

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 2022

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
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FOR THE YEAR ENDED 31 AUGUST 2022

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READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2022

REGISTERED OFFICE &

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

DIRECTORS:

| | |
|----------------------------|------------------------------|
| P Bertram ¹ | (Chairman) |
| D Few | |
| P Gillibrand | (Resigned 24 October 2022) |
| C Green ³ | |
| L Hague ^{3 4} | |
| C Hubbard ¹ | |
| Revd J Taylor ² | Ex-officio, Vicar of Sonning |
| S Mount ¹ | (Resigned 26 May 2022) |
| A Worrall | (Resigned 20 September 2021) |
| H Williams ^{1 3} | (Chair of the F&GP) |
| P Etherington ¹ | |
| N Bruce ³ | |
| M Smith | (Appointed 1 September 2021) |
| A Colpus ^{3 4} | (Appointed 6 December 2021) |
| M Rumbelow ^{1 5} | (Appointed 21 March 2022) |

1. Member of the Finance and General Purpose Committee
2. Ex officio appointment
3. Member of Safeguarding Committee
4. Member of Education Committee
5. Lead Health and Safety Governor

The Governors are also Directors of the Company and Trustees of the Charity.

OFFICERS

| | |
|-------------------------------|----------|
| Headmaster: | P Thomas |
| Bursar and Company Secretary: | T Tabrah |

BANKERS:

Lloyds Bank plc
Market Place
Reading
Berkshire
RG1 2EQ

SOLICITORS:

Blandy & Blandy LLP
1 Friar Street
Reading
RG1 1DA

AUDITORS:

Crowe UK LLP
Aquis House
49 – 51 Blagrove Street
Reading
RG1 1PL

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

INSURANCE BROKERS: Marsh Limited
4 Milton Road
Haywards Heath
West Sussex
RH16 1AH

WEBSITE: www.rbcs.org.uk

| | | |
|------------------------|-----------------|---|
| KEY MANAGEMENT: | P Thomas | Headmaster |
| | E Trelinski | Second Master |
| | K Magill | Deputy Head (Staff) |
| | G Williams | Deputy Head (Pastoral) |
| | R Tidbury | Deputy Head (Academic) |
| | T Tabrah | Bursar |
| | J Jarrett | Director of Admissions & Marketing |
| | S Bunnell-Pyper | Foundation Director (appointed 1 September 2021) |
| | K Richardson | Deputy Head (Co-Curricular) (appointed 30 August 2022) |

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2022

The Governors of the School present their annual report for the year ended 31 August 2022, 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 Company", "the School" or "the Charity"), 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.

The Governors, Officers, Key Addresses and Advisors are set out on Pages 1 and 2.

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

The School is an active member of the Headmasters' and Headmistresses' Conference, the Society of Heads, the Association of the Governing Bodies of Independent Schools and the Independent Schools' Bursars Association.

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 Governors are all Directors of the Company and appoint new Governors either to fill a casual vacancy or by way of additions to the Board. The total number of Governors shall not exceed 12. One of the Governors is an ex-officio appointment and 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.

Those who held office during the year are listed on Page 1.

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.

Corporate Governance

The Governing Body is mindful of the principles and recommended practice set out in the Charity Governance Code for larger charities, and believes that it applies, much evidenced in this annual report, the specified principles of organisational purpose, leadership, integrity, decision making, risk and control, board effectiveness, diversity, openness and accountability.

READING BLUE COAT SCHOOL
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REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Organisational Management

The members of the Governing Body are legally responsible for the overall management and control of the School. The Governing Body meets a minimum of three times a year. Much of the preparation for these meetings is undertaken by sub-committees ahead of each Governors' meeting. The principal committees are the Education Committee, chaired by the Headmaster, the Finance and General Purpose Committee, chaired by Mr Williams and the Safeguarding Committee, chaired by Mrs Charlotte Green.

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 Key Management. The Headmaster and Bursar attend meetings of the Governing Body and its Committees along with other members of Key Management where appropriate and invited.

Risk Management

The Governing Body is responsible for ensuring that the risks faced by the Charity are properly assessed. It is aware of the importance of protecting the business as far as possible from operational and reputational damage, as well as from the risks of unpredictable crisis and disaster. Risks are examined each year when updating the Risk Register and in the process of strategic planning. The generic key controls used by the School to manage risk include:

- Preparation and periodic review of the Risk Register.
- Formal agendas and minutes to support decisions on all Committee and Governing Body activities.
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational and governance structure and lines of reporting.
- Formal written policies.
- Vetting procedures as required by law for the protection of vulnerable people.
- Clear hierarchical authorisation and approval levels.

The above structure formalises the risk management processes established for the Charity. Through these processes, the Governors identify the major risks to which the Charity is exposed and review the systems and procedures established to manage them. Nevertheless, it is recognised that such systems can provide only reasonable but not absolute assurance that major risks have been adequately addressed and can be managed.

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.

READING BLUE COAT SCHOOL
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REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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 UK LLP as auditors of the company will be put to the Annual General Meeting.

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

Headmaster's Statement

2021-2022 saw Reading Blue Coat emerging from the most obvious impacts of Covid and, in many respects, enjoying a 'normal' year! Numbers remained strong at 817 pupils (2021: average 783), year groups were full and there was a broad return to a school running at full pace; within and away from the classroom we were cogitating, discussing, singing, playing and laughing as a school community; it was good!

We enter the new academic year with Covid seemingly in our rear-view mirror, but we are driving through a new landscape of rising interest rates and spiralling costs that need to be carefully considered, budgeted for and monitored. Anticipating what is over the current horizon is not easy, but we recognise the global economic picture is very unsettled, that we must steward our resources wisely and that we need to move forward cautiously with any major development plans.

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FOR THE YEAR ENDED 31 AUGUST 2022

We are, however, on track to welcome girls into Year 7 from September 2023 and continue to prepare ourselves logistically with the reconfiguration of some classroom spaces and facilities, as well as with our holistic education and pastoral care. We are aiming for excellence in everything, for everyone, and to this end continue to build on our work throughout the School, underpinned by the values of aspiration, compassion, courage, integrity and service that we expect to see in all our direction, decisions and dealings with one another.

It is an exciting time for Reading Blue Coat School!

Development of Facilities

The School has undertaken the following development projects during the reporting period:

- Completed the refurbishment of the main school library.
- Installed a new modular Lower School Common Room.
- Extensively upgraded the leasehold car park at Berkshire County Sports Club which is used by the School during the day.
- Commenced the refurbishment and renovation of the top floor of School House to create a new suite of classrooms.
- Upgraded the security systems and measures at the School as well as improved the Lockdown alarm system.
- Installed a new high and low ropes course on school grounds to enhance the adventure education offering.
- Upgraded various sports facilities, including the outdoor cricket nets.
- Significantly upgraded the provision, stability and accessibility of WiFi and network access across the school site.
- Enabled various projects in order to provide facilities for year 7 girls when they join in September 2023.

