

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

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THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2025**

Governors	<p>Mrs K Gilmore DPSN RGN HV, Chair¹ Mr M H Dyke BA, Vice Chair¹ Revd J Allcock BA, Rector of Martin in the Bullring² Mrs E Andrews BA PGCE³ Dr Sarbjit Bahia MBBS MRCP MRCGP DRCOG Dip Occ Med BSc Rev C Butler² Mr W G S Hordern MBE MA DipTh JP Rev M Kitto BEd (Hons) MEd PGDip Hon Fellow NSEAD (resigned 21 October 2024) Mrs E Lawson-Bennett LLB MSc (resigned 23 September 2024) Mr A Milner BSc (Hons) Chartered Fellow CISI¹ Prof P Narendran MBBS PhD MRCS FRCP (resigned 11 July 2025) Mr S Page ACA (resigned 27 April 2025)¹ Mrs A K Poole BA^{1,4} Mr S M Raine FCA BSocSci (resigned 31 August 2025)¹ Mr B H Singleton LLB^{1,5} The Very Revd M Thompson MA MPhil, Dean of Birmingham² Mr M Broughton-Taylor (appointed 29 November 2024) Mr N Bailey (appointed 10 February 2025, resigned 1 September 2025)</p> <p>¹ Finance & Estates Committee (together with the Headmaster, Bursar and Finance Manager) ² Ex Officio ³ Designated Safeguarding Governor ⁴ Governor for SEND ⁵ Governors' Representative to The Friends of The Blue Coat School</p>
Company registered number	08502615
Charity registered number	1152244
Registered office	Somerset Road Edgbaston Birmingham B17 0HR
Senior management team	<p>Mr N G Neeson BEd NPQH, Headmaster Mr G W Morgan, Bursar & Clerk to the Governors (resigned 28/04/2025) Mr R J Newman BA PGCE, Second Master and Head of Prep Mrs H R West BA PGCE NPQH, Head Pre-Prep Mrs A Franklin BA, Director of Marketing & Admissions Mr Allen, Bursar & Clerk to the Governors (appointed 20 April 2026)</p>
Independent auditor	<p>Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG</p>

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS
(CONTINUED)
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Bankers	Barclays Bank Plc 15 Colmore Row Birmingham B3 2BH
Solicitors	Veale Wasbrough Vizards 3 Brindley Place Brindley Drive Birmingham B1 2JB
Investment managers	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

The Governors present their annual report together with the audited financial statements of the Group and the School for the year ended 31 August 2025. The Governors confirm that the Annual Report and financial statements of the Company comply with the current statutory requirements, the requirements of the Company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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) as amended by Update Bulletin 1 (effective 1 January 2015).

The Charity is a charitable company limited by guarantee. It was incorporated on 24 April 2013 and registered as a charity on 31 May 2013. Its Memorandum of Association, which established its objects and powers, provided that in the event of it being wound up, members are required to contribute an amount not exceeding £1. Membership of the Company is reviewed at the Annual General Meeting as appropriate.

The unincorporated Charity's governing document is The Trust Founding Deed dating 1722. This has been amended over the years; the latest amendment is dated 17 December 2013. The unincorporated charity holds the charitable group's endowment assets. On 19 June 2018, the Charity Commission issued a Direction linking the two charities for the purposes of Part 4 and Part 8 of the Charities Act 2011.

Governors and charity trustees

The Governors of The Blue Coat School Birmingham Limited are the Charity trustees and directors of The Blue Coat School Birmingham Limited (the School) and The Blue Coat School charity. They meet at least four times a year as a full Board. The work of implementing most of their policies is carried out by members of five sub-committees: Finance & Estates; Awards; Safeguarding and Health & Safety; Teaching, Learning & Curriculum; Governance & HR. The minutes of these sub-committee meetings are reviewed at full Board meetings. The Bursar, in his capacity of Clerk to the Governors, is responsible for coordinating the work of the Governors and their committees, for the preparation of papers and management accounts and for the review of matters arising.

New Governors are appointed by the existing Board of Governors having identified gaps in expertise. Potential new Co-optative Governors have an initial meeting with the Chair of Governors and then attend a meeting with the Chairs of key subcommittees all of whom sit on the Governance and HR subcommittee. New co-optative Governors are invited to join up to two sub-committees most relevant to their experience and having regard to the existing number of members on each sub-committee.

Induction and Training

All new governors are allocated a mentor, undertake an induction programme and are given access to the Governors Portal which contains key documents and copies of previous sub-committee and committee minutes. All Governors are particularly encouraged to attend various school functions and to meet members of the Senior Leadership Team, in order to be able to understand further the nature of the School's business. An appropriate level of instruction is provided for both new and existing Governors to update their knowledge and place them in a position where they could sensibly identify their powers and responsibilities. From time to time, Governors go on formal training courses that the School and that individual Governors identify are required for that Governor to be able to discharge his/her duty.

All trustees give of their time freely, and no remuneration or expenses were paid in the year.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Key management personnel

The Governors consider that the Head, the Bursar, the Head of Prep, Head of Pre-Prep, Deputy Heads and the Director of Marketing & Admissions (Senior Leadership Team) comprise the Key Management Personnel (see note 11 to the accounts). The Governors give of their time freely and the pay and remuneration of the Head and Bursar is set by the Remuneration Committee and is kept under annual review. A number of criteria are used in setting pay:

- Nature of the role and responsibilities
- Competitor salaries in the region
- The sector average salary for comparable positions
- Trends in pay.
- Performance in the role.

Organisational management

The Governors determine the general policy of the School. The day to day running of the School is delegated to the Head, supported by senior staff. The Head undertakes the key leadership role, overseeing the educational, pastoral and administrative functions in consultation with the senior staff. The day to day administration of the School is undertaken in line with the policies and procedures approved by the Governors, which provide for significant expenditure decisions and major capital projects to be referred to the Governors for prior approval.

The Head and Bursar attend all Governors meetings and other senior staff are invited to attend Governors' meetings as appropriate.

Other relationships

The Head is a member of IAPS, which exists to share expertise, knowledge and experience across the independent preparatory school sector. The Bursar is a member of the ISBA, which provides professional development, technical support and invaluable reference material.

Other key parties supporting the School include the Independent Schools' Council (ISC) and the Association of Governing Bodies of Independent Schools (AGBIS).

