other creditors, accruals and net obligations under finance leases, less deferred income.

	2020	2019
	£	£
GROUP		
Financial assets measured at amortised cost	2,751,584	1,622,849
Financial liabilities measured at amortised cost	<u>3,796,176</u>	<u>2,788,748</u>

The group's income, expense, gains and losses in respect of financial instruments are summarised below:

GROUP & COMPANY	2020	2019
	£	£
Interest income and expense:		
Total interest income for financial assets held at amortised cost	6,547	11,439
Total interest expense for financial liabilities held at amortised cost	<u>72,048</u>	<u>95,895</u>

	2020	2019
	£	£
CHARITY		
Financial assets measured at amortised cost	2,666,535	1,512,500
Financial liabilities measured at amortised cost	<u>3,790,509</u>	<u>2,784,248</u>

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

27. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2020 £	2019 £
Increase in cash in the year	989,897	803,540
Net movement in Advanced Fee Scheme	(211,270)	(66,673)
New loan issued in year	(1,500,000)	-
Loan repayments	400,502	376,655
New HP agreement in year	(68,570)	-
HP repayments	<u>27,793</u>	<u>4,158</u>
Change in net debt	(361,648)	1,117,680
Net debt at 1 September	<u>(318,659)</u>	<u>(1,436,339)</u>
NET DEBT AT 31 AUGUST	<u>(680,307)</u>	<u>(318,659)</u>

28. ANALYSIS OF CHANGE IN NET DEBT

	<i>Net debt as at 1 September 2019</i> £	Cash Change £	Non cash movement	Net funds as at 31 August 2020 £
Cash at bank and in hand	1,517,887	989,897	-	2,507,784
Advanced Fee Scheme	(509,349)	(211,270)	-	(720,619)
HP	(8,316)	27,793	(68,570)	(49,093)
Loans	<u>(1,318,881)</u>	<u>(1,099,498)</u>	<u>-</u>	<u>(2,418,379)</u>
	<u>£ (318,659)</u>	<u>£ (293,078)</u>	<u>£ (68,570)</u>	<u>£ (680,307)</u>

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

29. COMPARATIVE 2019 STATEMENT OF FINANCIAL ACTIVITIES

	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>Total funds 2019 £</i>
<u><i>INCOME AND ENDOWMENTS FROM:</i></u>			
<i>Income from charitable activities</i>			
<i>School fees receivable</i>	11,814,756	-	11,814,756
<i>Ancillary trading income</i>	818,864	-	818,864
<i>Other trading activities:</i>			
<i>Bank interest</i>	11,439	-	11,439
<i>Non-ancillary trading income</i>	71,548	-	71,548
<i>Trading income</i>	149,305	-	149,305
<i>Donations</i>	<u>24,682</u>	<u>228,617</u>	<u>253,299</u>
<i>Total</i>	<u>12,890,594</u>	<u>228,617</u>	<u>13,119,211</u>
<u><i>EXPENDITURE ON:</i></u>			
<i>Charitable activities</i>			
<i>School operating costs</i>	11,872,882	158,843	12,031,725
<i>Raising funds</i>			
<i>Trading expenditure</i>	43,272	-	43,272
<i>Financing and other costs</i>	<u>115,259</u>	<u>-</u>	<u>115,259</u>
<i>Total</i>	<u>12,031,413</u>	<u>158,843</u>	<u>12,190,256</u>
<i>Net income/(expenditure)</i>	859,181	69,774	928,955
<i>Total funds brought forward</i>	<u>12,694,620</u>	<u>2,879,518</u>	<u>15,574,138</u>
<i>Total funds carried forward</i>	<u>£ 13,565,001</u>	<u>£ 2,938,092</u>	<u>£ 16,503,093</u>