

Registered Company Number: 04384765
Registered Charity Number: 1096244

BLUECOAT SPORTS

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2023

**BLUECOAT SPORTS
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023**

Officers and Professional Advisers

Directors and Charity Trustees

Members of the Board of Trustees are the charity trustees of Bluecoat Sports under charity law and the directors of the charitable company. The members of the Board who served during the year and subsequently are detailed below.

James Maclean (Chairman)
Nigel Currie
Roger Eades (to 9 September 2022)
Paul Guyer
Sarah Scott (Independent Trustee)
Tom Godfrey
Gurinder Sumra (from 6 October 2022)

Company Secretary Jacqui Duggan

Registered Office The Counting House
Christ's Hospital
Horsham
West Sussex
RH13 0YP

Auditor Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Banker Barclays Bank plc
2 Carfax
Horsham
West Sussex
RH12 1DN

Solicitor Mills and Reeve LLP
Botanic House
100 Hills Road
Cambridge
CB2 1PH

BLUECOAT SPORTS TRUSTEES' REPORT YEAR ENDED 31 AUGUST 2023

The Trustees of Bluecoat Sports (the Charitable Company, known as Bluecoats) present their annual report for the year ended 31 August 2023 under 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.

STRUCTURE, AIMS AND GOVERNANCE

Constitution and objects

The Charitable Company was established in 2002. It is constituted as a company limited by guarantee registered in England, number 04384765, and is registered with the Charity Commission under charity number 1096244. The Charitable Company's activities are governed by its Memorandum and Articles of Association dated 1 March 2002, as amended by the special resolution dated 1 March 2012.

The Charitable Company's objects as set out in the Memorandum of Association are to:

- provide facilities to Christ's Hospital for physical education and training for personal and teamwork development;
- promote physical health and fitness amongst the students of Christ's Hospital;
- provide facilities to local schools, local authority organisations and charities for the purposes of physical education and training for personal and teamwork development; and
- promote physical health and fitness amongst the wider community.

AIMS, OBJECTIVES AND ACTIVITIES

Aims

The Charitable Company's aim for the public benefit is to provide safe, secure and up-to-date sporting and exercise facilities for students at Christ's Hospital, local schools, local authority organisations, charities and the wider community.

GOVERNANCE AND MANAGEMENT

Board of Trustees

The Board of Trustees (the Board) consists of at least three and not more than six individuals. All but one (the independent Trustee) are nominated by Christ's Hospital. The independent Trustee is nominated by the Board of Bluecoats and must not be a Trustee or employee of Christ's Hospital or any of its subsidiary undertakings.

The Board takes its governance responsibilities seriously and aims to have a governance framework that is fit for purpose, compliant and efficient. Bluecoats' policy and practice have been reviewed against the Charity Governance Code. Many of the provisions are covered as part of Bluecoats' relationship with the governance of Christ's Hospital. The Audit and Risk Committee provides oversight and challenge for Bluecoats' Trustees. The Board has in place a programme for continuous development. During the year a key area of focus was the development of a matrix against which to evaluate the performance of the Board and of individual Trustees.

Recruitment, induction and training of Trustees

New Trustees are required to attend an induction meeting which explains the objectives of the Charity and the responsibilities of the Trustees.

BLUECOAT SPORTS TRUSTEES' REPORT YEAR ENDED 31 AUGUST 2023

Organisational management

The members of the Board, as the charity trustees, are legally responsible for the overall management and control of Bluecoats. The Board meets at least three times a year and acts in the sole interest of Bluecoats.

The day-to-day running of Bluecoats is delegated to a Senior Management Team, comprising the General Manager, who reports to the Chief Operating Officer of Christ's Hospital and the Assistant Manager.

Related parties

The Charitable Company is a 'controlled' charity insofar as Christ's Hospital controls the appointment of the majority of the Trustees.

STRATEGIC REPORT

STRATEGIES TO ACHIEVE THE PRIMARY OBJECTIVES

Bluecoats continues to recover after the challenges presented by the pandemic. Membership numbers and usage continue to improve, and this as well as careful control of costs has helped to mitigate against current inflationary pressures.