BCS Enterprises is a wholly owned subsidiary undertaking of The Blue Coat School Limited. It is managed by the Governors of the School and its purpose is to generate surplus funds to reinvest in the School. At present this is now a dormant company.

PUBLIC BENEFIT

The Governing Body have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011. The main activities to further the Charity's purposes for public benefit include:

Foundation places

Each year Governors allocate a sum of money to fund Foundation places. These places are advertised in numerous publications in the Birmingham area as well as being advertised online in various digital applications.

In addition, a member of staff is seconded to the Birmingham Diocese MAT to provide mentoring and guidance to newly qualified teachers.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Community Link Programme

The Community Link programme seeks to widen access to our educational resources, by bringing independent and state school communities together.

This year, we made the following facilities and coaching available, at no charge, to benefit pupils attending local state schools:

- Use of the swimming pool for swimming lessons and swimming galas
- Use of the sports fields for sport festival and training
- Use of the School Chapel for musical events and religious observances
- Use of the school facilities and staff to provide outreach opportunities to local schools.

Community access

We all see The Blue Coat School as part of a wider community, and where we can assist the community whilst advancing the education of our pupils we are delighted to do so. Various Sports and Music Camps use the School during school holidays for sports and activities holiday camps. Our outreach programme has included opportunities for local schools to access our facilities at no charge and to take part in 'Experience Days' during which they enjoy a wide variety of activities in specialist areas of learning (such as STEM, Music and Forest School). There is no charge for participation.

OUR AIMS

The object of the School is the provision and conduct, in or near the City of Birmingham, of a day school for boys and girls. Within this object, the School has various permanent endowments and restricted Trust Funds held for special purposes in connection with the development of the School's facilities and for Foundations, scholarships, bursaries, prizes and other educational purposes. The School provides education to boys and girls from the ages of 3 -11 years in two departments: Pre-Prep (3-7 years old); and Prep (7-11 years old).

It is policy for all departments to attain the highest academic levels, commensurate with a pupil's ability, as well as providing a co-curricular programme which aims to broaden a pupil's interest and self-confidence. Instruction in the doctrines of the Church of England is given in the School and religious studies encompass education in the tenets of major world faiths.

OUR OBJECTIVES

Our objectives are set to reflect our educational aims and the ethos of the School. It is important to us that we maintain and enhance the academic success of the School.

The Governors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities. In particular, the Governors have considered how planned activities will contribute to the aims and objectives set.

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FOR THE YEAR ENDED 31 AUGUST 2025

The principal objectives for the coming year are:

1. To continue to make first-class provision for the Early Years (from age three upwards), introducing our youngest children to their educational life in such a way as to allow them to flourish fully as human beings in an ever-changing world.
2. To maintain the current high standards of academic achievement indicated by senior school entrance exam results at 11-plus level and other external measures.
3. To recruit and retain the best teaching and support staff to assist in the continued development and promotion of the School as a leading provider of preparatory education not only locally but nationally.
4. To develop the all-round curricular and co-curricular provision to ensure excellence in all areas; academic, music, sport and performing arts.
5. To widen access to the school through the continued provision of means-tested bursaries.
6. To enhance links with the local community and to encourage the community to access the school.
7. To prepare, in conjunction with the Headmaster, a detailed strategic plan incorporating a five-year financial model to assist in the development, financial management and control of the School.

The Governors are responsible for setting a strategy for achieving the objectives they have set. The focus of our strategy is on the development of our pupils, their continued high levels of academic and co-curricular achievement and on measures to further widen access to the education the School provides. In taking forward our strategy we:

- Review and benchmark the School's academic syllabus, teaching practices and examination results;
- Ensure that the range of co-curricular activities available to our pupils is stimulating and challenging;
- Invest in technology and the infrastructure of our School;
- Co-operate and share resources with local schools;
- Develop methods for awarding bursaries/ scholarships to ensure wider access to pupils from all backgrounds.

OUR ETHOS

Our ethos is to be a caring Christian School serving our local community and society.

Our School welcomes pupils from all backgrounds. To admit a prospective pupil, we need to be satisfied that our School will be able to educate and develop that pupil to the best of their potential and in line with the general standards achieved by their peers. Entrance assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, race, religion or disability do not form part of our assessment process.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation. We will make reasonable adjustments to meet the needs of staff or pupils who are or who become disabled.

Our School is committed to safeguarding and promoting the welfare of our pupils and expects all staff and volunteers to share this commitment.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

SIGNIFICANT ACTIVITIES

Academic achievements

The 2024–2025 academic year was another successful period for the School. We are pleased to report that we continued to deliver strong academic outcomes while also investing strategically in our infrastructure to ensure the ongoing provision of first-class facilities. Alongside the high-quality education we provide in the classroom, we remain committed to offering a broad and balanced experience that supports the intellectual, personal, and social development of every pupil. To that end, the School continues to deliver an extensive programme of outdoor learning and co-curricular opportunities, enriching pupils' education well beyond the formal curriculum.

Sporting activities

The School continues to prioritise the development of our sporting provision, ensuring that all children participate in a wide range of physical activities and acquire a broad set of skills. Pupils are given opportunities to engage in athletics, chess, cricket, dance, football, gymnastics, hockey, judo, netball, rugby, and swimming. In addition, our sports facilities remain an important community resource and have been used by local primary schools for swimming lessons, outreach initiatives, and a variety of sporting festivals. This continued collaboration reflects our commitment to partnership and community engagement.

Music and drama

Music and drama continue to play a central role in school life. We are proud that pupils of all ages have access to a wide range of musical opportunities, including individual instrumental lessons, choirs, ensembles, and participation in the school orchestra. Drama is embedded across all age groups, with children regularly involved in performances and practical activities that build confidence, creativity, and communication skills.

The Friends of The Blue Coat School

The Friends of The Blue Coat School, our Parents' Association, have once again organised a diverse and engaging programme of events throughout the year. These activities have been instrumental in fostering a strong sense of community within the School, while also successfully raising funds in support of both school initiatives and local charitable causes.

SOCIAL INVESTMENT

In fulfilling our charitable aims and objectives to provide education for boys and girls in or near the City of Birmingham, we remain firmly committed to widening access to the School through our bursary and scholarship provision.