Grant-making

This year, the value of academic scholarships made, based on individuals' academic ability, was £52,313 (2021: £65,000). The value of means-tested bursaries made to the School's pupils amounted to £787,705 (2021: £763,612). 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 this year the Foundation Office has continued to make progress in establishing the office in preparation for a more concerted effort with regards to fundraising. A new Foundation Manager started in January 2022 and we launched our fundraising campaign, 'Defined by Vision, United by Ambition', in March 2022. We are seeking to raise £4million by 2032 thus doubling the School's endowment and the amount of Foundation Scholars at the School from 14 to 28. We have received some larger donations for the campaign and have a handful a direct debits coming in each month. Our legacy giving society, the Richard Aldworth Society, now includes 9 members and continues to grow. The Foundation Office seeks to increase fundraising activity through a Giving Day which will involve the whole School community. We also hope to carry out wealth screening by way of identifying high net worth individuals in the hope that they will be able to help us reach our goal for the campaign.

For the year, donations totalled £481,380 (2021: £247,810); including unrestricted funds of £254,636 and restricted funds for the provision of bursaries of £220k. Of this, £139,000 (2021: £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. These are currently only carried out by School staff and all fundraising activities are managed by the Foundation Director with overall management by the Headmaster and oversight by the Governing Body. The Foundation 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.

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FOR THE YEAR ENDED 31 AUGUST 2022

No complaints relating to fundraising activities have been received by the School during this reporting period. The School has a complaints procedure in place should any complaints arise from our fundraising activity.

The School is registered with the Fundraising Regulator. This will be renewed in December 2022 and the logo will be added to our website and fundraising collateral in due course to indicate we are compliant. The School continues to comply with the Code of Fundraising Practice published by the Fundraising Regulator and its own Fundraising Policy which was reviewed in September 2022. The School continues to be a member of the Institute of Development Professionals in Education (IDPE).

The School upholds appropriate standards for the operation and management of its fundraising activities. We continue to ensure vulnerable people and other member of the School's community are protected and that no fundraising activity results in a member of the community being coerced into giving a gift against their will.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial Results

The financial results for the year are shown in the statement of financial activities on page 16 which shows net income before transfers of £1,627,207 (2021: £817,155). Included within the result is a gain of £138,491 (2021: £7,449) attributable to the School's wholly owned trading subsidiary, Reading Blue Coat School (Trading) Limited. 2021/22 was an academic year with fewer Covid-related restrictions in operations than the prior year; year on year variation in ancillary trading income and related expenses was noted as a result.

The level of surplus for the year generated in the unrestricted funds was £1,562,623 (2021: £668,792). Some of the surplus generated is required to fund repayments of outstanding bank loans and some will be used to finance future capital expenditure projects with the aim of continually improving the School's facilities. In the opinion of the Governors the market value of the land and buildings of the School is not less than the book value in the accounts.

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 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.
- Further implementation of the campus development strategy taking into account the requirements of extending co-education across all year groups.
- At the end of the reporting period the Group holds total funds of £19,506,948 (2021: £17,879,741).
- At the end of the reporting period the Group holds gross cash totalling £3,994,837 (2021: £3,888,232) and net cash (after bank and other loans) totalling £2,784,212 (2021: £1,922,028).
- The amount of funds which are restricted and not available for general purposes of the charity at the end of the reporting period were £2,842,754 (2021: £2,918,126).
- At the end of the reporting period there were designated funds of £36,237 (2021: £39,658).
- 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 £20,073,550 (2021: £19,649,804).
- 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.

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REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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: A total of £787,705 (2021: £763,612) was spent on means-tested support which was 5.3% of the School's gross fee income. Assistance was provided in the form of 44 bursaries and 13 Foundation Scholarships, i.e. a total of 57 or 7% of the pupils received some support. Foundation Scholarships cover 100% of 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 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 the umbrella term for student led outreach work by RBC in the local area and 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 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.

The activities of the Aldworth Partnership have been adversely impacted by restrictions due to the spread of Coronavirus, however local service in the last year has included:

- Onsite education visits by local primary Schools
- Community collection of food and fundraising of money for Woodley foodbank. Share Wokingham is a 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 (Woodley Foodbank) and Child poverty holiday food clubs (Grub club/ Lunch bunch) for school students in the local area.
- Staff and students collected long life food and these items were donated to Woodley foodbank.
- The Music Aldworth Partnership group performed music concerts in Thameside Primary School, Highwood Primary School, and The Birches Care home in Earley.
- Staff, Students and Parents, all donated items for the Ukraine appeal. After 16 loads, these items were donated to The Cowshed Ukraine appeal.
- In addition to donated items, Funds were raised for the Disaster Emergency Appeal and a concert was organised to fundraise for the Ukraine Appeal.
- Students visited Highwood Primary School on a weekly basis to run sports programmes for the students.
- Students ran a sports day for students at St Johns Primary School in Woodley 29th June.
- Highwood primary school use our sporting facilities including pool.
- St Mary's and All Saints Primary School, Reading we hosted an overnight activity camp 12/13th July 2022

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FOR THE YEAR ENDED 31 AUGUST 2022

Use of the Facilities by the local community

The School supports the local community in the following ways:

- 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.

Equal Opportunities

The School welcomes pupils from all backgrounds. To admit a prospective pupil, the School needs to be satisfied that it will be able to educate and develop a prospective pupil to the best of their potential. An individual's economic status, gender, race, sexuality, religion or disability do not form part of our assessment process.

The School is an equal opportunities employer, and this is laid out in the Employee Handbook. Full and fair consideration is given to job applications from candidates of all backgrounds whatever their economic status, gender, race, sexuality, religion or disability. Due consideration is given to the training and employment needs of all staff who work at the School. The School will make reasonable adjustments to meet the needs of pupils or staff who are or who become disabled.

Employee Engagement

The Governing Body is kept fully informed of any employee concerns through regular formal and informal briefings from the Headmaster and Bursar. The Governors are committed to promoting a positive and healthy environment for all staff at the School for both their physical and mental wellbeing. The Governors promote inclusion in the workplace and provide resources for training and development opportunities for all staff. The Governors encourage recruitment and development strategies which seek to attract and retain talented staff.

At intervals through the year, usually immediately prior to the start of a term, Professional Development Days are held during which briefings and staff training takes place. Elements of these days will apply to the whole school staff, both academic and operational, with other periods being applicable to specific roles, functions or training requirements. Training on these days will often include training on safeguarding, data protection, and health and safety, as well as briefings on the School's development and strategy.

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 extend co-education to all year groups, commencing with an intake of Year 7 girls in September 2023, and be fully co-educational by September 2027.
- 4) To continue to upgrade the School's buildings, and ensure facilities are appropriate for the School to be co-educational across all year groups by 2027.

READING BLUE COAT SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE GOVERNORS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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- 5) To maintain adequate financial assistance available for both additional bursaries and hardship bursaries, including 14 means-tested Foundation Scholarships.
 - 6) To continue to build links with local primary schools in both state and independent sectors.
 - 7) To build up the level of ancillary activities on site to generate income and encourage educational and children's activities on site.
 - 8) To maintain a fund-raising programme to support bursaries and capital projects.
 - 9) To continue to build and encourage community access to the School's facilities.