Focus in the year has been on continuing to grow Bluecoats' activities, particularly for families and young people. The introduction of Jump and Play, alongside more sports coaching courses, has increased the number of young people using the club. It continues to be a priority to retain the current members of Bluecoats. Activity such as the introduction of a Members Day to celebrate their membership with the club, increased communication around new activity and proactive surveying of members are all part of a strategy to aid retention of the existing membership base.

The refurbishment of the fitness suite, which was completed for opening on 1 September 2022, included replacement of all fitness equipment and flooring, redecoration of the suite and a redesign of the layout. Feedback from members has been positive and memberships, including usage of the fitness suite, have grown as a result.

Investment into other areas of the facility are being considered for late 2023 / early 2024, with upgrades to the café seating area and member shower areas being examples of just two projects being worked on.

ACHIEVEMENTS AND PERFORMANCE

Provide facilities to Christ's Hospital

The main focus of Bluecoats' activities remains the provision of sporting facilities to Christ's Hospital to support the health and wellbeing of its students. Approximately 40% of the time available in the core facilities (pool, fitness suite, sports hall and gymnasium) is taken up by Christ's Hospital during term time hours.

Students of Christ's Hospital have achieved some notable successes during this academic year. All of these students used Bluecoats' facilities for a major part of their training. The Trustees congratulate the students on their efforts and their successes and thank the staff of Bluecoats for their support for all the students of Christ's Hospital.

Promote physical health and fitness amongst the students of Christ's Hospital

All students are inducted into the fitness suite by a Bluecoats fitness instructor. We have a robust monitoring system to ensure that all students using the facilities have undergone suitable instruction and that they have the information and tools to achieve their health and fitness goals. In conjunction

BLUECOAT SPORTS TRUSTEES' REPORT YEAR ENDED 31 AUGUST 2023

with Christ's Hospital's PE Department, Bluecoats provides a multitude of activities to promote health and wellbeing, including aerobic, mind and body and core stability exercise classes.

Optional activities for students have included badminton, swimming, fitness training, dancing, squash, martial arts, yoga and step aerobics. During social periods in the evenings, the main halls are used for football, basketball, badminton and cricket training by both students and staff.

Provide facilities to local schools, local authority organisations and charities for the purposes of physical education and training for personal and teamwork development

Bluecoats continues to be popular with local community clubs, such as the Horsham-based Ready and Able Club, Horsham Hockey and Southwater Royals football club, along with Amphibians triathletes.

Bluecoats' facilities are used by 38 local clubs and groups. All of these users benefit from discounted rates.

Promote physical health and fitness amongst the wider community

Bluecoats provides services to approximately 2,900 members from the local community. In addition, the fitness suite, all adult exercise classes, children's courses and classes (including swimming lessons) and all racket sports courts are open to the general public at prices set in accordance with the local market.

Bluecoats has set up and is now operating an Exercise Referral Scheme. Affiliated to the Horsham Wellbeing team at Horsham District Council, the scheme offers members of the community an instructor-led programme of physical activity to assist their recovery from their health condition at a discounted price. The hope is that this in turn leads to them making physical activity a part of their daily lives.

PUBLIC BENEFIT

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

The fee charged to Christ's Hospital is discounted in comparison to the commercial rate and there are no additional charges to students who use the facilities for social activities which include use of the fitness suite, social areas, squash courts and sports halls.

In 2022-23, only 22% of students attending Christ's Hospital paid full fees, 2% received staff discounts, 11% attended at no cost and the remaining 65% made a contribution which, in most cases, was far below the full fee. Bluecoats thus delivers public benefit in making its facilities available to these students, none of whom are charged directly for their use of the Centre, either as part of the curriculum or outside school hours.

Membership fees for the community are on a par with local leisure facilities and non-members are able to attend many of the activities for a small charge which is comparable with local leisure facilities.

Local community groups also benefit from substantial discounts compared to the commercial rate. Again, Bluecoats delivers public benefit in making its facilities available to the members of these groups, none of whom are charged directly for their use of the Centre.

BLUECOAT SPORTS TRUSTEES' REPORT YEAR ENDED 31 AUGUST 2023

FINANCIAL REVIEW

Results for the year

Income for the year was £1.9 million (2022: £1.6 million), with net income of £147,000 (2022: £147,000). Bluecoats continues to recover after the challenges presented by the pandemic. Membership promotions and diversification of the available membership categories have been successful in improving overall membership numbers and usage. With more activity specific categories at a slightly lower price point, membership income is not quite back to pre-pandemic levels, but this has contributed to an improved financial picture.