Bursaries

The Governors' grant-making policy continues to allocate a portion of the Charity's investment income each year to support Foundation Places. These bursaries are designed to assist children of ability and good character for whom a funded education would be beneficial but otherwise unattainable. During the 2024–2025 academic year, financial assistance was provided to 20 pupils, including 9 who received a full remission of fees. Foundation Awards also help to meet additional costs such as educational visits, co-curricular activities, uniform, and related expenses, ensuring that pupils are able to participate fully in school life.

Scholarships

In addition to bursaries, the School continues to award scholarships to pupils on the basis of educational or musical merit and potential. These awards recognise excellence and encourage pupils to develop their talents to the highest level.

The Governors view our bursary and scholarship provision, alongside our outreach programme, as central to widening access to the education we offer. In developing and sustaining this work, we collaborate closely with the Heads of schools within our local community to ensure that our contribution to shared educational aims remains positive and effective. At the same time, the careful maintenance and ongoing development of the School's buildings and facilities remain integral to our long-term strategy and future sustainability.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

ACHIEVEMENTS AND PERFORMANCE

Independent Schools Inspectorate (ISI) Inspection May 2024

In April 2024, the School was subject to a Routine Inspection conducted by the Independent Schools Inspectorate (ISI), the statutory body responsible for the inspection of independent schools in England. The inspection concluded that the School met all required regulatory standards without exception. This outcome affirms the robustness of the School's governance, the quality of its educational provision, the effectiveness of safeguarding arrangements, and the overall welfare and development of pupils. The full inspection report is publicly available via both the School's website and the ISI's official publication platform, ensuring transparency and external accountability.

Pupil numbers

The School's educational provision is delivered across two distinct but pedagogically aligned departments: the Pre-Preparatory School, serving pupils aged 3 to 7, and the Preparatory School, serving pupils aged 7 to 11. As of the financial year-end, total enrolment stood at 663 pupils. This level of enrolment reflects sustained demand for the School's educational offering and provides a stable demographic base to support curricular breadth, pastoral provision, and long-term strategic planning.

FUNDRAISING

There are no material fundraising activities at the School which require disclosure under S162A of the Charities Act 2011.

FINANCIAL REVIEW

The School's key financial objective is to ensure financial stability and continued solvency year on year so that it can pursue its charitable aims and objectives. The Governors have followed SORP (FRS 102) in preparing these financial statements and the statement of financial affairs (SOFA), balance sheet and notes are set out within.

The Schools results for the year show a deficit before investment losses of £140,806 (2024 - gain of £277,413). The principal source of funds remains school fees of £9,218,413 (2024 - £8,905,767) which represented 87.6% (2024 - 87.5%) of the total income of £10,522,471 (2024 - £10,174,621).

Unrealised losses on our investments amounted to £352,453 (2024 - gains of £834,765) before movements on the defined benefit pension scheme.

The investments are primarily used to fund the bursary and scholarship awards and other social investment.

INVESTMENTS

Investment activities are managed in line with the requirements of the Trustee Act 2000. The Governors have appointed CCLA as investment manager.

The main investment objectives of the Charity are:

- The creation of a sufficient financial return to enable the Charity to carry out its purposes effectively and without interruption;
- The maintenance and enhancement of the investment funds over the long term;
- To obtain a balance between capital growth and income to enable the charity to meet current and future needs; and to maintain a balanced risk profile.

The average income return on the portfolio remained unchanged at 2.8%.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

KEY RISKS AND UNCERTAINTIES

The Governors and Senior Leadership Team periodically review the major risks facing the charity. Risk registers are maintained and updated at least annually. Risks are considered under the headings of strategic, operational, financial and legal/ regulatory.

Strategic risks include the School not being seen as a positive, modern organisation and it failing to provide education services that are attractive to parents and thus being unable to maintain pupil numbers. These are critical to the charity's aims to provide education and learning opportunities to children in the Birmingham area. These risks are managed by ensuring that the School provides an excellent, first-class education to every child; adopting proactive communication and PR strategies; through Board scrutiny of activities; robust financial controls; and recruitment and retention of high quality teachers and support staff.

Financial risks include failure to meet income targets, particularly from fee income and investments. School fee increases are carefully considered in conjunction with the School's strategic plans, the budget process and wider economic considerations. A conservative approach is taken to estimating the contribution from external sources and non-core activities. In general, financial risks are managed through regular monitoring and review of budgets during the financial year.

Health and Safety risks include fire safety, pool safety and failure to comply with regulatory requirements including areas relating to asbestos management and water management systems. A robust compliance system has been implemented and all of these risks are subject to close monitoring by the senior management team and the SH&S Sub-Committee. A comprehensive Risk Assessment was devised and all existing policies were amended.

The Governors are satisfied that appropriate actions have been taken to control and mitigate the impact of risks where possible. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

SUSTAINABILITY

In line with our 5 year aims as detailed in our Strategic Framework document the school has undertaken to:

- Reduce our carbon footprint and move towards lower overall emissions
- Ensure all future estate projects adhere to our sustainable strategic aims
- Educate and empower pupils to take positive action on sustainability initiatives.
- Instil a whole school approach to the core principles of sustainability: Refuse, Reduce, Reuse, Repurpose and Recycle.

PENSION LIABILITY

The Governors recognise the liability existing in the Pensions Trust pension scheme for non-teaching staff. The Governors are satisfied that existing cash flows are sufficient to meet any anticipated increases in costs. Pension costs have been reported within the accounts in accordance with accounting standard FRS 102. For our non-teaching and support staff we offer a money purchase plan (defined contribution scheme). Teaching staff now have the choice of opting for this scheme.

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GOVERNORS' REPORT (CONTINUED)
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RESERVES

The Governors regularly review the finances, budgets and spend against budget and undertake a termly cash flow analysis as part of their effective stewardship of the School.

The total funds held by the School at the end of the reporting period of £21,907,468 included £1,531,332 of unrestricted general reserves and £5,226,640 of designated funds plus a permanent endowment of £15,123,644.

The Governors designate unrestricted funds to fund future specific projects. The Governors are planning to invest substantial sums into new facilities and upgrades in the next five years, with a view to further improving the facilities. The Governors consider that, given the strength of the charity's balance sheet, the stable cash flow from strong student numbers, the ongoing popularity of our School and the available funds, it will not be necessary to seek external funding for these projects.