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. The risks that the Governors identify are reviewed, and systems or procedures are put in place to manage those risks. The Governors' risk management policy is focussed on the following areas:

- Ensuring an appropriate governance structure is in place for the School.
- The School has adequate and appropriate facilities and operational infrastructure in order to support academic, co-curricular and pastoral objectives.
- To safeguard the wellbeing of all pupils.
- Compliance with all relevant legislation and regulations, including Health and Safety.
- Educational standards are maintained at a high level.
- The Schools finances are managed in order to maintain long term viability.
- External threats to the activities, operations and finances of the School are identified and mitigated where possible.

The School has managed to finance the required increase in contributions to the Teacher's Pension Scheme during the previous academic year. The Finance and General Purpose Committee continues to monitor the situation and affordability of the Teacher's Pension Scheme.

Principal risks and uncertainties

The Senior Leadership Team 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.

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 decision to extend co-education across all year groups was supported by a detailed long term financial model that considered various scenarios and sensitivities in relation to both pupil numbers and the extra costs that are likely to be incurred.

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 Monday 28 November 2022 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



P Bertram
Chairman of Governors

READING BLUE COAT SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF GOVERNORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2022

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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 2022 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 2022 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

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

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

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

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

Other information

The Governors are responsible for the other information contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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.

Responsibilities of governors

As explained more fully in the governors' responsibilities statement on page 11, 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.

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

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Group and charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102) and the Charities Act. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group and charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Group and charitable company for fraud. The laws and regulations we considered in this context for the School were The Education (Independent School Standards) Regulations 2014, Safeguarding regulations, Health & Safety legislation, General Data Protection Regulations and Food Hygiene Standards. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of certain non fee income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and certain non-fee income streams, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and reading minutes of meetings of those charged with governance.

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

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

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: 29 November 2022

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 2022

| | Note | Unrestricted funds £ | Restricted funds £ | Total funds 2022 £ | Total funds 2021 £ |
|--|------|----------------------------|--------------------------|--------------------------|--------------------------|
| INCOME AND ENDOWMENTS FROM: | | | | | |
| Income from charitable activities | | | | | |
| School fees receivable | 4 | 13,823,919 | - | 13,823,919 | 12,788,306 |
| Ancillary trading income | 5 | 1,164,502 | - | 1,164,502 | 728,453 |
| Other trading activities: | | | | | |
| Bank interest | | 667 | - | 667 | 487 |
| Non-ancillary trading income | 6 | 57,564 | | 57,564 | 40,716 |
| Trading income | 7 | 161,313 | | 161,313 | 20,464 |
| Grants and donations | 8 | <u>247,187</u> | <u>234,193</u> | <u>481,380</u> | <u>247,810</u> |
| Total income | | <u>15,455,152</u> | <u>234,193</u> | <u>15,689,345</u> | <u>13,826,236</u> |
| EXPENDITURE ON: | | | | | |
| Charitable activities | | | | | |
| School operating costs | | (13,810,770) | (169,609) | (13,980,379) | (12,920,198) |
| Raising funds | | | | | |
| Trading expenditure | 7 | (7,822) | | (7,822) | (10,515) |
| Financing and other costs | 9 | <u>(73,937)</u> | | <u>(73,937)</u> | <u>(78,368)</u> |
| Total expenditure | 10 | <u>(13,892,529)</u> | <u>(169,609)</u> | <u>(14,062,138)</u> | <u>(13,009,081)</u> |
| NET INCOME/(EXPENDITURE) | | 1,562,623 | 64,584 | 1,627,207 | 817,155 |
| Transfer | | <u>139,956</u> | <u>(139,956)</u> | - | - |
| NET MOVEMENT IN FUNDS | | 1,702,579 | (75,372) | 1,627,207 | 817,155 |
| Total funds brought forward | | <u>14,961,615</u> | <u>2,918,126</u> | <u>17,879,741</u> | <u>17,062,586</u> |
| Total funds carried forward | 21 | <u>£ 16,664,194</u> | <u>£2,842,754</u> | <u>£ 19,506,948</u> | <u>£ 17,879,741</u> |


The notes on pages 19 to 37 form part of these financial statements

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 AUGUST 2022
COMPANY REGISTERED NUMBER: 04243510

| | Note | Group 2022 £ | 2021 £ | Charity 2022 £ | 2021 £ |
|---|------|---------------------|---------------------|----------------------|---------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 14 | 20,073,550 | 19,649,804 | 20,073,550 | 19,649,804 |
| Investments | 15 | - | - | 2 | 2 |
| CURRENT ASSETS | | | | | |
| Debtors | 16 | 425,529 | 222,937 | 495,816 | 302,846 |
| Cash in hand | | <u>3,994,837</u> | <u>3,888,232</u> | <u>3,779,110</u> | <u>3,795,032</u> |
| | | 4,420,366 | 4,111,169 | 4,274,926 | 4,097,878 |
| CURRENT LIABILITIES | | | | | |
| CREDITORS: Amounts falling due within one year | 17 | <u>(4,059,274)</u> | <u>(4,377,833)</u> | <u>(4,052,327)</u> | <u>(4,371,993)</u> |
| NET CURRENT ASSETS/ (LIABILITIES) | | <u>361,092</u> | <u>(266,664)</u> | <u>222,599</u> | <u>(274,115)</u> |
| TOTAL ASSETS LESS CURRENT ASSETS/ (LIABILITIES) | | 20,434,642 | 19,383,140 | 20,296,151 | 19,375,691 |
| CREDITORS: Amounts falling due after more than one year | 18 | <u>(927,694)</u> | <u>(1,503,399)</u> | <u>(927,694)</u> | <u>(1,503,399)</u> |
| TOTAL NET ASSETS | | <u>£ 19,506,948</u> | <u>£ 17,879,741</u> | <u>£ 19,368,457</u> | <u>£ 17,872,292</u> |
| UNRESTRICTED FUNDS | | | | | |
| General Funds | 22a | 16,627,957 | 14,921,957 | 16,489,466 | 14,914,508 |
| DESIGNATED FUNDS | 22b | 36,237 | 39,658 | 36,237 | 39,658 |
| RESTRICTED FUNDS (includes a revaluation reserve of £2,745,600) | 22c | <u>2,842,754</u> | <u>2,918,126</u> | <u>2,842,754</u> | <u>2,918,126</u> |
| TOTAL FUNDS | 21 | <u>£ 19,506,948</u> | <u>£ 17,879,741</u> | <u>£ 19,368,457</u> | <u>£ 17,872,292</u> |

The profit for the financial year dealt within the financial statements of the parent charity was £1,496,165 (2021: £889,096).