Pay As You Go usage for sports, classes and courses continues to grow and Swim Academy programme numbers have also been grown considerably; both of which further improve the income from these areas of the business. Costs and the overall operation continue to be tightly managed while uncertainty about the operating environment persists and in light of the current economic climate.

The financial sustainability of Bluecoats is considered further on page 6 of this report.

Investment policy

Bluecoats maintains sufficient cash in its current account to meet day-to-day requirements. Amounts surplus to this are deposited with CCLA via the Christ's Hospital group cash pooling facility at acceptable risk and attracting interest at more favourable rates than Bluecoats' current account. At 31 August 2023, £0.4 million (2022: £0.2 million) of Bluecoats cash was held in the group cash pooling facility. There are no plans to invest in any longer-term instruments or for higher returns where increased risk is a factor.

Fundraising

Bluecoats does not undertake fundraising and is therefore not registered with the Fundraising Regulator.

RESERVES LEVEL AND POLICY

The policy is to hold free reserves of up to two months' running costs (around £300,000). At 31 August 2023, Bluecoats had reserves of £595,000. These are represented by the net book value of fixed assets of £252,000 and free reserves of £343,000. Free reserves are held to enable Bluecoats to continue to provide an educational facility for students of Christ's Hospital and sports facilities for the public. The financial sustainability of Bluecoats is considered further in the Financial Sustainability paragraph later in this report.

REMUNERATION POLICY

The Board considers and approves remuneration levels for all staff, including key management personnel. A decision is taken annually with due regard to local market forces and fitness industry norms and the need to ensure that the team is fairly and equitably rewarded and motivated.

TRUSTEES AND PROFESSIONAL ADVISERS

The Trustees and professional advisers during the year are those listed on page 1.

FUTURE PLANS

Re-establishing additional community activities for children and families has been highlighted as an important part of the recovery of Bluecoats to help encourage use of the facilities by future generations and growth of membership.

BLUECOAT SPORTS TRUSTEES' REPORT YEAR ENDED 31 AUGUST 2023

Maintaining the building is an important part of the future. Bluecoats works closely with Christ's Hospital's Project Manager to deliver its Planned Maintenance Programme in line with the results of the condition survey undertaken in 2020.

With inflationary pressures on energy prices, a number of initiatives aimed at reducing energy consumption have been undertaken and management is working with all staff to ensure that measures are in place to mitigate the impact of the increased utility costs. A scheme to insulate the roof of the club, which will reduce energy consumption, has been developed and installation is due to begin in late 2023.

A development of the café took place post year end in late 2023, considerably improving this area. The social aspect of membership at Bluecoats is a notable benefit for lots of the members and for some it is the only reason for being a member. Improving the experience of using this space will aid retention.

RISK MANAGEMENT

The Board is responsible for the management of the risks faced by the Charitable Company. Detailed considerations of risk are delegated to senior staff. Risks are identified, assessed and controls established throughout the year. A formal review of the Charitable Company's risk management processes is undertaken on an annual basis.

The key controls include:

- Strategic planning, budgeting and management accounting;
- Established organisational and governance structure and lines of reporting;
- Formal written policies;
- Formal agendas for Board activity; and
- Hierarchical authorisation and approval levels.

In addition, the Trustees are committed to safeguarding and promoting the welfare of children and young people and we expect all staff and volunteers to share this commitment. All successful candidates must consent for Bluecoats to seek two written references and must provide documentary proof of qualifications and proof of their identity. Any offer of employment is conditional on all of these being satisfactory.

Principal risks and uncertainties

The principal risks facing Bluecoats relate to the health and safety of the students and members and the welfare of the students. Robust procedures, with regular checks and balances, are in place to ensure that these risks are minimised.

Through the risk management processes established by Bluecoats, the Trustees are satisfied that the major risks identified have been adequately mitigated. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Financial sustainability

While Bluecoats has developed a tried and tested programme with the School over many years and built up a strong local brand and member loyalty, the complete closure of the facility for a significant period during the pandemic had a significant financial impact. Membership numbers have continued to recover and the increased income has helped to mitigate inflationary pressures in the financial year.