The Governors aim to ensure that the School has sufficient resources available to support the working capital requirements of the core activities of the School in unforeseen circumstances, giving sufficient time to allow financial policy to adapt to any new circumstances. These working capital reserves equate to approximately one term's total expenditure, £3 million.

Restricted funds are held for the benefit of the children for supporting learning needs and co-curricular activities as set out in the detailed accounts within this report.

There is a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils. The closing net book value of our tangible assets, property, plant and equipment was £8,830,158.

CHARITY GOVERNANCE CODE

The Governors are aware of the new charity governance code issued in July 2017. Reviews continue to be undertaken of the guidance requirements in order to ensure that the charity is working in line with the code, in all ways where it is practical to do so.

GOVERNORS' RESPONSIBILITIES STATEMENT

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

Company law requires the 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in operation.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

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

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when the Governors' report is approved has confirmed that:

so far as that Governor is aware, there is no relevant audit information of which the charitable Group's auditor is unaware, and

that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable Group's auditor is aware of that information.

AUDITORS

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

Approved by order of the members of the board of Governors and signed on their behalf by:



Mrs K Gilmore DPSN RGN HV
(Chair of Governors)

Date: 13.4.26

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLUE COAT SCHOOL BIRMINGHAM LIMITED

Opinion

We have audited the financial statements of The Blue Coat School Birmingham Limited (the 'Charitable Company') for the year ended 31 August 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLUE COAT SCHOOL BIRMINGHAM LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Governors are responsible for the other information contained within the Annual report. 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 course of 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLUE COAT SCHOOL BIRMINGHAM LIMITED (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Governors' responsibilities statement, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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 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 The Education (Independent School Standards) Regulations 2014.

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 override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance 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, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLUE COAT SCHOOL BIRMINGHAM LIMITED (CONTINUED)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Helen Blundell LLB FCA FCIE DChA (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 18 May 2026

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income and endowments from:						
Donations and legacies	4	29,925	19,068	-	48,993	38,245
Charitable activities:						
School fees	5	9,218,413	-	-	9,218,413	8,905,767
Ancillary trading income	6	683,469	-	-	683,469	629,694
Investments	7	571,596	-	-	571,596	600,915
Total income and endowments		10,503,403	19,068	-	10,522,471	10,174,621
Expenditure on:						
Charitable activities:	8					
Education and grant making		10,444,069	4,068	215,140	10,663,277	9,897,208
Total expenditure		10,444,069	4,068	215,140	10,663,277	9,897,208
Net income/(expenditure) before net (losses)/gains on investments		59,334	15,000	(215,140)	(140,806)	277,413
Net (losses)/gains on investments		(78,765)	-	(273,688)	(352,453)	834,765
Net movement in funds		(19,431)	15,000	(488,828)	(493,259)	1,112,178
Reconciliation of funds:						
Total funds brought forward		6,777,403	10,852	15,612,472	22,400,727	21,288,549
Net movement in funds		(19,431)	15,000	(488,828)	(493,259)	1,112,178
Total funds carried forward		6,757,972	25,852	15,123,644	21,907,468	22,400,727

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

The notes on pages 20 to 49 form part of these financial statements.

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 08502615

BALANCE SHEET
AS AT 31 AUGUST 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	12	8,427,042	8,258,820
Investments	14	11,717,831	12,070,284
Investment property	13	1,415,000	1,415,000
		<u>21,559,873</u>	<u>21,744,104</u>
Current assets			
Debtors (£355,932 due in more than 1 year)	15	3,487,895	482,522
Short term investments	16	628,184	2,072,974
Cash at bank and in hand		1,645,753	1,071,246
		<u>5,761,832</u>	<u>3,626,742</u>
Current liabilities			
Creditors: amounts falling due within one year	17	(5,414,237)	(2,970,119)
Net current assets / (liabilites)		<u>347,595</u>	<u>656,623</u>
Total net assets		<u><u>21,907,468</u></u>	<u><u>22,400,727</u></u>

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 08502615

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2025

	Note	2025 £	2024 £
Charity funds			
Endowment funds	20	15,123,644	15,612,472
Restricted funds	20	25,852	10,852
Unrestricted funds	20	6,757,972	6,777,403
Total funds		21,907,468	22,400,727

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

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:



Mrs K Gilmore DPSN RGN HV
(Chair of Governors)

Date: 13.4.26

The notes on pages 20 to 49 form part of these financial statements.

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	22	(380,697)	986,528
Cash flows from investing activities			
Dividends, interests and rents from investments		571,596	600,915
Proceeds from the sale of tangible fixed assets		-	3,250
Purchase of tangible fixed assets		(1,061,182)	(2,010,356)
Proceeds from sale of investments		-	2,000,000
Net cash (used in)/provided by investing activities		(489,586)	593,809
Change in cash and cash equivalents in the year		(870,283)	1,580,337
Cash and cash equivalents at the beginning of the year		3,144,220	1,563,883
Cash and cash equivalents at the end of the year	23	2,273,937	3,144,220

The notes on pages 20 to 49 form part of these financial statements

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. General information

The Company is a company limited by guarantee (registered number 08502615), which is incorporated and registered in England and Wales. Its charity registration number is 1152244. The registered office and principal place of business is The Blue Coat School Birmingham, Somerset Road, Edgbaston, Birmingham, B17 0HR.

The principal activity is to provide a day school for boys and girls near the City of Birmingham.

In June 2018 the Charity Commission issued a Direction linking The Blue Coat School Birmingham Limited with the Charity The Blue Coat School Birmingham (charity registration number 1152244-1). This charity holds the charitable groups endowment assets.

The members of the Company are the Governors named on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The Blue Coat School Birmingham Limited 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.

2.2 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

2.3 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

2. Accounting policies (continued)

2.3 Fund accounting (continued)

Endowment funds represent those assets which must be held permanently by the Charity, principally investments and deposits. Income arising on the endowment funds can be used in accordance with the object of the Charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund. The endowment funds are all held by the subsidiary charity The Blue Coat School Birmingham.

2.4 Income

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations and legacies

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this required a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example, the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the Charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school from its unrestricted funds. Where income is received in advance it is treated as deferred income and included within creditors.

Income from trading activities

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying services in order to raise funds and is recognised when entitlement has occurred.