Approved by the Board of Governors on: 28 November 22
and signed on its behalf by:


H Williams
Governor

The notes on pages 19 to 37 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 2022

| | 2022 £ | 2021 £ |
|---|---------------------------|--------------------|
| Cash flows from operating activities | | |
| | 1,627,207 | 817,155 |
| Net income for the year (as per SoFA) | | |
| Interest receivable | (667) | (487) |
| Depreciation | 1,095,793 | 989,963 |
| Impairment of fixed assets | - | 283,712 |
| (Increase)/decrease in debtors | (202,592) | 130,754 |
| Deferred purchase release | - | (67,120) |
| Increase/(decrease) in creditors | 124,957 | 193,189 |
| Interest paid | <u>39,197</u> | <u>48,560</u> |
| Cash generated by operating activities | <u>2,683,895</u> | <u>2,395,726</u> |
| Cash flows from investing activities | | |
| Purchase of tangible fixed assets | (1,519,539) | (540,767) |
| Interest received | <u>667</u> | <u>487</u> |
| Cash flows used in investing activities | <u>(1,518,872)</u> | <u>(540,280)</u> |
| Cash flows from financing activities | | |
| Hire Purchase capital repayments | (21,126) | (21,126) |
| Interest paid | (39,197) | (48,560) |
| Net movement of advance fee contracts | (242,516) | 46,863 |
| Bank loan payments in the year | <u>(755,579)</u> | <u>(452,175)</u> |
| Cash used in financing activities | <u>(1,058,418)</u> | <u>(474,998)</u> |
| Change in cash and cash equivalents in the year | 106,605 | 1,380,448 |
| Cash and cash equivalents at the beginning of the year | <u>3,888,232</u> | <u>2,507,784</u> |
| Total cash and cash equivalents at the end of the year | <u>£ 3,994,837</u> | <u>£ 3,888,232</u> |

The notes on pages 19 to 37 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 2022

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

A budget for the year ending 31 August 2023, including cash flow projections, has been prepared on a consolidated basis for the School and the Trading Company. This budget, and the assumptions on which it is based, were agreed by the Finance Committee at their meeting on 26 September 2022 together with financial projections for the School for the next 5 years. After careful review of the forecasts, and their underlying assumptions, the Governors agree that 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. The Governors acknowledge that the current operating environment is highly uncertain and are therefore regularly reviewing the impact on strategy as well as, in particular, the longer-term financial stability of the School.

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 £1,496,165 (2021: £889,096).

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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.

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 2022

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 2022

q) Pupil deposits

Under normal circumstances pupil deposits 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

| | 2022 £ | 2021 £ |
|------------------------------------|---------------------------|---------------------------|
| The School's fee income comprised: | | |
| Gross fees | 14,773,565 | 13,751,315 |
| Less: Discounts | (193,810) | (169,435) |
| Scholarships and bursaries | <u>(755,836)</u> | <u>(793,574)</u> |
| | <u>£13,823,919</u> | <u>£12,788,306</u> |

5. ANCILLIARY TRADING INCOME

| | | |
|-----------------------------|---------------------------|-------------------------|
| School trips and activities | 211,477 | 219,355 |
| School lunches | 622,399 | 340,496 |
| Registration fees | 50,340 | 45,200 |
| Exam fees | 105,734 | 104,451 |
| Pupil recharges | 96,689 | 12,785 |
| Miscellaneous | <u>77,863</u> | <u>6,166</u> |
| | <u>£ 1,164,502</u> | <u>£ 728,453</u> |

6. NON-ANCILLIARY TRADING INCOME

| | 2022 £ | 2021 £ |
|------------------------|------------------------|------------------------|
| Rents and lettings | 12,140 | 10,605 |
| OFGEM payment | - | 2,094 |
| GMAC substation refund | - | 15,623 |
| Miscellaneous | <u>45,424</u> | <u>12,394</u> |
| | <u>£ 57,564</u> | <u>£ 40,716</u> |

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

7. TRADING INCOME AND EXPENDITURE

The School owns 100% of Reading Blue Coat School (Trading) Limited (company number 4242660). Its 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:

| | 2022 £ | 2021 £ |
|---|-------------------------|-----------------------|
| Turnover | <u>161,313</u> | <u>20,464</u> |
| Gross Profit | 161,313 | 20,464 |
| Administration Expenses | (22,822) | (13,015) |
| Tax Payable | <u>-</u> | <u>-</u> |
| Surplus pre gift aid paid | <u>138,491</u> | <u>7,449</u> |
| Retained earnings for the beginning of the period | 7,449 | 79,390 |
| Profit for the year | 138,491 | 7,449 |
| Gift aid donation | <u>(7,449)</u> | <u>(79,390)</u> |
| Retained earnings at the end of the year | <u>£ 138,491</u> | <u>£ 7,449</u> |

Administration costs include a management charge from the School of £15,000 (2021: £2,500) which is eliminated on consolidation.

The aggregate amount of share capital and reserves of Reading Blue Coat School (Trading) Limited as at 31 August 2022 was £138,493 (2021: £7,451).

8. GRANTS AND DONATIONS

A total of £481,380 (2021: £247,810) was included in donations, including a total of £219,563 restricted for bursaries (2021: £194,285). £Nil (2021: £45,641) was received as part of the Coronavirus Job Retention Scheme Government Grant.

9. FINANCING AND OTHER COSTS

| | 2022 £ | 2021 £ |
|------------------------|------------------------|------------------------|
| Bank and loan interest | 39,197 | 48,560 |
| Other finance costs | <u>34,740</u> | <u>29,808</u> |
| | <u>£ 73,937</u> | <u>£ 78,368</u> |

READING BLUE COAT SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

10. TOTAL RESOURCES EXPENDED-GROUP 2022

| | Staff costs £ | Depreciation £ | Other £ | Total 2022 £ | Total 2021 £ |
|-------------------------------------|--------------------|--------------------|--------------------|---------------------|---------------------|
| Charitable activities | | | | | |
| School operating costs: | | | | | |
| Teaching costs | 6,988,743 | - | 745,128 | 7,733,871 | 6,931,660 |
| Welfare costs | 226,529 | 235,089 | 1,040,028 | 1,501,646 | 1,114,600 |
| Premises costs | 488,733 | 860,704 | 1,174,316 | 2,523,753 | 2,707,407 |
| Support costs of schooling | <u>1,377,494</u> | <u>-</u> | <u>843,615</u> | <u>2,221,109</u> | <u>2,166,531</u> |
| | <u>9,081,499</u> | <u>1,095,793</u> | <u>3,803,087</u> | <u>13,980,379</u> | <u>12,920,198</u> |
| Expenditure on raising funds | | | | | |
| Trading expenditure | - | - | 7,822 | 7,822 | 10,515 |
| Financing and other costs (Note 9) | <u>-</u> | <u>-</u> | <u>73,937</u> | <u>73,937</u> | <u>78,368</u> |
| | <u>-</u> | <u>-</u> | <u>81,759</u> | <u>81,759</u> | <u>88,883</u> |
| Total resources expended | <u>£ 9,081,499</u> | <u>£ 1,095,793</u> | <u>£ 3,884,846</u> | <u>£ 14,062,138</u> | <u>£ 13,009,081</u> |