At the time of approval of the Annual Report, factors remain that may have an impact on Bluecoats, in common with other businesses, over a number of years. Those factors include rising energy prices, inflation and 'cost of living' pressures. Whilst the impact is unknown, the Board has reviewed the position carefully with a view to ensure that Bluecoats can continue to provide vital sporting

**BLUECOAT SPORTS
TRUSTEES' REPORT
YEAR ENDED 31 AUGUST 2023**

facilities for the School and to the general public. Financial plans have been reforecast, covering a period to 31 August 2024. Conservative cash flow modelling with sensitivity analysis, indicates that the cash reserves of Bluecoats are adequate to meet the charitable company's obligations as they fall due. Accordingly, the Board believes that Bluecoats can 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.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of Bluecoat Sports for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing these financial statements, the Trustees are required to:

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

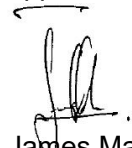
The Trustees are responsible for ensuring that Bluecoat Sports keeps adequate accounting records that are sufficient to show and explain the Charitable Company's transactions, disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Trustees are aware, there is no relevant audit information of which the Charitable Company's auditor is unaware and we have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant audit information and to establish that the Charitable Company's auditor is aware of that information.

AUDITOR

Crowe U.K. LLP has expressed its willingness to continue as auditor for the next financial year.

This Trustees' Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 1 March 2024, including in their capacity as company directors approval of the Strategic Report contained therein, and is signed on its behalf by



James Maclean
Chairman
1 March 2024

BLUECOAT SPORTS
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 AUGUST 2023

Independent Auditor's Report to the Members of Bluecoat Sports

Opinion

We have audited the financial statements of Bluecoat Sports ('the charitable company') for the year ended 31 August 2023 which comprise Statement of Financial Activities, Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Trustees 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.

BLUECOAT SPORTS
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 AUGUST 2023

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 Trustees' 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 Trustees' 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 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 Trustees' 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:

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 7, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

BLUECOAT SPORTS
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 AUGUST 2023

We obtained an understanding of the legal and regulatory frameworks within which the 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, the Charities Act 2011 together with the Charities SORP (FRS 102). 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 charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation and health and safety legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees 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 income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, 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.

Use of our report

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



Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

Date: 7 March 2024

BLUECOAT SPORTS
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 AUGUST 2023

	Notes	2023	2022
		£	£
INCOME FROM:			
Charitable activities			
Sports Centre income		1,839,460	1,545,250
Other ancillary income		32,307	56,056
Investments		14,697	1,904
TOTAL INCOME		<u>1,886,464</u>	<u>1,603,210</u>
EXPENDITURE ON:			
Charitable activities	2	(1,739,106)	(1,456,662)
TOTAL EXPENDITURE		<u>(1,739,106)</u>	<u>(1,456,662)</u>
NET INCOME		147,358	146,548
TOTAL FUNDS BROUGHT FORWARD		447,374	300,826
FUND BALANCE		<u>594,732</u>	<u>447,374</u>

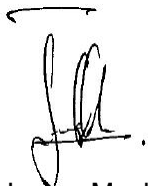
The notes on pages 13 to 20 form part of these financial statements.

**BLUECOAT SPORTS
BALANCE SHEET
AT 31 AUGUST 2023**

	Notes	2023	2022
		£	£
FIXED ASSETS			
Tangible assets	5	<u>252,076</u>	<u>303,467</u>
CURRENT ASSETS			
Stock	6	15,687	16,458
Debtors	7	490,243	432,447
Cash at bank and in hand		<u>41,530</u>	<u>165,232</u>
		547,460	614,137
CREDITORS			
Due within one year	8	(183,967)	(439,393)
NET CURRENT ASSETS		<u>363,493</u>	<u>174,744</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>615,569</u>	<u>478,211</u>
CREDITORS			
Due after more than one year	9	(20,837)	(30,837)
NET ASSETS		<u>594,732</u>	<u>447,374</u>
FUNDS			
Unrestricted funds			
Designated	10	252,076	303,467
General	10	<u>342,656</u>	<u>143,907</u>
		<u>594,732</u>	<u>447,374</u>

The notes on pages 13 to 20 form part of these financial statements.