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

2. Accounting policies (continued)

2.4 Income (continued)

Investment income

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds;
- Expenditure on charitable activities;
- Other expenditure represents those items not falling into the categories above.

Charitable expenditure comprises those costs incurred by the charitable group in the delivery of activities and services for its beneficiaries.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of The Blue Coat School Birmingham Limited and its subsidiaries, this includes audit fees.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity comprise both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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

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

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

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

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

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

Depreciation is provided on the following bases:

Freehold property	- 1.5% - 20% Straight Line
Fixtures and equipment	- 10% - 20% Straight Line
Motor vehicles	- 20% Straight line
Computer equipment	- 10% - 33.3% Straight Line

Depreciation is not charged on freehold land.

2.7 Investment property

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in the heading 'Gains/(losses) on investments' in the Statement of financial activities. No depreciation is charged on investments properties in accordance with the Charities SORP.

2.8 Investments

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

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

Cash held on deposit with terms of less than one year are classed as short term investments within current assets.

2.9 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

2.10 Debtors

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

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

2. Accounting policies (continued)

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

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

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

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

2.13 Financial instruments

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

2.14 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.15 Pensions

Retirement benefits to teachers employed by the school are provided by the Teachers' Pension Scheme ('TPS'). This is a defined benefit scheme. The TPS is an unfunded scheme and contributions are calculated so as to spread the costs of pensions over employees' working lives with the school in such a way that the pension costs is substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 26, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

In preparing these financial statements, the Governors have made the following significant estimates:

Investment properties

Investment properties are valued on the basis of market value of the freehold interest with vacant possession at the year end.

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

4. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	29,925	19,068	48,993	38,245
Total 2025	<u>29,925</u>	<u>19,068</u>	<u>48,993</u>	<u>38,245</u>
<i>Total 2024</i>	<u>10,325</u>	<u>27,920</u>	<u>38,245</u>	

5. Charitable activities - School fees

	2025 £	2024 £
Gross tuition fees	9,751,047	9,467,969
Less: Awards, scholarships and bursaries from unrestricted funds	(333,139)	(383,797)
Less: Fee discounts	(199,495)	(178,405)
	<u>9,218,413</u>	<u>8,905,767</u>

Awards, scholarships and bursaries were paid to 42 (2024 - 52 pupils). Within this were means tested bursaries totalling £249,705 paid to 20 pupils (2024 - £283,648 paid to 22 pupils).

The total income from school fees is unrestricted in both years.

6. Charitable activities - Other ancillary trading income

	2025 £	2024 £
Extra-curricular activities	325,389	291,276
Registration fees	7,867	11,200
School trips	237,838	241,825
Other income	112,375	85,393
	<u>683,469</u>	<u>629,694</u>

The total ancillary trading income is unrestricted in both years.

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

7. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Rental income	92,553	92,553	91,049
Dividend income	337,153	337,153	336,854
Deposit account interest	141,890	141,890	173,012
Total 2025	<u>571,596</u>	<u>571,596</u>	<u>600,915</u>
<i>Total 2024</i>	<u>600,915</u>	<u>600,915</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £	<i>Total 2024 £</i>
Teaching	6,200,068	4,068	215,140	6,419,276	5,711,706
Catering	666,255	-	-	666,255	629,291
Premises	2,057,780	-	-	2,057,780	2,268,865
Support and governance	1,519,966	-	-	1,519,966	1,287,346
Total 2025	<u>10,444,069</u>	<u>4,068</u>	<u>215,140</u>	<u>10,663,277</u>	<u>9,897,208</u>
<i>Total 2024</i>	<u>9,724,552</u>	<u>11,969</u>	<u>160,687</u>	<u>9,897,208</u>	

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

8. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2025 £	Depreciation 2025 £	Other costs 2025 £	Total 2025 £	Total 2024 £
Teaching	5,294,897	324,285	800,094	6,419,276	5,711,706
Catering	-	-	666,255	666,255	629,291
Premises	522,257	152,158	1,383,365	2,057,780	2,268,865
Support and governance	755,263	13,401	751,302	1,519,966	1,287,346
Total 2025	<u>6,572,417</u>	<u>489,844</u>	<u>3,601,016</u>	<u>10,663,277</u>	<u>9,897,208</u>
<i>Total 2024</i>	<u>5,842,391</u>	<u>427,121</u>	<u>3,627,696</u>	<u>9,897,208</u>	

9. Auditor's remuneration

	2025 £	2024 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	22,200	20,790
Fees payable to the Company's auditor in respect of: Accountancy services	<u>2,700</u>	<u>3,250</u>

10. Staff costs

	2025 £	2024 £
Wages and salaries	4,904,492	4,471,887
Social security costs	546,419	443,803
Contribution to pension schemes	1,121,506	926,701
	<u>6,572,417</u>	<u>5,842,391</u>

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

10. Staff costs (continued)

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

	2025	<i>2024</i>
	No.	<i>No.</i>
Teaching staff	66	<i>64</i>
Teaching support	53	<i>45</i>
Support staff	38	<i>38</i>
	157	<i>147</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025	<i>2024</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	4	<i>2</i>
In the band £70,001 - £80,000	2	<i>2</i>
In the band £120,001 - £130,000	1	<i>1</i>
In the band £180,001 - £190,000	-	<i>1</i>
In the band £190,001 - £200,000	1	<i>-</i>

The total amount of employee benefits received by key management personnel is £858,780 to 7 staff members (2024- £841,756 to 7 staff members). They key management personnel are as listed under the senior management team, on page 1.

11. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 August 2025, no expenses were reimbursed or paid directly to any Governor (2024 - £70 to 2 Governors). Expenses related to courses, accommodation and travel expenses.