2021 COMPARATIVE

| | | | | | |
|---|--------------------|------------------|--------------------|---------------------|---------------------|
| <i>School operating costs</i> | | | | | |
| <i>Teaching costs</i> | 6,495,147 | - | 436,513 | 6,931,660 | 6,775,763 |
| <i>Welfare costs</i> | 241,331 | 189,231 | 684,038 | 1,114,600 | 1,027,582 |
| <i>Premises costs</i> | 447,629 | 800,732 | 1,459,046 | 2,707,407 | 2,243,969 |
| <i>Support costs of schooling</i> | <u>1,292,240</u> | <u>-</u> | <u>874,291</u> | <u>2,166,531</u> | <u>1,924,962</u> |
| | <u>8,476,347</u> | <u>989,963</u> | <u>3,453,888</u> | <u>12,920,198</u> | <u>11,972,276</u> |
| EXPENDITURE ON RAISING FUNDS | | | | | |
| <i>Trading expenditure</i> | - | - | 10,515 | 10,515 | 6,952 |
| <i>Financing and other costs (Note 9)</i> | <u>-</u> | <u>-</u> | <u>78,368</u> | <u>78,368</u> | <u>115,475</u> |
| | <u>-</u> | <u>-</u> | <u>88,883</u> | <u>88,883</u> | <u>122,427</u> |
| Total resources expended | <u>£ 8,476,347</u> | <u>£ 989,963</u> | <u>£ 3,542,771</u> | <u>£ 13,009,081</u> | <u>£ 12,094,703</u> |

11. NET INCOME/(EXPENDITURE) – GROUP

| | | 2022 £ | 2021 £ |
|---|----------------------------------|----------------|----------------|
| Net income is stated after charging: | | | |
| Depreciation | - Owned assets | 1,070,670 | 964,840 |
| | - Assets on HP | 25,123 | 25,123 |
| Auditors' remuneration | - Audit and accountancy services | 18,650 | 16,950 |
| | - Other services | 4,270 | 2,825 |
| Operating leases | | <u>141,297</u> | <u>130,109</u> |
| Included in support costs are governance costs of £21,663 (2021 £19,171). | | | |

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12. STAFF COSTS

| | 2022 £ | 2021 £ |
|-----------------------|--------------------------|--------------------------|
| Wages and salaries | 6,999,428 | 6,574,047 |
| Social security costs | 736,749 | 660,352 |
| Other pension costs | <u>1,345,322</u> | <u>1,241,948</u> |
| | <u>£9,081,499</u> | <u>£8,476,347</u> |

Included in wages and salaries are no settlement costs (2021: £23,981).

| | No. | No. |
|---|-------------------|-------------------|
| The average number of employees in the year was: | | |
| Teaching | 95 | 91 |
| Welfare | 14 | 16 |
| Premises | 18 | 13 |
| Support | <u>74</u> | <u>71</u> |
| | <u>201</u> | <u>191</u> |

| | 2022 | 2021 |
|--|-----------------------|-----------------------|
| The following number of employees exceeded £60,000 emoluments (including gross pay and taxable benefits): | | |
| £60,000 - £70,000 | 3 | 3 |
| £70,000 - £80,000 | 3 | 3 |
| £80,000 - £90,000 | 3 | 1 |
| £130,000 - £140,000 | - | 1 |
| £170,000 - £180,000 | <u>1</u> | <u>-</u> |
| The number of higher paid employees in the Teachers' Pension scheme | <u>7</u> | <u>6</u> |
| The number of higher paid employees in a Defined Contribution scheme | <u>3</u> | <u>2</u> |
| Total cost of Employer's contributions in relation to the above | <u>200,159</u> | <u>156,018</u> |

None of the Governors received remuneration, reimbursement of expenses or other benefits in the year (2021: Nil).

Key management personnel comprise the Governors (Directors) and the key management personnel listed on page 2. They received aggregate remuneration (including employer's pension and employer's national insurance) of £974,385 (2021: £842,415).

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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14a. TANGIBLE FIXED ASSETS – GROUP

| | Leasehold land and buildings £ | RBC buildings £ | Assets under construction £ | Improvements to buildings £ | Furniture, Fixtures & Fittings £ | Plant, Machinery & Equipment £ | Motor vehicles £ | Total £ |
|--------------------------|---|----------------------------|--------------------------------------|--------------------------------------|---|---|------------------------|----------------------------|
| COST: | | | | | | | | |
| At 1 September 2021 | 3,300,000 | 17,937,225 | - | 5,338,390 | 440,727 | 2,973,274 | 39,283 | 30,028,899 |
| Additions | - | 187 | 69,930 | 1,198,613 | 39,322 | 211,487 | - | 1,519,539 |
| At 31 August 2022 | <u>3,300,000</u> | <u>17,937,412</u> | <u>69,930</u> | <u>6,537,003</u> | <u>480,049</u> | <u>3,184,761</u> | <u>39,283</u> | <u>31,548,438</u> |
| DEPRECIATION: | | | | | | | | |
| At 1 September 2021 | 528,000 | 4,505,500 | - | 2,217,779 | 391,846 | 2,698,525 | 37,445 | 10,379,095 |
| Charge for the year | <u>26,400</u> | <u>500,566</u> | <u>-</u> | <u>333,010</u> | <u>31,564</u> | <u>202,482</u> | <u>1,771</u> | <u>1,095,793</u> |
| At 31 August 2022 | <u>554,400</u> | <u>5,006,066</u> | <u>-</u> | <u>2,550,789</u> | <u>423,410</u> | <u>2,901,007</u> | <u>39,216</u> | <u>11,474,888</u> |
| NET BOOK VALUE | | | | | | | | |
| At 31 August 2022 | <u>£ 2,745,600</u> | <u>£ 12,931,346</u> | <u>£ 69,930</u> | <u>£ 3,986,214</u> | <u>£ 56,639</u> | <u>£ 283,754</u> | <u>£ 67</u> | <u>£ 20,073,550</u> |
| <i>At 31 August 2021</i> | <i><u>£ 2,772,000</u></i> | <i><u>£ 13,431,725</u></i> | <i><u>£ -</u></i> | <i><u>£ 3,120,611</u></i> | <i><u>£ 48,881</u></i> | <i><u>£ 274,749</u></i> | <i><u>£ 1,838</u></i> | <i><u>£ 19,649,804</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 2022 total £3,181 (2021: £28,303).