Approved by the Board of Trustees on 1 March 2024 and signed on its behalf by:



James Maclean
Chairman
1 March 2024

BLUECOAT SPORTS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES

Accounting convention

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

These Financial Statements have been drawn up on the historical cost accounting basis.

At the time of approval of the Annual Report, factors remain that may have an impact on Bluecoats, in common with other businesses, over a number of years. Those factors include rising energy prices, inflation and 'cost of living' pressures. Whilst the impact is unknown, the Board has reviewed the position carefully with a view to ensure that Bluecoats can continue to provide vital sporting facilities for the School and to the general public. Financial plans have been reforecast, covering a period to 31 August 2024. Conservative cash flow modelling with sensitivity analysis, indicates that the cash reserves of Bluecoats are adequate to meet the charitable company's obligations as they fall due. Accordingly, the Board believes that Bluecoats can 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.

Bluecoat Sports is a Charitable Company limited by guarantee (Company number 04384765) and registered in England. It is a Public Benefit Entity registered with the Charity Commission in England and Wales under Charity number 1096244. Bluecoat Sports operates from its registered office at The Counting House, Christ's Hospital, Horsham, West Sussex, RH13 0YP.

The Charitable Company has taken advantage of the exemption, available under FRS102 1.12 to subsidiary charities, from preparing a cash flow statement as this is included in the consolidated financial statements of Christ's Hospital.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charitable Company's accounting policies, 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.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following paragraphs describe the specific policies adopted for recognition of significant categories of incoming resource and expenditure.

BLUECOAT SPORTS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

Sports Centre income

Sports Centre income relates to continuing activities and comprises membership subscriptions, guest fees and hire of facilities in the year, exclusive of Value Added Tax and is accounted for when receivable.

Investment income

Investment income currently comprises bank interest and is accounted for on an accruals basis.

Deferred income

Fee income invoiced in advance of courses is deferred to the year in which the courses are delivered.

Fixed assets

A number of fixed assets are in the ownership of Christ's Hospital Foundation, the cost of use being charged on a monthly basis to the Charitable Company.

Expenditure on individual items costing more than five thousand pounds has been capitalised.

Fixed assets are depreciated in equal annual instalments over their economic lives as follows:

Plant and equipment	20% or 33 $\frac{1}{3}$ % on cost
---------------------	-----------------------------------

Depreciation is not charged on work in progress.

Stock

Stock is stated at the lower of cost and net realisable value.

Lease commitments

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure is apportioned to cost categories based on the estimated amount attributable to that activity in the year.

Governance costs comprise the costs running the Charitable Company, including strategic planning for future development, external audit, any legal advice for the Board, and all the costs of complying with constitutional and statutory requirements, such as the costs of Committee meetings, preparing statutory accounts, and satisfying public accountability.

Taxation

The activities of Bluecoats are exempt from Income and Corporation Tax but are registered for Value Added Tax (VAT). The majority of these activities are classified as exempt or non-business activities for VAT purposes and consequently it is not possible to reclaim the majority of the VAT incurred on purchases.

BLUECOAT SPORTS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

Pension schemes

The Christ's Hospital Pension Scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the Scheme that are attributable to the Charitable Company on a consistent and reasonable basis. Therefore, in accordance with FRS 102, the Charitable Company accounts for this scheme as if it were a defined contribution scheme.

Note 13 provides further information on this scheme and the stakeholder pension scheme.

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with short term deposits, trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

2. ANALYSIS OF TOTAL EXPENDITURE

	STAFF COSTS	OTHER COSTS	DEPRECIATION	TOTAL 2023	TOTAL 2022
	£	£	£	£	£
Charitable activities					
Providing sporting facilities	875,690	21,269	-	896,959	784,949
Premises costs	1,051	427,222	-	428,273	347,309
Equipment costs	-	26,060	92,621	118,681	73,306
Publicity costs	-	25,481	-	25,481	30,255
Other support costs	93,635	160,924	-	254,559	203,018
Finance costs	-	5,853	-	5,853	6,665
Governance costs	-	9,300	-	9,300	11,160
Total costs of charitable activities	<u>970,376</u>	<u>676,109</u>	<u>92,621</u>	<u>1,739,106</u>	<u>1,456,662</u>
Total expenditure	<u>970,376</u>	<u>676,109</u>	<u>92,621</u>	<u>1,739,106</u>	<u>1,456,662</u>