THE BLUE COAT SCHOOL BIRMINGHAM LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

12. Tangible fixed assets

	Freehold school premises £	Fixtures and equipment £	Computer equipment £	School Minibus £	Assets under construction £	Total £
Cost or valuation						
At 1 September 2024	9,885,664	195,491	1,085,953	65,499	1,673,958	12,906,565
Additions	-	12,003	29,651	46,893	972,635	1,061,182
Capital goods scheme adjustment	(403,116)	-	-	-	-	(403,116)
Transfers	2,646,593	-	-	-	(2,646,593)	-
At 31 August 2025	12,129,141	207,494	1,115,604	112,392	-	13,564,631
Depreciation						
At 1 September 2024	3,745,312	157,992	692,235	52,206	-	4,647,745
Charge for the year	358,717	13,059	104,344	13,724	-	489,844
At 31 August 2025	4,104,029	171,051	796,579	65,930	-	5,137,589
Net book value						
At 31 August 2025	8,025,112	36,443	319,025	46,462	-	8,427,042
At 31 August 2024	6,140,352	37,499	393,718	13,293	1,673,958	8,258,820

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Investment property

	Freehold investment property £	
Valuation		
At 1 September 2024	1,415,000	
At 31 August 2025	1,415,000	
Comprising:		
	2025 £	2024 £
416 Birmingham Road, Wylde Green	435,000	435,000
119-120 Glover Street	130,000	130,000
256 Harborne Road, Edgbaston	850,000	850,000
	1,415,000	1,415,000

The investment property consists of buildings held for investment purposes and are not used in the School's own activities, both residential and industrial property are held and are let out on the open market.

The Properties located at 416 Birmingham Road, and 119-120 Glover Street were revalued by Burley Browne Chartered Surveyors in October 2022.

The property located at 256 Harborne Road were revalued by Wentworth & Rose Chartered Surveyors in November 2025.

The Governors believe that the value of the investment properties at the year end does not materially differ from the value obtained at the dates listed above.

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14. Fixed asset investments

	Investments in subsidiary company £	Investments £	Total £
Cost or valuation			
At 1 September 2024	100	12,070,184	12,070,284
Revaluations	-	(352,453)	(352,453)
	<u>100</u>	<u>11,717,731</u>	<u>11,717,831</u>
At 31 August 2025	<u>100</u>	<u>11,717,731</u>	<u>11,717,831</u>
Net book value			
At 31 August 2025	100	11,717,731	11,717,831
At 31 August 2024	<u>100</u>	<u>12,070,184</u>	<u>12,070,284</u>
Investments comprise:			
		2025 £	2024 £
Charities Official Investment Fund - Income shares		<u>11,717,731</u>	<u>12,070,184</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

14. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding
BCS Enterprises Limited	09109064	The Blue Coat School Birmingham Somerset Road Edgbaston Birmingham B17 0HR.	Dormant in current year	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Net assets £
BCS Enterprises Limited	100

15. Debtors

	2025 £	2024 £
Trade debtors	2,716,284	192,678
Other debtors and accrued income	570,730	177,363
Prepayments	200,881	112,481
	<u>3,487,895</u>	<u>482,522</u>

Included within trade debtors above is a bad debt provision of £10,753 (2024: £2,236).

Trade debtors at 31 August 2025 include invoices raised in advance for the Autumn term beginning September 2025. This is a change in presentation as a result of the introduction of VAT on school fees. In the prior year, the Autumn invoicing invoiced in advance was not included in debtors at the year end.

Other debtors contains £403,116 split between £47,184 due within one year and £355,932 due over one year in respect of the Schools Capital Goods Scheme claim.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Current asset investments

	2025 £	2024 £
CCLA deposit account	628,184	2,072,974

17. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	715,536	300,839
Other taxation and social security	538,473	95,841
Fees in advance (note 18)	3,348,464	1,059,917
Deposits (note 19)	261,700	201,300
Pension liability	8,255	1,949
Accruals and other creditors	541,809	1,310,273
	5,414,237	2,970,119

Included within Fees in advance is the net fees invoiced in advance for the Autumn term beginning September 2025 with the related VAT on these invoices included in Social Security and Other Taxes. This is a change in presentation as a result of the introduction of VAT on school fees. In the prior year, fees from advanced Autumn invoicing was only included in deferred income where the invoice had been paid.

18. Fees in advance

Movement of fees in advance:

	2025 £	2024 £
Balance at 1 September	1,059,917	915,611
New advance fees received/invoiced	3,348,464	1,059,917
Amounts utilised in payments	(1,059,917)	(915,611)
Balance as at 31 August	3,348,464	1,059,917

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Fee deposits

Movement of fee deposits:

	2025 £	2024 £
Balance at 1 September	201,300	191,650
New deposits received	167,600	42,600
Deposits utilised	(107,200)	(32,950)
Balance as at 31 August	261,700	201,300

The Governors have reviewed the terms of the deposits which are held by the school. Under normal circumstances these will be repaid over future years when the pupils complete their education with the school, however pupils can leave at any date. Therefore, the school has no conditional right to retain the deposits for at least 12 months after the reporting date, in line with the requirements of FRS 102. As such, the balance of all deposits held at 31 August 2025 have been included within creditors due within one year.

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds

Statement of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2025 £
Unrestricted funds						
Designated funds						
Extraordinary repair fund	800,044	-	-	-	-	800,044
Loppylugs & Barbara Morrison Trust	10,325	10,325	-	-	-	20,650
School nursery and four classroom block	2,639,783	-	-	-	-	2,639,783
New build fund	1,325,000	-	-	-	-	1,325,000
Foundation fund	326,506	-	(330,631)	445,288	-	441,163
	<u>5,101,658</u>	<u>10,325</u>	<u>(330,631)</u>	<u>445,288</u>	<u>-</u>	<u>5,226,640</u>
General funds						
General Funds - all funds	<u>1,675,745</u>	<u>10,493,078</u>	<u>(10,113,438)</u>	<u>(445,288)</u>	<u>(78,765)</u>	<u>1,531,332</u>
Total Unrestricted funds	<u>6,777,403</u>	<u>10,503,403</u>	<u>(10,444,069)</u>	<u>-</u>	<u>(78,765)</u>	<u>6,757,972</u>
Endowment funds						
Endowment Funds - all funds	<u>15,612,472</u>	<u>-</u>	<u>(215,140)</u>	<u>-</u>	<u>(273,688)</u>	<u>15,123,644</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2025 £
Restricted funds						
Diana Willis memorial prize	165	-	-	-	-	165
Limoges Trust	5,111	5,000	-	-	-	10,111
John Avins Trust	2,000	2,000	-	-	-	4,000
Sir John Saville Trust	-	8,000	-	-	-	8,000
Reginal Farrar Fund	506	-	-	-	-	506
Association of Friends BCS	-	4,068	(4,068)	-	-	-
Hatfield Fund	315	-	-	-	-	315
Chris Byrne Memorial Prize Fund	120	-	-	-	-	120
King Fund	150	-	-	-	-	150
Girls Cricket Fund	500	-	-	-	-	500
Kathleen Morrison Fund	1,985	-	-	-	-	1,985
	10,852	19,068	(4,068)	-	-	25,852
Total of funds	22,400,727	10,522,471	(10,663,277)	-	(352,453)	21,907,468