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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14b. TANGIBLE FIXED ASSETS – CHARITY

| | Leasehold land and buildings £ | RBC buildings £ | Assets under construction £ | Improvements to buildings £ | Furniture, Fixtures & Fittings £ | Plant, Machinery & Equipment £ | Motor vehicles £ | Total £ |
|--------------------------|---|----------------------------|--------------------------------------|-----------------------------------|---|---|------------------------|----------------------------|
| COST: | | | | | | | | |
| At 1 September 2021 | 3,300,000 | 17,937,225 | - | 5,338,390 | 440,727 | 2,955,042 | 39,283 | 30,010,667 |
| Additions | <u>-</u> | <u>187</u> | <u>69,930</u> | <u>1,198,613</u> | <u>39,322</u> | <u>211,487</u> | <u>-</u> | <u>1,519,539</u> |
| At 31 August 2022 | <u>3,300,000</u> | <u>17,937,412</u> | <u>69,930</u> | <u>6,537,003</u> | <u>480,049</u> | <u>3,166,529</u> | <u>39,283</u> | <u>31,530,206</u> |
| DEPRECIATION: | | | | | | | | |
| At 1 September 2021 | 528,000 | 4,505,500 | - | 2,217,779 | 391,846 | 2,680,293 | 37,445 | 10,360,863 |
| Charge for the year | <u>26,400</u> | <u>500,566</u> | <u>-</u> | <u>333,010</u> | <u>31,564</u> | <u>202,482</u> | <u>1,771</u> | <u>1,095,793</u> |
| At 31 August 2022 | <u>554,400</u> | <u>5,006,066</u> | <u>-</u> | <u>2,550,789</u> | <u>423,410</u> | <u>2,882,775</u> | <u>39,216</u> | <u>11,456,656</u> |
| NET BOOK VALUE | | | | | | | | |
| At 31 August 2022 | <u>£ 2,745,600</u> | <u>£ 12,931,346</u> | <u>£ 69,930</u> | <u>£ 3,986,214</u> | <u>£ 56,639</u> | <u>£ 283,754</u> | <u>£ 67</u> | <u>£ 20,073,550</u> |
| <i>At 31 August 2021</i> | <i><u>£ 2,772,000</u></i> | <i><u>£ 13,431,725</u></i> | <i><u>£ -</u></i> | <i><u>£ 3,120,611</u></i> | <i><u>£ 48,881</u></i> | <i><u>£ 274,749</u></i> | <i><u>£ 1,838</u></i> | <i><u>£ 19,649,804</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 2022 total £3,181 (2021: £28,303)

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

15. INVESTMENTS

| | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|---|--------------------|--------------------|----------------------|----------------------|
| Reading Blue Coat School (Trading) Limited | - | - | 2 | 2 |
| | <u>£ -</u> | <u>£ -</u> | <u>£ 2</u> | <u>£ 2</u> |

16. DEBTORS

| | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|---|--------------------|--------------------|----------------------|----------------------|
| Fees receivable | 78,988 | 8,733 | 78,988 | 8,733 |
| Other debtors | 120,977 | 10,025 | 82,940 | 3,740 |
| Prepayments and accrued income | 225,564 | 204,179 | 225,564 | 204,179 |
| Amounts due from subsidiary undertakings | - | - | 108,324 | 86,194 |
| | <u>£425,529</u> | <u>£ 222,937</u> | <u>£ 495,816</u> | <u>£ 302,846</u> |

17. CREDITORS: Amounts falling due within one year.

| | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|--|--------------------|--------------------|----------------------|----------------------|
| Bank loan (note 18) | 335,625 | 754,669 | 335,625 | 754,669 |
| Trade creditors | 187,392 | 235,659 | 187,367 | 235,659 |
| Fees in advance | 1,528,785 | 1,569,751 | 1,528,785 | 1,569,751 |
| Deposits repayable | 531,150 | 537,350 | 531,150 | 537,350 |
| Deferred income - Advanced fees (note 19) | 472,272 | 629,991 | 472,272 | 629,991 |
| Hire Purchase Leases | 6,841 | 21,126 | 6,841 | 21,126 |
| Other creditors | 305,323 | 216,957 | 304,423 | 216,957 |
| Social security & other taxes | 188,031 | 164,906 | 187,932 | 164,906 |
| Accruals and deferred income | 503,855 | 180,304 | 497,932 | 174,464 |
| Deferred purchase creditor | - | 67,120 | - | 67,120 |
| | <u>£4,059,274</u> | <u>£4,377,833</u> | <u>£4,052,327</u> | <u>£4,371,993</u> |

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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

| | Group 2022 £ | <i>Group 2021 £</i> | Charity 2022 £ | <i>Charity 2021 £</i> |
|-----------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Bank loan (see below) | 875,000 | 1,211,535 | 875,000 | 1,211,535 |
| Advanced fees (see Note 19) | 52,694 | 137,491 | 52,694 | 137,491 |
| Hire Purchase Lease | - | 6,841 | - | 6,841 |
| Deferred purchase creditor | <u>-</u> | <u>147,532</u> | <u>-</u> | <u>147,532</u> |
| | <u>£ 927,694</u> | <u>£ 1,503,399</u> | <u>£ 927,694</u> | <u>£ 1,503,399</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 2022 is £35,625 (2021: £491,203). 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 CBILS loan of £1.5 million was drawn down. The balance of the loan at the 31 August 2022 is £1,175,000 (2021: £1,475,000). This loan has interest charged at a rate of base plus 1.06% and is due for final repayment in July 2026.

The maturity of the bank loans are analysed as follows:

| | 2022 £ | <i>2021 £</i> |
|----------------------------|-------------------------|-------------------------|
| Within one year | 335,625 | 754,669 |
| Between one and two years | 300,000 | 336,535 |
| Between two and five years | <u>575,000</u> | <u>875,000</u> |
| | <u>1,210,625</u> | <u>1,966,204</u> |

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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:

| | 2022 | 2021 |
|---------------------|-------------------------|-------------------------|
| | £ | £ |
| Within one year | 472,272 | 629,991 |
| Within 2 to 5 years | <u>52,694</u> | <u>137,491</u> |
| | <u>£ 524,966</u> | <u>£ 767,482</u> |

The balance represents the accrued liability.

The movements in the period were:

| | £ | £ |
|----------------------------------|-------------------------|-------------------------|
| Balance at 1 September 2021 | 767,482 | 720,619 |
| Receipts from contracts | 393,314 | 633,699 |
| Discounts allocated | 10,303 | 10,116 |
| Advance fees utilised | <u>(646,133)</u> | <u>(596,952)</u> |
| Balance at 31 August 2022 | <u>£ 524,966</u> | <u>£ 767,482</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 £1,084,992 (2021: £1,002,055) and at the year-end £124,665 (2021: £119,191) 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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

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 a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is 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 £ 260,330 (2021: £239,893) were payable to this scheme for the year. Contributions totalling £29,803 (2021: £24,603) were unpaid at the year end.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Fixed Assets £ | Net Current Assets £ | Long Term Liabilities £ | Total 2022 £ |
|--------------------|----------------------|----------------------------|-------------------------------|--------------------|
| Restricted Funds | 2,745,600 | 97,154 | - | 2,842,754 |
| Unrestricted Funds | <u>17,327,950</u> | <u>263,938</u> | <u>(927,694)</u> | <u>16,664,194</u> |
| | <u>20,073,550</u> | <u>361,092</u> | <u>(927,694)</u> | <u>19,506,948</u> |

2021 COMPARATIVE- ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Fixed Assets £ | Net Current Liabilities £ | Long Term Liabilities £ | Total 2021 £ |
|--------------------|----------------------|---------------------------------|-------------------------------|--------------------|
| Restricted Funds | 2,772,000 | 146,126 | - | 2,918,126 |
| Unrestricted Funds | <u>16,877,804</u> | <u>(412,790)</u> | <u>(1,503,399)</u> | <u>14,961,615</u> |
| | <u>19,649,804</u> | <u>(266,664)</u> | <u>(1,503,399)</u> | <u>17,879,741</u> |

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22a. UNRESTRICTED FUNDS – MOVEMENT IN THE YEAR

| | <i>Balance at 1 September 2021</i> | <i>Incoming Resources</i> | <i>Resources Expended</i> | <i>Transfer</i> | <i>Balance at 31 August 2022</i> |
|------------------------|--|-------------------------------|-------------------------------|-------------------------|--|
| | £ | £ | £ | £ | £ |
| General Funds – School | 14,914,508 | 15,276,297 | (13,841,295) | 139,956 | 16,489,466 |
| Trading Company | <u>7,449</u> | <u>161,313</u> | <u>(30,271)</u> | <u>-</u> | <u>138,491</u> |
| | <u>£14,921,957</u> | <u>£15,437,610</u> | <u>£(13,871,566)</u> | <u>£ 139,956</u> | <u>£16,627,957</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.