3. STAFF COSTS

	2023 £	2022 £
Wages and salaries	800,400	686,544
Coaches' fees	102,115	94,110
National Insurance costs	44,957	38,334
Pensions	22,904	20,379
	<u>970,376</u>	<u>839,367</u>

There were redundancy costs of £9,659 during the year (2022: £825).

BLUECOAT SPORTS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

The full time equivalent number of staff analysed by function was:

	2023 FTE	2022 FTE
Class instructors	3	3
Fitness suite	5	5
Recreation assistants	7	5
Swim school	2	3
Management and administration	15	13
	<u>32</u>	<u>29</u>

No employee earned over £60,000 (2022: nil).

The average head count (being the number of staff employed not adjusted for FTE) was 93 (2022: 92). There were 3 key management personnel (2022: 3) in the year to 31 August 2022. Their aggregate employee benefits were £110,767 (2022: £101,884). There was not anything recharged to Christs Hospital included in this figure (2022: £13,132).

4. AUDITOR'S REMUNERATION

	2023 £	2022 £
Audit & accountancy fee	<u>9,300</u>	<u>10,800</u>

5. TANGIBLE FIXED ASSETS

	Plant & equipment £	TOTAL 2023 £
Cost		
At 1 September 2022	618,510	618,510
Additions at cost	41,230	41,230
At 31 August 2023	<u>659,740</u>	<u>659,740</u>
Depreciation		
At 1 September 2022	315,043	315,043
Charge for year	92,621	92,621
At 31 August 2023	<u>407,664</u>	<u>407,664</u>
Net book value at 31 August 2023	<u>252,076</u>	<u>252,076</u>
Net book value at 31 August 2022	<u>303,467</u>	<u>303,467</u>

Included in income is profit on sale of fixed assets of £nil (2022: £9,106).

6. STOCK

	2023 £	2022 £
Stock for sale	2,130	2,323
Raw materials and consumables	13,557	14,135
	<u>15,687</u>	<u>16,458</u>

BLUECOAT SPORTS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

7. DEBTORS	2023	2022
	£	£
Trade debtors	31,385	40,397
Prepayments	50,181	42,096
Due from Christ's Hospital	408,677	349,920
Due from Christ's Hospital Foundation	-	34
	490,243	432,447

8. CREDITORS: Due within one year	2023	2022
	£	£
Trade creditors	48,771	59,924
Bank loan	9,996	9,996
Deferred income	26,664	13,605
Tax and National Insurance	13,140	11,632
Due to Christ's Hospital Foundation	10,807	-
Other creditors and accruals	74,589	344,236
	183,967	439,393

Deferred income

Income deferred in the current year:

- Other fees

	26,664	13,605
--	---------------	---------------

Summary of movements in deferred income

Balance at 1 September 2022	13,605
Released to income in the year	(13,605)
New fees	26,664
Balance at 31 August 2023	26,664

9. CREDITORS: Due after more than one year	2023	2022
	£	£
Bank loan	20,837	30,837

In September 2020 the Company entered into an unsecured £50,000 bounce back loan with Barclays Bank for a term of 6 years. During the first 12 months, the UK Government paid the interest due under this loan. This is known as the Business Interruption Payment. No repayment of capital was required during the first 12 months of the loan. Monthly repayments of £833.33 commenced in October 2021, with interest payable in arrears at a fixed rate of 2.5%.