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/(out) £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2024 £</i>
Unrestricted funds						
Designated funds						
Extraordinary repair fund	680,044	-	-	120,000	-	800,044
Loppylugs & Barbara Morrison Trust	-	10,325	-	-	-	10,325
School nursery and four classroom block	2,519,783	-	-	120,000	-	2,639,783
New build fund	1,205,000	-	-	120,000	-	1,325,000
Foundation fund	302,502	-	(369,720)	393,724	-	326,506
	<u>4,707,329</u>	<u>10,325</u>	<u>(369,720)</u>	<u>753,724</u>	<u>-</u>	<u>5,101,658</u>
General funds						
General Funds - all funds	<u>1,461,374</u>	<u>10,136,376</u>	<u>(9,354,832)</u>	<u>(753,724)</u>	<u>186,551</u>	<u>1,675,745</u>
Total Unrestricted funds	<u>6,168,703</u>	<u>10,146,701</u>	<u>(9,724,552)</u>	<u>-</u>	<u>186,551</u>	<u>6,777,403</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)

	<i>Balance at 1 September 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/(out) £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2024 £</i>
Endowment funds						
Endowment Funds - all funds	15,124,945	-	(160,687)	-	648,214	15,612,472
Restricted funds						
Diana Willis memorial prize	165	-	-	-	-	165
Limoges Trust	(7,313)	12,500	(76)	-	-	5,111
John Avins Trust	-	2,000	-	-	-	2,000
Reginal Farrar Fund	506	-	-	-	-	506
Association of Friends BCS	458	11,435	(11,893)	-	-	-
Hatfield Fund	315	-	-	-	-	315
Chris Byrne Memorial Prize Fund	120	-	-	-	-	120
King Fund	150	-	-	-	-	150
Girls Cricket Fund	500	-	-	-	-	500
Kathleen Morrison Fund	-	1,985	-	-	-	1,985
	(5,099)	27,920	(11,969)	-	-	10,852
Total of funds	<u>21,288,549</u>	<u>10,174,621</u>	<u>(9,897,208)</u>	<u>-</u>	<u>834,765</u>	<u>22,400,727</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Summary of funds (continued)

DESIGNATED FUNDS

Extraordinary repair fund - In accordance with the terms of the Charity commission the Governors had established a fund by 1 September 2009 to provide for the extraordinary repair, improvement and rebuilding of the school's property.

Loppylugs and Barbara Morrison Charitable Trust - This donation is available for use at the Headmaster's discretion taking into account the donors' interests.

School Nursery and Four-Classroom block - Fund set aside by the Governors following the Charity commission approval of the use of the £2m of the endowment fund for the development works. This is a capital fund and the future depreciation of the assets constructed will be charged to it.

New Build Fund - The Governors have agreed to set aside a sum of money annually to reflect the use of endowment funds which were expended on the School Nursery and Four Classroom Block.

Foundation fund - Designated - The Governors setting aside a sum to be agreed is to be applied in the provision of places at the school for children of merit and good character who are in need of financial assistance, and supporting state sector schools in need of additional support to enhance teaching and learning.

ENDOWMENT FUNDS

The Permanent endowment fund has to be held by the Blue Coat School Birmingham (Charity number 1152244-1) indefinitely under the Scheme approved by the Charity Commission on 12 March 1986. There is no power to convert the capital into income.

The transfer relates to additions on endowed property.

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20. Summary of funds (continued)

RESTRICTED FUNDS

Diana Wills memorial prize - This prize fund was set up a former teacher to reward a pupil's reading ability. The fund was to be used to provide one book prize a year.

Limoges Trust - Grants received to further the development of musical drama within the school.

The John Avins Trust - Fund provided for equipment and resources for the benefit of gifted children in need of financial support within the school.

Sir John Saville Trust - Funds provided by Mr John Saville towards the continued support of the young people of Birmingham.

The Reginald Farrar Fund - Funds provided by Mr Reginald Farrar towards the advancement of the mathematics department.

Association of Friends - Funds raised by the parents and friends of The Blue Coat School to provide additional equipment, resources and entertainment for the pupils.

Hatfield fund - Donation towards bursaries.

Chris Byrne Memorial Prize Fund - To fund a book prize at annual prize giving.

King Fund - Donation toward the bursaries.

Girls Cricket Fund - Funding received to promote Girls Cricket at the School.

Kathleen Morrison Fund - To fund a prize at the annual prize giving.

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Summary of funds (continued)

Summary of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2025 £
Designated funds	5,101,658	10,325	(330,631)	445,288	-	5,226,640
General funds	1,675,745	10,493,078	(10,113,438)	(445,288)	(78,765)	1,531,332
Endowment funds	15,612,472	-	(215,140)	-	(273,688)	15,123,644
Restricted funds	10,852	19,068	(4,068)	-	-	25,852
	<u>22,400,727</u>	<u>10,522,471</u>	<u>(10,663,277)</u>	<u>-</u>	<u>(352,453)</u>	<u>21,907,468</u>

Summary of funds - prior year

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2024 £
Designated funds	4,707,329	10,325	(369,720)	753,724	-	5,101,658
General funds	1,461,374	10,136,376	(9,354,832)	(753,724)	186,551	1,675,745
Endowment funds	15,124,945	-	(160,687)	-	648,214	15,612,472
Restricted funds	(5,099)	27,920	(11,969)	-	-	10,852
	<u>21,288,549</u>	<u>10,174,621</u>	<u>(9,897,208)</u>	<u>-</u>	<u>834,765</u>	<u>22,400,727</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £
Tangible fixed assets	2,497,238	-	5,929,804	8,427,042
Fixed asset investments	4,567,175	-	7,150,656	11,717,831
Investment property	-	-	1,415,000	1,415,000
Current assets	5,107,796	25,852	628,184	5,761,832
Creditors due within one year	(5,414,237)	-	-	(5,414,237)
Total	6,757,972	25,852	15,123,644	21,907,468