2021 COMPARATIVE- UNRESTRICTED FUNDS – MOVEMENT IN THE YEAR

| | <i>Balance at 1 September 2020</i> | <i>Incoming Resources</i> | <i>Resources Expended</i> | <i>Transfer</i> | <i>Balance at 31 August 2021</i> |
|------------------------|--|-------------------------------|-------------------------------|-------------------------|--|
| | £ | £ | £ | £ | £ |
| General Funds – School | 13,987,894 | 13,602,552 | (12,860,331) | 184,393 | 14,914,508 |
| Trading Company | <u>79,390</u> | <u>20,464</u> | <u>(92,405)</u> | <u>-</u> | <u>7,449</u> |
| | <u>£14,067,284</u> | <u>£13,623,016</u> | <u>£(12,952,736)</u> | <u>£ 184,393</u> | <u>£14,921,957</u> |

22b. DESIGNATED FUNDS – MOVEMENT IN THE YEAR

| | <i>Balance at 1 September 2021</i> | <i>Incoming Resources</i> | <i>Resources Expended</i> | <i>Transfer</i> | <i>Balance at 31 August 2022</i> |
|-------------------------------|--|-------------------------------|-------------------------------|-------------------|--|
| | £ | £ | £ | £ | £ |
| Charities Fund | 18,573 | 9,799 | (16,607) | - | 11,765 |
| Muir Prize Fund | 200 | - | - | - | 200 |
| Old Blues Fund | 11,228 | 223 | (1,078) | - | 10,373 |
| Roger Johnson Fund | 504 | - | - | - | 504 |
| Dr Fopp Public Speaking Fund | 4,330 | 1,700 | (250) | - | 5,780 |
| Staff Fund | 641 | 532 | (595) | - | 578 |
| Headmaster's Scholarship Fund | 870 | - | (70) | - | 800 |
| Allotment Fund | 113 | - | - | - | 113 |
| Aldworth Partnership Fund | 3,199 | 4,622 | (2,363) | - | 5,458 |
| Other designated funds | <u>-</u> | <u>666</u> | <u>-</u> | <u>-</u> | <u>666</u> |
| | <u>£ 39,658</u> | <u>£ 17,542</u> | <u>£ (20,963)</u> | <u>£ -</u> | <u>£ 36,237</u> |

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

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2021 COMPARATIVE- DESIGNATED FUNDS – MOVEMENT IN THE YEAR

| | Balance at 1 September 2020 £ | Incoming Resources £ | Resources Expended £ | Transfer £ | Balance at 31 August 2021 £ |
|-------------------------------|--|----------------------------|----------------------------|---------------|--------------------------------------|
| Charities Fund | 18,453 | 2,462 | (2,342) | - | 18,573 |
| Muir Prize Fund | 200 | - | - | - | 200 |
| Old Blues Fund | 11,193 | 408 | (373) | - | 11,228 |
| Roger Johnson Fund | 1,228 | 972 | (1,696) | - | 504 |
| Dr Fopp Public Speaking Fund | 2,780 | 1,700 | (150) | - | 4,330 |
| Staff Fund | 878 | 728 | (965) | - | 641 |
| Headmaster's Scholarship Fund | 870 | - | - | - | 870 |
| Allotment Fund | - | 892 | (779) | - | 113 |
| Aldworth Partnership Fund | <u>5,544</u> | <u>1,773</u> | <u>(4,118)</u> | <u>-</u> | <u>3,199</u> |
| | <u>£ 41,146</u> | <u>£ 8,935</u> | <u>£ (10,423)</u> | <u>£ -</u> | <u>£ 39,658</u> |

22c. RESTRICTED FUNDS – MOVEMENT IN THE YEAR

| | Balance at 1 Sept 2021 £ | Incoming Resources £ | Resources Expended £ | Transfer £ | Balance at 31 Aug 2022 £ |
|--|-----------------------------------|----------------------------|----------------------------|--------------------|--------------------------------|
| Sundry Funds | | | | | |
| Arthur Newbury Prize | 100 | - | - | - | 100 |
| Embling Memorial Fund | 100 | - | - | - | 100 |
| Summer Ball Fund | 4,000 | - | - | - | 4,000 |
| Edwards Bequest | 2,000 | - | - | - | 2,000 |
| Melrose Prize | 200 | - | - | - | 200 |
| Ali Driver Sonning Grant | - | 3,414 | (3,040) | - | 374 |
| Helen Wells Donation | 400 | - | (389) | - | 11 |
| Hambling Donation | - | 4,167 | - | - | 4,167 |
| Wilkinson Donation | - | 1,000 | - | - | 1,000 |
| El Downey Donation to Chess Club | 20 | - | - | - | 20 |
| Performing Arts Centre | 15,250 | - | - | - | 15,250 |
| Rowing Fund | <u>5,271</u> | <u>6,050</u> | <u>(780)</u> | <u>-</u> | <u>10,541</u> |
| | 27,341 | 14,631 | (4,209) | - | 37,763 |
| Bursary Fund | 118,785 | 219,562 | (139,000) | (139,956) | 59,391 |
| Property Revaluation Surplus Fund | <u>2,772,000</u> | <u>-</u> | <u>(26,400)</u> | <u>-</u> | <u>2,745,600</u> |
| | <u>£2,918,126</u> | <u>£ 234,193</u> | <u>£ (169,609)</u> | <u>£ (139,956)</u> | <u>£2,842,754</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.