BLUECOAT SPORTS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

10. MOVEMENT OF FUNDS

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Balance at 31 August 2023 £
Designated funds				
Fixed assets				
Capital fund	303,467	41,230	(92,621)	252,076
General funds	143,907	1,845,234	(1,646,485)	342,656
TOTAL FUNDS	<u>447,374</u>	<u>1,886,464</u>	<u>(1,739,106)</u>	<u>594,732</u>

PRIOR YEAR MOVEMENT OF FUNDS

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
Designated funds				
Fixed assets				
Capital fund	170,221	206,589	(73,343)	303,467
General funds	130,605	1,396,621	(1,383,319)	143,907
TOTAL FUNDS	<u>300,826</u>	<u>1,603,210</u>	<u>(1,456,662)</u>	<u>447,374</u>

BLUECOAT SPORTS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

11. ALLOCATION OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Creditors due after more than one year £	Total 2023 £
Designated funds:				
Capital Fund	252,076	-	-	252,076
General funds	-	363,493	(20,837)	342,656
	<u>252,076</u>	<u>363,493</u>	<u>(20,837)</u>	<u>594,732</u>

PRIOR YEAR ALLOCATION OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Creditors due after more than one year £	Total 2022 £
Designated funds:				
Capital Fund	303,467	-	-	303,467
General funds	-	174,744	(30,837)	143,907
	<u>303,467</u>	<u>174,744</u>	<u>(30,837)</u>	<u>447,374</u>

12. RELATED PARTY TRANSACTIONS

The Charitable Company rented the sports centre and laundry to Christ's Hospital for £346,395 (2022: £330,000) and £9,540 (2022: £9,540) respectively.

Christ's Hospital recharged expenses totalling £47,000 (2022: £61,000) to the Charitable Company. This did not include any costs relating to key management salaries (2022: £13,000).

No Trustee received remuneration during the year (2022: £nil).

BLUECOAT SPORTS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

13. CHRIST'S HOSPITAL PENSION SCHEMES

The Charitable Company is a participating employer in the Christ's Hospital Pension Scheme (the Scheme), a defined benefit scheme, to which contributions are made by both employees and employers. The Scheme was closed to new members with effect from 31 March 2005.

The Scheme is a multi-employer scheme and as such the Charitable Company is unable to identify its share of the underlying assets and liabilities as each employer is exposed to actuarial risks associated with the current and former employees of the other entities participating in the Scheme.

Member contributions are 6.5% of salary for those members who have an accrual rate of 1/80th of final salary for each year of service, and 4% for those who have an accrual rate of 1/100th. Contributions payable by employers are 24.3% of salary reducing to 15.5% from 1 January 2024, plus a monthly deficit-reduction contribution of £27,625 reducing to £16,000 from 1 January 2024, which is paid by Christ's Hospital Foundation. The deficit-reduction payment is in accordance with an agreed schedule, allowing the deficit to be eliminated by 31 December 2028. The basis of contribution to the Scheme is specified in a schedule of contributions agreed with the Scheme Trustees and certified by the actuary and agreed with the Scheme trustees on 13 December 2023. The last full actuarial valuation of the Scheme was carried out with an effective date of 31 March 2023 and was finalised in December 2023.

Employer contributions for the year ended 31 August 2023 were £4,788 (2022: £5,490).

For staff not in this Scheme, the Charitable Company offers a stakeholder pension scheme with Legal and General. Employer contributions are currently set at the statutory minimum of 3%. Employer contributions totalling £18,116 (2022: £15,350) were paid in respect of this pension scheme for the year.

14. FINANCIAL INSTRUMENTS

	Total 2023 £	<i>Total 2022 £</i>
Financial assets measured at amortised cost (a)	481,592	555,583
Financial liabilities measured at amortised cost (b)	(165,000)	(444,993)
	<u>316,592</u>	<u>110,590</u>

(a) Financial assets include cash, short term deposits, trade debtors, other debtors, accrued income and amounts due from members of the Christ's Hospital group.

(b) Financial liabilities include trade and other creditors and amounts due to members of the Christ's Hospital group.

15. ULTIMATE PARENT UNDERTAKING

Bluecoats is a 'controlled' charity insofar as Christ's Hospital, a charity registered in England and Wales (number 1120090), controls the appointment of the majority of the Trustees. This is the largest and smallest group into which the Charitable Company is consolidated. A copy of the accounts can be obtained from the Finance Director, the Counting House, Christ's Hospital, Horsham, West Sussex, RH13 0YP.

Christ's Hospital's objects and principal activities are:

- the advancement of education of children, principally for the benefit of those families in social, financial or other specific need, by provision of a school for boys and girls; and
- the undertaking of ancillary educational and other associated activities for the benefit of the community.