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Endowment funds 2024 £</i>	<i>Total funds 2024 £</i>
Tangible fixed assets	3,087,913	-	5,170,907	8,258,820
Fixed asset investments	4,521,955	-	7,548,329	12,070,284
Investment property	-	-	1,415,000	1,415,000
Current assets	1,542,916	10,852	2,072,974	3,626,742
Creditors due within one year	(2,375,381)	-	(594,738)	(2,970,119)
Total	6,777,403	10,852	15,612,472	22,400,727

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(493,259)	1,112,178
Adjustments for:		
Depreciation charges	489,844	427,121
(Gains)/losses on investments (including investment property)	352,453	(834,765)
Dividends, interests and rents from investments	(571,596)	(600,915)
Profit on the sale of fixed assets	-	(3,250)
Increase in debtors	(2,602,257)	(15,982)
Increase in creditors	2,437,812	906,619
Increase/(decrease) in pension scheme	6,306	(4,478)
Net cash provided by/(used in) operating activities	(380,697)	986,528

23. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash at bank and in hand	1,645,753	1,071,246
CCLA deposit account	628,184	2,072,974
Total cash and cash equivalents	2,273,937	3,144,220

24. Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash at bank and in hand	1,071,246	574,507	1,645,753
CCLA deposit account	2,072,974	(1,444,790)	628,184
	3,144,220	(870,283)	2,273,937

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**NOTES TO THE FINANCIAL STATEMENTS
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25. Capital commitments

	2025 £	2024 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	256,778

26. Pension commitments

The School's employees belong to two principle pensions schemes; the Teachers' Pension Scheme England and Wales ("the TPS") for academic and related staff which is a defined benefit scheme and a defined contribution scheme with The Pensions Trust for non-teaching staff. In addition, the school contributes to the personal pension plans of certain employees.

Teachers' Pension Scheme England and Wales ("the TPS")

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 £891,691 (2024 - £793,714) and at the year-end £99,388 (2024 - £90,124) 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 2020 and the Valuation Report was published in October 2023. The Valuation Report shows notional assets of £222.2bn and liabilities of £262bn, resulting in a scheme deficit of £39.8bn.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

The Pension Trust

The School participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK: It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupation pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

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26. Pension commitments (continued)

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2025 to 31 March 2028	£2,100,000 per annum (payable monthly)
------------------------------------	---

Unless a concession has been agreed with the Trustee the term to 31 March 2028 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 January 2025	£3,312,000 per annum (payable monthly)
--------------------------------------	---

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 liabilities.

Where the scheme is in deficit and where the Company has agreed to a deficit funding arrangement the Company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present value of provision

	31 August 2025	31 August 2024	31 August 2023
Present value of provision	<u>8,255</u>	<u>1,949</u>	<u>6,427</u>

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Reconciliation of opening and closing provisions

	2025 £	2024 £
Provision at start of period	1,949	6,427
Unwinding of the discount factor (interest expense)	15	235
Deficit contribution paid	(3,369)	(4,716)
Remeasurements - impact of any change in assumptions	73	3
Remeasurements - amendments to the contribution schedule	9,587	-
Provision at the end of period	8,255	1,949

Pension commitments (continued)

Income and expenditure impact

	2025 £	2024 £
Interest expense	15	235
Remeasurements - impact of any change in assumptions	73	3
Remeasurements - amendments to the contribution schedule	9,587	-
Costs recognised in income and expenditure account	9,675	238

	31 August 2025 % per annum	31 August 2024 % per annum	31 August 2023 % per annum
Rate of discount	<u>4.37</u>	<u>5.13</u>	<u>6.04</u>

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The pension charge for the year includes contributions payable to The Pension Trust scheme of £223,509 (2024 - £123,773) and at the year-end £nil (2024 - £1,949) was accrued in respect of contributions to this scheme.

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**NOTES TO THE FINANCIAL STATEMENTS
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27. Operating lease commitments

At 31 August 2025 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Not later than 1 year	13,703	10,578
Later than 1 year and not later than 5 years	54,333	-
	<u>68,036</u>	<u>10,578</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2025 £	2024 £
Operating lease rentals	<u>13,071</u>	<u>12,592</u>

At 31 August 2025 the total of the group's future minimum lease income receivable under non-cancellable operating leases was:

	2025 £	2024 £
Within 1 year	18,800	6,500
Between 1 and 5 years	18,400	18,400
Greater than 5 years	66,317	70,917
	<u>103,517</u>	<u>95,817</u>

28. Security

Included within cash at bank are amounts of £290,719 (2024 - £178,244) held as a guarantee to the Secretary of State to cover all liabilities arising out of The Blue Coat School Birmingham Limited's application to be an accepted school under regulation 134(1)(b) of the Teachers' Pensions Regulations 2010.

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**NOTES TO THE FINANCIAL STATEMENTS
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29. Financial instruments

	2025 £	2024 £
Financial assets		
Financial assets measured at fair value through income and expenditure	13,132,831	13,485,284

Financial assets measured at fair value through income and expenditure comprise investments and investment properties.

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

	2025 £	2024 £
Total investment income for financial assets measured at fair value through income and expenditure	571,596	600,915
Net gains/(losses) on financial assets measured at fair value through income and expenditure	352,453	834,765
Impairment (losses)/gains on financial assets measured at amortised cost	(39,120)	(431)

30. Related party transactions

During the year ended 31 August 2025, the value of payroll costs paid to close family members of Key Management Personnel, deemed related parties, was £102,490 (2024 - £96,197).

Three members of the Senior Leadership Team are parents of pupils currently at the school. During the year, they were charged School Fees, discounted by the rate each staff member is eligible for per the terms of their employment. The balance outstanding at the year end was £Nil (2024 - £1,859).

During the year ended 31 August 2025, donations were received by the Limoges Charitable Trust of £5,000, (2024 - £8,750) a charity for which M H Dyke and A Milner, Governors, are Trustees. These donations were restricted and were recognised within the Limoges Trust Restricted Fund during the years in which they were received.

During the year ended 31 August 2025 staff time valued at £81,919 (2024 - £79,924) was donated to Birmingham Diocesan Multi Academy Trust, an Entity for which Governor Rev. M Thompson is also a Governor. This expenditure has been allocated to the Foundation Designated Fund.