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FOR THE YEAR ENDED 31 AUGUST 2021

2021 COMPARATIVE- RESTRICTED FUNDS – MOVEMENT IN THE YEAR

| | <i>Balance at 1 Sept 2020</i> | <i>Incoming Resources</i> | <i>Resource s Expended</i> | <i>Transfer</i> | <i>Balance at 31 Aug 2021</i> |
|--|---------------------------------------|-------------------------------|------------------------------------|-------------------|-----------------------------------|
| | £ | £ | £ | £ | £ |
| <i>Sundry Funds</i> | | | | | |
| <i>Arthur Newbury Prize</i> | 100 | - | - | - | 100 |
| <i>Embling Memorial Fund</i> | 100 | - | - | - | 100 |
| <i>Summer Ball Fund</i> | 5,000 | - | (1,000) | - | 4,000 |
| <i>Edwards Bequest</i> | 2,000 | - | - | - | 2,000 |
| <i>Melrose Prize</i> | 200 | - | - | - | 200 |
| <i>Ali Driver Sonning Grant</i> | 6,458 | - | (6,458) | - | - |
| <i>Helen Wells Donation</i> | - | 500 | (100) | - | 400 |
| <i>El Downey Donation to Chess Club</i> | - | 20 | - | - | 20 |
| <i>Performing Arts Centre</i> | 15,250 | - | - | - | 15,250 |
| <i>Rowing Fund</i> | <u>4,766</u> | <u>12,469</u> | <u>(11,964)</u> | - | <u>5,271</u> |
| | 33,874 | 12,989 | (19,522) | - | 27,341 |
| <i>Bursary Fund</i> | 121,882 | 181,296 | - | (184,393) | 118,785 |
| <i>Property Revaluation Surplus Fund</i> | <u>2,798,400</u> | <u>-</u> | <u>(26,400)</u> | <u>-</u> | <u>2,772,000</u> |
| | <u>£2,954,156</u> | <u>£ 194,285</u> | <u>£ (45,922)</u> | <u>£(184,393)</u> | <u>£2,918,126</u> |

23. CAPITAL COMMITMENTS

At 31 August 2022 the School had capital commitments amounting to £349,861 (2021: £292,843).

24. RELATED PARTIES

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

- Management charge of £15,000 (2021: £2,500).
- Gift aid paid during the year of £7,449 (2021: £79,390).

The year-end balance owed by Reading Blue Coat School (Trading) Limited is £108,324 (2021: £86,194).

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 £4,218 (2021: £5,633) and at the year end there was a creditor of £Nil (2021: £Nil) owing to them.

READING BLUE COAT SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

25. OPERATING LEASE COMMITMENTS

At 31 August 2022 the School had future minimum lease payments under non-cancellable operating leases as follows:

| | Land and buildings | | Other | |
|----------------------------|---------------------------|--------------------|-------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Leases expiring: | | | | |
| In less than one year | 60,000 | 64,519 | 93,233 | 76,777 |
| Between one and two years | 60,000 | 64,519 | 85,858 | 22,148 |
| Between two and five years | 180,000 | 181,715 | 117,533 | 52,714 |
| Greater than five years | <u>5,880,000</u> | <u>5,108,400</u> | <u>-</u> | <u>2,409</u> |
| | <u>£ 6,180,000</u> | <u>£ 5,419,153</u> | <u>£ 296,624</u> | <u>£ 154,048</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.

| | 2022 | 2021 |
|--|---------------------------|--------------------|
| | £ | £ |
| GROUP | | |
| Financial assets measured at amortised cost | 4,194,802 | 3,906,990 |
| Financial liabilities measured at amortised cost | <u>(2,451,048)</u> | <u>(3,357,803)</u> |

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

| GROUP & COMPANY | 2022 | 2021 |
|---|----------------------|---------------|
| | £ | £ |
| Interest income and expense: | | |
| Total interest income for financial assets held at amortised cost | (667) | (487) |
| Total interest expense for financial liabilities held at amortised cost | <u>39,197</u> | <u>46,755</u> |

| | 2022 | 2021 |
|--|---------------------------|--------------------|
| | £ | £ |
| CHARITY | | |
| Financial assets measured at amortised cost | 4,049,362 | 3,893,699 |
| Financial liabilities measured at amortised cost | <u>(2,444,022)</u> | <u>(3,351,963)</u> |

READING BLUE COAT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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

| | 2022 | 2021 |
|--------------------------------------|-------------------------|-------------------------|
| | £ | £ |
| Increase in cash in the year | 106,605 | 1,380,448 |
| Net movement in Advanced Fee Scheme | 242,516 | (46,863) |
| Loan repayments | 755,579 | 452,175 |
| HP repayments | 21,126 | 21,126 |
| | 1,125,826 | 1,806,886 |
| Change in net funds/(debt) | | |
| Net debt at 1 September | 1,126,579 | (680,307) |
| NET FUNDS/(DEBT) AT 31 AUGUST | <u>2,252,405</u> | <u>1,126,579</u> |

28. ANALYSIS OF CHANGE IN NET FUNDS

| | <i>Net debt as at 1 September 2021</i> | Cash Change | Net funds as at 31 August 2022 |
|--------------------------|--|---------------------------|---|
| | £ | £ | £ |
| Cash at bank and in hand | 3,888,232 | 106,605 | 3,994,837 |
| Advanced Fee Scheme | (767,482) | 242,516 | (524,966) |
| HP | (27,967) | 21,126 | (6,841) |
| Loans | <u>(1,966,204)</u> | <u>755,579</u> | <u>(1,210,625)</u> |
| | <u>£ 1,126,579</u> | <u>£ 1,125,826</u> | <u>£ 2,252,405</u> |

READING BLUE COAT SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

29. COMPARATIVE 2021 STATEMENT OF FINANCIAL ACTIVITIES

| | <i>Unrestricted funds £</i> | <i>Restricted funds £</i> | <i>Total funds 2021 £</i> |
|--|-------------------------------------|-----------------------------------|-----------------------------------|
| <i>INCOME AND ENDOWMENTS FROM:</i> | | | |
| <i>Income from charitable activities</i> | | | |
| <i>School fees receivable</i> | 12,788,306 | - | 12,788,306 |
| <i>Ancillary trading income</i> | 728,453 | - | 728,453 |
| <i>Other trading activities:</i> | | | |
| <i>Bank interest</i> | 487 | - | 487 |
| <i>Non-ancillary trading income</i> | 40,716 | - | 40,716 |
| <i>Trading income</i> | 20,464 | - | 20,464 |
| <i>Grants and donations</i> | <u>53,525</u> | <u>194,285</u> | <u>247,810</u> |
| <i>Total income</i> | <u>13,631,951</u> | <u>194,285</u> | <u>13,826,236</u> |
| <i>EXPENDITURE ON:</i> | | | |
| <i>Charitable activities</i> | | | |
| <i>School operating costs</i> | 12,874,276 | 45,922 | 12,920,198 |
| <i>Raising funds</i> | | | |
| <i>Trading expenditure</i> | 10,515 | - | 10,515 |
| <i>Financing and other costs</i> | <u>78,368</u> | <u>-</u> | <u>78,368</u> |
| <i>Total expenditure</i> | <u>12,963,159</u> | <u>45,922</u> | <u>13,009,081</u> |
| <i>NET INCOME/(EXPENDITURE)</i> | 668,792 | 148,363 | 817,155 |
| <i>Transfer</i> | <u>184,393</u> | <u>(184,393)</u> | <u>-</u> |
| <i>NET MOVEMENT IN FUNDS</i> | <u>853,185</u> | <u>(36,030)</u> | <u>817,155</u> |
| <i>Total funds brought forward</i> | <u>14,108,430</u> | <u>2,954,156</u> | <u>17,062,586</u> |
| <i>Total funds carried forward</i> | <u>£ 14,961,615</u> | <u>£ 2,918,126</u> | <u>£ 17,879,741</u> |